SENATE—*Friday, March 17, 1995*

(Legislative day of Thursday, March 16, 1995)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Lloyd John Ogilvie, D.D., offered the following prayer:

Let us pray:

Almightly God, You have promised strength for the work of this day, power to handle the pressures, light for the way, patience in problems, help from above, unfading courage, and undying love. In the stresses and strains of leadership, often we sense our wells have run dry. Life has a way of depowering us, depleting our resiliency, and draining our patience. People can get us down and perplexities stir us up.

Lord, I pray for Your supernatural strength for the women and men of this Senate, their families and their staffs. Bless them with a fresh flow of Your strength—strength to think clearly, serve creatively, and endure consistently; strength to fill up diminished human resources; silent strength that flows from Your limitless source, quietly filling them with artesian power. You never ask us to do more than You will provide the strength to accomplish. So make us river beds for the flow of Your creative spirit. Fill this day with the serendipities, unexpected surprises of Your grace. Be Lord of every conversation, the unseen quest at every meeting, and the guide of every decision.

Gracious Lord, on this Saint Patrick's Day, we remember the words with which Patrick began his days. "I arise today, through God's might to uphold me, God's wisdom to guide me, God's eye to look before me, God's ear to hear me, God's hand to guard me, God's way to lie before me and God's shield to protect me." In Your holy name. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

LINE-ITEM VETO

The PRESIDENT pro tempore. Under the previous order, there will now be a period for debate on the line-item veto legislation, S. 4, until the hour of 3 p.m., equally divided and controlled by the majority and minority leaders, or their designees.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. McCAIN. Mr. President, for the information of my colleagues, today's session will be dedicated to general debate on the subject of the line-item veto legislation. The time between 10 a.m. and 3 p.m. today will be equally divided.

Last evening, the majority leader announced there will be no rollcall votes today, nor will there be rollcall votes during Monday's session of the Senate.

On Monday, March 20, the hours between 10 a.m. and 5 p.m. will be equally divided for debate only on the subject of the line-item veto bill, S. 4. Under a previous order of the Senate, the Senate will proceed to consideration of S. 4 at 5 p.m. on Monday. However, as mentioned before, there will be no rollcall votes on Monday.

UNANIMOUS-CONSENT AGREEMENT

Mr. McCAIN. Mr. President, I ask unanimous consent that the Senator from South Carolina be granted such time as he may use as in morning business, and following that we proceed to discussion of the line-item veto.

I yield to my colleague from North Dakota, if he has a request or a comment.

Mr. CONRAD. Mr. President, I say to the floor manager, I would like, if possible, 5 minutes at the end of the remarks of the distinguished Senator from South Carolina.

Mr. McCAIN. Mr. President, I ask unanimous consent that following the remarks of the Senator from South Carolina, the President pro tempore of the Senate, that the Senator from North Dakota be recognized for up to 10 minutes for any remarks that he may make.

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

RESUMPTION OF HOSTILITIES IN BOSNIA AND CROATIA

Mr. THURMOND. Mr. President, I wish to thank the able Senator from Arizona.

Earlier this week, the administration announced that Croatia has agreed to allow U.N. peacekeeping troops to remain beyond the expiration of the U.N. mandate on March 31. If the United Nations had been forced to leave, fighting would probably have broken out between the Croatian Government and the Croation Serbs who control the Krajina region of Croatia. This would have reignited the conflict in Croatia, and it no doubt would have spread to Bosnia and the rest of the region.

I have often been critical of the Clinton administration's inept diplomacy that has produced one foreign policy debacle after another. But in this case the administration deserves credit for persistence in a very difficult situation. I agree with Vice President GORE that the concession by Croatia's President Tudjman is "* * * a major step away from war and toward peace."

We have narrowly averted disaster—for the moment. But let us not congratulate ourselves too warmly or prematurely. If we are not careful, this limited and temporary success may breed a high degree of complacency, and blind us to the larger, impending crisis in the Balkans. As always, we seem to be reacting only to the crisis immediately at hand, instead of thinking ahead. While we still have a few weeks or at most 2 months, we had better start preparing for what may happen in Bosnia. Failure to anticipate and prepare now could lead to disaster later on.

We are facing two deadlines. The most urgent deadline of course is the expiration of the U.N. mandate in Croatia on March 31. For the moment the situation in Croatia appears under control, even though the underlying problem that led President Tudjman to request the United Nations departure in the first place has not been solved. That problem is a de facto division of the country. The Krajina region, nearly one-third of the country, is under Serb control. Understandably the Croatian Government does not want to accept a partition that could harden into permanence. Although the continued U.N. presence in Croatia gives us some breathing space, it will not end Serbian domination of the Krajina or guarantee the end of conflict between Croatian forces and the Krajina Serbs. After all, there are plenty of U.N. troops in Bosnia, and they have not prevented fighting between the Bosnian Government and Bosnian Serbs.

The second looming deadline is May 1, the end of the temporary truce and current contact group negotiations in Bosnia. The present negotiations may be the last chance for a peaceful settlement. I hope and pray they are successful, but I fear this contact group effort

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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may prove as fruitless as all the others. Furthermore, May marks the arrival of warm weather and the traditional resumption of military campaigns. If the people of this troubled region once again choose war over peace, we, in the Congress and the administration, are going to be faced with some very difficult choices. We had better start thinking dispassionately about those choices now, and not wait until we are overwhelmed by the passions of the conflict and terrible images of violence.

If a general conflict erupts again across the region, the U.N. peacekeeping mission—UNPROFOR—could find itself in extreme danger. The administration has agreed to provide military assistance, including U.S. combat troops, to help cover the withdrawal of UNPROFOR if it should prove necessary. I have always opposed a general intervention in Bosnia with United States ground forces. But an UNPROFOR withdrawal is an entirely different situation. With the deepest reluctance I will support U.S. participation in a NATO mission to cover the withdrawal of UNPROFOR.

The United States cannot stand idly by if U.N. troops from allied nations find themselves in mortal danger. The damage to U.S. leadership, honor, prestige, and credibility would be beyond calculation. Some will say that honor, prestige, and credibility are only words, empty words; that they are not worth the lives of young Americans who will have to go into the Balkans. It is true that leaders often misuse these words to manipulate public opinion on behalf of questionable causes. But they do have meaning, as "justice" and "liberty" are words that have deep meaning, and are words that we live by. Credibility, prestige, and national honor are still essential components of national security, as they have always been. They are especially important if we are to exercise the moral leadership expected of the world's only superpower.

If we want to remain secure in today's violent and chaotic world, we must never permit any doubts in the minds of friends or enemies that our word is good, or that we can be relied upon to stand with our allies, or that we will keep our commitments. The credibility that comes from demonstrated steadfastness of purpose is a key aspect of deterrence. It is an essential though intangible element of global power and of the necessary relations between states. A great nation cannot remain great very long without it.

Therefore, I will support the participation of U.S. troops in such an operation, but only under certain conditions.

First, it must be a NATO operation, totally under NATO command. Once our troops are committed on the ground and to potential combat, we cannot tolerate the so-called dual-key arrangement between the United Nations and NATO. This violates the most basic principle of sound military operations—unity of command. Unless the dual-key relationship is completely scrapped and replaced with clear lines of command and control under NATO, I will vigorously oppose U.S. participation in the withdrawal.

This unified command authority must be established in advance. All governments with forces involved, and all UNPROFOR officers and NATO commanders at every level, must understand before the operation begins that NATO will be in charge, even in zones where the withdrawal proves peaceful.

Second, the rules of engagement must not place any limitations on the use of force to protect the withdrawal. It must be clear to all parties to the conflict that we will not tolerate any attacks on NATO or on UNPROFOR. Any attack must be met with massive, overwhelming force; and not merely on the attacking forces, but on the offending party's military and logistical capabilities wherever they may be hit.

We must also remember that while the Serbs are the primary aggressors and have committed the most atrocities, none of the parties in this conflict have clean hands. NATO and U.S. ground commanders must be alert to provocations from all sides. They must anticipate and respond appropriately to attacks from one party intended to blame another, and be careful not to retaliate against the wrong party.

Third, the scope and duration of the withdrawal must be limited. I do not advocate a date certain for ending it. It must end promptly when all UNPROFOR and NATO troops are safely out. We must be especially careful not to allow the withdrawal mission to be transformed at some point into peace enforcement or a broadened combat mission that results in a general, prolonged engagement with Serbs, Croats, or Bosnians—as we learned to our great cost in Somalia.

Fourth, we need to make it abundantly clear that a U.S./NATO rescue mission is not a blank check to the United Nations for the future. I believe the United Nations and our allies have been too eager to commit to dubious peace operations. The Bosnian dilemma is a result of such ill-conceived policies. The United States cannot rush to the rescue every time our allies find themselves in a tight corner because they did not consider the consequences of a misguided peace operation in advance, or took our help for granted. Our diplomacy and statecraft must make sure we are not faced with such a terrible choice ever again.

The diplomatic success in Croatia has bought us some time. Let us use it wisely, and make sure the Congress and the administration are working together to face whatever crisis may come in the Balkans. Above all, let us use it to prepare the American people for the possibility that our soldiers may have to go into combat to rescue our allies; and that may not be without risk.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Pursuant to the unanimous-consent agreement, the Senator from North Dakota is recognized for 5 minutes.

Mr. CONRAD. I thank the Chair. I think there was actually 10 minutes provided for me under the order.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 10 minutes.

SOCIAL SECURITY TRUST FUNDS

Mr. CONRAD. Mr. President, on March 10, the columnist Charles Krauthammer had a column in the Washington Post entitled "Social Security Trust Fund Whopper." The gist of his column, which really was an attack on Senator DORGAN and myself for our role in the balanced budget amendment debate, was to suggest that it does not really matter whether you take Social Security trust fund moneys or not.

His argument was, in the first case, that Social Security is a pay-as-you-go system.

Mr. President, Mr. Krauthammer is just flat wrong. Social Security is not a pay-as-you-go system. He must have missed completely the 1983 act, because in that legislation Social Security was taken off a pay-as-you-go system. It was taken off the pay-as-you-go system because there was a general recognition that we had the baby boomer generation coming along, and that if we stayed on pay-as-you-go—and for those who perhaps are not familiar with the language that we use around here with respect to pay-as-you-go, that simply means you raise the amount of money necessary in any one year to fund the benefits in any one year.

In 1983, that was all changed. We took Social Security off pay-as-you-go. We did it for the purpose I earlier described, the purpose of getting ready for the baby boom generation, the time when the number of Social Security eligible people will double in this country. And so in 1983 we set a course of running surpluses in Social Security. The idea was to save that money in preparation for the time when the baby boom generation retires. And for that reason, in the most recent year, we have run a $69 billion surplus in Social Security.

Obviously, if we were pay-as-you-go, there would be no surplus, but there is a surplus and there are continuing surpluses. If those funds are used to balance the operating budget of the Federal Government, then obviously they will not be available when it comes

time to pay out benefits to those who have made payments on the promise that they would get benefits when they retire.

Mr. President, the second major error in Mr. Krauthammer's column is he suggests it does not really matter from where you borrow.

It makes a great deal of difference. It makes a difference because Social Security is financed by a dedicated tax, a tax that is levied on employers and employees in this country to fund Social Security. That is a regressive tax. It is a payroll tax. Mr. President, 73 percent of American taxpayers pay more in Social Security taxes than they pay in income taxes. It matters a good deal whether or not one takes those funds and uses them for other Government expenses rather than saving them for the purposes for which they were intended.

The difference it makes, I think, can be most easily explained with a simple example, one perhaps closer to home to Mr. Krauthammer himself. Let us say he works for the Washington Post, gets paid by them, puts part of his money into a retirement account, and the Washington Post falls on hard times. It runs into a situation in which they are losing money. Instead of moving to honestly balance their budget, they go raid the trust funds, the retirement funds of their employees, including Mr. Krauthammer. As we say in our answer yesterday in the Washington Post to his column, then ". . . even [Mr.] Krauthammer might understand the fallacy of looting trust funds to pay [the] operating expenses [of a company.]" Because then he would be directly affected.

Mr. President, I ask unanimous consent to have printed in the RECORD a column Senator DORGAN and I wrote in answer to Mr. Krauthammer, that appeared in the Washington Post of yesterday.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 16, 1995]

UNFAIR LOOTING

(By Byron L. Dorgan and Kent Conrad)

Charles Krauthammer's uninformed defense of an indefensible practice ["Social Security Trust Fund Whopper," op-ed, March 10] demonstrates that is is possible to be a celebrated pundit yet know nothing of the subject about which one is writing.

In attacking us for our position on the balanced-budget amendment, Krauthammer misses the mark by a country mile on two very important points. First, he insists incorrectly that "Social Security is a pay-as-you-go system" that "produces a cash surplus" because "so many boomers are working today." Second, he ignores the fact that Social Security revenues were never meant to pay for expenses incurred in the federal operating budget. Missing both fundamental points undermines the credibility of Krauthammer's conclusions.

Here are the facts:

First, Social Security is not a pay-as-you-go system. If it were, Social Security benefits would exactly equal taxes, and there would be no surpluses. But there are. This year alone Social Security is running a $69 billion surplus.

Apparently, Krauthammer completely missed the 1983 Social Security Reform Act, which removed the system from a pay-as-you-go basis. In 1983 Congress recognized that in order to prepare for the future retirement needs of the baby boom generation, we should raise more money from payroll taxes now than is needed for current Social Security benefits. We did that because when the baby boomers retire, there will not be enough working Americans to cover Social Security benefits on a pay-as-you-go basis. We will need accumulated surpluses to pay these benefits.

Second, Social Security revenue is collected from the paychecks of working men and women in the form of a dedicated Social Security tax, deposited in a trust fund and invested in government securities. This regressive, burdensome tax (almost 73 percent of Americans who pay taxes pay more in social insurance taxes than in income taxes) isn't like other taxes. It has a specific use—retirement—as part of the contract this nation made 60 years ago with working Americans.

Because this tax is dedicated solely for working Americans' future retirement, it shouldn't be used either for balancing the operating budget or masking the size of the budget deficit. Krauthammer not only irresponsibly condones the use of the Social Security surpluses to do these things, he thinks we should enshrine this procedure in our Constitution.

He apparently does so because he doesn't understand the difference between balancing an operating budget and using dishonest accounting gimmicks to hide operating losses. To illustrate the difference and how it works to loot the Social Security trust funds, let's use an example a little closer to home for Krauthammer.

Assume that Krauthammer is paid a lucrative salary by The Washington Post, which puts part of that salary into a company retirement plan. Then let's assume The Washington Post comes upon hard times and starts losing money each year.

Here's where honesty matters. The Post has two choices. It could face up to its problems and move to balance its budget. Or it could follow Krauthammer's prescription and disguise its shortfall by raiding the employees' retirement fund to make it appear that the operating budget is balanced. Of course, the retirement fund would have nothing but IOUs in it when it comes time for Krauthammer to retire. At that point, even Krauthammer might recognize the fallacy of looting trust funds to pay operating expenses.

Absurd? Sure. But the flawed Republican balanced-budget amendment plan would in the same way keep on looting Social Security trust funds to balance the federal operating budget. Instead, we should take the honest course and begin the work now to bring our federal operating budget into balance without raiding the Social Security trust funds.

Contrary to Krauthammer's assertion, the only fraudulent point about this issue was his uninformed column.

Mr. CONRAD. I thank the Chair and I thank my colleague from Arizona as well for this time. I appreciate his giving me this time this morning.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I say to my friend from North Dakota, who is still on the floor, I think we have a significant difference of opinion here between himself, his other colleague from North Dakota, and Mr. Krauthammer. I suggest we set up some kind of debate scenario—one of the talk shows or one of the Sunday programs. I think it would be very valuable to the American people to hear both sides. I am sure Mr. Krauthammer would agree to such a scenario and I would be glad to help set it up. Because it is a very important, fundamental issue we are discussing.

I know the Senator from North Dakota and his colleague from North Dakota have very strongly held views on this issue. I think, because the balanced budget amendment will come up again, that it is very important we continue this debate. I yield to the Senator from North Dakota if he would wish to respond.

Mr. CONRAD. Mr. President, I thank the Senator from Arizona. I like that idea. In fact, I think we ought to have a debate about this all over the country. I think it would provide a real education to the American people as how the finances of Government actually work. I think if people understood that we were talking about putting into the Constitution of the United States a policy that would take retirement trust fund moneys and use them to balance the operating budget that they would say that is not a good principle, not a good policy to put in the Constitution.

Senator DORGAN and I both come from financial backgrounds, as the Senator from Arizona knows. It is perhaps for that reason that we are most sensitive to this notion of using trust fund moneys for the operating expenses of the Government or the operating expenses of any institution. If we were in the private sector and anybody stood up and suggested, "I have a plan to balance the budget of this company. I know we have been running deficits. The answer I have come up with is to take the retirement funds and throw them into the pot," that person would be on their way to a Federal facility and it would not be the Congress of the United States. They would be on their way to jail because that is fraud.

I feel very strongly about this question. I think as the American people have a chance to learn more about this question they will conclude that is not the way we want to conduct our business. But that does not take away for one moment from the need to balance the budget. We have an urgent need to do it, whether or not we have a balanced budget amendment. Frankly, I think a balanced budget amendment would help if it was properly crafted. But if we do not have one we still have to get about the business of balancing this budget.

I know that is something the Senator from Arizona believes. I recognize the Senator from Illinois, who is here, who is the moving sponsor of the balanced budget amendment. Nobody is more dedicated, more sincere, or more serious about addressing this problem because he recognizes, as I think the Senator from Arizona does, and as I do, that if we do not do it, if we do not balance the budget, we are going to be in deep trouble in the years ahead. We are heading for a circumstance, according to the Entitlements Commission, where in the year 2012, every nickel of Federal revenue goes for entitlements and the interest on the debt. Obviously we cannot do that.

I yield.

Mr. SIMON. Will my colleague yield?

Mr. McCAIN. I will be glad to in just one second, as soon as I respond to the Senator from North Dakota, if I might say to my friend from Illinois.

I certainly hope the Senator from North Dakota realizes that we cannot balance the budget even if we had a balanced budget amendment, which I believe we eventually will, without a line-item veto for the President of the United States. I look forward to working with him on this issue.

Since the distinguished Democratic leader is here on the floor, I would like to say to him I saw his remarks on C-SPAN this morning. I appreciate his spirit of willingness to work together. We want to work together with the minority leader. I think the minority leader's statement, the statement of the Senator from South Dakota, that we are in agreement that a line-item veto is necessary, is a very important and helpful statement.

I apologize to him if he feels there has not been enough consultation with his side of the aisle. I intend to engage in that consultation as we shape the so-called substitute which will really be the subject of debate next week. I hope he understands that there were some significant differences on this side of the aisle. My friend from Alaska will articulate those in his usual forceful and persuasive fashion. So I hope he understands we first had to get a significant consensus on this side.

I look forward to working with him as we work toward the goal which he so eloquently stated this morning is important for America and the balanced budget.

Before the distinguished minority leader speaks, I think the Senator from Illinois wanted to make remarks?

Mr. SIMON. Yes, Mr. President, I thank my colleague for yielding.

If I may, this will sound like a politician talking when I say I think Senator CONRAD and Charles Krauthammer each has a very valid point. The point that Senator CONRAD makes that we should be balancing the budget without using the Social Security trust fund to do so I think is a very valid point, and it is a point that he and his colleague, Senator DORGAN, have made very forcefully.

The point Mr. Krauthammer makes is that the great threat to Social Security is debt, because we are headed toward monetizing our debt and devaluing our dollar. We are headed down the Mexican route right now. The only way I see of stopping that is the balanced budget amendment.

So, what I favor is passing that balanced budget amendment. I hope, somehow, we can get some statutory modifications that can satisfy some who, like Senator CONRAD, are very genuinely sincerely concerned about the Social Security trust funds and protecting them. His point is valid. The Krauthammer point, that the real threat to Social Security is debt, is also a very valid point.

I thank my colleague from Arizona for yielding.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is controlling timing.

Mr. McCAIN. Mr. President, I congratulate the Senator from Illinois for his usual excellent standard of understanding both points of view. That is one of the reasons he has been so helpful in many an issue around here.

I would say to the Senator from North Dakota, if I may, we are on the line-item veto. I know the minority leader is here and the Senator from Alaska has been waiting to speak.

Mr. CONRAD. Mr. President, I just ask for 30 seconds to make an observation?

Mr. McCAIN. Sure. I yield to the Senator from North Dakota.

Mr. CONRAD. Mr. President, I just wanted to say in response to the Senator from Illinois, I believe Krauthammer is partially right. Debt is a significant threat to Social Security. But there is a second threat. The second threat is raiding the trust funds to cover operating expenses.

Just as a financial principle, I do not think we want to put in the Constitution that taking trust fund money to pay for operating expenses is the right way to go.

I agree completely with the Senator from Illinois on the debt being a significant threat to Social Security as it is to the economic future of our country. That is the underlying problem that fundamentally we must address and I think we have an obligation, especially when we talk about the Constitution of the United States, to do it in an honest way.

Mr. SIMON. Will my colleague yield for 1 minute?

Mr. McCAIN. If my friend from Illinois will promise me that will be the end of this debate on the balanced budget amendment, I will yield.

Mr. SIMON. I promise.

Mr. President, let me say to my friend from North Dakota that the balanced budget amendment does not get into all kinds of details. The balanced budget amendment does not change one iota from the way we handle the trust funds right now. It does not change our present practice. I favor statutorily changing it. I agree with Mr. Krauthammer that the great threat to Social Security is debt. I think any real analysis has to come to that conclusion. But I favor statutory protection along the lines that Senator CONRAD suggested.

Mr. McCAIN. Mr. President, what is the parliamentary situation as far as the division of time remaining is concerned?

The PRESIDING OFFICER. The Chair advises the Senator from Arizona that he has 2 hours and 2 minutes under his control and the Senator from South Dakota has 2 hours and 28 minutes under his control.

Mr. McCAIN. Mr. President, the distinguished Democratic leader has kindly consented to allow Senator STEVENS, who has been on the floor, to speak before him. I would like to yield such time as he may consume to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the Senator from Arizona. I reiterate to my good friend, the minority leader, that I would be pleased to recognize his right to the floor if he wishes to take it. I will be happy to defer to the leader, if he wants to proceed. Very well. Thank you very much. I also thank, Mr. President, my friend from Arizona.

Mr. President, next week the Senate will proceed to legislation to give the President a line-item veto over any item that is in an appropriations measure. I think the Senator from Arizona and the Senator from Indiana, as I said last night, deserve a great deal of credit for pressing forward on this matter.

