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## Senate

The Senate met at 10:32 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, the Rev. Donald J. Harp, Jr., Peachtree Road United Methodist Church, Atlanta, GA.

We are glad to have you with us.

### PRAYER

The guest Chaplain, the Rev. Donald J. Harp, Jr., offered the following prayer:

Let us pray.

O God, our help in ages past, our hope for years to come, for this land of beauty and plenty, we offer our words of thanksgiving. For elected leaders who place the good of all above the wishes of a few, we offer our words of thanksgiving. For our citizens who offer thoughtful words of affirmation versus random words of criticism, we offer words of thanksgiving. Intercede, O God, with Your wisdom, in the decisions of this body. Grant wisdom, compassion, and vision, that decisions shall be based on truth, honesty, and fairness for all of our citizens. Bless, we pray, our executive branch, our Congress, and our judicial system with the gift of Your compassion for humanity as decisions are made. We pray in Thy holy name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO, a Senator from the State of Idaho, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Georgia is recognized.

### WELCOME TO REV. DON HARP

Mr. CLELAND. Mr. President, I am very honored to host Reverend Don

Harp of Atlanta as the guest Chaplain in the Senate today.

Reverend Harp was born in Fayette County, GA, and graduated from Fayette County High School.

He attended Young Harris Junior College before receiving his BA degree from Huntingdon College in Montgomery, AL. Reverend Harp then went on to earn his masters degree in divinity from Emory University in Atlanta, and his doctorate from McCormick Theological Seminary in Chicago.

He has served on the Carrollton, Georgia City Council, Mayor Bill Campbell's Atlanta Advisory Committee, and the President's Advisory Council of Oglethorpe University.

He has received the Mary Mildred Sullivan Award from Brenau College in Gainesville, GA, and was a delegate to both the General and Southeastern Conferences of the United Methodist Church.

Reverend Harp has been a good friend and pillar of support for me over the years. As Tagore once said, "Faith is the bird that feels the light and sings when the dawn is still dark."

Reverend Harp taught me that faith in God sometimes requires strength, but God gives back that strength many times over.

I am proud to welcome my distinguished friend to the United States Senate today.

### RECOGNITION OF ACTING MAJORITY LEADER

The PRESIDING OFFICER. The Senator from Idaho is recognized.

### SCHEDULE

Mr. CRAPO. Mr. President, today the Senate will be in a period of morning business until 2 p.m. with the time until 12:30 p.m. for general statements and bill introductions. At 12:30 debate regarding the marriage tax penalty will occur prior to the cloture vote

scheduled to occur at 2 p.m. Senators should be aware that if cloture is not invoked on the substitute, there will be a second cloture vote on the underlying measure. Therefore, there could be up to two votes at 2 p.m. Following the votes, the Senate is expected to consider the budget resolution conference report with a final vote expected this evening. I thank my colleagues for their attention.

### RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12:30 p.m. with Senators permitted to speak therein for up to 5 minutes each. Under the previous order, the time between 10:30 and 10:45 a.m. shall be under the control of the Senator from Idaho, Mr. CRAPO, or his designee.

The Senator from Georgia.

### MEASURE PLACED ON THE CALENDAR—H.R. 1838

Mr. CRAPO. Mr. President, I understand there is a bill due for its second reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1838) to assist in the enhancement of the security of Taiwan, and for other purposes.

Mr. CRAPO. I object to further proceedings on this bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

(The remarks of Mr. CRAPO and Mr. SMITH of New Hampshire pertaining to the introduction of S. 2417 are printed

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



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S2647

in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

Mr. GREGG. Mr. President, I ask unanimous consent that the time assigned to the Senator from Arkansas, Mr. HUTCHINSON, be given to me at this time.

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

#### FIGHTING DRUGS IN THE UNITED STATES

Mr. GREGG. Mr. President, I rise to speak about the issue of how we are fighting drugs in this country—specifically, the President's initiative relative to the country of Colombia in relation to our own initiatives on the southern border of our country.

I have the privilege to chair the committee that funds the INS, which includes the Border Patrol, DEA, the department of drug enforcement; and the judiciary. All three agencies, of course, of our Government have a significant role in the issue of drug enforcement and especially as it affects our southern border.

The President has asked for \$1.6 billion of new money—he has asked for it in an emergency format—to be sent to the country of Colombia, in order for Colombia to fight drugs and the production of drugs. That may well be a reasonable request. I have reservations on its substance, but I also have serious reservations as to its appropriateness in the context of the drug war that we as a Nation face. The reason is simple. When the President sent a budget up to address the agencies that are responsible in our Government to fight drugs, he did not fully fund their needs. He underfunded the needs of the Drug Enforcement Administration, DEA; he underfunded the needs of the INS and Border Patrol; he underfunded the needs of the judiciary, which enforces the law.

I have made a little chart here that reflects a comparison. The unfunded capital—I am talking about capital needs, one-time items, which involve the construction or technology and needs of these different agencies, the INS, DEA, and the judiciary. The unfunded requests of these agencies represented about \$1.8 billion—a little bit more than \$1.8 billion. Compare that with the fact that the President is willing to fund almost \$800 million—million, not billion—of capital needs for Colombia.

Let's do a little review of this because I think it is important for people to understand what happened. Essentially, what the President is saying is that the capital needs of Colombia are more important than the needs of our own drug enforcement agencies here in the United States. For example, the President has requested 15 Huey helicopters for Colombia and 30 Blackhawk

helicopters. They are the most advanced helicopters we have in our fleet. Thirty Blackhawk helicopters will cost approximately \$388 million. Let me tell you, those 30 helicopters, along with the 15 Hueys, are going to go to Colombia.

Let me tell you what the Drug Enforcement Administration and the Border Patrol have to fly on our borders in order to interdict drugs. They fly old Vietnam-era helicopters. They aren't safe. In fact, many of them have been grounded. The Army, in fact, grounded almost all of its Hueys. But that is what we are left with.

DEA and INS have both requested aircraft in order to patrol the borders. Those requests were not funded by this administration. Yet the administration turns around and is willing to give 30 Blackhawk helicopters to Colombia. Who knows what will happen to those helicopters. Who knows how they will be used. But I can assure you that the first call, I believe, on new helicopters for the purposes of the drug war should have gone to the departments which fight the drug war in the United States and which need them.

Another example: Night vision goggles. We are going to send \$2 million to Colombia to buy night vision goggles. Yet here in the United States, the Border Patrol and DEA are short on those materials. In fact, the Border Patrol is woefully short on night vision goggles, on pocket scopes, on fiber-optic scopes, on hand-held searchlights—all of these items the Border Patrol asked for and were not funded in this budget by the President.