In the last Congress I voted twice for a sense-of-the-Senate resolution that would support the concept of a line-item veto. If a cloture vote is needed to proceed to this bill, I intend to vote for cloture on the motion so that the bill may be considered on the floor. It is my hope—I have been expressing that hope rather forcefully, as the Senator from Arizona has indicated, in conferences we have had on the bill—that the bill will be amended to include the other major forms of spending of our taxpayers' money: first, entitlements, and, second, targeted tax benefits. Those two forms of spending, as well as appropriations, I think lead at times to items that could be, and should be, eliminated by the President with a line-item veto.

I intend to vote for cloture on the bill and for the bill itself if it is amended so that it covers the full realm of

Federal spending. I think we have to be serious about giving the President new tools to cut the deficit. As a matter of fact, during this very critical period of our history, I think the President should have a series of tools so that he cannot put the blame on Congress for an increase in the deficit as we have seen in the past.

By expanding this bill to allow the President to veto provisions in authorizing bills that create new entitlements and to delete revenue measures that might give a tax break to individuals or special groups, I think we will give the President the ability to stop some of the red ink that has poured money out of the Treasury through otherwise hidden provisions.

According to the President's budget request for 1996, discretionary defense, international, and domestic spending will account for 34 percent of the budget. Direct spending through entitlements like Medicare, food stamps, Social Security, other mandatory spending programs, will account for 50 percent of the budget. Interest on the debt will be about 16 percent of the budget. If this bill is not expanded to allow the President to veto new entitlement programs or additions to existing direct spending programs, the new tools would be limited, and about 50 percent of the total spending would be put off limits. I have in the past tried to bring about changes so that these line-item veto bills would include all areas of spending. I am hopeful that we are coming close to that now.

If you look at the income tax area, both personal and corporate, that accounts for about 49 percent of the projected revenue base for the next year, 1996. Excise taxes account for 7 percent. Social Security income and the borrowing account for the remainder of the Federal revenue stream. But each time Congress provides a special break for some individual or corporation through a transition rule or target tax provision, it effectively reduces revenue and, therefore, increases the deficit.

I believe the President ought to be able to veto special tax breaks just like the so-called pork that may be included in the appropriations bills.

I would like to point out for the record, however, Mr. President, that the Appropriations Committees of the House and Senate have not once in the last 10 years increased spending through what we call reprioritization or what some Members and the press call pork. As an appropriator now for over 25 years, I believe what appropriators have done in most instances is reorder the spending priorities of the President. The President sends up his budget, and we have changed it in many ways. That is what I think our constituents elected us to Congress to do—to represent their view in what priorities should be for Federal spending.

When Congress decides to spend money for theater missile defense to protect the United States against terrorist attack rather than spend the same money for peacekeeping in Somalia or Bosnia, or to spend money to provide access to parks or increase cancer research instead of spending money for housing for Park Service employees or to research different types of infections, some call it pork. Again, I call it reprioritization. When we reprioritize these budget items, that does not increase Federal spending. But they may be the subject of concern for some people.

I agree that some of the reprioritizations are a concern. If we are going to give the President a line-item veto, the President should have a line-item veto over such changes. All I have asked is that the President also have authority over the full spectrum of how the Congress spends taxpayers' money.

Congress has historically given the President less money to spend than he has asked for. We are talking now about annual appropriations bills. Those of us who are on those committees are accused of pork barrel politics when we reorder the priorities of the President. If a person would look at article I, section 8 of the Constitution, I think it is plain that is what Congress was supposed to do. That is our job. The Constitution gave Congress the power to pay the debts and provide for the common defense and the general welfare of the United States. I believe that says Congress should set the priorities of where we put the taxpayers' money. And in the final analysis, the President can agree or disagree by vetoing the whole bill.

If we need to strengthen the President's ability to selectively disagree, through a line-item veto, so be it. But I think it should be across the board.

We in Congress also set priorities through tax breaks and direct spending. One only needs to look at the highway bill to see what direct spending can do. In one bill alone, over $6 billion was earmarked for demonstration projects throughout the country. Those projects could not be changed by the President. He had only the opportunity to agree or disagree with the overall highway bill. To be fair, I think we ought to give the President the power to really do something about that bill also, and I hope that the bill we finally vote on will include all forms of congressional spending: appropriations, entitlements, and other mandatory spending, and targeted tax breaks.

Congress has under the Constitution a balance with the President. We write the policy. The President carries it out. But to keep the President from being a simple servant of the Congress, to really give him independence, the Constitution gave the President the power to veto congressional legislation. Now, I agree that in many ways that power has been limited because there are times when Congress wraps up in a bill things a President might delete if he had the same power as the Governors normally have in our States, the power of the line-item veto.

It does seem to me that what we need to do is recognize there has been a change, not only in terms of passage of time but in terms of the size of the problems we face, for both the Congress and the President. Given the current deficit, it is clear that the balance established by the Constitution has not worked as well as it was intended. Extraordinary measures, extraordinary tools, are needed to control Federal spending.

For that reason, I am willing to support a trial period of giving the President additional veto authority. I only ask that authority apply to all forms of Federal spending. And I ask the Senate: What good would it do to give the President the power to veto individual items in appropriations bills alone when they affect only 34 percent of Federal spending? And I believe the record will show Congress only changes about 10 percent of the items the President sends up in any given year.

The President, in my opinion, could veto all discretionary spending, defense included, and still not balance the budget. Giving the President the power, therefore, to have a line-item veto over that 34 percent will not really contribute in the long run very much to controlling the deficit.

But, Mr. President, I really speak for fairness. I represent a very large State with a very small population. There are only three of us here representing Alaska in the Congress. California has 54 people, I believe, to represent the large population there in California. And those people not only say more when the President is elected, but they say more in terms of the votes in the House.

I think the Constitution recognized that difficulty and, through the establishment of the Senate, gave small population States a real voice in the outcome of the deliberations of the Congress. The Constitution also imposed checks and balances between the President and the Congress to prevent the abuse of authority.

If you want to look at the difference between the proposed bill and the amendment I hope to see included, I believe tax breaks and entitlements are very important to large States, much more so than small States. We are very rarely, really, impacted by targeted tax expenditures or by entitlement legislation. Small States such as mine depend upon the priorities Congress sets on the use of discretionary spending through the appropriations process.

Look at the Coast Guard; look at the FAA; look at the Department of the Interior accounts; look at the Housing

and Urban Development wastewater treatment accounts. We are very much affected by those controllable expenditures. All we ask is for a right to help determine what the priorities should be on the amount that Congress and the President agree to spend in those areas.

I cannot remember increasing an account to reprioritize funds for Alaska. Congress, if it gives the President a line-item veto on only the 34 percent that is discretionary spending, would end up by affecting the people in small States that rely upon that discretionary spending. Entitlement accounts, such as the highway account with its demonstration programs, as I just mentioned, affect very large population States. I do not remember a congressionally created highway demonstration project in my State. But I do recall a great many reprioritized discretionary spending accounts that have affected my State.

I remember—and I have a memo on this—there was a period of years where the Park Service had requested additional money for housing for their people in Alaska. In 1993, the National Park Service requested $4.65 million and we fully funded that request. In 1994, the Park Service requested another $6.377 million for housing for its personnel in Alaska. We fully funded that request. In 1995, the Park Service requested $7.023 million for 1995 for additional housing in Alaska. For the third year in a row the Park Service was seeking a multimillion-dollar account.

At my request, Congress reduced that account in the third year to $800,000 and shifted $6.2 million to other programs in Alaska run by agencies within the Department of the Interior. In most instances, they were moneys that the agencies had requested but had been stripped out by the Office of Management and Budget in the budgeting process.

At my request the Congress agreed to reprioritize that money to increase funding for the cadastral survey program. With the largest amount of Federal lands in the country, we are surveying out the lands that have been ordered by Congress to be given to the Alaska Natives in our State, or to our State itself, and that account is falling way behind. It will be 2050 before our land is surveyed at the spending current rate.

I believe the Appropriations Committees have a right to recommend that Congress reprioritize some of these accounts, and to ask others to join us in doing so. We do not do that alone. Any Member can come to the floor and oppose any of those reprioritizations and I think they should if they disagree.

I do believe that there are many who share my views that the bill should be expanded. I am not going to name them here, because I think that would be unfair. I think they should speak for themselves.

I am not talking about expanding anything other than the scope of the line-item veto and, in my mind, moving it to a consensus where there will include all appropriations bills, all new entitlements or direct spending, and all targeted tax benefits and targeted tax rates. When that consensus comes along, I think you will see the same group of people who voted overwhelmingly for the Cohen sense-of-the-Senate resolution last year, and likewise the same group of people who voted for the Bradley-Hollings sense-of-the-Senate resolution last year, also.

I think it is time to give the President more power to help us control Federal spending. If we amend this bill to allow the veto on any form of Federal spending, then I intend to support the bill and fight for its enactment. As I said, at this time, I intend to vote for cloture on the motion to proceed, if such a vote is needed, to give us the chance to do that.

And I really do hope and pray I will be able to vote for the final bill. I think we all need new tools to reduce this deficit.

Mr. President, in closing—and I think I have taken more time than I should—I am hopeful that all Members of Congress will look to the tremendous task that faces us this fall when we may be forced to increase the debt ceiling. We already have a debt ceiling of $4.9 trillion. It is my information that the national debt is bouncing up toward that limit now. I do not believe the people of this Nation will accept lifting that debt ceiling to $5 trillion or above unless they are convinced that we are doing everything we can to create the new tools and the new attitudes that are necessary to reduce the deficit and ultimately, hopefully, reduce the debt.

I am the father of six children and I now have seven grandchildren. I hope to have many more. And I hope to be able, while I am still in the Senate, to help take action to reduce this debt and reduce the burdens that will be on our children and grandchildren if we do not.

Mr. President, again, in closing, I want to thank my friend from Arizona. He is right about one thing. I think he is as much of a fighter for what he believes in as I am for what I believe in.

You know, gladiators sometimes contact and almost, apparently, wound one another, and yet can walk off the floor and be good friends. I hope my friend realizes that.

I intend to keep fighting for what I believe and I am sure he will, too.

Thank you very much, Mr. President.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, first of all, I wish to thank the Senator from Alaska for not only the friendship that he has displayed to me in his efforts on behalf of the people of Alaska, but also the people of my State.

I know of no one who has fought harder for his State, and I know of no one who has served as long and as honorably in this body as the Senator from Alaska has. I am especially gratified to note that the Senator from Alaska is willing and has shown an extreme willingness during some very difficult debate on this issue to compromise, to see the other viewpoint and, frankly, to make some changes that are difficult for him, given his strictly held beliefs and his unique position as representative of the largest State in America geographically, but one of the smallest as far as population is concerned. He has a special obligation due to lack of representation in the other body.

I believe that he has contributed enormously as ranking member and chairman of the Defense Subcommittee to this Nation's national security, a debt that future generations will owe him. I appreciate the spirit of comity with which we are addressing this issue. I know there will be issues in the future in which the Senator from Alaska and I will seriously disagree, but we will do so in a spirit of respect.

I thank the Senator from Alaska for his statement this morning on this issue. I know he will be involved as we take up the substance of the bill in the future.

Mr. COATS. Mr. President, will the Senator from Arizona yield?

Mr. McCAIN. Mr. President, I yield.

Mr. COATS. I would like to gather the attention of the Senator from Alaska for just a moment, if I could. I want to second the comments of my colleague from Arizona relative to the Senator from Alaska.

One of the tests I used to judge the character of individuals that I serve with is what I call the foxhole test. If I am in a foxhole surrounded by the enemy and the situation is desperate, who would I want there back by my side?

I know of no individuals that are as tenacious, and who I would rather have by my side in a desperate situation, than the Senator from Arizona and the Senator from Alaska. I respect them both, even when they differ. I respect their tenacity. I respect the strength of their convictions.

I just want to say to the Senator from Alaska that he has made an enormous contribution to this effort which we are undertaking. It was the Senator from Alaska's perseverance on the issue of the standard, the reach of the line-item veto to include not only discretionary domestic spending, which the Senator has labored mightily to restrain and to be responsible, but to extend that reach to other accounts.

It is solely on the basis of that Senator's persistence that we opened up

the discussion again. We are now in the process, and I think very, very close, to crafting an even better and more effective bill.

I very much appreciate the efforts of the Senator from Alaska, his spirit in which he pursued the issue and then his spirit in working with Members to define the issue. I think we will have a stronger proposal shortly before the Senate, and a great deal of credit goes to the Senator from Alaska. I thank him.

Mr. McCAIN. Mr. President, may I also add it has enlivened some otherwise dull and dreary meetings the Senator and I have been attending.

I know that the distinguished minority leader is coming to the floor for his statement, unless the Senator from Illinois wishes to speak.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself such time as I will consume.

Mr. President, I sympathize a great deal with the remarks of Senator STEVENS. I want to have a line-item veto that I can vote for.

I also agree with Senator STEVENS that we ought to be looking not only at appropriations, we ought to be looking at tax breaks. I personally would like to give the President, in theory what I would like to do is maintain a good balance of power. But there are constitutional problems with doing that.

I, in theory, would like to give the President authority to have a line-item veto or to reduce an appropriation, and that it would take a specific vote of a majority of the House and a majority of the Senate to override that. That forces a vote on our part. That way we cannot have some of these abuses that we hear about.

But I think probably more significantly, the ability to reduce an appropriation would save more dollars, frankly, than just the ability to line-item veto something. Senator STEVENS is correct. The majority of years Presidents request more money than we appropriate. The American public would be surprised to learn that. Six of the eight Reagan years, for example, the President requested more money than we appropriated. So Congress has been responsible in this area. The President ought to be able to force a vote on some of these things.

A very practical problem we faced in Illinois, the State library made a technical error and Illinois libraries were going to lose $11 million in Federal funds. I looked around for a bill I knew the President would sign, and I tacked that on.

Now, what I favor is a system where if the President did not approve that, he could force Members to vote. Frankly, if I cannot get 51 Members of the Senate or a majority in the House to support it, it should not pass. I think that is the direction that we ought to go.

The difficulty with that is, apparently to do that statutorily, we run into a constitutional impediment. That is why my former colleague from Illinois, Senator Dixon, and I, had a constitutional amendment which would have made that possible. I still favor that idea. The difficulty with the proposal by my colleagues, Senator BRADLEY and Senator HOLLINGS, of having separate bills for every item is, first, it will be a lot of paperwork; second, it does not deal with the problem of reductions in appropriations; third, Congress is going to be very creative and we will lump sum a lot of things together so we do not have as many lines in all that. I hope we can get something worked out.

Senator STEVENS is correct, also, in saying the total amount saved is not going to be large. My guess is if we get something that is worked out, we will be fortunate if we save $5 or $6 billion a year. That is no small amount, but with a $200 billion deficit, that is nowhere near the kind of money that we need. That is why we need the balanced budget amendment so we look more comprehensively.

I hope again, Mr. President, we can work something out. I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I am pleased to have this opportunity to speak on behalf of the line-item veto.

Most Members—as a matter of fact, 66 of the Members of this body—were willing to express a strong preference for a balanced budget amendment just a few weeks ago. Someday, we will get the 67th Member and have a balanced budget amendment. It is because the American people overwhelmingly endorse the concept of a balanced budget that I rise today to discuss extending the line-item veto authority to the President.

The truth is that a balanced budget amendment is a statement of an aspiration or a goal. It is an objective. The line-item veto, however, is something different. It is one of the ways that we can achieve the aforementioned goal. It is the mechanism by which we achieve that end.

The line-item veto then is a tool which will allow us to achieve a goal, and the goal is fiscal integrity. Fiscal integrity is very important. As a matter of fact, the dramatic events that followed our vote on the balanced budget amendment, as it related to the value of the dollar, demonstrate that the world understands the importance of fiscal integrity. When the U.S. Senate failed to pass the balanced budget amendment, the value of the dollar on international markets plummeted. We need to put our fiscal house in order. One important way to do that is to put the line-item veto in the hands of the President of the United States.

The line-item veto, then, is a tool. It gives the President the authority to do what needs to be done to knock those items out of the budget that we simply do not have the resources to afford. Of course, along with any authority goes responsibility. If we give this authority to the President of the United States, we should call upon him to exercise that authority and if, in fact, he does not exercise that authority, then the people can hold him accountable.

Too much of our problem in the budgetary universe right now is finger pointing. The President points to the Congress and says, "They appropriated it, and I couldn't veto part of it. I had to take all or none of it, so I took it all." So the President does not accept responsibility. Then, the Congress says to the President, "Well, you signed the budget; it's your fault."

We need to endow the President of the United States with both the authority and the responsibility to knock things out of the budget which we simply cannot afford understanding our present resources.

Mr. President, one of the reasons I speak with so much confidence about the line-item veto is that I spent 8 years as Governor of the State of Missouri. There, we had both the goal and the aspiration of a balanced budget because our State constitution requires it. These, then, were the tools that made it possible for the Governor to implement and achieve his goal.

Having this authority meant that it was my responsibility to look at our budget and to eliminate those things which we could not afford, to defer those things which we could not afford. I guess I want you to know that I believe that frequently legislators and governmental officials have aspirations and eyes that are bigger than their resources. When I was a boy, my mom used to say to me, "Your eyes are bigger than your stomach. You are loading up your plate and you are not going to be able to finish the meal." The truth of the matter is, when we load up our plate with more spending than we have resources to pay for them, somebody ought to be able to take that back off our plate or else we are placing ourselves, or by extension the Nation, in serious jeopardy. Not only as a military power, but as a financial power; not only as intellectual leaders, but as leaders in terms of fiscal integrity.

Mr. President, our eyes have been bigger than our pocketbooks, and we need to give the President the right to take some of the stuff off our congressional plate. During my 8 years as Governor, we did just that. We had to knock things off the plate. I remember having to veto special services to prisoners, not because the services to the prisoners were particularly bad. I had

to veto those items because we could not afford them. I remember when the general assembly wanted to increase funding for the State fair to elevate our capacity to showcase the wonderful hand crafts and industrial and agricultural products of our State. But I had to say, "Well, that would be a great thing to do and I understand how much you considered that and how important that was, but I had to draw a line through that item because we couldn't afford it."

One of Missouri's biggest industries is tourism, especially with the advent of Branson, the new country music capital of the world. We wanted to promote tourism in the State. We wanted to welcome people aggressively when they came to Missouri.

I remember being a part of a number of those programs. I remember going to a tourist information center and washing cars for tourists one day to show them how important we thought they were in coming to the State of Missouri. But when a couple of tourist information centers showed up on the budget that we did not have the money for, I regrettably had to draw the line through those things. It was not a matter of saying those things were not good. It was not a matter of saying the legislature did not have the right motivation. It was a matter of exercising the fiscal discipline necessary to balance the budget.

It was not popular when I looked at the budget one year, and we were not having a good year—the legislature passed a substantial increase in the salaries of State employees. They worked hard and I respected them. I said, "We simply can't make those increased salaries due to insufficent funds. I have to exercise the line-item veto." The point is that there are times when you simply want things, but you have inadequate resources with which to pay for them.

Mr. President, these efforts on behalf of the American taxpayer are not unique to me. Forty-three States give their Governor the authority and responsibility of the line-item veto. Forty-three different Governors do it. It is something that is expected. It is done successfully.

Mr. President, every kitchen table in America has a line-item veto. I have a chart which illustrates what happens with ordinary families. They sit down and figure out what they would like to have, and then calculate whether or not they have the money and resources to do. The things you can afford to do, you do; and the things you cannot afford to do, you eliminate. In short, you set priorities.

You know you are going to pay your rent. But if things are not going too well, the trip to Disney World is probably a candidate for the line-item veto. When you say you cannot afford the trip to Disney World, that is not necessarily indicating that it is bad to go to Disney World. You are simply indicating that financial considerations may find you at an out-state park, instead of Orlando.

Mr. President, you are also going to have to pay the taxes. You would like to have the retirement fund, but you might not commit as many funds. The new car probably gets cut. Cable television may lose the premium channels. Boy, it would be hard to cut off ESPN's analysis of "March Madness."

In the end, you have to set priorities. The average kitchen table in America does it; 43 Governors do it; why shouldn't the U.S. Congress give the President the authority to do it?

Now, Mr. President, there are some things that are far less worthy than the things I just listed. Some of the things that wind up in the Federal budget are nothing more, nor less, than people simply allocating resources to favored interests in their own State. That is what people outside the beltway call pork; and that is what the President of the United States should have the authority to eliminate.

One of the reasons this out-of-control spending must stop is that we have a $4.5 trillion debt; $4.5 trillion is a lot of money, but it is somewhat hard to comprehend. But simply put, it is almost $18,000 of debt for every man, woman, and child in America. Consequently, for a family of four—if my mathematics are correct—their share of the Federal debt amounts to $72,000.

Of course, the average family would probably have a real problem considering any new spending if they were forced to labor under an extra $72,000 of debt that had to be paid off. One of the problems with this amount of debt is that it adds yet another big expense that is not listed on this table—and that is interest.

Now, Mr. President, if your household's interest payments get to be quite large, they impair you from being able to do the things you would otherwise want to do. In the United States, our $4.5 trillion Federal debt is requiring the Government to spend money on interest instead of the other essential services and programs the American people have indicated they want. Things which are as essential to Government as braces would be for a child, or maintenance and repairs would be to a house, or a retirement fund would be to a person's future.

Mr. President, there has been a great deal of talk about Social Security on the floor of the Senate. However, the biggest single threat to Social Security is the national debt which is consuming our ability to pay for the things we really need. And if the national debt continues to increase, our corporate retirement fund in America—Social Security—is going to be impaired. Not because we do not have some language in a law, but because we have spent our—and the next generation's resources—recklessly.

It is with that in mind that I rise to support the concept of the line-item veto. It is a needed tool in the hands of those that the American people call upon to manage our Government responsibly. We must again establish fiscal integrity in the public sector. We must show this Nation and others that our Government can be responsible.

I thank the Chair.

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

Mr. ASHCROFT. Yes.

Mr. McCAIN. I wish to thank the Senator. He brings credibility to this debate, having served as Governor of a large and very important State.

One of the arguments that is used and will be used in the Chamber against the line-item veto is that the President of the United States will somehow use the line-item veto to coerce and blackmail individual Members of the Legislature into doing things that they otherwise would not do, in fact even alleged in violation of their principles. I do not want the Senator to take too long because there are many questions, but that is one of the most often used arguments against using the line-item veto. I wonder if the Senator from Missouri would give an answer on that particular aspect of the line-item veto.

Mr. ASHCROFT. I thank the Senator from Arizona for posing the question.

Let me just go to the bank of experience—which is the best teacher. We have 43 States with the line-item veto, and if the kind of abuse the Senator describes were really available to a person wielding the power of a line-item veto, I would expect to know of at least one State where someone was seeking to repeal the line-item veto. If it were subject of great abuse—and was subject to such tremendous arbitrary and capricious misuse, or even political retribution or punishment—you would think there would be an outcry across the country among the States that have it now.

But, it is because the way the line-item veto is working in the States that have it now which is in turn making the Nation want it. Citizens across the country see how it works well in their home State. So the Governors, I do not think, have been labeled as having abused their power under the line-item veto.

Let me point out why I think it is true that the Governors do not abuse the power, Mr. President. It is because no State Governor—and no President of the United States—can put a single dollar into the Government's budget. Most State constitutions—and that of the United States of America—require that revenue measures commence in the House of Representatives or its equivalent in the legislative branch.

The President or a Governor will have projects that he knows are important to him and that he will want to be

included in the budget. But the President knows if he operates arbitrarily and capriciously with the legislative branch, then he cannot rely on the legislative branch to include his projects and priorities. When there is that kind of mutuality of reliance to get good projects done, neither of the parties in the process can afford to be capricious, arbitrary, or unreasonable in the way they handle their responsibilities.

I emphasize that Presidents have legislative packages they think need to be undertaken. They cannot pass them or enact them themselves. They require individuals in the legislative branch to do that for them. If Presidents were to abuse the legislative branch by arbitrarily or capriciously wielding the line-item veto, there would be more recourse than they would want to endure emanating from the legislative branch.

So let me note two things, Mr. President. In theory, there is really no sound basis for the argument that there would be abuse of the line-item veto by the President. But second, we do not have to rely on theory alone. We can look to the real life example of about 43 States where the line-item veto is successfully used by the executive over and over again, and where there is real negotiation between parties of fragmented political power—meaning the legislature and the executive branches of Government. Neither have power to do everything themselves—they must negotiate between them—and those negotiations result in government being carried on.

The key difference between the States, where you have the line-item veto, and the Federal Government, where you do not have the line-item veto—and there is one key difference, Mr. President—is that we now have balanced budgets in the States. We do not have a balanced budget in the Federal Government.

So I do not fear an inappropriate use of the line-item veto by the President. If he were to use it inappropriately, I think the legislative branch would say to him "you are not going to have our cooperation when you need it because you have acted inappropriately."

Of course, there is an ultimate arbiter of the conduct of the President of the United States: That is the American people. If they saw the President of the United States abusing his power in such a manner, he would not be President for long.

Mr. McCAIN. Mr. President, I thank my friend from Missouri for an eloquent statement, not only on that particular aspect of the issue but on the entire line-item veto.

I do not know of anyone who brings more credibility to this debate than a person who has had his most recent experience as Governor of a State that is doing very well and, I might add, to state the obvious, has its budget balanced and, I might add, was running surpluses for the 10 years under the Governor, which Senator ASHCROFT was.

May I ask the time remaining on both sides?

The PRESIDING OFFICER. The Senator from Arizona controls 1 hour and 15 minutes.

Mr. McCAIN. And the other side?

The PRESIDING OFFICER. The Democratic side controls 2 hours and 24 minutes.

Mr. McCAIN. Mr. President, we do not want to end up in a situation this afternoon where all time on this side has been used and none of the other side. I do have speakers who wish to speak, but at this time, until we get more balance in the time remaining, I suggest the absence of a quorum, understanding the time will be taken from both sides during the quorum call.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DORGAN. Mr. President, I understand we are under a time agreement. I ask unanimous consent to be recognized for whatever time I may consume.

The PRESIDING OFFICER. The Senator has that right.

Mr. DORGAN. Mr. President, I noticed some snickers at the chart I brought to the floor today, which is surprising to me because the chart is a color chart and I think you will find it an interesting chart.

I have been listening this morning to the discussion on the floor of the Senate about a column that was written by Mr. Krauthammer in the Washington Post. My colleague from North Dakota, Senator CONRAD, came in discussed it a bit today and discussed the response that appeared in the Washington Post yesterday to that column. I have also heard some discussion this morning about the line-item veto. I wanted to try to discuss both of them, and do so in a manner that relates to the two of them.

One of the things that I think is important, as we addressed what we know to be the critical issues facing our country, is that we do so in a straightforward way and honest way, and when we talk about fiscal policy and budgeting, and Federal spending deficits. It seems to me that there seems to be a lot of discussion that is not quite square or right on the mark. Carpenters call it a half bubble off plumb. When you hear some of the things that are discussed around here, you kind of wonder how all that adds up.

I thought maybe I would bring a chart to describe the discussion I have heard on the floor the last several weeks and in the Krauthammer column in the Washington Post to describe how it does not add up.

Let me just recreate the circumstances of the discussion with respect to balancing the Federal budget, and with respect to the protection of the sanctity of the Social Security trust funds. We had on the floor of the Senate a proposal to change the Constitution of the United States to require a balanced budget. Of course, everyone understands that will not have changed the Federal deficits. If we amended the Constitution 1 minute from now requiring a balanced budget, we would still have the same budget deficit then as we have now because the only way to reduce the Federal budget deficit is to make individual decisions about taxing and spending. That is the only way the budget can be brought into balance.

There is, I think, no disagreement among Members of the Senate about the value of balancing the budget. There are certain virtues it seems to me in life that are timeless truths, and one of them is you cannot continue to spend more than you have. Our Federal Government is at a fiscal policy that spends more than it has. The result is it charges in the form of Federal deficits these deficits and debts to its kids and grandkids.

A proposition was brought to the floor of the Senate to amend the Constitution, as I said. The way the proposition was written, it was that all expenditures and all receipts are counted for the purpose of whether the budget was brought into balance. Senator CONRAD, I, and some others raised some questions about that because we felt that was in conflict with another legislative goal that we had established beginning in 1983, over 10 years ago. We wanted to save in the Social Security trust fund by accumulating surpluses so that we would have money in surplus after the turn of the century when the baby boomers retired.

The result was, for example, in this year by a determined policy as a result of something we had previously decided, we would have a surplus of $69 billion in this year alone in the Social Security account. Why? Because when the America's biggest baby crop retires, when the war babies retire, after the turn of the century—we are going to have some problems in the Social Security account. We decided to save for that time. We decided to raise more revenue from Social Security, more dedicated taxes than we need now, put it in a trust fund, and save it. Therefore, this year, $69 billion more than is necessary to expend Social Security will be raised, and that will be put in a trust fund.

It is raised as a dedicated tax from paychecks of American workers and the businesses who employ them. That

dedicated tax goes from the paychecks into a trust fund. It is not a tax that is collected from workers in this country to pay for defense, to pay for foreign aid, to pay for roads, to pay for schools. It is not a tax for that. It is a dedicated tax to be used only for one purpose: To put in a Social Security trust fund because we are going to need that money.

Those who defended a constitutional amendment to balance the budget said we have no intention of taking the money out of the Social Security trust funds. They announced that they had no intention of using those Social Security trust funds or raiding or looting the Social Security trust funds.

They repeated that time after time on the floor of the Senate. And then of course, we got into some discussion off the floor of the Senate and the same people who said we have no intention of using those Social Security trust funds to balance the budget said to us, "Look, fellas, let's all be honest about this. We can't balance the Federal budget without using the Social Security trust funds."

And in the room behind me about 10 feet away, we were presented with a sheet of paper, handwritten by the proponents of the constitutional amendment, something that said we will stop using the Social Security trust funds to balance the budget in the year 2012. A subsequent proposal was, we will stop using the Social Security trust funds in the year 2010. And, finally, we will stop in the year 2008. Thirteen years from now, we will stop doing something we proclaim we had no intention of doing.

Well, I figured that, because it is hard to explain, maybe I could take just the year 2002, which was the year in which the budget is to be in balance either by the constitutional requirement that would have been imposed had that amendment passed or by statute if we pass a statute. In the year 2002, the budget is to be in balance.

In that year, alone, just for that year, we have decided that we would accrue a surplus or accumulate a surplus in Social Security, and it is estimated that the surplus will be $111 billion, because we are going to need that money later. So we put some savings away in Social Security and we are going to use it later. That is the year 2002.

With the constitutional amendment to balance the budget, all expenditures and all receipts would be included, which means that $111 billion in the year 2002 would then be included in the receipts. So what you had was a Hobson's choice in the year 2002. Look at this chart. Either you say you had a balanced Federal budget, which would be this—we have in the year 2002, under this seesaw accounting approach, we have a zero balance. In other words, we have eliminated the Federal deficit.

But, of course, what you have done is, rather than have the $111 billion surplus in the Social Security account, you have taken that $111 billion and used it here to get to zero. Or, if you say no, we have no intention of using that—our position, incidentally, is that cannot be used and should not be used.

If you do not use that money in the year 2002 what happens? You do not have a zero budget balance. It is a fraud to say you have balanced the budget. You have a $111 billion deficit. Yes, you do have the $111 billion surplus in Social Security. That is the surplus that you promised people who paid the tax in would exist. But you now have a $111 billion operating budget deficit.

The constitutional amendment which would have required this kind of accounting would have done one of two things. It would have either used this, the Social Security surplus, to balance the operating budget deficit, which means that the surplus effectively does not exist, so you have broken a promise to workers and to retired people; or, you would have retained the promise of the surplus and not balanced the budget. You cannot do it both ways.

You know, Mr. Krauthammer and others might have gone to a different school than we did, but double-entry accounting does not mean you can use the same money twice. In some cases, there are criminal sanctions for that. That is not what double-entry accounting means. You cannot say, yes, we have savings and, yes, we are using that over here to show a balanced budget. That is not honest accounting. That is dishonest budgeting and everybody knows it.

And that is the point that the Senator from North Dakota, Senator CONRAD, was making and it is a point I wanted to make. And I think is a point probably best made using a seesaw accounting illustration here to demonstrate that you cannot have it both ways. You cannot use a tenth of $1 trillion in two different accounts at the same time.

LINE-ITEM VETO

Mr. President, I also wanted to talk about the next debate we will have, which will be on the line-item veto. The line-item veto is an important issue and I believe the Senate will pass the line-item veto and I will support line-item veto legislation.

I listen to the discussion on the floor of the Senate about the line-item veto. Once again, its proponents are overselling it. There is some notion that if there were a line-item veto in place today, we would not have a problem with the budget deficit.

I happen to think we ought to have a line-item veto, because I think it is good public policy. But frankly, I do not think it will make much of a difference at all with respect to the budget deficit. The line item veto in S.4 would apply to appropriations. But the fact is that we have capped appropriations, by law, and they are therefore not growing very much. This budget deficit is driven by increases in entitlement spending, especially health care price increases, that are not voted on. They are entitlements whose costs ratchet up every single year in dramatic ways.

I heard a previous speaker say, you know, the Congress comes here and spends all this extra money. Well, what happens is, the health care accounts in Medicaid and Medicare are exploding on us, skyrocketing. There is not even a vote on those increases. Those are entitlements. The increases are automatic. We simply pay the bill for Medicare for those that are entitled.

When doctors charge more, hospitals charge more, when technology increases and you have breathtaking new capabilities of saving lives and when, in some months, 200,000 new Americans become eligible for Medicare, you can see what is happening to those accounts in the Federal budget. They are rising substantially, and nobody casts a vote on whether to do it or not.

Until and unless we get a handle on the skyrocketing health care costs, we are not going to be able to solve this gripping Federal deficit problem. So we must do both. We must solve the deficit problem and we must do it, in part, by getting a handle on skyrocketing health care costs.

So I just want to say, I do not think that people ought to believe those who would oversell the line-item veto. It will not control the budget deficit.

Will it, in some cases, soak some of the wasteful projects out of some of the appropriations bills? I think that possibility exists. I think that it would be a useful instrument to have. Most Governors have it. Frankly, I think the President should have it.

The debate we are going to have in the coming weeks will be: What kind of a line-item veto shall this Congress and this Senate adopt?

I believe the appropriate line-item veto is one that we will introduce next Tuesday. It is similar to S. 14, which has been previously introduced in the Senate. It provides that the President shall be able to rescind, or send back for review, any single line in an appropriations bill and send it back to the Congress and, by a majority vote of the House and Senate, both of which are required to vote, the House and Senate will make a determination upon the President's rescission or veto.

Second, I think that we would make a mistake if we pass a line-item veto and deal only with expenditures. Most of us understand that there are a couple of ways that Congress deals with spending and taxing and deficits. One is to determine the amount of money spent and the second is to determine what kind of a tax system is imposed to collect the revenues.

I believe very strongly that we also ought to include tax provisions in the line-item veto. The fact is, some come to the floor and propose tax expenditures, some propose direct expenditures, others propose tax concessions that result in effectively reducing the tax base and spending tax revenues we otherwise would have had. I think that also ought to be subject to a line-item veto.

A line-item veto bill that includes only spending but does not include tax concessions is, I think, a weak bill, one that says, let us do something, but let us not do enough; let us move part of the way, but let us not move all the way to exhibit some control and some responsibility.

So I really think that it will be a mistake if this Senate turns next to the line-item veto and decides the only vetoes by Presidents of lines in legislation that we are going to respond to will be appropriations and not tax provisions. I believe that line-item veto legislation should allow Presidents to single out individual lines in appropriations bills and individual provisions in tax legislation and force the Congress to own up to those expenditures and those tax concessions.

When we do that, if we do that, if we provide, in combination, in a line-item veto bill that covers both expenditures and tax expenditures, I think we will have served a useful purpose for the American people. I think we will have contributed to more responsible legislation, both in expenditures and also in our Tax Code.

Some would say, "Well, we would like a line-item veto that deals only with spending in appropriations bills and would require a two-thirds vote in both the House and the Senate to essentially overcome the Presidential veto."

I think, frankly, a majority vote in the House or the Senate is more appropriate. But I think it is even more important to pass legislation that includes, as I said, tax concessions or tax expenditures along with regular expenditures in the appropriations bill, as well.

We will have that debate, I think, at the end of the day. The American people will find that the Congress, both the House and the Senate, will support a line-item veto. I expect a line-item veto bill to go to the President for signature this year, and I think it will advance the national interest by leading to more responsible legislation.

I do not think it will do very much about the Federal deficit. I wish it would. I wish I could oversell it like some do. But it will not. The only way we will get a handle on the Federal deficit, and we must, is if all Members, in a serious, honest way, decide to embark on the same journey together.

I was on the floor of the Senate yesterday expressing some surprise that those in the Senate who were the loudest about wanting to amend the Constitution to require a balanced budget were back, and they came back with their charts showing what the pollsters had recently told them.

The pollsters said—no surprise to me—that tax cuts are now popular. Poll the American people and say, "Would you like a tax cut?" They say, "Oh, yes; I would like a tax cut." That elicits a pretty predictable answer. We had charts all over the back of the Chamber showing the results of the latest polls. The American people support tax cuts.

Well, that is not a revelation to me. But it is interesting to me that those same people who said that we have a responsibility to balance the budget, and they wanted to change the Constitution to require it be done, are now saying that the next step they want to take is to cut the Federal Government's revenue.

I think our next step is an obvious one to everybody, conservatives and liberals alike: We must cut Federal spending, and we must use the money to cut the Federal deficit. When we have done that job, and only then, when we have completed that work, then we can talk about tax cuts.

But to suggest when we have the kind of Federal deficit we have and an accumulated $4.7 trillion Federal debt, that our next step is to do the popular thing, to be human weather vanes, to find out what people think and rush off to start cutting taxes might be popular, but frankly it is not right.

Everybody here in this Chamber who is serious about reducing this crippling budget deficit and putting this country back on the right course toward expansion, economic hope, and opportunity once again ought to join hands and say, "Our job now is to cut spending, use the savings to cut the deficit, and resolve this crippling deficit and debt issue for this country. When we have completed that job, then our task, in unison, in a bipartisan way, is to find out how we can relieve the tax burden on middle-income families." But let Members not put the cart before the horse, even if it may be popular to do so.

Mr. President, having spoken a bit about the constitutional amendment to balance the budget and the line-item veto and some thoughts about the most recent popular proposals in tax cuts, I do want to say that what we have had, I think, is a troubling series of years in American politics recently in which we have fractured the spirit of cooperation. When I say "we," I think everybody in this country has been involved in that in one way or the other.

The fact is, our country is involved in tough-spirited international economic competition, the winners of which will see economies with expansion and opportunities, and the losers of which will suffer the British disease for a century—low economic growth, less opportunities, less expansion.

I think the American people expect of Members, and I think will demand of all Members of all political persuasions, that we understand that we play on the same team; we represent the same interests and ought to fight for the same goals.

No one in this Chamber can believe that our current fiscal policy helps this country. Our current fiscal policy of spending more money than we have, consistently, is one that weakens our country. We must join together, whether it be through a line-item veto approach or through budget initiatives that should come by the middle of the next month, to begin correcting this country's fiscal policy problems in a serious and honest way.

I pledge, as one Member of this side of the aisle, to be as constructive as I can in marching toward those solutions, hopefully, in a bipartisan way.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ASHCROFT). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak as if in morning business for up to 15 minutes.

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

ABOLISHING THE DEPARTMENT OF EDUCATION

Mr. BINGAMAN. Mr. President, in recent days three of the announced candidates for President on the Republican side have announced their intention and commitment to eliminate the Federal Department of Education if they are elected. In my view, Mr. President, that is a sad commentary on the priorities that some of those in leadership positions have in this country today.

I remember when President Reagan ran in 1980, part of his platform was to eliminate the Federal Department of Education. I thought the suggestion was misguided at that time. I strongly believe that it is even more misguided here in 1995. This is the last decade of the 20th century, the information age, and yet there are those who are falling over themselves trying to take education off the national agenda.

This retreat from leadership in perhaps the most critical area of our national interest—education—is clearly wrongheaded. Overwhelmingly, Americans tell pollsters that education is one of their major concerns. Over 80 percent of Americans say they support a

Federal Department of Education. And it is not surprising that they do. Americans recognize that education is central to the strength of our Nation, especially as information becomes the most valuable currency in the world.

When "A Nation At Risk," the report issued by former Secretary of Education under President Reagan, Terrel Bell, appeared in 1983 it commented on the poor state of American education by observing, "If an unfriendly foreign power had imposed our schools upon us, we would have regarded it as an act of war."

The analogy to national security was appropriate then, and I believe it is still appropriate. Our security, whether you define it in economic terms or in military terms, is absolutely dependent upon the quality of the education that we provide to our children and to our citizens.

How can we have a national interest in agriculture but not in our children? How can we talk about our industrial strength and not talk about the education of our work force? We do not question the Department of Defense, but what about the know-how that our people need to staff that Department?

Still, as we approach this new century, there are those who say that education is purely a State and local matter; let us get the Federal Government out of it; let us eliminate the Secretary of Education, get that person out of the President's Cabinet.

Mr. President, I have seen in the last few years the proposed elevation of the EPA to Cabinet status, which I have supported. The Department of Veterans Affairs we now have in the Cabinet; clearly, I support that. That is an important priority for the country.

I now read in the paper that we are going to have the CIA in the President's Cabinet. That also may be an appropriate thing to do. But to suggest that we should have each of those individuals in the Cabinet next to our President to set national policy but not have a Secretary of Education there to speak up for the future of our children is, I think, misguided.

Clearly, there is a priority here which we should not dissipate among various and sundry departments and agencies around the Federal Government. We need a central focus for leadership in education in this country. The Secretary of Education fulfills that role.

What is that role? Ask the 7 million students who attend colleges and universities thanks to loans and grants provided through Department of Education programs. The Department supplies 75 percent of all post-secondary student aid, continuing a national commitment dating back to the GI bill.

Or ask the 6 million disadvantaged students who each year receive help through Federal programs to meet higher academic standards. Ask their parents. Ask their teachers. Scores on the National Assessment of Educational Progress, the national test administered by the States and the Department of Education, show that the gap between the achievement scores of white and black students has decreased by about 40 percent since 1975. The narrowing of that gap coincides with the very significant Federal investment in K-12 education for the disadvantaged.

The combination of the Federal investment in these students plus leadership from the department which has sought for several years, from Secretary Bell through our current Secretary, Secretary Riley, to encourage high standards for all students in our schools—that combination is bringing about more equality of educational results and improved results for all of our students.

Ask the teachers and the administrators in the States about the value of Department of Education's work. Its research and dissemination of the results of that research are immensely helpful to local schools and districts. Now that schools are coming on line and becoming technologically more sophisticated, teachers can access information about the newest techniques, materials, and research, straight from their own desks or their own faculty rooms and obtain that information to a large extent through the Department of Education.

Ask American business whether they want national leadership to improve education in this country. I have heard business leaders in my State say over and over again that there is an unbreakable link between our Nation's economic competitiveness and the quality of our educational system. Our global competitors are doing a better job in many cases of preparing their young people for this new technologically rich and information-laden future than we are. We obviously need national leadership to help States provide their students with what it takes to compete in this new world.

As we go into the next century we face numerous challenges. We will have a growing population of young people as we hit the echo from the baby boom. We will continue to have many young immigrants. Many of the children I am speaking about will be born into poverty. They will speak languages other than English. Technology will continue to change the way that people work and the way people learn. The increased demands of a global economy will make it imperative that we provide high standards to our children and assessments to measure their progress toward meeting those standards.

States want and deserve Federal help and Federal leadership to meet these challenges.

I am especially aware of the need for strong Federal leadership in the area of technology for education. Only through leadership at the national level can we have a coordinated effort to bring the benefits of telecommunication and the computer revolution to all our schools and all our students.

States are struggling with these issues. They welcome the help and expertise the Department of Education has been able to bring.

I just went through a campaign this fall. I traveled all over my State of New Mexico. I talked to many thousands of people. I heard lots of complaints about the Congress, complaints about the Federal Government, and about State government, and about local government, and many other things people found objectionable. But I did not hear the voters saying they wanted less attention to education, less funding for education, less of a Federal role or less priority given to that important area. I heard quite the opposite. The American public sees education as having been neglected at all levels of government.

As I have traveled around New Mexico during the last several years—not just in the last campaign—I have asked folks at town hall meetings to express their opinions as to how much of our Federal budget they believe is committed to improving education. Usually people in the audience guess somewhere in the 10 to 15 percent range. Mr. President, they would guess that 10 to 15 percent of our Federal budget is probably committed to education. When I tell them that less than 2 percent of our Federal resources each year goes to support education at the national level, it is something of a surprise and a disappointment to a lot of the people in my State.

If some want to walk away from the Federal responsibility for education they certainly have that option, but I believe taking education off our national agenda and taking the Secretary of Education out of the President's Cabinet, will be sending exactly the wrong signal not only to the people of this country but throughout the world. That is the wrong message.

Our future lies with our young people. I know that is a cliche but it is the truth. A Federal Department of Education can help us prepare our young people for that future. It is the right priority for this country as we approach this new century. I hope very much we will retain the Department of Education for a very long time.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

THE LINE-ITEM VETO

Mr. McCAIN. Mr. President, I want to make a couple of brief comments about the line-item veto, and what the real, fundamental principle is. The fundamental principle about the line-item

veto is requiring of a two-thirds majority of both Houses to override a President's veto. Anything less than that is a sham and meaningless.