Yet the President has been willing to find the money, or suggested that we should find the money, to send not only night vision goggles but ground-based radar systems, secure communications systems, signal intelligence gathering systems, computers, and installation of sensor sights for aircraft. All of these items they have suggested we send to Colombia.

In addition, they have suggested that we actually construct facilities for Colombia to the tune of approximately \$49 million—physical buildings.

Let me tell you, both the INS and the DEA need physical facilities. In fact, the Border Patrol is functioning out of extraordinarily crowded facilities. Many of the Border Patrol stations are grossly overcrowded. There is one site which is designed for 5 people with 125 people working out of it. There is another site where the Border Patrol is working out of an old Tastee Freeze building. I guess you can use an old Tastee Freeze building. It is sort of hard to handcuff a drug dealer to a Tastee Freeze machine.

The fact is we do not have the facilities which we need in order to adequately enforce our laws relative to drug dealers coming across the borders and drugs coming across the borders. We don't have the facilities to detain those people.

There is a detention need of approximately \$406 million. In other words, we

need \$406 million of construction in order to meet the potential detention needs for people illegally coming across the border, many of them drug dealers.

The judiciary has the same problem. There is a massive increase in the amount of caseload which the judiciary along the southern border has to handle. Five district courts on the southwest border now handle 26 percent of all the Federal criminal activity—26 percent of all the Federal criminal activity—and a great deal of that is drug related.

To put that in perspective, the remainder of the criminal activity in this country is handled by 89 other district courts. Five are handling 26 percent and 89 handle the rest. You can see how overworked those five courts are.

The border courts' basic caseload is four times that of the national average. Yet did the administration put money in to try to increase the capacity of those court systems to handle this wave of crime that is coming across the border, much of it drug-related? Absolutely not. There are no physical facilities in that area.

I put up another chart which is a little more stark explanation of some specific accounts.

For example, the aircraft needs along the southwest border, this is what was unfunded. This bar chart shows the unfunded needs for aircraft along our southwest border. This shows how much the administration is willing to spend for aircraft for Colombia. They are willing to spend three times what it would take in order to adequately monitor our own border with aircraft. They are willing to spend it in Colombia.

I have to say that I really doubt that aircraft in Colombia is going to end up doing the job. I do not know how it is going to be used. But I strongly suspect it is not going to be used very effectively if we look at the history of what has happened with our efforts outside this country in the area of crime enforcement. I suspect what we will end up with is some company in America making a heck of a lot of money because somebody will buy 30 Blackhawk helicopters and ship them to Colombia. That will be the end of it. That will be the last we hear of them.

But if the administration is willing to pay for the aircraft along the border, the use of those aircraft would be accountable to the American people. We would know whether those aircraft were being used correctly in law enforcement and drug enforcement. I can assure you that my experience with the Border Patrol and the DEA is they would be used correctly, and we would get a return for the dollars that are being spent.

It is not only in the capital areas that this administration has acted, in my opinion, with gross irresponsibility in their obligations to fight the drug war here in the United States, by funding the Colombian request but not

funding the American needs, but more importantly, in the area of personnel and initiatives, it is really unbelievable. This administration is willing to spend \$1.6 billion in Colombia, but they spent absolutely nothing in their budget on the methamphetamine initiative of the Drug Enforcement Administration. Nothing. The methamphetamine initiatives of DEA have been some of the most successful initiatives they have undertaken.

Talk to people in Colorado, Missouri, Minnesota, and all along the southwest border. They will tell you methamphetamine is the drug that is growing most rampantly. It is growing at the most dramatic rate. Its production is growing at the most dramatic rate.

Two years ago, the Congress set up 10 initiatives in the area of methamphetamine. They have been successful. Yet this administration has zeroed out for all intents and purposes any new initiative in methamphetamine, even though the DEA specifically requested of OMB—part of the administration—and said they needed 10 more initiatives in the area of methamphetamine. I think it was 10. But that was zeroed out by the White House while at the same time they are willing to spend \$1.6 billion to buy planes for Colombia. It makes no sense.

We know that 85 percent of the methamphetamine that is being sold in Minnesota is smuggled in from Mexico. We know that. We know, if we are going to stop that smuggling, that we are going to have to have a border enforcement capability that can identify it, track it, arrest it, and then prosecute it. But you can't do that if you are going to underfund the DEA, the INS, and the judiciary to such dramatic levels. But the White House has done exactly that. But who have they been willing to fund for initiatives in Colombia? That is not the only instance.

The Border Patrol was supposed to receive an increase of 1,000 people a year for 3 years. That is what the Congress asked this administration to do. That is what we actually funded—1,000 people for 3 years. This administration has refused to fill those slots. The administration has basically refused to fulfill its obligation to fill those slots. So the Border Patrol goes undermanned and in many instances underpaid. As I have already pointed out, the facilities and equipment it has are woefully inadequate.

The Border Patrol, obviously, does things other than just drug enforcement, but because the Mexican border is the primary vehicle and the Mexican cartels are the primary force behind the drug flow into the United States, the Border Patrol is constantly being drawn into the drug fight. Therefore, adequately funding the Border Patrol is critical to having an adequate drug enforcement policy in this country.

My point is simple and obvious. Before we send \$1.6 billion to Colombia, before we send this money down there so they can have more planes, goggles,

and radar sensors, how about funding the American needs in the area of drug enforcement? How about funding our own law enforcement community and our Judiciary so we can act adequately, interdict and fight drugs in the United States.

I believe this administration's priorities are skewed. I think this Congress has an obligation to take a hard look at the Colombian drug proposal when it comes here. In my opinion, we should reallocate significant amounts of those funds so we can appropriately fund and support DEA, INS, and the Judiciary.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. AL-LARD). Under the previous order, the time between 11 o'clock and 11:30 shall be under the control of the Senator from New Hampshire or his designee.

The Senator from New Hampshire is recognized.

### HOLY SEE

Mr. SMITH of New Hampshire. Mr. President, first, I want to make my colleagues aware I have a resolution regarding the Holy See. This resolution would block any effort to remove or demean the nine-member permanent observer status at the United Nations held now by the Catholic Church. I want my colleagues and the American people to know this is being blocked from being heard by the other side of the aisle, which is a very interesting story considering the controversy on the House side regarding the Chaplain. It is interesting that this simple resolution that says we will not block or demean in any way the nine members of the permanent observer status at the United Nations by the Pope and the Catholic Church is being blocked on the other side of the aisle.

I want the American people to know I can't get this to the floor because of holds on this bill on the other side. When we hear the stories about who is anti-Catholic and who isn't, we ought to shine the light where the light should be shined.

### ELIAN GONZALEZ

Mr. SMITH of New Hampshire. Mr. President, I want to pick up on a couple of points I made last night regarding Elian Gonzalez.

My colleagues need to understand today this young boy is going to be yanked from the arms of his family, literally, at the direction of Janet Reno, and placed on an airplane and taken God knows where—we are hearing maybe to Bethesda—where he meets with Juan Gonzalez in the confines of the Cuban control which is where this Cuban diplomat lives, or perhaps ultimately on an airplane and headed for Cuba. There are no restrictions. We don't know.

The speech I made on the floor last night I thought was very compelling regarding this situation. There is talk

about how this young man is going to go back to his father. I will repeat briefly what I said last night. He is not going to go back to his father, if we let this young boy go back to Cuba. The Cuban diplomats have already said this young man is controlled by Cuba. He is a child of the state. He is a child of Cuba. He is not a child of Juan Gonzalez—only biologically. Beyond that, he is not the son of Juan Gonzalez; he is the son of Cuba.

We have a 6-year-old little boy who survived a terrible incident at sea, watching his mother drown. Her dying words literally were: Please get Elian to the shores of America. The two survivors told me that themselves because they saw her die, as did Elian.

Later they were separated and Elian floated for 3 days in an inner tube. When he was picked up by two fishermen, he was surrounded by dolphins. We know dolphins are a protection because sharks do not interfere with dolphins. He was being protected by the dolphins. He had no sunburn after 3 days at sea. He told me he saw the Virgin Mary while he was floating in this inner tube.

This is a very special little boy who had never been inside a church until he came to America. We now have said, the Justice Department has said, Janet Reno has said, this boy has no rights under the law. She is wrong. She has discretion under the law to send him back, but there is no law that says he must go back. I want to make that very clear.

I think the Senate should go on record, as tough as it is, and take a vote one way or the other, binding or nonbinding, but take a vote. Every Senator should let the American people know how they feel about this because Elian went through an awful lot—a lot more than most of us go through in our lifetimes. His mother died trying to get him to America, and we have now taken her rights away. She has no voice because she can't speak for herself. Perhaps ultimately in the custody court without the Justice Department would be the right way to resolve it. However, the Attorney General has chosen to be confrontational, as she did at Waco, and said he will be taken. She has made this statement over and over in the past several days.

I read the polls that say 61 percent of the American people say Elian Gonzalez should go back to his father. This is not about polling. There were no polls out there when Elian was floating around in the ocean in rough seas for 3 days.

I have met Elian Gonzalez and until yesterday I don't think Janet Reno had. He is a special boy. He is going to be Castro's main objective when he gets back to Cuba. This boy cannot succeed in saying good things about America to his classmates. This boy will go into a Communist education camp. He will be taken away from his father most of the time, probably 11 months out of 12, and he will be "re-educated." Fidel Castro himself has

said this boy will be reeducated. He will be reeducated all right. Ask some of the Vietnamese who came out of Vietnam what a reeducation camp is and ask some of the Cuban American community today what it is like in Cuba and why thousands have come here and thousands more have died trying to get here.

Now because little Elian's mother drowned, he has no rights. I thought this was America. But I guess it isn't anymore.

I want everybody to understand what happens to Elian Gonzalez. We hear about Fidel Castro. You would think he loved this little boy and would want to get the little boy back to his father. "That is all I want," says Fidel.

I will close on this point: On July 13, 1994, 72 Cuban men, women, and children boarded a tugboat called the *13 de Marzo* and they set sail, hopefully, they thought, to freedom in the United States. Three hours later, 32 of them would be forced back to Cuba and imprisoned and another 40—23 children among them—would be killed by the Cuban goon squads of Fidel Castro.

Do you know how it happened? I will tell you how it happened. We got this firsthand from the survivors: Two Government firefighting boats pummeled the helpless passengers, who were unarmed, with water from high-pressure firehoses 7 miles off the coast of Cuba. The passengers repeatedly attempted to surrender to Government officials, going so far as to hold their children in their arms up like this, saying: Please, these are my children, stop, stop.

But the Cuban Coast Guard was relentless. The firehoses were enormous. Survivors said children were sprayed from the arms of their mothers into the ocean waters. Other children were simply swept off the deck by the firehoses and drowned in the sea. Desperate to protect their children, some of the mothers went down below deck with their children. What did they get for that? The Cuban Coast Guard rammed their vessel again and again and sank it with these people in the hold.

Here is a picture of a little girl, Caridad Leyva Tacoronte, 4 years old. She was one of those children.

If Castro's goons could have caught that boat, they would have done the same thing to Elian Gonzalez.

So I don't want to hear any more of this talk about how this is going to be the nicest thing for Elian, to go back to his wonderful little home in Cuba and live happily ever after with his dad because that is a bunch of pure, unadulterated garbage. Let's face reality. If the Senate does not have the courage to stand up and vote and be on record against that, then what do we stand for? What do we stand for?

Here is another one, Angel Rene Abreu Ruiz, 3 years old, sprayed from the arms of her mother by a high-pressure firehose and drowned in the ocean before her mother's eyes.

Elian did not get caught, so Castro did not kill him. He made it to the

ocean. The ocean, though, took the lives of his fellow passengers, all but two. One other couple and Elian survived. His mother died.

So rather than send this to a custody court—I am not asking anybody to make a decision on where Elian should go. All my resolution does, that I have been trying to get a vote on now for a month and a half, is it gives permanent residency status to Elian, to his father, to his father's current wife, and to his child, to Elian's two grandmothers and grandfather—all the family. It lets them come here free of Castro, sit down as a family, talk with the Miami relatives, and decide how little Elian's fate should be resolved. That is all I am asking.

But, oh, no, we cannot do that because Janet Reno and Fidel Castro have decided the kid has to go back to Cuba. I want everybody in America to know what is going to happen. I promise you, this is the kind of stuff that happens in Cuba. He is going to go into a little reeducation camp, and he is going to learn all about communism, and we are going to make mighty sure, in Cuba, that he does not tell his classmates about Disney World or anything else nice that happened here in America. He is not going to let that happen. So he is a special little boy, all right, to Fidel Castro.

When I hear all this stuff about this nice little happy relationship with Juan Gonzalez, his father—where has his father been for 4 months? Has anybody stopped him from going to Miami and sitting down with the family and talking this out? Yes. Fidel Castro has stopped him.

Do you know where Mr. Gonzalez' mother is right now? She is under house arrest in Cuba so she cannot move freely. Let's get real here. That is where she is. He is afraid to say anything because he fears for his mother's life. He has his wife and child here but he doesn't have his mother here.