It is my understanding there is serious consideration being given on the other side of the aisle to a proposal which would require a majority vote in one House in order to override the President's veto. The American people will not be fooled by that facade. The American people will not be cajoled or deluded to believe that a majority vote in one House would be sufficient to override a Presidential veto. It only took a majority vote in one House to put the pork in to start with. What we are seeing here is a reluctance to take the issue head on, but to water it down so it is meaningless.

In the course of negotiations with my friends on this side and on that side, I accepted the separate enrollment. We looked at the expansion to entitlements. We looked at targeted tax benefits. And all of that is negotiable. It is not negotiable to the American people to dilute the two-thirds majority aspect of the line-item veto. Without that this is meaningless.

I understand there are various proposals being considered for an alternative suggested by the Democrats. I strongly recommend that whatever they propose does not drop the two-thirds majority. It is clear on this side of the aisle, because of the internal debate we went through, the overwhelming majority on this side of the aisle will stick to and adhere to a two-thirds majority in order for the President's veto to be overridden. That is the meaning of the word veto. That is what it all is about in the 43 States in America, where Governors have the line-item veto. We will accept nothing less.

If people on the other side of the aisle or anywhere support such a weakening of the line-item veto, I warn them: The American people will not be fooled.

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

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

WASHINGTON POST STORY

Mr. DOLE. Mr. President, an article appeared in today's Washington Post with the catchy, but entirely misleading, headline "Dole Takes 180-Degree Turn on Affirmative Action."

I would like to take a few moments now to set the record straight.

If affirmative action means remedying proven past discrimination against individuals, then I am all for it.

If affirmative action means recruitment of qualified minorities and women to give them an opportunity to compete, without guaranteeing the results of the competition, then I am for that too.

But if affirmative action means quotas, set-asides, and other preferences that favor individuals simply because they happen to belong to certain groups, then that is where I draw the line.

Of course, those who discriminate ought to be punished, and those individuals who are the victims of discrimination ought to be made whole. But you do not fix one problem by creating another. You don't cure discrimination with more discrimination. As I said when the Senate unanimously adopted the amendment that created the glass ceiling commission: "There is no right or correct number * * * and my opposition to quotas could not be stronger or more deeply felt."

That was during the debate which apparently the reporter did not check into.

Mr. President, I am proud of my civil rights record and I have never shied away from it. I supported the Civil Rights Act of 1964. The Voting Rights Act of 1965. The Americans With Disabilities Act. The compromise leading to the enactment of the Civil Rights Act of 1991.

However, my past record on civil rights does not, and should not, disqualify me from raising legitimate questions about the continuing effectiveness and fairness of affirmative action, particularly when the affirmative action label is used to describe quotas, set-asides and other preferences. In fact, it was precisely because of these questions that I asked the Congressional Research Service last December to prepare a list of all Federal preference laws and regulations.

And, after all, even President Clinton and the chairman of the Democratic Leadership Council are raising these same questions.

They understand, as I do, that no Federal program is writ in stone. And no Federal policy should be immune from congressional scrutiny.

This has been my position in the past. It is my position now. And it will be my position in the future.

If we cannot go back and look at some Executive order or some law that has been passed 5, 10, 15, or 25 years ago without some liberal reporter suggesting that somehow that is a change in position, then I think we are never going to accomplish anything. Things have changed. The programs have failed in some cases. In some cases, maybe they have worked properly. But we have a continuing obligation in the Congress of the United States, regardless of our part, to go back and take a look at programs or Executive orders, whatever it may be on the horizon, regulations that have been in place for a long time and maybe have served no useful purpose.

That is precisely what we intend to do. That is precisely what we will do. Hearings will be held on a couple of these provisions, one by the distinguished Senator from Missouri, Senator BOND, and one of my other colleagues, the Senator from Kansas, Senator KASSEBAUM, relating to two programs that we think should be examined.

LINE-ITEM VETO

Mr. DOLE. Mr. President, on Monday we are going to move to the line-item veto. I want to congratulate Senators MCCAIN, COATS, DOMENICI, LOTT, STEVENS, and members of my staff and others who have been working trying to bring us together on the Republican side. I think now that we are in fair agreement on this side.

I want to congratulate my colleagues, particularly Senators MCCAIN and COATS, who have been at this year after year after year, for their efforts. They have not given up and they have stuck to it and have hung in there. Now we may be able to pass this legislation.

Just as we had the debate on the balanced budget amendment which lost because six of my colleagues on the other side, who voted for a balanced budget amendment 1 year, voted against the identical—or almost identical—bill the next year.

This line-item veto has the overwhelming support of the American people. It will receive the overwhelming support of Republicans on this side of the aisle. I know that this legislation is opposed by some and by many of my colleagues on the other side of the aisle. I know that they will do what they can within the rules to block passage.

But let me say that the line-item veto, in my view, is a little different than the constitutional amendment for a balanced budget. In the House, it passed by a vote 294 to 134. Strong bipartisan support. It has also been voted on a number of times in the Senate over the past years. We have had support from Republicans and Democrats, including Senator BIDEN, Senator EXON, Senator HEFLIN, Senator HOLLINGS, Senator KENNEDY, Senator LEAHY, Senator NUNN, and Senator PELL.

The bottom line is that here in the Senate a vote will be taken, and the American people will know where we stand. That is how this process works.

But will they know where President Clinton stands? That is the big question. Where does President Clinton stand?

For a long time, it was hard to tell where he stood on the balanced budget amendment. It was not until the final weeks of the debate that he finally did what he could to defeat the amendment, although he continued to say he

understood why Americans so strongly supported it. About 80 percent supported it.

As a Governor and a candidate for President, he said on countless occasions that he supported the line-item veto. But lately, the President seems intent on opposing anything that comes out of the Republican Congress.

It is a right he has. It is a right he has, but I am not certain how he explains it to the American people or how he can say in one breath he supports the line-item veto and maybe in another breath say, "Oh, I have doubts about it."

So I guess if given the choice between passing something he has always supported, or denying Republicans a legislative victory, then the line-item veto will probably be sacrificed on the altar of politics.

If that happens, there is not much we can do about it on this side. As long as we furnish the votes to shut off debate—and I think we will have every vote on this side of the aisle, so we only need 6 out of 46.

So I think if the President truly supports the line-item veto, he should not wait any longer and let the American people know. I know he is struggling to be relevant in the process of things. But he can be relevant in this process. He does not have to stand in a schoolyard door or to some school lunch meeting to show how compassionate and how sensitive he is; or how he has, in effect, given up any effort to provide us any leadership in deficit reduction.

I hope the President would let our colleagues on both sides of the aisle know that he feels strongly about the line-item veto, just as strongly as he did when he was running for President and when he was Governor. If he does that, we will have a big, big bipartisan victory. And the President can certainly claim all the credit, he and my colleagues on the other side, and we will be happy to join with them in a celebration for the American people.

We debated this issue time after time after time. We have had hearings time after time after time.

So this is not going to be one of these 20-day procedures in the Senate. This is going to happen, if we can make it happen, next week. We have had plenty of debate on this issue. We do not need 300 amendments from the other side. We are going to do our best to shut off debate. We believe the American people expect us to shut off debate. They are frustrated, our colleagues are frustrated, and I know maybe even it is time the leader gets a little frustrated. Maybe the Democratic leader gets frustrated, too.

But I would just challenge the President. I would say:

Mr. President, you can do this today. You can make this so easy. This bill will disappear next week. It will pass with a big margin, if you really believe what you have been telling the American people you believe for the last 2 years. If you do not believe it, well, tell us that, too. But if you do believe it, Mr. President, now is the time to speak up. Do not wait until the last minute. Do not wait until next Friday or next Thursday or next Wednesday. Do it this weekend. Make the American people feel good this weekend for a change. Let the American people know that you support what 75 to 80 percent of them support, to give you, Mr. President, not us, but to give you, the authority and the power, Mr. President, that if BOB DOLE or somebody sticks something in a bill that does not belong there, you could take it out.

We are giving the power to a Democratic President, a Republican Congress. Some say we ought to have our heads examined. But we are prepared to do that because we believe it is good policy. It is good policy.

If the Democrats do not trust their President, I cannot help that. If they do not trust a Democratic President, that is their problem.

We are prepared to trust President Clinton with this authority. And if we are defeated by Democrats in the Senate with a Democrat in the White House, that is going to be hard to explain. Now, some liberal media will figure out a way to do it, but not many. That is a hard one. I do not know how I would explain that. I would have to think about it a lot.

So, Mr. President, we are Republicans. We are prepared to give you this authority, but we are afraid, without your strong support, it is not going to happen.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

LINE-ITEM VETO

Mr. DASCHLE. Mr. President, I had the opportunity to listen to the remarks made by the distinguished majority leader.

Let me say, I have just come from a meeting with the President —not about this issue, but another issue—and I do not think there is any question that the President is prepared today, tomorrow, or at any time to reiterate what he said all along. He supports the line-item veto. It is that simple. There is no question about it. We do not have to make this a political issue. We do not have to try to put words in his mouth. He does not need that. He can do that for himself. The fact is, President Clinton supports the line-item veto. Period.

The fact is, so do most Democrats. I have supported a line-item veto since coming to the Congress. I did 15 years ago and I do today. I always have. I believe that it is an important aspect of good legislating.

I recognize that 43 States have already done what we would like to do here. Forty-three States have already acknowledged that Governors ought to have an opportunity to review and send back for further review items in legislation. Regardless of how many times it takes, if a Governor, or a President for that matter, thinks that a line item ought to be reviewed, he ought to have the right to send it back. That is the issue.

Line-item rescission, as it really is properly called in this case, is something an overwhelming majority of Democrats and Republicans support. The trouble is defining what it is we are referring to when we say line-item veto or line-item rescission. That is the issue.

I do not think there is any doubt that Democrats and Republicans could come together this afternoon and agree upon an approach, if you take our past positions and acknowledge that on the Republican as well as the Democratic side there is a consensus about the need for a line-item veto.

Unfortunately, what has happened over the course of the last several days, in spite of the fact that two bills were reported out of committee, in spite of the fact that there has been, as the distinguished majority leader said, a great deal of consideration given to the line-item veto in the past, there has been a backroom deal cut. In the closet somewhere, in the Cloakrooms or in the back rooms, some of our Republican colleagues have decided that whatever versions have been considered in the committees are not good enough; that they wanted to come up with a bill that we have not seen.

I remember so well the complaints raised last year by many of our colleagues on the other side about not having been consulted, about wanting our cooperation, but not having the opportunity to even see a draft of a health bill and, as a result, they said, they vehemently opposed many of the provisions in health bills that were offered time and again on the Senate floor. "We were not consulted," they said. "That is not a good legislative process," they said. "We ought to take the committee process and make it work," they said.

Well, they were making some arguments that, frankly, I shared. In fact, I thought we had consulted, but certainly not to their satisfaction in some cases.

But the point was made over and over that we simply had not reached out adequately to them and for that reason they were unwilling to cooperate with us.

Well, now I hear the majority leader and others say that they hope they can get Democrats to cooperate on this issue; that they can find a way to ensure that we get a number of Democrats to support this version of line-item veto that nobody has seen. It is a line-item veto proposal that, to the

best of our knowledge, takes a good idea to the extreme, and, frankly, from a constitutional and a practical point of view, is much in need of consideration and review as we go through the next several days.

Mr. President, I think that just about every Democrat would like to support the bill that was offered originally by the chairman of the Budget Committee and the ranking member, Senator DOMENICI and Senator EXON. That a bill that has received a good deal of consideration and, as I understand it, has support on both sides of the aisle.

We would like to take that bill and say, "Let Members begin with this." This is a piece of legislation that obviously has merit. It is a piece of legislation that is broad in scope. As introduced, it would include not only appropriations but taxes. It would give Members an opportunity to review more than just the appropriations process. It is a bill, as I understand it, that Majority Leader DOLE has cosponsored, I have cosponsored, a number of other legislators have cosponsored in the past that contains all the needed protections against an imbalance of power between the President and the Congress, something that we want, if we are going to do this right, to ensure that the balance between the executive and the legislative branch is maintained. It offers an approach that we all can support, something that we all recognize is needed. That balance is critical on a whole range of issues, not just appropriations.

Most importantly, we want to protect Social Security. We want to take that off the table. Obviously, there is legislation pending that would insist that we take Social Security off the table when it comes to balancing the Federal budget over a period of time.

We also want a piece of legislation that will not permit a minority in Congress to hold a majority hostage, that does not overturn the central principle of democratic government: majority rule.

It is amazing to me how many times we find both sides of the aisle lamenting how we are captive of the minority, how we cannot do the people's work in part because a small group of people is holding hostage a certain piece of legislation. Holding the majority hostage, and keeping us from doing the kind of things that we know we should be doing.

In essence, we want legislation, Mr. President, that allows Members to do that, that protects majority rule, that protects the principles enshrined in the Constitution, proven by 200 years of practice in legislating, and providing the balance that we have all wanted between the executive and the legislative branches.

The Domenici-Exon approach creates a fast-track procedure to make sure Congress does not ignore the President's desire to review a certain provision not to finance a particular project. That is another concern. We want to be sure that when a President comes up with his list of rescission items, that it is not ignored as it is today. Under the bill, Congress would have the opportunity to review in a very careful way each and every one of these items, with the understanding that they will be reviewed within a specified, delineated period of time. This would force the Congress to act, and ensure an open and public debate and vote on particular projects within a designated period.

Spending would then be dependent on the merits of that particular proposal. Supporters will be held accountable. That is what I think all advocates of line-item veto have argued is the central principle here. That when we isolate out a given item, not buried in the paragraphs and pages of thick bills in the future, that supporters will have to come forth and say, "I believe that it is in the best interests of the country to support this particular item, and we are willing to have a vote on it. We are willing to put it under the light of day."

We should have an all-out debate on whether it merits majority support. If it does, then obviously it ought to be enacted into law. I think that is what the American people want: Accountable, open Government, but Government that allows Congress in a more meaningful way to specify with great authority those things we want from those things we do not.

The line-item authority the President has under current law is too weak. Everyone appreciates that because Congress can ignore the President's proposal to cancel spending. There is nothing right now that requires the Congress to act when a President rescinds something.

We are really in a situation that is untenable, frankly. The President knows there are things within a bill that he is unwilling to support, and yet he is faced with the dilemma of either supporting it or vetoing the entire piece of legislation. He can rescind items, be ignored by Congress, and nothing ultimately is accomplished, adding to the public cynicism, and adding to the extraordinary difficulties we have in making things work better, legislating with an understanding that there has to be a better way. Spending goes forward, no money is saved, cynicism goes up, and ultimately the system breaks down.

Since 1974, Presidents have proposed to cancel $72.8 billion in spending. Congress has canceled only $22.9 billion of those requests. In addition, Congress cut $70 billion out on its own.

That is an interesting point and I think people have to understand that issue. The fact is that the Congress has cut more in the aggregate from its appropriations than what the Presidents over the last 20 years has proposed. We actually have a better budgetary record when it comes to overall spending than what the Presidents have proposed in their rescissions. The problem is we cannot agree on which line items ought to be reduced or eliminated. Because we cannot agree, nothing is done. We cut, the President proposes cuts, but those Presidential proposals more times than not are ignored entirely.

The Domenici-Exon bill corrects the weakness in current law. First of all it forces the Congress to vote. The President has 20 days to notify Congress; 2 days later a bill with the President's proposals has to be introduced; 10 days later the Congress must vote. That is what it says. The President proposes within a 20-day timeframe what specific rescission items he believes the Congress must review and act upon. Two days later, a bill with all of those Presidential proposals is introduced, and within the next 10 days the Congress is forced to vote on each and every one of these items.

That, to me, is what the American people have said they want. That is exactly what I think Democrats and Republicans probably could agree upon, a process by which there would be a certain review, a certain vote, and a reaction to the President's specific requests at a time that I think most people would consider to be fair.

Second, it prevents filibusters of rescission proposals entirely. As I said, this is a fast-track approach. The Senate gets 10 hours to debate. And an equivalent time limit is imposed on the House. There is no way to drag this out. We would have the certainty, the confidence in knowing that when the President sends down his rescission message, the Congress must act, and act within a certain period of time. When that comes to the floor, there is 10 hours of debate, and it is over. We have made our decisions.

We have enforced the deal and defended each and every one of these items. Most importantly, it is done with the confidence in knowing that everyone will have their opportunities either to defend or oppose these rescission items in a time certain.

Third, it puts all the savings into deficit reduction. That is another thing I think the American people say they want. Let Members not take spending from one side of the ledger and put it into something else. Let Senators recognize that, indeed, if we are going to do what we said over 5 weeks we are going to do when we had our debate on a balanced budget amendment, everyone said they would recognize the need for a glidepath, and are unwilling, of course, to put in writing a blueprint, at least to date. That is, our Republican colleagues have been unwilling to show just how they will do it.

I think I have heard a number of our colleagues advocate certainly if we are

going to save money, it ought to be dedicated to deficit reduction. Unfortunately, I hear my colleagues on the House side argue just the opposite, that, indeed, we ought to have a $600-plus billion tax cut and find ways to offset that tax cut with cuts in spending. That has been the debate ongoing for several weeks over on the House side.

The combinations of time certain, with the realization that everything we do would be dedicated to deficit reduction, prohibiting Congress to cancel spending on some unnecessary project and turning it around and using it for tax cuts or some other purpose, is exactly what I think this Congress and what the American people would like to see done.

The combination of these provisions make present law into a real line-item veto power for this President and for all future Presidents. Congress has to defend all of its questionable spending openly. Current law gives Presidents only the opportunity to propose canceled spending, but nothing to make Congress respond. That is the problem we have today. The President proposes, and the Congress ignores. The Congress ignores and ultimately nothing gets done.

(Mr. SMITH assumed the chair.)

Mr. DASCHLE. Mr. President, this bill is going to change business as usual. There will be less ability to sneak things in, less opportunity for people late at night to put little provisions in the bill that we only understand later to have consequential effects both budgetarily and otherwise.

It gives the President the chance to highlight questionable spending and force the authors to defend it publicly, discourages questionable projects if authors know they may be forced to defend them in public.

So there is no doubt the legislation that many of us support, the original Domenici-Exon bill is strong, it will work. Unfortunately, it ought to be the bill that we are debating today, but we are not. We are not because, for some reason, the Republicans have chosen to come up with a new concoction, some other provision that does not have the provisions that I just described, despite the broad bipartisan support for a bill that throughout the process has shown to have the kind of bipartisan support necessary to move this legislation along.

Mr. President, I wonder what the real motivation may be. Is the motivation the desire to pass meaningful line-item veto legislation or the motivation to try to embarrass the President or the Democratic Members of the Senate? I do not know. I hope it is, as the majority leader has indicated, a true desire to resolve this issue, to move this ahead, to bring to the Senate, and ultimately to the President, a bill that he can support, a bill that would do the kind of things that I have outlined are necessary if, indeed, we are going to have a practical, constitutionally sound piece of legislation that enjoys broad bipartisan support.

The Republicans have arrived at a consensus to promote what I understand is a completely different line-item veto than anything we have seen so far called separate enrollment. As I have indicated, to my knowledge, no Democratic Senator was invited into the Republican discussions on this approach, even though some prominent Democratic Senators have been strong supporters of this version of the line-item veto.

The approach that I am told the Republicans are going to offer has not been considered in any committee of this Congress, no hearings have been held, no committee has voted on it. Both S. 14 and S. 4, by contrast, were voted out of the Budget Committee and the Governmental Affairs Committee. Hearings were held earlier this year. Democrats, in the course of those hearings, have offered to work with our Republican colleagues. Unfortunately, in response to that offer, the unilateral compromise made on the other side apparently has been achieved without any participation by Democrats.

As I understand it—and again we will have to wait until it is proposed in order to know for sure just what the Republicans have in mind, and we will have that opportunity next week—but as I understand how separate enrollment would actually work, the approach requires that each individual item of any appropriations bill passed in Congress be broken up by the enrolling clerk into separate bills to present to the President. The President would be able to veto any of the bills.

Take a bill, any one of the appropriations bills that we have had in the past. This one is a good example. It is Public Law 103-316 passed in the 103d Congress, the Energy and Water Development Appropriation Act fiscal year 1995. This bill has approximately 20 pages with hundreds and hundreds of line items. Line items that are listed here include emergency funds for purposes of transportation; uranium supply and enrichment activities; flood control and coastal emergencies; line items for the Tucson diversion channel, $2.5 million; the Jefferson-Jacksonville, IN, line item. It does not say what in particular that line item is for.

The Wallisville Lake, TX, plant, $1 million. Line item by line item, it has hundreds of specific line items listed one by one in this bill. But as I understand, the Republicans are suggesting that we take each one of these line items, separately enroll it, and send it on to the President.

So what this bill did when we passed it in 1994—the Congress passed the legislation, it went to the enrolling clerk, one bill with all of these line items in it. The enrolling clerk then sent it to the President. The President has the ability to take this bill, veto it, send it back to Congress, or sign it into law, if he so chooses.

If he vetoes it and sends it back to Congress, the Congress could override it and it could become public law. If the Congress failed to override it, of course, it fails to pass and it is put in the trash can, and we start all over. That is how a bill becomes a law. It is pretty simple. It has five steps; that is it. That is all it is. Enrolling, signing, vetoing, or overriding and the enactment into public law. That is a pretty simple process and one that, as advocates of paperwork reduction, we could all support. Keeping it simple is what we all want.

This is what the Republicans are proposing. This is the separate enrollment version of this bill. Each one of these line items, every single one of the line items listed here—Red River emergency bank protection; Red River below Dennison Dam levee; West Sacramento, CA; Sacramento River flood control project; Savannah Harbor deepening in Georgia; Casino Beach, IL; Lake Pontchartrain; Lake Saint Geneva, MO; Hackensack Meadowlands, NJ; Salem River, NJ—every one of these would be separately enrolled. The Congress would pass it. It goes to the President. The President would sign each one of these line items into law; he would veto some of the others. Congress, in every single case, would either have to accept this as public law or consider each one of these line items as a veto and repeat the process over and over and over and over again, hundreds and hundreds and thousands and thousands of times over the course of several weeks, I am sure, in order just to pass this appropriations bill. That is what we are talking about.

This chart really does not depict it all. Here is what it would take. I did not think we would want to spend all the money on the charts required for that one appropriations bill, but it will take this piece of paper with another chart on it, this one, this one, this one, and we can just go right on down the list, Mr. President, page after page after page. It would take 85 of these charts to detail what would happen to one energy and water appropriations bill. I can probably find something here for South Dakota, if I looked hard enough.