What a tragedy this is, that this little boy, who survived all of this, is now going to be forced back and he has nothing to say about it. I am never going to forget, as long as I live, no matter what happens, that little boy looking me in the eye about 2 months ago, 3 months ago, and saying: Senor, ayudame, por favor—help me, please. I don't want to go back to Cuba.

I asked him: Elian, don't you want to see your father?

He said: Si, senor—yes, but I want my father to come here to America because that is what my mother wanted.

Frankly, that is what his father wanted, too, but he can't say it. His father knew Elian was coming. He spoke to the hospital the night Elian was rescued and he was in the hospital. The father spoke to the doctors and to the family and thanked the family and the doctors for taking care of him and said, "I'll see you soon." But, oh, no. Then comes the Attorney General blundering into this thing: Oh, no, this is an immigration matter.

Do you think he came in here by yacht?

Once again, I plead with my colleagues, whoever the powers that be are around here: Bring this thing to a vote today before 2 o'clock. Don't block it. Bring it to the floor and allow us to be recorded so the American people will know where we stood on a matter as important as this.

#### VOLUNTARY MEDICARE PRESCRIPTION DRUG PLAN ACT OF 2000

Mr. SMITH of New Hampshire. Mr. President, I would like to talk a bit about The Voluntary Medicare Prescription Drug Plan Act of 2000—S. 2319.

This bill allows seniors to enroll in a new program under Medicare which will provide for prescription drug coverage without increasing Medicare premiums or costing the Federal Government one penny.

This is an issue about which, as you know, many seniors are very concerned.

The Senate unanimously approved a sense-of-the-Senate amendment on the budget resolution offered by myself, Senator ALLARD, and Senator DOMENICI.

This sense-of-the-Senate is very simple. First of all, under the plan the Senate Democrats are committed to passing this year, there are six basic principles.

I agree with them all.

No. 1, it is voluntary.

I agree with this. If the senior doesn't want it, he or she should not have to take it.

No. 2, it is accessible to all Medicare beneficiaries.

I agree with that. A hallmark of Medicare is that all beneficiaries, even those in rural or underserved communities, have access to dependable health care. It should be accessible to everybody. The Smith-Allard plan is fully accessible for all beneficiaries.

No. 3, it is designed to provide meaningful protection and bargaining power for Medicare beneficiaries in obtaining prescription drugs.

A Medicare drug benefit should assist seniors with the high cost of drugs and protect them against excessive, out-of-pocket expenses. I agree with that.

No. 4, it is affordable for all Medicare beneficiaries and for the Medicare program.

It should be affordable to all beneficiaries, and it should be affordable to the Medicare program itself. The Smith-Allard bill is free. Free to all beneficiaries, free to the trust fund. If free qualifies as affordable, I think we are there.

No. 5, it is administered using private sector entities and competitive purchasing techniques.

The management of the prescription drug benefit should mirror the practices employed by private insurers. Discounts should be achieved through competition, not through price controls or regulation.

We are five for five.

No. 6, it is consistent with broader Medicare reform.

None of the plans that I know of are consistent with this principle because they all cost the taxpayers of America in the upwards of \$40 billion dollars. And that's just to start. The President's plan is looking at an additional \$203 billion.

Medicare will face the same demographic strain as Social Security when the baby boomer generation retires. We need to save Medicare, not add more of a financial burden to it.

So, these six principles I have listed are principles I totally support. They are principles that the Smith-Allard plan meets.

But we added three new principles: The plan should be revenue neutral; not increase Medicare beneficiary premiums; and provide full coverage in 2001.

These three principles enhance and strengthen those put forth by my colleagues on the other side of the aisle.

Let me briefly explain how my new legislation works:

Medicare part A—under the old system, the current system—has a \$776 deductible.

Medicare part B has a \$100 deductible. In other words, if you go to the doctor, the first \$100 you pay for; if you go to the hospital, the first \$776 you pay for; the rest, Medicare pays. That is total of \$876 you will have to pay.

My new plan would create one new deductible, combining those two deductibles of part A and part B into one deductible of \$675, which would apply to all hospital costs, all doctor visits, and prescription drugs—50 cents on the dollar up to \$5,000.

And the prescription drug costs apply to the deductible, so every dollar you pay for a prescription moves you forward to meet the deductible.

Once the \$675 deductible is met by the Medicare recipient, Medicare then will pay 50 percent of the cost toward the first \$5,000 worth of drugs the senior purchases.

However, the senior could not purchase a Medigap plan that would pay for the \$675 deductible. This must be paid for by the senior. But if you have a Medigap plan now as a senior, you will not need it.

As a result, seniors would save about \$550 under Medigap plans if they traded their current Medigap plan for my new prescription drug plan.

Again, it is their option. It is voluntary. Seniors could even use their \$550 in savings to pay the \$675 deductible.

If you are a senior out there, and you have part A, part B, and you are paying \$675 toward the deductible, and you have Medigap insurance of \$550, you now can put the \$550 toward the \$675 to meet your deductible. So you are going to have \$550 in savings. You can put that toward the \$675, and you are already two-thirds of the way there.

But how do you get the cost savings?

As my colleagues are aware, according to the National Bipartisan Commission on the Future of Medicare, the Federal Government pays about \$1,400 more per senior if the senior owns a Medigap plan that covers their part A and part B deductible.

The savings result because Medicare will not have to pay this \$1,400 per person per year out of the trust fund.

As I mentioned, all hospital, physician, and prescription drug costs would count toward this \$675 deductible. Once it was met, the senior would receive regular, above-the-deductible Medicare coverage, just as you get now. Or if you worked out the numbers and decided against my plan, then you would not have to select it; it is your choice.

I have spoken to senior groups and health care providers, both in Washington as well as in my State over the past several weeks, about this proposal. The response has been very enthusiastic.

Seniors want a prescription drug benefit. Doctors and nurses understand the importance of providing coverage for seniors because of the expense of prescription drugs in this country.

It would be a victory for seniors and for health care in this country if we could provide this coverage to them.

In a recent press conference, President Clinton and Senator DASCHLE outlined their goals for prescription drug coverage.

Leaving the politics aside, the fact that elected leaders from both parties are looking at this issue of prescription drug coverage is good news for the senior citizens of America.

I have talked with several of my Republican colleagues, and it is clear to me there is overwhelming support for allowing seniors to have this choice. The only question among us all is how we can responsibly structure such a program.

I have heard from seniors in my State about what they are looking for in a prescription drug plan.

First, they are concerned about the solvency of the Medicare program. They want a program that does not add some huge financial burden to the trust fund which will be passed on to their grandchildren.