For the life of me, I cannot understand how somebody who would advocate paperwork reduction would want all of us to go through this every single time we pass an appropriations bill, and we are not even getting to another issue that I wanted to bring up, and that is a tax bill.

So, Mr. President, I know that sometimes back-room coordination and compromise produces some interesting product, but I have to say, this shows a real sense of imagination.

I am really excited to see how over the course of the next several days our Republican colleagues will give us an opportunity to understand how this works.

We are turning this process upside down. We are turning it upside down and inside out, and taking what is a very simple, streamlined process that has worked for 200 years and turning it into an absolute nightmare, a paperwork jungle, the likes of which is going to take more forests than we can count to produce one appropriations bill.

I hope we are into recycling because you could take one appropriations bill and print several Bibles the next year. I mean, it is going to take a long time for us to consider the enrollment potential here for each and every one of these items to go on to the President. The one thing it will do is keep the President in the White House. You will not see him going out making many speeches because he is going to have to do a lot of signing here, and with each signature, we have an opportunity to come back and have a free-for-all when it comes to considering each one of these items, one by one, as separately enrolled bills.

Mr. President, I am concerned about that, obviously, and I will not belabor the point today, but we will get into this again later on.

I am also concerned about another provision of this approach. We are not just dealing with the impracticality here. What troubles me is that we would be putting the power in the hands of the minority, requiring one-third of one House of the Congress to sustain a veto over any one of these provisions. This Congress is run by majority rule. This Congress has worked well under majority rule for a long time. We have for purposes of closer examination the right to filibuster, and both sides of the aisle have defended their right to extend debate on many occasions. Democrats have used it most recently, but we have all had that opportunity.

Do we really want to go even further than that and lock into law for all perpetuity the right of even a smaller minority to hold hostage every one of these public laws, every one of these specific line items? Do we really want one-third of the Senate to keep us from doing our work in a meaningful way? Why would we want to do that? Why would we want to require that supermajority on something with this kind of complexity?

Mr. President, I hope that as we consider the propriety of all this, we also understand how important it is we not just limit ourselves to appropriations here.

I could be accused of making the other side of the argument here, but I am going to do it anyway because I think that what is fair is fair. If we are going to do this, what I do not understand—and I guess the only thing that the Republicans may be able to give as an answer to why we are limiting this to appropriations is at least we would save a couple of forests if we did not get into other scope questions like taxes. We would not have to cut down all the trees of South Dakota to produce a tax bill. But I believe a tax bill ought to be subject to the same review. I believe a tax bill ought to have the same opportunity to be considered—but certainly not like this.

Certainly if our Republican colleagues argue that review is good, I do not understand why they say review of tax provisions is not good. That just defies my ability to respond. I understand why we would want to review appropriations. I am not sure what the position of our colleagues on the other side would be on entitlements. I personally would have no objection to that. But I do believe that if we are going to look at all spending, we certainly ought to look at tax expenditures as well. We ought to be looking at tax breaks just like we are looking at those unique little deals that we put in appropriations bills.

As I understand it, our Republican colleagues, if they are willing to do anything, are willing to only put in tax breaks affecting fewer than 100 people. Do you know how many tax breaks that actually includes? What they want to do is exclude most every consideration of tax legislation for reasons that are not entirely clear.

As the majority leader has said, this is not the first time we have debated this issue. This separate enrollment proposal came up in 1985. It was 10 years ago. I do not know if it had any more consideration in 1985 than it has had in the committees in 1995, but I do know that it was the subject of a great deal of debate. In fact, a successful filibuster was led at the time by the chairman of the Appropriations Committee, Senator HATFIELD, who, coincidentally, is chairman again.

At that time, Senator HATFIELD described it as "one of the most dangerous proposals that has come before this Senate in my 19 years." He called it "a mad piece of legislation," which he took great pride in having stopped. Senator HATFIELD eloquently described what would result.

> General appropriations measures might be converted into literally hundreds of separate bills.

True to his conservative nature, he was not as literal as I was. I think it is thousands.

> The President would be swamped with paper and would have difficulty keeping track of things. . . We should be equally concerned that legislative intent may be completely overridden when items intentionally linked and sequenced together are enrolled.

That was Senator HATFIELD. That was the chairman of the Appropriations Committee in 1985. Senator HATFIELD, as he always is, was eloquent, perceptive, and, thank goodness, successful in bringing this Senate to its senses in dealing with this exact proposal 10 years ago. Sometimes, it takes more than once to kill a bad idea. But this is a bad idea. I thought it was killed 10 years ago, but it has reared its ugly head apparently, and we are going to have to deal with it again. But I hope the same vision and the same commitment and the same appreciation of the magnitude, the enormity of the problem, will be just as evident as we debate the issue this time.

During that same debate, my friend and colleague, Senator HATCH, now the chairman of the Judiciary Committee, stated that the separate enrollment approach "is not good constitutional policy." Even the Clinton administration has expressed concern, and obviously the President, as I said earlier, has been very supportive of the line-item veto. But if I were the President of the United States, wondering how I am going to spend my time most productively, I would have to ask: Is this how I wish to do it?

I do not know how strong his hand is, but I have to say he had better have a very strong hand if he is prepared to sign into law 1,700 or 1,800 individually enrolled items each and every time we send an appropriations bill to the President.

Walter Dellinger, the assistant Attorney General, has written,

> We have not been convinced of the constitutionality of this approach in the past. . . and we continue to question its validity.

Questions arise because the Constitution is very clear on how the veto process works. Article I, section 7, reads in part:

> Every Bill which shall have passed the House of Representatives and the Senate, shall, before it become a law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated . . .

That is what the Constitution says, that the President of the United States, if he approves it, he will sign it, but if not he will return it, with his objections to that House in which it shall have originated.

How do you return a bill when it has been broken into 1,800 pieces? How can we constitutionally ensure we are living up to the letter of the law when we are now going to require the President to put a jigsaw puzzle together when it comes to signature, to figure out which pieces he signs and which he does not as separate enrolled items? It does not say he shall sign those parts he approves. He must approve it all or nothing.

So this proposal seeks to bypass that very clear requirement by the subterfuge of allowing the Clerk of the House to take apart every appropriations bill

and re-enroll it into separate bills to present to the President. The Constitution grants no such power to Congress. It clearly says, "Every bill which shall have passed the House of Representatives and the Senate . . . ." Little bits of legislation enrolled separately are not what have passed the House and the Senate.

So, the other side is proposing changing the current process—rather than sending a single bill down as the Constitution requires. It is a very simple process that our forefathers understood, that frankly works in 43 States—no other State has ever tried this, by the way.

Mr. President, 43 States have tried this. This works. This is something that Governors understand. Line-item rescissions work.

States do not try this. This does not work. It is impractical. In fact, I would go beyond that, it is really a crazy notion that somehow we could take one bill with every individual line item and page after page after page, and enroll those separate things and put them on the President's desk stacked this high every time we send an appropriations bill to the President.

We will have a lot more time to talk about this next week, but I hope those who may be listening to this debate can appreciate the enormity of what our colleagues are suggesting here, the impracticality of what our colleagues are suggesting, the problems it has, not only for appropriations bills, but for any bill we may want to send to the President.

I hope they understand, too, that what the Republicans are saying is they are unwilling to subject, to this or anything else, most tax provisions. They do not want to do that. Then, on top of it all, they want to say we are going to give the power to a minority in a minority to respond directly to the President's specific line-item vetoes. We are going to hold ourselves hostage to a very small minority within the Senate.

We cannot do that. That is what this debate is all about. It is not a debate about a line-item veto. It is not a debate about whether we ought to review things and give a second look to those items the President holds out to be of dubious nature. It ought not be a debate about whether we limit this to appropriations or to taxes. Everything ought to be on the table.

I hope it is going to be a good debate about whether we ought to have majority rule or not. I hope it is going to be a good debate about what ought to be the most practical way we can have a line-item veto. That is what we ought to have the debate about—not separate enrollment. Not something that is as amazing to me in its complexity as anything that I have had to deal with in 16 years.

We will have a good debate about this, but I hope everyone understands it would not be necessary—I think the vast majority of our colleagues could come to an agreement this afternoon—if there was a true, bipartisan spirit on how we take up line-item veto, how we address these issues in a meaningful way.

If we are accused of holding anything up I will stand ready to be accused of trying to do what we can to bring people to their senses before we do something as crazy as this.

I hope we can pass meaningful line-item veto legislation. If we do something like that, then I am convinced we are going to get a broad consensus and not much debate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I appreciate the remarks of the minority leader. I would like to take this opportunity to respond to those remarks.

First of all, let me say it is very welcome news to those of us who have been advocating the line-item veto and attempting to get it passed for the last decade—it is very welcome news that the minority leader comes to the floor and says he supports a line-item veto, the concept, anyway. It is very welcome news he announces on behalf of the Democrats that, as he said, most Democrats, including himself, support line-item veto. That is welcome news because that has not been the case in the past.

The minority leader stated that the overwhelming majority of the Democrat members of the Budget Committee, the committees that considered the line-item veto, supported the line-item veto efforts. That is not true either.

S. 4, the bill we are debating now, offered by Senator MCCAIN and myself, received the support of only one Democrat on that committee and that was to report the bill out without recommendation. It was not an endorsement of the bill. It simply said we do not feel so strongly about it that we want to endorse the bill, but neither do we want to hold it up, so it was reported to the Senate floor without recommendation, either for or against it. It is the only way Republicans could get the bill out of committee. So we had to provide Republican support in order to get that accomplished because only one Democrat supported that.

On S. 14, that is also news to us. It has just been recent news that the Democrats now support that, because only two members of the committee voted to report that bill out without recommendation.

It is also ironic that for the past several years, as this Senator and Senator MCCAIN have time and time and time again offered the line-item veto to the Senate—and we had to offer it as amendments to other legislation because the then-Democrat majority leader refused to bring it up, and the then Democrat-controlled committees refused to report it out—we, time and time and time again offered it as an amendment for consideration by this Senate. And of course it failed time and time and time again because we were unable to secure the necessary votes—not from Republicans but from Democrats. In 1993, on March 10, on Senate vote No. 27, the McCain amendment which Senator MCCAIN and I offered, only five members of the Democrat Party voted with us. And we lost that vote by a vote of 45 for and 52 against. Senator FEINSTEIN, Senator GRAHAM of Florida, Senator KOHL, and Senator ROBB voted with Republicans. Senator SHELBY voted with Republicans. He was then a Democrat. We have since welcomed him to the Republican Party.

So, to make the assertion that the Democrats have always been for this and surely we can get together and come up with something just flies in the face of the facts, not only with regard to past history but also with regard to this current attempt to achieve a line-item veto.

It is only just in the last couple of days that we have seen a renewed interest in the line-item veto on the part of our friends across the aisle. We welcome that, and we trust and we hope that it will lead to the passage of a line-item veto that truly changes the way that this Senate and this Congress do business.

As the majority leader said just a few moments ago, the House of Representatives, in bipartisan fashion, overwhelmingly passed the version that Senator MCCAIN and I have offered with modest modifications. Overwhelmingly they passed it, achieving 290 votes for and only 135 against, and that obviously included a significant number of Democrats that supported that effort. So all we are really asking our Senate colleagues, the Democrats, to do, is to join their colleagues in the House of Representatives in giving us the necessary votes to achieve line-item veto.

I think equally telling here is the fact that some of the most vocal opponents of line-item veto have been absent from this debate.

We were promised a vigorous filibuster. It has not occurred yet. We hope it does not. We hope we have a genuine debate on this issue. I think the Senate deserves that. But there really has been very little, and so far only token, opposition to the attempts by this Senator and by Senator MCCAIN and others to debate this issue. There has been very little opposition to that effort. We hope that this is a positive signal that we are truly forming a consensus in support of the line-item veto.

Mr. President, the minority leader also said that he hears that Republicans are trying to put together some

new concoction. Having expressed his concerns about our current proposal, things he does not like about it, he says now they are trying to put something new together. He called it a "new concoction." It makes me ask the question. What does the minority leader want? He does not like our old concoction, the one that has been before this body and debated. He listed his reasons why he does not like it. So while we are attempting to put together a new proposal, he says now suddenly behind closed doors the Republicans are trying to put together a new proposal. My question is, Where does he want us to go? Does he want us to stay with the old one, or does he want us to go to the new one?

Let me tell you why we are proposing a new one. Because some of our Members have suggested, I think rightly so, that we take the basic heart and core of the McCain-Coats proposal and we expand it so that its coverage includes more areas of spending and more areas of past congressional abuse of the spending process and puts more elements of the budget under the scrutiny and under the authority given to the President under this line-item veto proposal. That is good. The more we can bring in and the more we can highlight the abuses of the process, whether it is appropriations or whether it is tax expenditures, the better off we are.

In almost the same paragraph, the minority leader says that the enrollment process—which is taking the appropriations bills and separately turning each line-item, so to speak, into a separate bill, is something that should not be followed. Yet some very prominent Members of his own party are the ones who have proposed this, and there is a historical record for that. The Senator from South Carolina, Senator HOLLINGS, has been a proponent of this new concoction. He has been so for more than a decade. Senator BRADLEY in the last Congress offered the separate enrollment procedure. It was supported by Republicans, and by a number of Democrats under Senator BRADLEY's leadership. Senator BIDEN, chairman of the Judiciary Committee, has offered it.

So this new concoction is not a new concoction. It is a method used to try to attempt to give the President line-item veto authority to curb the excessive spending of Congress that has been proposed by some of the most prominent members of the minority leader's own party. It has been talked about and discussed since 1985. So there really is not a whole lot new about it.

The minority leader's suggestion that the substitute that we are looking at does little to restore the President's authority to withhold spending, which he enjoyed prior to 1974, needs to be discussed. At that time, Congress decisively grabbed the absolute power of the purse. They were reacting to then-President Nixon's impoundment power. They said under the Budget Act the President no longer could impound funds. He now may only propose rescissions.

That is exactly where the minority leader wants to take us back to. The so-called Democrat alternative that the minority leader says the Democrats will introduce, and that ought to be the bill we put on the President's desk, has very little teeth and cannot be in the same breath called a line-item veto because it is not a line-item veto. A veto is two-thirds. A veto requires more than normal to override the President's decision. It requires a two-thirds vote to override the President's decision.

We want to make it tougher to spend the taxpayer dollars, not easier. We do not want to just keep the same level of requirement necessary to pass legislation. But what the minority leader proposes is that we simply endorse—require the same number of votes to continue the spending habits of Congress as the spending measure received in the first place. How does that make spending any tougher? Under the current process that is used by this Congress, we have a dismal record. The President sends up his rescissions, but they are never enacted, or very few are enacted.

In 1976, 86 percent of the President's suggestions to rescind moneys that Congress appropriated but he did not think was necessary to spend—86 percent—was rejected. In 1983, 100 percent of President Reagan's suggestions about unnecessary spending were rejected by the Congress. In 1986 and 1987, 95 percent and 97 percent respectively.

So the minority leader's suggestion that we are somehow going to eliminate pork barrel spending, that we are somehow going to dramatically change the way the Congress now does business—a process that so upsets the American taxpayer—that will not happen under the minority leader's bill. The truth is that that proposal is endorsed by those who basically want to continue the status quo. It has very little change in it. As history shows, very little will change under that procedure. If we want to get at the egregious abuse of the spending power that Congress now currently has, we need to make it harder to spend. We need to give the President some authority to highlight and to spotlight the abuses of Congress. We need to do something that will give us fiscal discipline.

It was Harry Truman, a Democrat President, who wrote that, "One important fact in the Presidential veto power, I believe, is the authority to veto individual items in appropriations bills. The President must approve the bill in its entirety or refuse to approve it. It is a form of legislative blackmail."

That is exactly the issue we are dealing with here on the line-item veto. The legislature which has the power of the purse blackmails the President. It blackmails the President because it sends to him massive appropriations bills, massive pieces of legislation in the form of continuing resolutions, which contain important have-to-pass items in order to continue the functions of government, in order to provide flood relief, as in the case of California, or hurricane relief for Florida, or to provide needed defense spending to cover contingency operations, or to provide for the efforts such as those we undertook in Desert Storm and Desert Shield, things that Congress knows the President has to sign. Those are the bills which receive all the little goodies, all the stuff that appears later in Reader's Digest and on the nightly news. And the taxpayers not only scratch their heads in bewilderment saying, "How in the world do you think that is an appropriate expenditure of my hard-earned dollars?" But they shake their fist in rage at this institution, and thankfully went to the polls on November 8, 1994, and said, "Enough. We are tired of the rhetoric. We are tired of the promises. We are tired of the same old 'same old'. We want a change in the way you do business. We want something that has teeth in it. We want something that will make a difference. We do not want some fine little tuning of the way you have been doing business for the past few decades that we know will not result in any dramatic difference. We want action. We want bold action. We want dramatic action." And that is the line-item veto. That is why we are proposing the line-item veto.

The minority leader also talked about the complexity of the enrollment process. He put up the fancy charts. This is the age of the fancy charts. The Republicans have used them also. That was a concern of ours, frankly; take a piece of legislation, and you say, "Now you will have to break this down into separate pieces of legislation for each item that the bill itself specifies for an expenditure."

How is that process going to work? Is not that going to just complicate the process beyond imagination? Is it not going to just require hundreds of hours of the work of dozens of clerks to begin to keep up with the process? We were concerned about that.

So I called up the enrolling clerk of the Senate and asked if I could go down and speak with him about it. I asked if he could show me what was involved. The minority leader, I believe this morning in his news conference, said we are going to have to drive Mack trucks up to the White House in order to carry the paperwork created by the complexity of the enrollment process. So I went down and talked to the attending enrolling clerk and asked him about it. He smiled and said, "That is what it would have been in the past."

He said, "Because we would have had to probably detail some people over from the Government Printing Office and we would have to sort of set up a back room operation." It was a mechanical process. But he said, "You know, this is not the age in which we have to do things by hand any more."

All the Senators have these quill pens at their desks. It is a kind of anachronism. Nobody ever uses them. But it is a reminder of the way the Senate used to do business.

We have an inkwell here and a little powder to dry the ink. It is just one of those holdovers from the past.

But, lo and behold, the computer age has also reached the U.S. Senate and the U.S. Congress.

So the enrolling clerk pointed to a machine about 18 inches high and about 24 inches wide, a computer sitting at his desk. It was a Microcomp printer. Then he pulled out a little disk called the Xywrite software package.

He said, "This is especially designed for the enrollment process. All I do is take this disk and put it in the computer." He said, "What used to take days and days and days and days and dozens and dozens of people now is done in a matter of minutes or a matter of hours."

That is something that some of our generation have a hard time understanding. Our kids understand it. They start learning that in elementary school. My kids are as familiar with the computer and as unintimidated by the computer as I am by the telephone or sitting down and writing a letter. It is just second nature to them.

And so the Senate is caught up with the information age and the Senate enrolling clerk and the House enrolling clerk, which also has the same system. It has a Pentium hard drive, by the way. We did not buy the defective Pentium chips. Ours work beautifully.

And, as the enrolling clerk told me, "It is at least 1,000 times faster than the old system. It is state of the art. They can now do in an hour or 2 what used to take days."

"In fact," he said, "it will be easier and faster to separately enroll an appropriations bill with today's technology than it was to enroll a single appropriations bill 5 years ago."

Then I asked him to do a trial run. "Yes," I said, "OK, good. Mechanically we can do that. But isn't it just going to pour out reams and reams and reams of paper? Aren't we going to have to back a truck up to the Senate in order to cart it down to the White House? Isn't the President just going to be overwhelmed with what we dump on his doorstep?"

So I said, "Would you take the largest bill that we passed in the last Congress"—which was the Commerce, Justice, State, and judiciary, and related agencies appropriations. Here it is. It is about maybe an inch thick. This is the most comprehensive bill that we passed.

I said, "If we had to take this and separately enroll it"—now, if you look at the minority leader's chart, you would come away with the conclusion that this was going to be an absolute nightmare, and it would, as he said this morning, take a Mack truck to cart it down to the White House.

So here is what it ended up being if it is separate enrollments. It is a pile of paper. But it would fit in my grandson's Mack truck. He has a little Mack truck, a little miniature Mack truck, and it would easily fit in the back of that.

So visions of massive 18-wheelers backing up to the enrolling clerk's office and detailees from the Government Printing Office shoveling bushel baskets full of paper on the back and dumping them on the front lawn of the White House are slightly exaggerated.

This is what we are going to send the President instead of this.

But, in doing so, guess what is going to happen? All the little pork-barrel stuff, all the stuff we discover months later—half a million dollars for the Lawrence Welk boyhood home restoration, money for the grant that went to study the well-being of America's middle-class lawyers.

Boy, that one went over well with my constituents. They were really interested in the well-being of America's lawyers. They thought that was a terrific expenditure of their tax dollars. All the studies for the reproduction of the South American bullfrogs, the money that went to fund a school in France—all the little stuff that adds up to billions and billions of dollars, sometimes tens of billions of dollars, all the stuff we hear about months later that are tucked into these bills, they are each going to have their own separate page.

The President is going to be able to say: "That looks like something someone slipped in in the dark of the night, thinking that I have to pass this bill and so I will sign it and it will slip through. I think I will just take this red veto stamp"— "veto"—"and send it back."

And here is another one, a funding memorial or a tribute for maybe a former Member of Congress or somebody that needs a special favor back home. "I think I will veto that one."

What is going to happen is that the light of exposure is going to be shined on the darkroom, the backroom, late-at-night practices of the Congress, which slips this stuff through in all these bills that they know the President has to sign.

Then it is going to be sent back to the Congress. And when it is sent back to the Congress, if the Member that slipped that in there wants it for his district, he is going to have to bring it to the floor and he is going to have to stand up and talk about it. He is going to have to convince two-thirds of the Congress that the President made a mistake or that the President was wrong in vetoing his particular item. The press is going to be able to write about it. Each Member who votes on it is going to have their vote recorded on that item.

No longer will we be able to go home and say, "Well, that was for funding of the judiciary and for the Commerce Department and for the State Department. As you know, there is a crisis in 'Xcelania' right now and, by gosh, if we cut off their funds, we might not be able to solve that problem." Or, "I had to vote for that. I did not realize that one of my colleagues slipped something in there. I certainly would not have done that had I known that." Or, "Even though I knew there might be some stuff in this, it was so important that we get that funding for this emergency"—as we just passed the emergency supplemental. That was another one of those trains. That was funds for our military expenditures in Haiti, Rwanda, and Somalia. A lot of us here did not necessarily support those decisions of the President, but once our troops were there, the money was spent, and we had to pay for it somehow. So that was an emergency.

And so Members go home and say, "Well, I could not jeopardize that funding. I could not shut down functions of the military." And that is what you have to accept if that is what you are going to do.