Second, they do not want to increase the national debt, either. Yes, seniors are concerned about the national debt. Ask them the next time you speak to a seniors group.

Third, seniors do not want new premiums. My plan requires no premium hike for seniors—zero.

As I have previously stated, the guiding principles of this plan, which may come as a shock to some of my colleagues on the other side of the aisle, are the same principles as those of the President and the distinguished minority leader for any prescription drug plan.

I believe the vast majority of seniors will benefit from this plan. In fact, every senior with a Medigap plan will definitely benefit.

Any senior with a prescription drug expenditure of more than \$15 a month will benefit. Today, the Medicare part A and part B deductible totals \$876, which most seniors cover by an average \$1,611 Medigap insurance premium.

Let me go through some charts that will help explain how the plan works.

First, it is budget neutral.

It is ironic to see the direction in which the Medicare reform debate is headed.

Do my colleagues remember what started these discussions about Medicare reform?

It was the fact that the program was going broke.

So why would we support reforms that cost the program billions more in spending and further increase its insolvency?

I want to support Medicare reform that preserves the integrity of the program, not some sham reform that adds new financial burdens we will not be able to sustain.

For those of you who are skeptical that these numbers can work, let me say right off that I am not an actuary. I know budgets, but these are vast actuarial calculations we are talking about.

So, I wrote a letter to someone who I feel is in a unique position to make an unbiased assessment of this plan. His name is Guy King, and he was the Chief Actuary at the Health Care Financing Administration.

Here is the letter he sent me.

I ask unanimous consent that this letter and a letter from Mark Litow, an actuary from the firm of Milliman and Robertson, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

KING ASSOCIATES,

Annapolis, MD, March 28, 2000.

Hon. BOB SMITH,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR SMITH: This is in response to your letter of March 9, 2000 asking for my analysis of legislation you intend to introduce in the Senate. The proposed legislation establishes a voluntary prescription drug benefit, the Medicare Prescription Drug Plan, under the Medicare program.

Under the Medicare Prescription Drug Plan, the current Part A and Part B deductibles would be replaced by a single deductible of \$675 which would also be applicable to the new prescription drug benefit. The Medicare program would pay fifty percent of the cost of prescription drugs, up to a maximum of \$2,500 after satisfaction of the deductible. A beneficiary who chooses the Medicare Prescription Drug Plan would not be allowed to purchase a Medicare supplement policy that fills in the \$675 deductible, so special Medicare supplement policies for those who choose the option would be allowed.

The Medicare Prescription Drug Plan would be available, on a voluntary basis, to any Medicare beneficiary not also covered by Medicaid. The possibility of anti-selection is an important consideration for a plan that is available to all Medicare beneficiaries as an option. I believe that the design features of the Medicare Prescription Drug Plan, as outlined in your legislation, minimize the impact of anti-selection.

As you requested, I performed an analysis of the proposed legislation. This analysis is based on Medicare and prescription drug data that I obtained from the Health Care Financing Administration (HCFA). My analysis indicates that the Medicare prescription Drug Plan, as described above, would be cost-neutral to the Medicare program if it were made available on a voluntary basis to all beneficiaries except those also covered by Medicaid.

If you should have any questions regarding my analysis, please don't hesitate to call.

Sincerely,

ROLAND E. (GUY) KING, F.S.A., M.A.A.A.

MILLIMAN & ROBERTSON, INC.,  
Brookfield, WI, March 29, 2000.

Hon. Senator ROBERT C. SMITH,  
Dirksen Building, Washington, DC.

Re: Medicare Alternative Including Prescription Drug Coverage.

DEAR SENATOR SMITH: At your request, we have analyzed the impact of creating a new option for the Medicare population that would provide coverage for prescription drugs. This option would allow most non-Medicaid aged and disabled Medicare beneficiaries, including those who are institutionalized but not covered under Medicaid and those with end stage renal disease (ESRD), a choice between traditional Medicare coverage and a new form of Medicare coverage referred to as the Prescription Plan. If the individual chooses the prescription plan, the deductible applies across all benefits (Part A, Part B, and drugs). Coinsurance still remains as currently exists under Parts A and B after deductibles, although the Part A extended benefit is available as an option, and prescription drugs have their own coinsurance levels as specified. If the individual chooses to remain under traditional Medicare, no prescription drug coverage is available.

The key components of the Prescription Plan option are:

The Prescription Plan has an aggregate deductible of \$875 for the year 2000 across all benefits. Coinsurance for Parts A and B above the deductible are consistent with Medicare today, except as noted in the following bullet. Coinsurance for drugs is 50/50 on the next \$5,000 above the deductible, with no coverage thereafter, so that the plan's maximum prescription drug benefit is \$2,500.

Individuals have the option to pay an additional premium to Medicare under the Prescription Plan of \$21 per year (\$1.75 per month) that would provide full coverage of hospital claims for days 61 to 90 plus Lifetime Reserve Days. Currently, Medicare only covers a portion of the cost for days 61 to 90 and Lifetime Reserve Days.

People can purchase a new Medicare Supplement plan to cover their out-of-pocket costs above the deductible. Under this scenario, premiums for the current Plan F (which exclude prescription drugs) are expected to decrease by roughly \$550 per year on average. Coverage below the aggregate deductible is not permitted.

People choosing to be covered under traditional Medicare will have exactly the same benefits they have today under Medicare. We believe the choice of current Medicare versus the Prescription Plan is reasonably balanced so that a relatively equal mix of healthy and less healthy individuals will select current Medicare and the Prescription Plan. Therefore, we do not anticipate significant amounts of adverse selection with this choice.

The offering of Prescription Plan along side traditional Medicare is estimated to be revenue neutral to Medicare. In other words, the Prescription Plan allows individuals access to prescription drug coverage at no ad-

ditional cost to the Federal Government. Election of the option results in no change to the Part A and/or Part B premium, as applicable.

This system allows individuals two opportunities to change options. The first is at their initial time of eligibility for this program. The second is at the beginning of any year that is at least four years after their initial option. In both cases, the move can be made without evidence of insurability.

Estimates of the aggregate deductible are based on our best set of assumptions. A wide range of reasonable assumptions exist that could either increase or decrease these values.

A number of data sources and assumptions have been used in our analysis. These include:

The benefit design is applicable to the non-Medicaid aged, disabled, and ESRD populations. The only population not covered under this plan is that covered by Medicaid.

We estimate the Prescription Plan will result in an aggregate decrease in utilization of approximately 5%. However, we expect that the utilization savings will occur if and only if the aggregate deductible cannot be covered under any supplemental insurance plan.

We have assumed no price discounts on prescription drugs.

We have assumed that the choice between current Medicare and the Prescription Plan is fairly equal. The reason is that the higher deductible for Part B services will attract healthier people under the Prescription Plan, while the drug benefit will attract less healthy individuals. Given the magnitude of the Part B benefit and the drug benefit included in the Prescription Plan, we are unable to discern a tendency for people in a certain health status to have a greater inclination for current Medicare or the Prescription Plan than would people in a different health status.

All estimates above are based on calendar year 2000 levels, and should be properly adjusted for healthcare inflation in years beyond 2000. We have not made any adjustments for the new Hospital Outpatient Prospective Payment System which is expected to take effect in early calendar year 2000. Our analysis is based on the current Medicare payment system in Part B services. Since Part B services and prescription drugs would now be included, the trend rate applied to the deductible in future years is critical to controlling the cost of Medicare.

Cost and distributions of costs are based on the 1999 Milliman & Robertson, Inc. Health Cost Guidelines Ages 65 and Over. These Guidelines are based on an extensive analysis of various data sets, including Medicare data.

The following caveats apply to our estimates:

1. The values included are estimates only. Actual results may be better or worse than anticipated and could vary from anticipated results. Thus, actual experience should be monitored closely and revisions made as necessary to maintain revenue neutrality and other objectives.

2. This letter assumes the reader is familiar with the Medicare program and should be reviewed in its entirety. Since our conclusions reflect assumptions specific to the Medicare program, they may not be appropriate from other situations. This letter is intended for distribution for all who request, and therefore should be used in its entirety. The results and assumptions may be misinterpreted if taken out of context. As such, portions of this letter should not be excerpted.

3. The opinions in this letter are those of the author and do not necessarily reflect the

options of others in Milliman & Robertson, Inc. (M&R). M&R does not take any position on specific health care reform proposals. There is uncertainty associated with some assumption underlying this analysis. Changes in the assumptions may have a material impact on this proposal. Actual experience may vary from the results projected in this letter.

This letter is a revision of an earlier letter dated September 22, 1999. The assumptions supporting that document were tested independently by Guy King of King Associates. The changes made to that analysis are relatively modest, but we have not as yet asked Guy King for his comments on these changes. A copy of Mr. King's work to date was attached to our September 22, 1999 letter.

If you have any questions or need additional information, please call.

Sincerely,

MARK E. LITOW, F.S.A.,  
Consulting Actuary.

Mr. SMITH of New Hampshire. There it is, folks. It's revenue neutral.

Let me talk about the premium issue, because this I believe is the most explosive political side of this.

Seniors watch their budgets closely. If you try to sock them with a new premium, they will not be happy.

Let me remind my colleagues what happened the last time we tried to slap new premiums on seniors.

This picture is an incident that occurred when seniors who were angry with the enactment of the so-called Catastrophic Act assaulted Congressman Rostenkowski's car.

Congressman Rostenkowski wrote the legislation which increased premiums on certain seniors.

It would be a grave mistake to interpret seniors' desire for prescription drug coverage as a call for new higher premiums.

It would also be a huge mistake to think that there is any need for such premiums.

Let me show you how my plan compares with the Administration's plan as far as premiums and benefits.

This chart shows that the Clinton plan's benefits do not even start until 2003, and the benefits are not fully effective until 2009.

These premiums are just the new added government premiums. They do not count other premiums such as Medigap.

I ask unanimous consent that this chart be printed in the RECORD.

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

Year	Monthly premiums		Maximum annual benefits (50%)	
	Clinton	Smith-Allard	Clinton	Smith-Allard
2001	0	0	0	\$5,000
2002	0	0	0	5,000
2003	\$26	0	\$2,000	5,000
2004	30	0	2,500	5,000
2005	34	0	3,000	5,000
2006	38	0	3,500	5,000
2007	42	0	4,000	5,000
2008	46	0	4,500	5,000
2009	51	0	5,000	5,000

Mr. SMITH of New Hampshire. This chart shows all the premiums seniors

would pay. As you can see the drug premium is nothing. If a senior has Medigap, premiums substantially decrease from current law under Smith-Allard. Under the administration plan, they stay the same—averaging \$230.75 per month. So, if you compare all premiums, a senior would save an average of \$96.83 per month.

I ask unanimous consent that this chart be printed in the RECORD.

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

#### MONTHLY PREMIUMS

	Clinton	Smith-Allard
Drugs .....	\$51.00	0
Part B .....	45.50	45.50
Medigap .....	134.25	88.42
Total .....	230.75	133.92
Smith-Allard Premium Savings .....		96.83

Mr. SMITH of New Hampshire. Some might say this is not much money. But let's take a look.

What could a senior do with \$96.83 each month?

You can see that this is a lot of money when you think of how it would impact other expenses seniors have.

These numbers come from the Bureau of Labor Statistics Consumer Expenditure Surveys.

Finally, Mr. President, we will look at annual deductibles.

Smith-Allard combines the hospital, medical, and drug benefits into a single deductible.

Because seniors spend an average of \$670 per year, they would just about reach the full hospital and medical deductible with just drug expenses.

Under the Clinton plan, drugs don't count toward the deductible, so even though seniors would have a 50 percent drug benefit, they would not be paying down their deductible.

I have talked about this plan with seniors, and they understand this concept. They love it.

I ask unanimous consent that these charts be printed in the RECORD.

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

#### SMITH-ALLARD

Saves seniors \$96.83 in monthly premiums.  
What could a senior do with \$96.83 each month?

#### PRESCRIPTION DRUGS

Seniors average \$55 per month on drugs.  
The premium savings alone would pay for all their drugs twice.

#### FOOD

Seniors spend \$235 per month on groceries.  
Premium savings pay for nearly half.  
Seniors spend \$99 per month going out to eat. Premiums savings pay for nearly all dining out.

#### ENTERTAINMENT

Seniors spend \$87 per month on entertainment. Premium savings pay for all entertainment.

#### TAXES

Seniors spend \$93 per month on Federal, State, and other taxes. Premium savings pay for all taxes.

#### ANNUAL DEDUCTIBLES

	Clinton	Smith-Allard
Part A .....	\$776	
Part B .....	100	\$675 combined.
Drugs .....	0	
Total deductibles .....	876	675

Mr. SMITH of New Hampshire. Let me just conclude speaking on this bill by saying that the benefits in this plan are delivered by private companies and regional entities, such as pharmaceutical benefit managers. These entities would negotiate with large drug companies and provide the drugs to Medicare seniors.

In addition, according to the actuaries who reviewed the legislation, there will be no adverse selection. Both the healthy and the sick will have an incentive to choose this plan. Everybody is in.