That practice ends because the emergency funding can go forward, the essential funding can go forward. The funding for needed functions of Government can go forward, but the little line-item stuff that adds up to billions of dollars gets kicked out, and the President does not have to accept or reject the entire bill.

That will do two things: One, it will give the President a check and balance against the abuses of spending by this Congress. It is a practice everybody here worth their salt knows how to do. We are probably all guilty of it. It is time it stopped. We ought to do this to save ourselves, if nothing else. It is time to stop. Now is the time to stop, and to stop real legislation, not with the same number of votes it took to pass it in the first place, but a veto, a real veto, that has teeth in it, a veto that will make a difference.

So, we are going to save billions of dollars because the President will be able to veto that stuff out. But the other thing is, what we will save is an amount of money nobody can calculate because it will change the spending habits of Congress. Members are no longer going to say, "I will carry this list around and when I see a popular bill go through I will slip it in and get something for the special interest folks," or do a favor for a friend, or do

a favor for a lobbyist, or do a favor for a special interest. We will never know the amount of money we save for items that will not be put in these new bills for fear of exposure. Because the President has the line-item veto, it will change the way we put the bills together in the first place. Members will say, "I will not slip that one in because I do not want to suffer the potential embarrassment of the President vetoing that particular item."

Mr. President, we have a lot to debate today and Monday and next week. The minority leader says, "Why do we want to put the power in the hands of the minority—one third?" I think it is the other way around. I think it is the other way around. I think we want to put some power in the hands of the two-thirds that will require two-thirds to overturn a check and balance against the spending abuses of this Congress.

In answer to why, why do we need to do this? A $4.8 trillion deficit—that is why; a Congress that refuses to make structural changes in how it does business. We rejected, to my great dismay, the balanced budget amendment, which I think was a change in the status quo and a change in the way we do business. It was absolutely essential to our ability to get control of spending.

This is the second tool. Will this balance the budget? No. There is not one Member who supports the line-item veto who contends that it will balance the budget. We keep hearing that argument. People still think it balances the budget. No. It is a poor second to the constitutional amendment, but at least it is a second. It is a second way, a second tool.

I cannot imagine why Members would want to first defeat a balanced budget amendment, then second say, well, we are not going to do anything else except we will summon up the will. We have not summoned up the will in 40 years for this budget. And we have seen all kinds of promises and commitments to do that. It just did not happen. The debt mounts and the interest mounts and now we are at $4.8 trillion and growing.

We will show how the enrollment bill that we will present is constitutional. Presidents throughout time have asked for the line-item veto. They were not afraid of our having to bring a bigger bill down. Recent Presidents have all asked for it, and this President has asked for it. We are tired of having to pass bills that hold the President hostage. It is not Congress that is held hostage to the minority, it is the President that is held hostage to the Congress, as Harry Truman said, blackmailing him, take it all or nothing.

It is clear that under article I, section 5, each House of Congress has unilateral authority to make and amend rules governing its procedures. Separate enrollment speaks to the question of what constitutes a bill. It does not erode the prerogatives of the President as the bill is presented. Under the rulemaking clause, our procedures in defining and enrolling a bill are ours to determine alone.

Mr. President, I know others are waiting to speak. I will save some of my arguments relative to the constitutionality of this for a time when there is a break in the process. I note that the Senator from Wyoming is on the floor. I am happy to suspend at this point. If we have additional time, I will pick up from there. The Senator from Alabama is waiting to speak.

Mr. President, let me first ask the clerk how much time remains on each side?

The PRESIDING OFFICER. Nineteen minutes for the Senator from Indiana and 46 minutes on the other side.

Mr. COATS. Mr. President, I yield 5 minutes to the Senator from Wyoming.

Mr. THOMAS. Thank you, Mr. President.

I want to address these issues. When we are in prolonged debate, one could say everything has been said. We go on because everyone has not yet said it. Nevertheless, this is an issue that is very important, and we do need to have a process in which the issue will be brought fairly to the Senate for the Senate to act upon.

Let me talk just a little bit in more general terms. The gentleman from Indiana has spelled out very eloquently and very completely the detail of a line-item veto. It is not a new issue. It has been talked about for years.

It was talked about, as a matter of fact, in developing the Constitution. Many constitutional scholars from time to time have argued that there is no need for a line-item veto; that, in fact, the language of the Constitution provides that. Unfortunately, the Court has never agreed to that idea even though it clearly does give the President the opportunity to return bills to the Congress.

So it is not a new issue. Neither is it a new issue in terms of having been tried. It is done in many States. It is done in my State of Wyoming, and done very successfully, I might add. From time to time, the legislature overrides the Governor's veto. More often, I suppose, they do not. I suspect that that is an indication that that element of the bill should not have prevailed.

We are really here to talk about change: change in procedure and change in structure, structure in the operation of Congress, that will result in changes in the product of Congress.

I think the most compelling truism is that if we as citizens have not been happy with the performance of Congress over time we cannot expect any different results if we continue to do the same thing.

If there was one clear message that came, certainly, from this past election, it was that people wanted change, wanted structural change, wanted procedural change. Now we have an opportunity in this Congress for the first time in a very long time, an opportunity to rethink some things, an opportunity to look at new ideas, an opportunity to actually do some of the things that have been talked about for a very long time.

There is reason to do that. We have had a history in recent years of continuing to simply do the same thing, and the Congress would appropriate more money to show that, if we had more money, we could cause it to happen. The fact is, that many of the programs have failed, are failing. Welfare—welfare is not doing the thing that it is designed to do. Welfare is designed to provide help for the needy, to help them get back into the marketplace. It is not doing that.

How many years have we had a war on poverty? And the fact is that poverty is more prominent now than it was when we started the war.

These programs are failing. Financial responsibility—certainly one cannot look at the size of Government, one cannot look at the deficit and suggest that the effort for financial responsibility has been successful. It has not. Pork barrel? Of course, we have pork barrel.

So we need structural changes, and this is one of them. There were several and they are talked about often because I think they are very important and should, indeed, be talked about: Balanced budget amendment, the proper thing to do. And really, there are a lot of details one can go through but you really start with the basic question. In that instance, the question is, Is it morally right, is it fiscally right to balance the budget, to not spend more in outlays than you take in, in revenues? And the answer is almost unanimously yes, of course, it is right.

Then you deal with the issue of how do you accomplish it, how do you get there. Unfunded mandates—something that has been needed for a very long time—has finally been accomplished, not as thoroughly as some would like, but, nevertheless, accomplished, and very important. If we are to begin to downsize Government and to begin to shift some of the responsibilities to States, there needs to be the protection against unfunded mandates.

Accountability, it is almost unbelievable that the Congress had a bill saying Congress has to live under the same laws as everybody else. I cannot believe that has not always been true, but it has not.

Line-item veto is a structural change that needs to take place. It is not going to balance the budget, of course, but what it is going to do is to change the way we look at budgeting. It is going to give the President—by the way, he is really the only political person that

has a broad enough base to reach into bills and veto things that should not be there.

I guess my greatest example is in the House, when we had a highway bill, a highway bill that everybody wanted to pass, of course, everybody wanted it so we could go forward with the highway program, and in it was the Lawrence Welk Museum, half a million dollars for the Lawrence Welk Museum. Never would it have passed on its own merits. Had it been an individual bill, it never would have passed, but we had no way to reach in and get it.

I told that story, by the way, in a speech I made in North Dakota. That was the wrong place to do it. They were sort of excited about having that. In any event, we should have a way to deal with those, and that is what this is all about.

So, Mr. President, there will be a great deal of discussion, and there should be. There will be a great deal of talk about details and alternatives, and there should be. There can be alternatives, but the fact is there is a principle involved here, and the principle is to change the structure so that we can have a line-item veto to help balance the approach to financing and to budgets.

I rise in strong support for passage of a line-item veto. I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COATS. Mr. President, I thank the Senator from Wyoming for his statement and his support and contributions as a new Member of the Senate. He certainly brings a perspective from the grassroots, having just spent a great deal of time in the cafes, marching in the parades, and talking with the people where they live and work. He brings that perspective, and we certainly appreciate his support.

Mr. President, I inquire how much time is remaining.

The PRESIDING OFFICER (Mr. THOMAS). The Senator has about 11 minutes under his control.

Mr. COATS. Mr. President, I yield 7 of those 11 minutes—I believe we have one other speaker coming to the floor—to the Senator from New Hampshire, and I believe the minority side on this issue has agreed to allow him an additional 10 minutes of their time.

The PRESIDING OFFICER. The Senator from New Hampshire has 7 minutes.

Mr. SMITH. Mr. President, I ask unanimous consent that I may speak for an additional 10 minutes from the minority side. This has been agreed to by the minority side.

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

Mr. SMITH. Thank you, Mr. President. I thank my colleagues on the minority side, as well.

Mr. President, this has been a very interesting debate, as we have heard from the other side. The same arguments that had been used by our colleagues on the balanced budget amendment are now being used against the line-item veto.

This debate is really the same. The players are the same. The issues are essentially the same. No one expects that we are going to balance the Federal budget with a line-item veto. But if we are going to ask people on Medicaid or Medicare, or some other program, to take a hit to help us balance this budget, surely we can start with some of these ridiculous projects that we find tucked away in these appropriations bills. I am going to talk a little bit about that.

First, I want to commend Senator MCCAIN and Senator COATS for their leadership. They have been tenacious in the pursuit of this legislation for a number of years. I am pleased to be an original cosponsor of S. 4, the Legislative Line-Item Veto Act of 1995. I hope that we will pass it. We fell short on the balanced budget amendment, but I hope that at least we can pass the second-best effort, which is the line-item veto.

I am not surprised really that many of the same forces that lined up against the balanced budget amendment are also now seeking to kill this, because they are defenders of the status quo. They want to see things remain the same. They want to keep on spending, providing more pork for their States. Their addiction to wasteful spending has created a budget deficit crisis that makes these countermeasures so necessary.

But in seeking to defend the status quo, the opponents of the line-item veto legislation often cite the checks and balances in the Constitution that give the authority to Congress to appropriate the money, the power that is checked by the authority of the President to veto appropriations bills.

They say they want to preserve this balance of power between the legislative and the executive branches. Of course, that is an excuse. The Founding Fathers never imagined—never even imagined in their wildest dreams—these massive spending bills, often containing core unnecessary spending that is then larded with layers of pork. They never expected that.

This is a process that has been built up over the years by the legislators and the legislatures, especially in recent history, to help them pass things that would not pass if that Congressman or Senator had to stand out on the floor and advocate that kind of a ridiculous expense. They could not face their constituents to do it. They could not face the voters across the country to do it. So they tuck it away in these appropriations bills.

That is why we need the line-item veto. The President can make that choice between shutting that program down or signing it. He is the President of all the people. It is easier for him to do it than some Congressman or Senator who may not have the courage to do it.

So, basically, the President is, in effect, without the line-item veto, faced with an all-or-nothing ultimatum. So we get an emergency earthquake relief bill, and it is amazing the number of things you find tucked away in the emergency earthquake relief bill. There are things in there for sewers in Chicago. And we also see dire emergency for natural disasters. There was a $1.3 million add-on to train attorneys at Drake University in that. The district of then House Chairman Neal Smith in Iowa had some interesting things. So it is crafty wording. It is slick, it is easy; it is done in a back room somewhere and nobody ever finds out about it. And that is the bottom line.

As Senator COATS has said, they go back home and they say, "Gee, I voted for emergency earthquake. I didn't know that was in there." Of course, they knew it was in there. Of course, they did. That is the whole issue.

Let me give you an example. Sometimes, after looking at the minority leader's charts—he showed these very, very complicated charts, as if to say this somehow is going to be so much work for the President, he was not going to have time to get out of the White House. He was not going to have time to do anything except sit at his desk and deal with all of these measures that are coming down.

Well, first of all, if we pass the line-item veto, there is going to be a lot less of the stuff put in the bill in the first place. That is for sure.

Second, if the President and the Congress have to spend a little more time on these things, on the appropriations of the taxpayers' hard-earned dollars, so be it. That is the way it ought to be. If the President has to take a little less time running around the country somewhere and a little more time saving the taxpayers' dollars, so be it. If the Senators and Congressmen have to spend a little more time taking care of the taxpayers' dollars instead of running around the country somewhere, so be it. That is the way it ought to be. That is what we are here for.

Now, this was very complicated. I was in the chair at the time watching the charts that the minority leader had up there, but let me make it simple for those of you out there who are wondering just what this is all about and why we are trying to pass this thing called a line-item veto.

There are many things in a bill. Sometimes we call it an omnibus bill. These are huge, and they are loaded with items, and most of us do not read it. It would take us forever to read them all. But the problem is things get tucked in there that do not belong.

Here is a very simple example to make you understand. We have all been to the supermarket. We go to the supermarket. We take the kids along. They are traveling along behind us, and we are pushing the cart. We decide that we are going to get the essentials today. We are going to get a loaf of bread; we are going to get some milk, maybe meat and potatoes, the essentials, whatever we are going to have for dinner that night or that week. They are the basics. We know what the budget is and what we are going to do.

What are the kids doing? They are trailing along, and while we are picking up the loaf of bread, they are over there picking up the Reeses candy or the box of Cheerios and tossing them into the cart while we are pushing it along, and we are taking them out and putting them back because we do not want these things. We do not want our kids to have them; these are the goodies, these are the add-ons.

That is exactly what these bills are. We push through the bill, and all these Congressmen and Senators are loading it up, hoping that Mom and Dad are not going to take those things out, and when they get home they will have the cookies and candy, or whatever else they want.

That is exactly what is happening. That is the best way I know to explain exactly what is going on.

Now, when we look at some of these examples, in 1995, this year, there is a study called the "Congressional Pig Book," and I suppose a good analogy would be to say there are a lot of things piggybacked on these bills.

Now, it is interesting, in these 88 projects that are highlighted in this pig book, what are the criteria to decide whether this is pork or not on these fiscal bills? Well, if it is only requested by one chamber of commerce, if it is not authorized specifically, if it is not competitively awarded, if it is not requested by the President, and it exceeds the President's budget request or previous year's funding, and it has not been the subject of hearings, I say it is pork. I do not care how good or bad the project is.

There are many, many good projects that get put in here. That is not the issue. Should they be in there, in this particular bill? Should a sewer in Chicago be on an emergency earthquake relief bill in San Francisco? I do not think so. I do not think that is honest. I think that is dishonest.

Now, when we look somebody on Medicaid in the eye and we say, you know, we are all going to have to bite the bullet; we have a $5 trillion debt; it is going to be $6.5 trillion under the President's budget in the next 5 years, and it is going up—not down, up—we look those people in the eye and we say everybody has to pitch in, well, when I do that, Mr. President—and we are all going to have to do it if we are going to bite the bullet here and balance the budget—I do not want to have to say to that elderly woman or gentleman who is desperately in need of something that we may have to reduce a little bit, well, you know what, I am going to cut you, but we are not, Congress is not going to take these kinds of things out: $93,000 added in conference for the National Potato Trade and Tariff Association; or $294,000 for regionalized implications of farm programs; or $119,000 for swine research at the University of Minnesota; or $8,783,000 for miscellaneous projects in the State of Arkansas, including a rice germplasm center in Stuttgart, AR; or $1,184,000 for an alternative pest control center at the University of Arkansas; or $946,000 for alternative pest control in general; or $624,000 for increased staffing at Fayetteville, Stuttgart, Bonneville, and Pine Bluff for forestry.

I do not want to have to look those people in the eye and say we are funding that, and that this Congress does not have the courage to take those items out. Not this Senator. I do not want to have to do that. I wish to say, yes, we are going to have to take these hits because it is our children who are going to lose, not us. You will get your benefits. It is our children who are going to lose. And I do not want this stuff funded. If you are going to fund it, if you want to come in here and say you want $950,000 for the Appalachian Soil and Water Conservation Laboratory, then come down on the floor of the Senate and fight for it after the President vetoes it. Tell the American people you want it, and it is in your State, and why you need it. And if you get the votes, you can have it. But come down here and talk about it, fight for it, if you think that is important, if you think that is more important than Medicaid or Medicare or national defense or cleaning up a Superfund site. If that is more important, come down here.

If you think $200,000 for Appalachian fruit research is more important than national defense or cleaning up a Superfund, come down here and fight for it. Come down here and say, Mr. President, I am sorry you took that out. You should not have vetoed that, Mr. President. I want that $200,000 for fruit research. That is important. By golly, that is more important than anything else you have out there, and I want it.

Go ahead. Come down here and fight for it.

How about $11 million for an Estuarine Habitats Research Laboratory in Lafayette, LA? How about this one: $1 million added in conference last year for construction of Mystic Seaport Maritime Education Center in Mystic, CT. Is that more important than Medicaid? Is that more important than Medicare? Is that more important than giving our troops who are defending us all over the world a 2-percent pay raise? If you think so, come down on the floor and fight for it.

That is what the line-item veto does. That is why it is being fought over here, and that is why we are running up a debt of over $5 trillion. That is why we are going to keep on running it up, because they would not pass the balanced budget amendment, and now they are not going to pass this either, because not only do they not want to take the big numbers out, they will not even take the little numbers out, the little projects, because they are all so important to them.

That is why we have this debt, and that is why our children and our grandchildren are going to pay for it and suffer for it. That is what is wrong with this place. That is what the American people voted for on November 8, to change it. But what do we do in the Senate? The "McLaughlin Report" calls the Senate the "killing field"; we kill all the good legislation that passes the House. It comes over here and we kill it.

Well, my colleagues and American people, take a look at who is doing the killing. Watch the votes. Watch the votes.

Now, $750,000 for Hawaiian fisheries development; $15 million for the construction of a footbridge from New Jersey to Ellis Island. Do you know where that was? That was on an Interior appropriations bill. That thing comes rolling in here and everybody says, "We can't cut the Interior appropriations bill. We have to pass it. It is an appropriations bill. We will shut down the Government. The Interior Department will not be able to function."

That is exactly why the $15 million for the footbridge is in there, folks, because they know you are not going to cut it; you are not going to stop it. They know you are going to pass it, and they know the President is going to sign it.

If you have the line-item veto, he can sign the bill and he can take that out, and that is why they are showing you the charts over here. This is why they are complicating the process. What is so complicated about that? The President takes a look at the bill, and he says $15 million for a footbridge? No. He takes the veto pen out.

There is nothing complicated about that. If it is complicated, good. So be it. It is worth it. That is $15 million saved for the taxpayers and $15 million less for the debt.

The national debt is growing at $7,500 per second—not minute, not hour, per second. Add it up, if you are listening to this debate, at the time I finish speaking from the time I started, and see how much the debt was added to, how much more we added to it.

That is what is wrong with this place. That is why we voted for change. And the status quo is still over here fighting it every inch of the way.

The line-item veto; $10,912,000 for foreign language assistance. I do not know what that is, foreign language assistance. I could see learning to speak it. What is foreign language assistance? You have to dig in here and find it out. The Senator who put it in here is going to have to come down on the floor and he is going to say, "Boy, that $10,912,000 for foreign language assistance is critical for our country. The taxpayers have to spend this money, by golly. And if they do not spend it, I cannot imagine what will happen."

And that, again, is what we are faced with. That was on the Labor, HHS, Education appropriations bill. If somebody says we want to cut the Department of Housing or HHS, they will say, "My goodness, I will lose my $10,912,000 for foreign language assistance."

How about $936,000 for the Palmer Chiropractic School? Lord knows what that is.

I have nothing against chiropractors. I have used them. But do the taxpayers of America have to fund this?

Last, but not least, from the "Pig Book," the infamous "Pig Book." I encourage my colleagues to take a copy of the "Pig Book" and read it. It is really insulting to pigs, frankly. They are very intelligent creatures, and I think it insults them to use the term "pig" and associate it with this. But there is $400,000—listen to this one—$400,000 for Maui algal bloom crisis. Not for Maui algal blooms; there is a crisis out there somewhere in Maui on this algae. So cut the Medicaid, cut the Medicare, cut defense, cut the environment, cut this—and fund that.

You say, "Come on, you are oversimplifying it, Senator."

If I am oversimplifying it, why are we spending the money? There is nothing complicated about it. Contrary to the chart, there is nothing complicated about it. The fact is, if the President had the line-item veto, he could veto it.

I thank my colleagues for listening and thank certainly my colleagues, Senator MCCAIN and Senator COATS, for their strong leadership. I hope the Senate, finally, will conclude that at least second best is better than nothing at all and pass the line-item veto.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I was going to inquire if there were any other speakers waiting to speak. I see the Senator from Pennsylvania has arrived. I might inform the Senator from Pennsylvania there are only 4 minutes left under the time controlled by the proponents of the line-item veto.

The minority has consented to allow 10 minutes of speaking time to Senator SMITH. Since they do not have a speaker on the floor, they may do so for the Senator from Pennsylvania under a unanimous-consent request. Other than that, because we are under a unanimous-consent agreement to quit at 3 p.m., in accordance with the majority and minority leaders' wishes, I regret that is the only time I have available for the Senator.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my colleague from Indiana.

In the absence of any other speaker on the floor, I ask unanimous consent that I might be permitted to speak for up to 15 minutes. I may use less than that.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. SPECTER. Mr. President, I support the line-item veto and have done so consistently in my 14 years-plus in the U.S. Senate. As I have observed the appropriations and expenditures practices of the Congress as we have run up enormous deficits year after year and have a national debt which is now approximating $5 trillion, it has been obvious to me that we needed restraints, we needed institutional change in the form of the balanced budget amendment, and that we need the line-item veto to enable the President of the United States to take a look at the budget and to act in the national interest to strike an item, item by item, without vetoing the entire bill.

It has been my legal judgment that the President of the United States currently has the constitutional authority to exercise the line-item veto. I draw that conclusion from learned studies which have been made on this subject. One very prominent one is by Prof. Forrest McDonald, who traces the history of the relevant constitutional provision and notes that it was based on a provision from the Massachusetts constitution of 1733, where the Governor of Massachusetts has exercised the line-item veto. That constitutional provision has been incorporated into the constitutions of many other States: Georgia, Pennsylvania—my own State—where the chief executive officers, the Governors, have exercised the line-item veto.

In the early days of the Republic, the President of the United States took action which was in effect the exercise of the line-item veto. A review of the history of the Constitution and the comments of the Founding Fathers supports the conclusion that the President of the United States was intended to have line-item veto under clause 3, article I, section 7, of the U.S. Constitution.

I have endeavored to persuade the last two Presidents—President Bush and President Clinton—that they should exercise the line-item veto. I have had occasion to talk to former President Bush about it on a number of occasions. One of the interesting aspects of being a U.S. Senator, and one from Pennsylvania, is to have traveled with President Bush on a number of occasions to Pennsylvania. When we travel on the plane together there is time for a variety of subjects, not quite as hectic and hurried as it is in the regular schedule. On a number of occasions I had a chance to talk in a leisurely way to President Bush about the line-item veto. He was always interested in the issue but always told me the same thing, and that was that his lawyer told him he could not do it.