There are many different methods of providing prescription drug coverage for seniors, but I urge my colleagues—I plead with my colleagues—to look to the revenue-neutral methods that fund this benefit by the elimination of waste in the present system. I urge my colleagues to resist the temptation to raise Medicare premiums on the people who can least afford it.

I have vivid memories of seniors rocking Mr. Rostenkowski's car a few years ago when he decided to raise Medicare premiums. Let's look at it more specifically. The House's fiscal year 2001 budget—this is important—sets \$40 billion aside for prescription drugs.

In the Senate, we are expected to do a budget that is going to set aside \$20 billion now for prescription drugs, and \$20 billion later.

We don't need either under my plan. We don't need any more money. We don't need \$20 billion. We don't need \$40 billion. We don't need \$2 billion.

Let's use the money for debt reduction or tax credits for the uninsured rather than providing for prescription drugs. Let's use my revenue-neutral prescription plan instead.

I urge my colleagues to take a look at this approach. It provides prescription drugs in a way that will meet seniors' needs without hiking their premiums or adding more burden to the Federal treasury.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Nevada, Mr. REID, is recognized to speak for up to 20 minutes.

#### INDEPENDENT COUNSEL

Mr. REID. Mr. President, this past Tuesday, the Washington Post carried a story reporting that Independent Counsel Robert Ray, a lawyer who was trained in prosecutorial ethics by Rudolph Giuliani and who took over the special prosecutor duties from Ken Starr, is planning on continuing and even expanding his investigation of President Clinton. Mr. Ray has hired six new prosecutors and another inves-

tigator and plans to increase spending over the next 6 months by \$3.5 million. Under this plan, he is seriously considering indicting the President after he leaves office for a number of things. He includes perjury, obstruction of justice, making false statements, and even conspiracy.

When I read this story, to say the least, I was surprised. One year ago, I stood in this Chamber at this same seat during the impeachment trial of the President of the United States and compared what was happening then to literature. I can no longer make that comparison because what is happening here is too outlandish and unbelievable to qualify anymore as literature. Every great story has an ending. Every play has a denouement.

This investigation has already lasted 6 years. It has cost Nevada taxpayers and the taxpayers of this country more than \$52 million, not counting the money this new prosecutor wants to spend in the next 6 months.

More than the length of this proceeding, more than the cost of this proceeding, this story has crossed the line from Kafka to "The Twilight Zone." It has drifted from prosecutorial intemperance to the brink of lunacy.

A number of years ago, the very articulate, brilliant Supreme Court Justice Antonin Scalia criticized the independent counsel statute. He pointed out that with the typical criminal case, the prosecutor starts with a crime and then looks for the perpetrator.

But with an independent counsel, the prosecutor starts with a suspect and searches to find a crime—any crime—to charge him or her with. Once placed in office, the prosecutor has built-in pressure to bring a charge rather than exonerate his target in order to justify his very existence; and in this instance, the tens of millions of dollars already spent. There is no more perfect example to what Justice Scalia was talking about than this so-called case.

Let's trace the confused and wandering thread of this narrative. This all began with the 20-year-old land deal called Whitewater—an Arkansas land deal 1,500 miles from here. The special prosecutor spent millions of dollars. Nothing turned up. But he kept going. He put a woman by the name of Susan McDougal in jail for 2 years, even though she had committed no crime. There is no debate about that. And she had never been convicted in a court of law. There is no debate about that.

Why? He wanted her to change her testimony and implicate the President and the people at the White House.

She would not do that. She went to jail. Eventually, after an innocent person, who had never been accused of a crime, had languished in jail for years, he gave up on Whitewater. He, the prosecutor, gave up on Whitewater, but he did not give up on looking for something on the White House.

First, he investigated the unfortunate death of Vince Foster and reached



the same conclusion other investigators had already reached. It was a suicide.

I am personally resentful of what the prosecutor did in this instance. What he put the Foster family through is untoward, unfair, and immoral. My father committed suicide. It is very difficult for a family to go through a suicide.

Vince Foster was a good man. No one ever disputed that. He was despondent. He killed himself. That should have ended it. But no, what Starr wanted to do was to bring in all these conspiratorial theories that the President had had him killed.

Can you imagine that? One of the President's best friends, and he not only drags the President through this, but he also drags the Foster family through this.

This not only was immoral, in my opinion, but it cost millions of dollars. What did he get to show for it? Nothing. Then this prosecutor—persecutor, some would call him—took a look at the 1993 firings at the White House Travel Office, and reached the same conclusion that other investigators had reached. There was nothing there. Millions of dollars more, and nothing to show for it.

Then he took a look at a deposition in a civil suit brought by Paula Jones. That suit was dismissed by a Federal judge. But no matter, the prosecutor hired to look at a land deal had struck gold with a lie about a sex act in a case that was dismissed. He latched on to it, and refused to let go.

It did not matter that he did not have jurisdiction over this issue. He created jurisdiction by filing a statement with the Attorney General of the United States asserting the case had fallen into his lap by accident, when in fact there was credible evidence, sound evidence, that his staff had been in close contact with Paula Jones' lawyers from the very beginning and had worked with them and fed them information.

This is supposedly an unbiased prosecutor. He was obviously so excited about what he had found that he began leaking information to the press in violation of Federal law and Justice Department regulations. The court appointed an investigator to investigate the investigator. But no matter, he had found something that he could use to justify the millions of dollars he was spending, and he was not about to give it up.

His investigators questioned Monica Lewinsky alone in a hotel room. Can you imagine the audacity of this young woman asking for a lawyer? She asked for a lawyer. They denied her request. They would not let legal niceties get in their way.

A first-year law student knows a person being investigated for a crime is entitled to a lawyer. But not Ken Starr's minions.

The main evidence he had in this case were the tapes, the surreptitious tapes made by one Linda Tripp, who

has been charged criminally by a Maryland grand jury for wiretapping. It did not matter that the tapes were made illegally. He was going to use them anyway. He kept on going. Still not enough.

When Monica Lewinsky would not cooperate with his probe, he dragged her parents before the grand jury. He subpoenaed bookstores to find out what kind of books they were buying and reading. The public was appalled. I was appalled. But he was still going to go ahead. Still not enough.

After investigating for a year, the independent counsel released a report to Congress that was embarrassing in its sexual explicitness and even more embarrassing in its biased reporting of the facts.

Monica Lewinsky said she had never been asked to lie and was never promised a job. But Prosecutor Starr never mentioned this once in the hundreds of pages of his report. It was so biased and so one sided that this, among other things, turned the public against the independent counsel and his unethical practices and unethical tactics. But no matter, he kept on going. Still not enough.