My response to President Bush was that he ought to change lawyers.

I immediately followed that suggestion with the request that he not tell anybody I had said that, because that might be frowned upon by the bar association and who knows, I may be practicing law again one day, sooner rather than later.

But in a very serious vein, President Bush did not take the bold approach and exercise the line-item veto, which I think he could have done under the constitutional authority and which he should have done.

In President Clinton's first year in office, I had occasion to travel with him to Ambridge, PA. Again, another plane ride gave us an opportunity to talk at leisure about a number of subjects. I made the suggestion to President Clinton that he should exercise the line-item veto and gave him a brief statement of what I considered to be his constitutional authority.

President Clinton said, "Send me a memorandum of law."

I did so. He wrote me back a short time later, saying he did not want to tangle with congressional leaders on this subject. And I can understand that, because the congressional appropriation power is zealously guarded. And I am one of the appropriators. I sit on the Appropriations Committee, which has the authority to allocate the spending of $1.6 trillion a year. Notwithstanding that position on what many call the most powerful committee in the Congress, the Appropriations Committee, it has long seemed to me that the line-item veto would very well serve the interests of the country at large.

We had a very dramatic commentary on massive appropriations bills, where the President did not have the opportunity to even veto one of the 13 appropriations bills side by side when we passed a continuing resolution during the administration of President Reagan.

A continuing appropriations bill, for those who may be watching on C-SPAN 2, if anybody is, is a document which comes at the end of the fiscal year shortly before September 30 to authorize continued spending and continuing operations of the Federal Government after midnight on September 30 into the new fiscal year which begins on October 1. There had been a period of

time where we had not passed all the appropriations bills and, in fact, had not passed many of them. We sent to President Reagan an enormous continuing resolution which was about 2 feet thick. President Reagan, in one of his speeches to a joint session of Congress, objected to the continuing resolution which denied him the power of not only, as he saw it, to exercise the line item veto but he could not even veto a bill on a major department; for example, the Interior bill or the District of Columbia appropriations bill. But they were massive—as many, I think, on some occasions as all 13 of the appropriations bills.

For illustrative effect, President Reagan brought into the House Chamber where we had the joint session of Congress the continuing resolution which, as I say, was about 2 feet thick.

Senator COATS was elected in 1988. Senator COATS was in the House. Of course, he remembers it. President Reagan had it on the edge of the podium. I was sitting closer than I am to the Chair. I became immediately apprehensive that this continuing resolution so bulky was in peril of falling over the podium. As the President continued to speak, the situation was more tenuous with each moment.

Then, finally I figured out that President Reagan knew exactly what he was doing. He was not only keeping me in suspense but keeping the television viewers in suspense that this enormous document might fall. It was, I think, President Reagan's way of dramatizing the effect on this ponderous overwhelming bill which had come to him but could not even be managed very well on the podium, let alone managed in terms of perusal to see what was in the national interest. He was being denied the opportunity as President to at least veto a single appropriations bill.

He made it through the speech. It did not fall. But I have remembered that occasion. Further underscoring the interest and the necessity in allowing the President to have the power to veto at least an individual appropriations bill, and the Congress has done better on that in modern times—sending the appropriations bills over, really on the need to have the President with the authority to strike individual items.

This is an especially timely matter today in the wake of the Senate's failure to pass the balanced budget amendment. I have supported the balanced budget amendment and the line-item veto during my entire tenure in the U.S. Senate. It may be that the balanced budget amendment will return to the Senate agenda and by virtue of the motion pending for reconsideration that there may be a change of a single vote, and the matter may come back and we may yet pass the balanced budget amendment to provide the discipline to have a balanced budget in the Congress just as States have constitutional provisions mandating a balanced budget, just as cities do, as counties do, and as individuals we do because, if we do not live within our own means, we will wind up in a bankruptcy court.

Recently I had the great pleasure of becoming a grandfather. My son had a baby daughter, Silvi Specter, who will be 14 months old on Sunday. I had always thought about and talked about the impropriety of having a credit card which attached obligations to our children and to our children's children and to succeeding generations. But I came into sharp focus as I saw this infant and held her in my hands when she was less than a day old back on January 20, 1994, and seeing her grow up, and seeing what is really happening every day as we burden her generation and future generations on a credit card where we would not consider even remotely charging something to her account. But that is in effect what we are doing as a Nation.

During the course of the debate on this line-item veto there will be many statements about how the interest rate is mounting. Senator SMITH pointed out in dramatic fashion the increase on a moment-by-moment basis. That is just unfair to the next generation and the generations which follow.

That is why we are working currently on a rescissions bill sent over by the House of Representatives just yesterday. The appropriators met yesterday afternoon to take a look, to do our job in cutting expenses on the Federal budget.

In my capacity as chairman of the appropriations subcommittee of Labor, Health and Human Services and Education, the cut was especially onerous, some $5 billion. But I am committed to balancing the budget by the year 2002 which is the target set by the Congress, whether or not we have a balanced budget amendment. I think we have to move on a path to reach the balanced budget by that year. I have some differences of judgment with what the House sent over. But I am reasonably confident that the Senate will meet that target of the $17 billion rescission.

I have concerns, Mr. President, as to cuts which will affect summer jobs where I think in America today there has been a reliance for the young people to have activities for the summer where they cannot find jobs in the private sector, a matter which keeps the lids on our big cities and our smaller communities. I have some concerns about cuts in the education line where there will be moneys taken away from drug-free schools. But this is a matter of establishing our priorities.

I believe that a much, much better job can be done on establishing the priorities for America's spending. If we are not prepared to tax for it, we ought not be prepared to spend for it. If there is one thing that will not pass in the U.S. Senate or the U.S. House of Representatives today, it would be a tax increase.

It is my hope, Mr. President, that we will soon one day take up Senate bill 488, which I introduced 2 weeks ago yesterday, which would simplify the tax system in America, which would enable taxpayers to fill out their tax returns on a simple postcard.

If I may show what could be done under my proposal for a national tax, it would be a 20-percent national tax which has been worked out very carefully by Professors Hall and Rabushka of Stanford University. It will allow only two deductions for charitable contributions and for interest on home mortgages, and it would be simplicity personified. Who knows?

There may be someone in America today watching C-SPAN 2 who is filling out his or her tax return. I know that individual would love the opportunity to fill it out on a single postcard as I would myself. There is an amazing amount of some 5 billion hours spent by Americans on their tax returns and some $200 billion on the cost of filing returns. But tax simplification is somewhat off the subject. But I mention a national tax just in passing.

I compliment my colleague in the House of Representatives, Majority Leader DICK ARMEY, who has proposed a similar measure. It is my hope that we will take up the issue of a national tax and tax reform. But I believe it would be unthinkable to have a tax increase given the mood of the American people where the mandate of the last election was very direct and very blunt; that is for smaller Government, for lesser spending, and for less taxes.

Certainly, the minimum is to have the balanced budget and the line-item veto, which would be a very, very important and significant step on an institutional change which would provide the mechanism to cut spending, which has not really been a priority item, and would help lead us on the bath—it might lead us on a "bath," too, which is a Freudian slip—on the path to cut expenditures. But the pending line-item veto would certainly give the President the clear-cut authority and the confidence to exercise the line-item veto.

In the unlikely event that this measure does not pass, I hope that President Clinton will again review the constitutional authority for the President to exercise the line-item veto under the current legal constitutional provisions.

I thank the Chair. I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Chair announces that all the remaining time is under the control of the minority.

ORDER OF PROCEDURE

Mr. D'AMATO. Mr. President, I ask unanimous consent that I might proceed for 5 minutes as if in morning business.

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

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Thank you, Mr. President

SAM DONALDSON, GIVE THE MONEY BACK

Mr. D'AMATO. Mr. President, I read a rather interesting article—a rather shocking article—in the Wall Street Journal yesterday about affluent urban farmers getting crop subsidies.

Lo and behold, I was absolutely shocked, as I think most Americans will be when they learn, and those that did learn, about Sam. Now I am talking about Sam Donaldson. Let me say right now, Sam, wherever you are, come out of hiding. Sam, come out of hiding and give the money back.

Mr. President, I ask unanimous consent that this Wall Street Journal article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 16, 1995]

AS CONGRESS CONSIDERS SLASHING CROP SUBSIDIES, AFFLUENT URBAN FARMERS COME UNDER SCRUTINY

(By Bruce Ingersoll)

WINNETKA, IL.—The neighbors on Woodley Road know next to nil about Helen Pinnell, but they assume she is loaded. How else could she afford a multimillion-dollar home here in one of suburban Chicago's most exclusive enclaves?

Her neighbor next door, Marlo Brown, is stunned to hear that an heir to the fabled King Ranch in Texas left his $10-million share of the vast cattle-and-oil empire to Mrs. Pinnell more than 20 years ago. "Isn't that wonderful luck," exclaims the elderly Mrs. Brown.

Mrs. Pinnell, it turns out, is doubly lucky. As if oil royalties and agricultural revenues from her 87,000-acre spread on the Texas Gulf Coast weren't enough, she collects farm subsidy payments each year from the Agriculture Department. Since 1985, the total payout to her and three Pinnell family trusts comes to nearly $1.5 million, according to USDA payment data.

Throughout the country, there are thousands of other absentee landlords in Mrs. Pinnell's city-slicker shoes, including ranch-owner Sam Donaldson of ABC-TV fame, a New York merchant banker, two scions of an antebellum cotton planter, even an unidentified $400,000-subsidy recipient with a distinctly nonrural zip code—90210—in Beverly Hills, Calif.

ANTISUBSIDY BACKLASH

How long they can count on government checks coming in the mail depends on how much money Congress whacks out of the crop-subsidy programs this year. With the 1995 farm bill debate in full cry, lawmakers already are trying to rescind funds from this fiscal year's Agriculture Department budget. Whipping up an anti-subsidy backlash are environmentalists and conservative Republicans, who contend that the Depression-era farm programs are badly out of date and out of control. While continuing to provide a safety net for struggling farmers, the critics say, the subsidy programs increasingly pad the cushion under already comfortable off-the-farm farmers. For the first time, the Environmental Working Group has documented the extent to which suburban and city dwellers benefit from farm subsidies.

"We have no beef with people investing in farms, but why are taxpayers covering the risks of an absentee North Dakota farm owner living in Manhattan?" wonders Kenneth Cook, president of the Washington-based watchdog group.

Using computerized USDA data, the group has traced the flow of hundreds of millions of tax dollars to off-the-farm farmers—including corporations and partnerships—in the 50 largest U.S. cities since 1985. Chicago's farm owners, for example, collected $24 million over the last decade. But if you add in Mrs. Pinnell's hometown, Winnetka, and other Chicago suburbs, the total swells to $55 million.

Mrs. Pinnell was once secretary for a plumbing company. She owes her wealth to a grandson of 19th century cattle baron Richard King, Edwin Atwood, whom she befriended in his old age. In the early 1970s, she took over Mr. Atwood's King Ranch holdings and bought out another heir and a Chicago policeman who had been bequeathed part of the ranch by yet a third heir.

In Texas, Mrs. Pinnell has her own cattle brand, a big ranch house, plenty of cattle, a small field of oil wells pumping away and about 30,000 acres rented to cotton and sorghum farmers. Her land is bordered by the late Nelson Rockefeller's 6,000-acre spread, now owned by his two sons.

"TAKE-CHARGE" LANDLORD

"She hardly shows up down here," says ranch manager Jerry Taylor. But when she does, she takes charge. Says Max Dreyer, a retired farmer in nearby San Perlita, Texas: "When they're rounding up cattle, she won't even let the helicopter pilots fly over the house."

Here in Winnetka, Mrs. Pinnell and her husband, Curtis, a retired railroad freight agent, stay behind the double doors and two-story Doric columns of their immense brick house. Members of the Women's Garden Club of Woodley Road see them only in passing on the road. In her red Mercedes, Mrs. Pinnell scoots over to an office she keeps in the nearby suburb of Northbrook, sometimes to confer with her attorney, Richard Williams. While his client won't comment, Mr. Williams plays down the amount of the subsidies she gets, which include disaster assistance and conservation payments. "There are lots of people with smaller farm operations that get more subsidies," he says.

In New Mexico, Sam Donaldson passes for a big-time rancher, absentee or not. He is the third-largest recipient of wool and mohair payments in Lincoln County, where he runs flocks of sheep and Angora goats on his sprawling spread near Hondo, N.M., according to Allen (Bill) Trammell, the county executive director for the Combined Farm Services Agency. Over the last two years, $97,000 in subsidy checks have gone to Mr. Donaldson's address in the Virginia suburbs of Washington. What's more, under an agricultural conservation cost-sharing program, Mr. Donaldson got $3,500 earlier to defray the cost of watering facilities for his livestock.

An assistant to Mr. Donaldson says he isn't available for comment.

FIFTH AVENUE FARMER

New Yorker Roslyn Ziff, a retired actress and opera singer, adores her 67-year-old friend Henry Warren. "He's the only man I know who farms on Fifth Avenue," she says. For years, Mr. Warren has seen his psychotherapy patients, lived on the seventh floor of 27-story building at 1 Fifth Avenue and managed a Nebraska farm from afar. Told he was the biggest recipient of farm subsidies on Manhattan—$558,000 since 1985—his reply was: "Good for me!" But he adds that "it's good for consumers" because farm programs help ensure a stable food supply at relatively low prices.

This year, the retired Mr. Warren is leasing his land in Holt County for cash, which means he will no longer get subsidy payments. But that doesn't mean he will have to go cold turkey. The Agriculture Department, because of a big corn surplus, is paying farmers to hold their corn off the market. Mr. Warren figures to collect about $6,000 in storage fees this year, just as he got $81,000 in the late 1980s.

"That's outrageous," Democratic Rep. Carolyn Maloney says of her New York constituent's diet of subsidies. "It points to the hypocrisy of cutting Food Stamps and nutrition programs."

Another Nebraska farm-owning New Yorker is Daniel Lamprecht, an agribusiness dealmaker for ING Capital Holdings Corp.'s merchant banking arm. Living in midtown Manhattan, he has collected $158,000 in payments over the last decade, mostly for keeping his hilly—and highly erodible—cropland in the Conservation Reserve Program. All along, he admits, he has dreaded being found out.

"I'm the fourth generation to own this property," he says. "I'm loath to give it up. It isn't a hobby. It's an economic enterprise." It would be unfair, he argues, for Congress to deprive his 1,060-acre farm of subsidies, either because of his off-farm income or his upscale New York address.

Far to the south, Jack Northington Shwab and his sister Clara Jane Lovell own 4,000 acres of farm land in Egypt, Texas, where their ancestor, Captain W.J.E. Heard, settled in the late 1840s and built a great plantation. Today, busloads of tourists and history buffs tour the old place and the museum in the rear. Meanwhile, three farmers till the land and share with the landlords rice and corn receipts as well as the subsidy payments. Over the last 10 years, Mr. Shwab and Mrs. Lovell have each collected $344,000, he on Hilton Head Island, S.C., and she on Nantucket Island off Massachusetts, according to USDA payment data.

While calling himself "a retired investor," Mr. Shwab still looks after a portfolio of stocks and bonds as well as his Texas land holdings and natural gas wells. He, for one, is becoming alarmed about the antisubsidy rumblings on Capitol Hill. "I do intend to write my congressman," he says. But first he must figure out which one—his representative from South Carolina or his representative from Texas.

Mr. D'AMATO. Mr. President, I was shocked to learn that Sam Donaldson, who happens to be one of the most highly paid journalists in the United States, earning millions of dollars, is collecting welfare—$100,000 in welfare payments—from the U.S. Government. That is right. It is called the Wool and Mohair Subsidy Program. It is supposed to help farmers.

Sam Donaldson has received almost $100,000 for a ranch in New Mexico while he lives right outside the Capitol here in suburban Washington, in Virginia. I think it is an outrage. It is wrong. It is wrong and it must be stopped.

Does anyone really believe that Sam Donaldson is a real sheep farmer? Really? I see him on TV all the time.

Sam, do the right thing. You know what that is. Give the money back.

Now, there are plenty of other examples of absentee landlords receiving these farm subsidies, but it is particularly glaring that millionaire Sam Donaldson is getting this taxpayers' money.

Sam Donaldson, give that money back.

It is my understanding that Mr. Donaldson is the third largest recipient of wool and mohair payments in Lincoln County, NM—not Virginia, New Mexico. According to the Wall Street Journal, Mr. Donaldson received $97,000 in subsidy checks over the last 2 years. And under another Government agricultural program—this time for conservation sharing—Mr. Donaldson got $3,500 to defray the costs of watering facilities for his livestock.

And here we have Sam Donaldson, the self-appointed conscience of America, who was said to be unavailable for comment. Can you imagine, Mr. President, if you were unavailable for comment?

I can imagine why.

Sam Donaldson, come out of hiding and give back to the American people—the taxpayers—that $97,000.

There is one other question I would like to pose. This program is going to be phased out over the next 2 years. I want to know whether Mr. Donaldson is going to continue to receive those subsidies, or is he going to stop it? Americans have a right to know.

I hope, Sam, you give that money back.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, I ask unanimous consent to proceed as if in morning business.

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

Mr. COATS. Mr. President, I might first announce that we believe there is just one additional speaker. Senator HEFLIN will be coming to the floor to speak. I will go forward here, as if in morning business, until he arrives, and then I will be happy to turn the floor over to him. Then it is my understanding the Senate will stand in recess for the weekend.

RESIGNATION OF WILLIAM A. GALSTON

Mr. COATS. Mr. President, I noticed today a small item that appeared in the Washington Post, the news that the President's Deputy Assistant to the President for Domestic Policy, Mr. William Galston, had submitted his resignation, effective in May.

Mr. Galston is a Democrat. I am a Republican, but I have been an admirer of some of the work that he has done in the past. He played a prominent role—I believe he was executive director—in the Progressive Policy Institute, the arm of the Democratic Party that was looking for new and innovative ways to address, in particular, some of the social concerns, of the Democratic Party.

Mr. Galston said he is resigning because of his desire to strike a different balance between family and career. And I do not doubt that at all.

Mr. Galston has written eloquently, has done a great deal of research, and, I think, made a real effort in the administration to point out the importance of the family and American life in our society. He is going to return to teaching at the School of Public Affairs at the University of Maryland, where he is a senior research scholar at the university's Institute for Philosophy and Public Policy. He has been a prolific writer, author of five books and numerous articles on political philosophy, American politics, and public policy.

He served in the Marine Corps, is a graduate of Cornell, with a Ph.D. from the University of Chicago, and taught at the University of Texas for 10 years before coming to Washington in 1989.

Mr. Galston, along with Elaine Ciulla Kamarck, co-authored a policy paper criticizing liberal fundamentalism in the Democratic Party. Mr. Galston urged the Democratic Party to identify more with "middle-class values—individual responsibility, hard work, equal opportunity—rather than the language of compensation."

Those are phrases and words that, obviously, Republicans have been using for some time. We were encouraged when someone from the other party, who occupied an important position in the Clinton administration, used those terms and identified himself with that particular philosophy.

Mr. Galston has been, and I am very sure he will continue to be, an advocate of the importance of the family in the development of our children, an advocate of teaching individual responsibility and personal achievement as the means of success and as the real solution to the problems facing our society today.

We are at a crossroads, Mr. President. We are at a critical juncture. Our problems are great. Our society is laboring under the burden of a disintegrating moral and cultural fabric. To turn this tide, we will need voices of moderation, of reason. Voices such as William Galston.

I hope that Mr. Galston's resignation does not signal that voices of moderation, voices of reason, advocates for individual responsibility and moral courage are no longer welcome in the Clinton White House. This would be an ominous signal. I trust that is not the case.

But I want to wish Mr. Galston the very best and thank him for his contributions and his efforts to try to point out the importance of family, individual responsibility, the decline of the moral climate in this country, and the need to reestablish and restore the fundamental, basic institutions of our country—family, church, education, community service—that have been so important in transmitting moral values to our children and to the next generation.

Mr. President, I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

SAINT PATRICK'S DAY

Mr. HEFLIN. Mr. President, it is interesting to note that St. Patrick's Day is a special holiday which is only observed in Ireland and the United States. On this day, the color green is traditionally worn in both countries, by people from many different nationalities and backgrounds.

Ireland and the United States share many other strong bonds in addition to their unique celebrations of this day. There is a deep love for individual freedom and liberty today and throughout the history of both countries.

In America's early days, another bond which existed between the two lands was a common enemy—the English crown. Americans and Irishmen experienced the tyranny of the English king and the oppression of British troops. Our forefathers removed the yoke of British rule through the Revolutionary War and eliminated the continuing harassment by British through the War of 1812.

In 1798, in Ireland, there was a similar revolt. A group of men formed a resistance known as the "united Irishmen." To demonstrate allegiance to their cause and to each other, they wore the color green. While this band of Irishmen fought valiantly, they were defeated by the mighty army commanded by Gen. Charles Cornwallis.

After Cornwallis' victory over the united Irishmen, the British tried to break the Irish spirit by declaring the wearing of green against the law. Many songs and poems were written to protest this tyranny. I recall parts of a poem entitled "The Wearin' O' the Green":

O Paddy dear, an' did ye hear the news that's goin' round?
The shamrock is by law forbid to grow on Irish ground!
No more St. Patrick's Day we'll keep, his colour can't be seen
For there's a cruel law again the wearin' o' the green.

It is hard to fathom that just as our forefathers were embarking on the greatest experiment in democratic government known to man, and enjoying the rights and liberties for which they had fought, men and women in Ireland were being imprisoned and even executed for wearing green. Wearing of the green was symbolic of their resistance. Many were forced to flee their beloved homeland to escape death, imprisonment, oppression, and tyranny. They sought freedom in the United States, where our freedoms of speech, religion, expression, and assembly were secured by the Constitution, and where one of the purposes of government was the protection of the individual against government tyranny.

The final stanza of the poem I quoted from earlier, as paraphrased, reflects the fleeing Irishmen's dreams:

But if at last our colour should be torn from Ireland's heart,
Her sons with shame and sorrow from the dear old isle will part;
I've heard a whisper of a country that lies beyond the sea,
Where rich and poor stand equal in the light of freedom's day.
O Erin, must we leave you, driven by a tyrant's hand?
Must we ask a mother's blessing from a strange and distant land?
Where the cruel cross of tyranny shall nevermore be seen
And where, please God, we'll live and die still wearin' O' the green.

Although this is an Irish poem, it underscores the love of liberty that characterizes America. Because of the bravery, determination, and the sacrifice of or forefathers, the United States stands today as a citadel of freedom and liberty in a world in which a large part of the population is still burdened by totalitarianism and oppression. The green we wear today is also to remember them, wherever they might be.

The Irish have contributed so much to the history of our Nation. They have fought in our wars, they have served our communities. They have added to our enjoyment through their stories and funloving spirit, often giving light to the darkest days. They have become great Americans who still cherish and revere their Irish roots and heritage. The spiritual descendants of St. Patrick have reminded us of the true importance and value of individual rights and liberties, and have always been in the forefront of defending the rights and liberties that define this Nation.

So, on this St. Patrick's Day, a day when true peace for the Emerald Isle seems to be finally in its grasp, let us remember the Irish heritage and those who struggle in the old country for freedom and liberty. Let us wear the green and remain forever mindful of all that it represents. And let us never forget that above all else, we are Americans—Americans strong and free.

I yield the floor.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES!

Mr. HELMS. Mr. President, as of the close of business yesterday, Thursday, March 16, the Federal debt stood at $4,840,322,581,646.83. On a per capita basis, every man, woman, and child in America owes $18,373.95 as his or her share of that dabt.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-543. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, the report of the ability to pay benefits; to the Committee on Labor and Human Resources.

EC-544. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, the annual report for calendar year 1994; to the Committee on Labor and Human Resources.

EC-545. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, the report of justification of budget estimates for fiscal year 1996; to the Committee on Labor and Human Resources.

EC-546. A communication from the Director of the National Science Foundation, transmitting a draft of proposed legislation to authorize the Foundation for fiscal years 1996 and 1997; to the Committee on Labor and Human Resources.

EC-547. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report entitled "Tobacco Control Activities in the United States"; to the Committee on Labor and Human Resources.

EC-548. A communication from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the report on the operations of the Office of General Counsel for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-549. A communication from the Assistant Secretary for Civil Rights, Department of Education, transmitting, pursuant to law, the report of enforcement activities; to the Committee on Labor and Human Resources.

EC-550. A communication from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the report on the employment of minorities, women and people with disabilities in the Federal Government for fiscal year 1992; to the Committee on Labor and Human Resources.

EC-551. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report relative to the Prescription Drug User Fee Act; to the Committee on Labor and Human Resources.

EC-552. A communication from the Administrator of the Small Business Administration, transmitting a draft of proposed legislation entitled "The Small Business Amendments Act of 1995"; to the Committee on Small Business.

EC-553. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, and other statutes, to extend VA's authority to operate various programs, collect copayments associated with provision of medical benefits, and obtain reimbursement from insurance companies for care furnished; to the Committee on Veterans' Affairs.

EC-554. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase, effective as of December 1, 1995, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans, and for other purposes; to the Committee on Veterans' Affairs.

EC-555. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to provide for cost-savings in the housing program for veterans, to limit cost-of-living increases for Montgomery GI Bill benefits, and for other purposes; to the Committee on Veterans' Affairs.

EC-556. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the annual report of the Secretary of Veterans Affairs for fiscal year 1994; to the Committee on Veterans' Affairs.

EC-557. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 92-77; to the Committee on Appropriations.

EC-558. A communication from the Marshal of the Court of the Supreme Court of the United States, transmitting, pursuant to law, the annual report of the Marshal of the Court regarding administrative costs; to the Committee on the Judiciary.

EC-559. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the Administration's report for 1994 under the Freedom of Information Act; to the Committee on Judiciary.

EC-560. A communication from the Chairman of the Administrative Conference of the United States, transmitting, pursuant to law, the annual report of the Conference under the Equal Access to Justice Act; to the Committee on the Judiciary.

EC-561. A communication from the Navy Wives Clubs of America, transmitting, pursuant to law, the Club's annual report for the 1993-1994 tax year; to the Committee on the Judiciary.

EC-562. A communication from the Secretary of the Resolution Trust Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act; to the Committee on the Judiciary.

EC-563. A communication from the Principal Deputy Assistant to the Secretary of Defense for Public Affairs, transmitting, pursuant to law, the 1994 report of the Department under the Freedom of Information Act; to the Committee on the Judiciary.

EC-564. A communication from The Special Counsel, transmitting, pursuant to law, the Office's 1994 report under the Freedom of Information Act; to the Committee on the Judiciary.

EC-565. A communication from the Chairman of the International Trade Commission, transmitting, pursuant to law, the Commission's 1994 report under the Freedom of Information Act; to the Committee on the Judiciary.

EC-566. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the

Commission's 1994 report under the Freedom of Information Act; to the Committee on the Judiciary.

EC-567. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the Committee's 1994 report under the Freedom of Information Act; to the Committee on the Judiciary.

EC-568. A communication from the Director of the Peace Corps, transmitting, pursuant to law, the Corps' 1994 report under the Freedom of Information Act; to the Committee on the Judiciary.

EC-569. A communication from the Executive Secretary of the National Security Council, transmitting, a report consistent with the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-570. A communication from the Chairman of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-571. A communication from the Director of Communications and Legislative Affairs, U.S. Equal Employment Opportunity Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-572. A communication from the Executive Director of the Occupational Safety and Health Review Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-573. A communication from the Freedom of Information/Privacy Officer of the Interstate Commerce Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-574. A communication from the Chair of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-575. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-576. A communication from the Executive Director of the Federal Retirement Thrift Investment Board, transmitting, pursuant to law, the Board's 1994 annual report under the Freedom of Information Act; to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LUGAR:

S. 577. A bill to establish the negotiating objectives and fast track procedures for future trade agreements; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LUGAR:

S. 577. A bill to establish the negotiating objectives and fast-track procedures for future trade agreements; to the Committee on Finance.

THE TRADE AGREEMENT IMPLEMENTATION REFORM ACT

• Mr. LUGAR. Mr. President, as the United States enters the 21st century, we must expand our economic opportunities. It is with this goal in mind that I introduce the Trade Agreement Implementation Reform Act.

During the recent Uruguay round debate, I pointed out the shortcomings of existing fast-track procedures. These flaws unnecessarily fed public suspicion and mistrust of trade agreements. These agreements should not be burdened by unrelated legislative provisions.

The Senate adopted the fast-track procedure in 1974. This important tool has allowed us to enter free-trade agreements with Canada, Israel, and Mexico. It has also been used to reduce trade barriers worldwide in the Uruguay round; as well as the earlier Tokyo round. Nations must be assured that once they reach an agreement with the United States, it will not be undermined by amendments that violate its provisions.

I believe that the basic arguments for a fast-track process are solid. Hence, my bill does not drastically change it except for two major provisions.

First, legislation submitted under fast track should contain only provisions absolutely necessary to implement an agreement. Prior law allowed provisions "necessary and appropriate" and encouraged deals with special interests in exchange for support. I believe that the integrity of the fast-track process during the Uruguay round was called into question by amendments not relevant to the agreement itself.

Second, although past fast-track legislation has not been amendable, we should make one exception for future trade legislation. Senators should be able to amend or delete provisions which merely serve to offset revenue losses from tariff changes. Such provisions in the recent Uruguay round legislation included the controversial pioneer preference and pension reform titles. Under the pay/go rules, Congress must find offsets for revenue losses. Since these measures are not related to the agreement itself, we should be able to amend them, subject to overall time limits.

My State of Indiana is more dependent on exports, on a per-capita basis, than all but two other States. As Indiana exports increase, so do job opportunities. Indeed, incomes and job security of all Americans depend on maintaining and expanding U.S. exports. With our first-rate labor force and business climate, the United States can meet global economic competition head-on and create jobs.

The bottom line is that increased exports create jobs. Studies have shown that every $1 billion in exports supports 20,000 jobs. Our farmers, manufacturers, and service companies can compete in countries from which they would otherwise have been shut out. Therefore, we must continue to reduce trade barriers that have kept the United States from realizing its full potential and insist that other countries open their markets to our products.

Mr. President, I believe that the changes I am proposing to existing law are modest but essential to our cooperation with the administration on trade agreements. That cooperation, which aims to strengthen America's economic performance, has been a good example of bipartisan leadership in Congress. It is in that spirit that I propose the Trade Agreement Implementation Reform Act.•

ADDITIONAL COSPONSORS

S. 105

At the request of Mr. DASCHLE, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 105, a bill to amend the Internal Revenue Code of 1986 to provide that certain cash rentals of farmland will not cause recapture of special estate tax valuation.

S. 258

At the request of Mr. PRYOR, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 258, a bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights.

S. 465

At the request of Mr. BAUCUS, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 465, a bill to amend the Solid Waste Disposal Act to provide congressional authorization for restrictions on receipt of out-of-State municipal solid waste and for State control over transportation of municipal solid waste, and for other purposes.

S. 568

At the request of Mr. COATS, the names of the Senator from Montana [Mr. BURNS] and the Senator from Florida [Mr. MACK] were added as cosponsors of S. 568, a bill to provide a tax credit for families, to provide certain tax incentives to encourage investment and increase savings, and to place limitations on the growth of spending.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Thursday, March 23, 1995, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to consider S. 575, a bill to provide Outer Continental Shelf [OCS] impact assistance to State and local governments, and S. 158, a bill to encourage production of domestic oil and gas resources in deep water on the OCS.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mike Poling at (202) 224-8276 or Jo Meuse, (202) 224-6730.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DOLE. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet Friday, March 17, 1995, at 9:30 a.m., to conduct a hearing on Department of the Interior and Department of Defense consultations concerning conservation of endangered species at Fort Bragg, NC, and on legislation regarding public uses of the Back Bay National Wildlife Refuge in Virginia.

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

ADDITIONAL STATEMENTS

ARMENIA AND TURKEY MOVE TOWARDS RECONCILIATION

• Mr. SIMON. Mr. President, occasionally, there is good news. We tend to concentrate on the negative news.

I am on the mailing list for the Armenian Information Service publication, New Watch, and in their March 8, 1995 edition the lead article is an Associated Press story of March 1, 1995 with that title, "Armenia and Turkey Move Towards Conciliation."

I hope that turns out to be reality.

That is my hope for the sake of both Armenia and Turkey and stability in the region.

Everyone ends up a winner if this turns out to be true.

I commend the leaders of Armenia and Turkey for moving toward reconciliation.

And I ask that the item be printed in the RECORD.

The article follows:

[From the Armenian Information Service, Mar. 8, 1995]

ARMENIA AND TURKEY MOVE TOWARDS CONCILIATION

Turkey and Armenia seem on the verge of opening a new era in their relations. Turkey and Armenia appear willing to normalize ties, basically for mutual economic benefits, despite a history of diplomatic and historical conflict. "Turkey is ready to contribute to regional peace with confidence-building measures," Ferhat Ataman, the foreign ministry spokesman, said in regard to Armenia. He did not elaborate. But a government official, speaking on the condition of anonymity, said Turkey might consider opening its air space to Armenia "especially after Armenia's recent gestures to please Turkey." The official was referring to Armenian President Levon Ter-Petrossian's decision to close down a major opposition party, the Dashnaks, which demands an apology from Turkey for an alleged genocide and claims territory in eastern Turkey. "An Armenian envoy told us that Ter-Petrossian and the Armenian people were willing to normalize ties with Turkey," Ataman said. Jirair Libaridian, Ter-Petrossian's chief advisor, was in Ankara last week on the invitation of the Foreign Policy Institute, which works closely with the foreign ministry. "Normalization of ties will be the most natural move," Libaridian said then.

The roots of Turkish-Armenian conflict go back 100 years. Armenians accuse the Turks of killing 1.5 million of their people during World War I. Turks say about 300,000 Armenians perished during their deportation as a result of killings, famine or disease. Although Armenia has suffered more from Turkey closing its borders and airspace, Turkey also feels the pinch. "My city is suffering a total economic collapse. If we were allowed to have at least limited border trade with Armenia it would provide some sort of relief," said Mayor Tuncay Mutluer from the eastern border city of Kars. Ankara has bigger financial concerns at stake. When Washington threw its support behind a pipeline project from Central Asia through Turkey, it pointed to Armenia as a possible route. Glen Rase, director for international energy policy at the U.S. State Department, told a conference in London this week that "a route through Armenia might well prove to be the most attractive from a foreign policy standpoint if it had the effect of moving Armenia and Azerbaijan closer to peace."

Turkey's close historical and cultural ties with Azerbaijan remain an obstacle in the process of improving ties with Armenia. Azerbaijan already feels uneasy about a Turkish-Armenian rapprochement. "It will be a betrayal of Baku," said Vefa Gulizade, Azerbaijan's presidential advisor, during a visit to Ankara last week. "It is necessary to see the realities rather than being emotional," Ataman responded. Turkey rules out diplomatic relations with Armenia unless Azerbaijan's territory is set free. But Ankara apparently feels the pressure from Washington for better relations with Armenia. "On Turkey-Armenian relations, which are so frayed with history, emotion, misunderstanding and conflicting views of history, our view is very simple Your two countries must work together, must find ways to move on to the future," Richard Holbrook, Assistant U.S. Secretary of State, said last month.•

TRIBUTE TO THE GIRL SCOUTS OF AMERICA

• Mrs. BOXER. Mr. President, I rise today to pay tribute to an organization that is truly an American institution—the Girl Scouts of America.

This week we celebrate National Girl Scout Week, in recognition of the founding of the Girl Scout organization on March 12, 1912. Throughout the country, Girl Scouts are observing this special week by participating in numerous community service activities.

In my home State of California, where there are 20 Girl Scout councils, young women participated in the first ever Be Your Best Day on March 14. All over the State, Girl Scouts contributed their talents, energy, and time to make an impact on their communities. For example, the Girl Scouts in Anaheim, CA, collected over 300 dolls, reconditioned them, and distributed them to various local agencies.

In Placentia, CA, Girl Scouts assisted the staff of the Van Buren Elementary School by cleaning the school, decorating bulletin boards, and pulling weeds. And, in the bay area, the Girl Scouts collected and distributed 750 bags of clothing and other items for Goodwill. These are just a few examples of the impressive work that the Girl Scouts do every day.

When the Girl Scouts of America was formed in 1912, their mission was simple: To promote character, good conduct, patriotism and service. As they have advanced over the last 83 years, the Girl Scouts have successfully changed to meet the needs of our society while maintaining the original spirit and conviction in which the organization was founded.

I am proud of the Girl Scouts for their ongoing commitment to serving their communities and our Nation. I am pleased to offer my sincere congratulations to them for their 83 years of distinguished service.•

DOWN GOES THE DOLLAR

• Mr. SIMON. Mr. President, I appreciate the column of James Glassman, which has appeared on the financial pages of the Washington Post twice a week and, I was pleased to see, on the editorial page the other day.

In a column titled, "Down Goes the Dollar," he suggests that we ought to be looking at our deficit if we really want to do something about the dollar.

Unfortunately, the lesson of recent history is that we will pay attention to the deficit for a short time, then other things will preoccupy us, and our interest in reducing the deficit will diminish. That is why we need a constitutional amendment.

In his excellent column he quotes Alan Greenspan in response to a question by Representative JOHN KASICH about what would happen if we actually moved to balancing a budget. The Chairman of the Federal Reserve Board, Alan Greenspan, replied "There would be some strain." Then, he says, as borrowing fell, so would interest rates, and "the effects would be rather startling." Real incomes would rise, and we'd be ensured that our kids would live better than we have, he said.

Alan Greenspan's remarks coincide completely with what Data Resources,

Inc., the Congressional Budget Office, and the General Accounting Office [GAO] have told us. The GAO report to us in June 1992 said that two decades after we balanced the budget, the average American would have an increased income of 36 percent. That is a startling figure. And they suggest, if we simply stumble along as we are doing now, that's what we will do in terms of our standard of living, with a possible slight increase or slight decline; or, as appears more likely, the deficit gradually grows, their prediction is for economic chaos.

No one should have any illusions. Our failure to address our fiscal problems discourages financial markets in this country and around the world.

I urge my colleagues to read the James Glassman column, and I ask that it be printed in the RECORD.

The column follows:

[From the Washington Post, Mar. 14, 1995]

DOWN GOES THE DOLLAR

(By James K. Glassman)

Dinner for two at Aubergine in Munich now costs more than 400 American dollars (including a half-decent wine), and a room at the Imperial Hotel in Tokyo runs $600 a night. But if you aren't planning a trip to Germany or Japan, the recent decline in the dollar won't affect you much. At least not yet.

Benign neglect can sometimes solve currency problems, but the dollar is so weak right now that the only way to preserve its status as the world's reserve currency may be a sharp increase in interest rates. "We fear that the ending of this will not be pretty," wrote Ray Dalio, an astute financial analyst, in a fax to his clients last week.

Exchange rates are a complicated and emotional subject. No one really knows why they go up and down, but there's certainly a glut of explanations for the latest crash in the dollar:

"The Mexican crisis is almost certainly the single biggest factor," said economist John Mueller of Lehrman Bell Mueller Cannon in testimony before a Senate committee.

"It comes down to a lack of confidence" in the ability of new Treasury Secretary Robert Rubin, wrote Hobart Rowen of The Post on Sunday.

Charles Ramond, whom runs the currency consulting firm Predex in New York, says that the dollar will keep falling simply because it's too popular, especially in emerging countries—"the best U.S. brand since Coca-Cola." And with so many greenbacks floating around the world, the dollar has been cheapened as a "store of value."

But there's another explanation that's easier to understand: Our twin deficits—in trade and in the federal budget—are forcing us to borrow too much. Through the early 1980s, the United States was the world's biggest creditor; now we're the world's biggest debtor.

When foreigners lend to us, they have to trade their own currencies for ours. Now, the Japanese, for example, are saying that they'll only part with about 90 yen to buy a dollar, in 1985, they parted with 263 yen.

If the dollar keeps falling fast, these lenders my become reluctant to make dollar investments at almost any price (that's what happened with peso investments in Mexico). The only way to lure them will be with higher interest rates.

Dalio believes that if the Federal Reserve moves quickly (it meets March 28), then the rate hike may only have to be one percentage point, or two or three. That would probably mean a recession, but if the Fed waits longer, "the eventual rate hikes and economic damage will have to be more severe."

The truth is that the Fed has shown little appetite for raising interest rates to attract foreigners to the dollar. But the dollar's weakness may force the Fed's hand for a different reason—something economists call "imported inflation."

To make up for a falling dollar, foreign manufacturers have to raise the prices they charge for goods they import to the United States. Thus, it's likely that Japanese cars, for example, will cost more here. If that happens, U.S. automakers will raise their prices, too, slipping under the Japanese umbrella.

In his testimony before the House Budget Committee last Wednesday, Alan Greenspan, the Fed's chairman, admitted that imported inflation could be a problem and that "it is important to contain such pressures"—which the Fed does by raising interest rates to dampen economic activity.

Of course, there's a better way to strengthen the dollar: The government could stop borrowing $200 billion a year by balancing the budget.

In fact, the defeat in the Senate of a constitutional amendment to do just that—and the subsequent beatification in the press of Saint Mark Hatfield, the only Republican dissenter—may even have ignited the dollar selloff.

If so, then Congress will soon get a chance to show the international markets that it's serious. Tomorrow, the House Appropriations chairman, Rep. Bob Livingston (R-La.), is bringing a bill to the floor that will cut spending by $11 billion immediately. That may not sound like much, but it's actually revolutionary. In the past, Congress has used floods and earthquakes as excuses to raise spending in the middle of the year through "dire emergency" supplemental bills.

Also tomorrow, Rep. John Kasich (R-Ohio), the budget chairman, will produce a list of reductions totaling nearly $200 billion. Those cuts would merely pay for the tax reductions in the "Contract With America," but again, they should encourage the markets. Then, in May, Kasich will present what he calls "The Big One"—the spending cuts to bring the budget into balance by 2002.

Even if the tax reductions are trimmed by the Senate—and many House Republicans privately hope they will be—balancing the budget won't be easy. That's why Kasich asked Greenspan for some spine-stiffening words for rubbery members of Congress.

"What would you tell the American people the reasons would be for making some tough choices up front?" Kasich asked last Wednesday.

In the short run, Greenspan replied, "There would be some strain." Then, as borrowing fell, so would interest rates, and "the effects would be rather startling." Real incomes would rise, and we'd be ensured that our kids would live better than we have.

"That's an awesome statement, Mr. Chairman!" said Kasich, practically bouncing out of his seat.●

EXECUTIVE CALENDAR

Mr. COATS. Mr. President, as in executive session, I ask unanimous consent that the Senate proceed to the immediate consideration of the following nominations on the Executive Calendar, en bloc: Calendar Nos. 18, 19, 20, 21, 22, 35, and 36; further, that the nominations be confirmed en bloc; the motions to reconsider be laid on the table en bloc; that any statements relating to the nominations appear at the appropriate place in the RECORD; and that the President be immediately notified of the Senate's action.

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

The nominations were considered and confirmed, en bloc, as follows:

THE JUDICIARY

Lacy H. Thornburg, of North Carolina, to be United States District Judge for the Western District of North Carolina.

Sidney H. Stein, of New York, to be United States District Judge for the Southern District of New York.

Thadd Heartfield, of Texas, to be United States District Judge for the Eastern District of Texas.

David Folsom, of Texas, to be United States District Judge for the Eastern District of Texas.

Sandra L. Lynch, of Massachusetts, to be United States Circuit Judge for the First Circuit.

UNITED STATES TAX COURT

Maurice B. Foley, of California, to be a Judge of the United States Tax Court for a term expiring 15 years after he takes office.

Juan F. Vasquez, of Texas, to be a Judge of the United States Tax Court for a term expiring 15 years after he takes office.

ORDERS FOR MONDAY, MARCH 20, 1995

Mr. COATS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. on Monday, March 20, 1995; that following the prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day; and that the Senate then begin controlled general debate on the line-item veto bill until 5 p.m.

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

PROGRAM

Mr. COATS. Mr. President, for the information of all Senators, at 5 p.m. Monday, the Senate will begin consideration of S. 4, the line-item veto bill. Amendments could be offered at that time. However, no votes will occur on that day.

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

RECESS UNTIL 10 A.M., MONDAY, MARCH 20, 1995

Mr. COATS. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 2:57 p.m., recessed until Monday, March 20, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 17, 1995:

U.S. TAX COURT

MAURICE B. FOLEY, OF CALIFORNIA, TO BE A JUDGE OF THE U.S. TAX COURT FOR A TERM EXPIRING 15 YEARS AFTER HE TAKES OFFICE.

JUAN F. VASQUEZ, OF TEXAS, TO BE A JUDGE OF THE U.S. TAX COURT FOR A TERM EXPIRING 15 YEARS AFTER HE TAKES OFFICE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

LACY H. THORNBURG, OF NORTH CAROLINA, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF NORTH CAROLINA.

SIDNEY H. STEIN, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK.

THADD HEARTFIELD, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS.

DAVID FOLSOM, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS.

SANDRA L. LYNCH, OF MASSACHUSETTS, TO BE U.S. CIRCUIT JUDGE FOR THE FIRST CIRCUIT.

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