The House of Representatives voted to impeach on a straight party-line vote. This body, the Senate of the United States, voted on a bipartisan basis not to convict the President on any charge. Democrats and Republicans, listening to the evidence, voted not to convict.

The Congress of the United States then decided not to renew this awful law that authorized the independent counsel. I always opposed it. The law died last summer. And rightfully so. For 200 years, the Justice Department has done a good job. Over time, with the independent counsel we have had some real travesties. During the Reagan administration, what was done to that President by the independent counsel was wrong. We could go through other examples.

But even though the law died last summer, and it should have stopped there, it did not. Still, Starr had not had enough.

After failing to convict the President, in one last, desperate grab at the glory that he thought had escaped him, Starr focused the power of his office on a story told by a person by the name of Kathleen Willey—a story of an alleged touch that was completely irrelevant to his mandate.

Remember—Whitewater, Arkansas, 1,500 miles away.

When a friend of Ms. Willey, named Julie Hyatt Steele, dared to contradict the story, in effect, saying that Kathleen Willey was lying—how could she dare do such a thing?—Starr indicted her for perjury. And not only that—she could probably handle the perjury charge, which was so baseless—he threatened to have her children taken away from her. Who are these children? This good woman adopted orphans from Romania; and he threatened to

send them back to Romania. What a guy—an innocent woman and her orphan-adopted children. These are the trophies that special prosecutor Ken Starr had to show for all of his efforts and all the pain he had caused. But, no, still not enough.

Our weary Nation was thankful when Starr began scaling down his investigation and, in October, finally resigned.

I thought that was the end of the story. Most Americans thought that was the end of the story. But surprisingly, apparently, shockingly, it is not the end. Still not enough.

The lynch mob, though, now has a new leader, one who is willing to pre-judge the facts and unbalance the law in the spirit of his mentor, Rudy Giuliani, and, of course, his predecessor, Ken Starr. The new mob leader is Robert Ray. Apparently, he is not going to let the acquittal by this body, or the resignation of his predecessor, or the expiration of the statute under which he supposedly is acting, stand in his way. Still not enough.

This is a long, sad, and sordid story that should have ended long ago. The Office of the Independent Counsel has repeatedly stepped over the line of decency in its quest to find something—anything—on the President.

Now, the new special prosecutor says he is considering indicting the President after he leaves office next year. I say, enough is enough.

The President has been tried in this body. He has been acquitted. He suffered. His family suffered. His legacy is forever tarnished. He is deeply in debt to his lawyers. The Arkansas bar is considering withdrawing his license to practice law. He has not gone unpunished. Apparently, that is not enough for Mr. Ray; still, not enough.

In primitive legal systems, such as those of Communist countries and other totalitarian dictatorships, every minor technical violation of the law is met with the full force and fury of the government. Police are to be feared. But the greatness of our legal system is that it recognizes that because human beings are frail and fall short of perfection, mercy must season justice. At its heart, criminal law and the prosecutors charged with enforcing it exist to serve and protect the public. Our legal system contemplates discretion. Not every violation of the law should be pursued to the fullest extent because not every crime is the same. The decision not to prosecute or not to bring certain charges is as much of a prosecutor's job as a decision to bring charges.

When the impeachment hearings began, I cosponsored a censure resolution that in lieu of impeachment proceedings would have specifically provided the President remain subject to criminal actions in a court of law, such as any other citizen. That resolution was opposed in this body by Senators who instead voted to go down the impeachment road.

I was a trial lawyer before I came here. I understand there are offers of



settlement made and withdrawn. That was an offer of settlement that attempted to expedite things and not have the spectacle that took place in the Senate. But once it was decided that the proper legal course of action was to pursue the constitutional impeachment proceeding, the decision should have been final and binding. It was still not enough.

Even Ken Starr, the original prosecutor, is quoted in published reports as holding the belief that once the Senate acts on an impeachment vote, further criminal actions are totally inappropriate.

There is a concept in our system of justice known as double jeopardy. It applies here. That doctrine holds that there is a limit to what a Government prosecutor can do to a United States citizen. It recognizes that there comes a point where continued investigation crosses the line into inappropriate Government harassment. An investigation into the truth should not be allowed to become a vendetta against an individual. It does recognize that enough is enough.

Many of his critics suggest that the President does not have greater rights under the law than any other citizen of this country. I agree. That is true. But equally true is the fact that the President should not have fewer rights than any other citizen. What the President did should not be lightly or easily forgiven, but it should not be blown out of proportion either by an unrelenting, unfair, trophy-seeking prosecutor with an unlimited budget in search of a conviction that won't serve the cause of justice. This case has gone on far too long. Tens of millions of dollars, tragedy, embarrassment, double jeopardy—enough is enough.

It can best be summed up, Mr. President, by syndicated columnist Richard Cohen in today's Washington Post, printed in newspapers all over America, entitled, "Independent Counsel Overkill", which ends by saying:

Give it up, Bob. Your best way of serving the country is to close down your office, lock the door and put Clinton behind you.

The country already has.

Mr. President, I yield whatever time I have remaining to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator has 2½ minutes remaining. The Senator from South Dakota.

Mr. JOHNSON. Mr. President, I appreciate the yielding of time by the gentleman from Nevada. I ask unanimous consent to proceed as in morning business for 5 minutes, and following my remarks, Senator COLLINS of Maine be recognized to speak for 5 minutes.

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

(The remarks of Mr. JOHNSON and Ms. COLLINS pertaining to the introduction of S. 2419 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Under the previous order, the Senator from

Connecticut, Mr. DODD, or his designee, is recognized to speak for up to 30 minutes.

#### ASSISTING COLOMBIA IN FIGHTING DRUG TRAFFICKING

Mr. DODD. Mr. President, I anticipate the arrival of several other colleagues who may wish to speak on the same subject matter.

Yesterday, members of the Senate Committee on Foreign Relations, and other interested Members of this body, had the opportunity to meet with the President of Colombia, His Excellency Andres Pastrana, during his visit to Washington. It was an extremely informative meeting. It was also apparent to all of us there that President Pastrana was terribly disappointed that the Senate of the United States had not approved, or even scheduled, early consideration of President Clinton's emergency supplemental request for Colombia to fight the narcotrafficking problem in that nation, which contributes significantly to the deaths and hardships in our own nation.

It is no hidden fact that some 50,000 people die in this country every year from drug-related incidents. Ninety percent of the cocaine and a significant amount of the heroin that is consumed in this country comes from Colombia.

Colombia has been devastated over the years by narcotraffickers. They are committed to trying to win this conflict. The European Community stands ready to help. They have asked the United States—the largest consuming nation of the products grown in their country—to be a part of this effort.

The leadership in this body has seen fit to delay this action until the normal appropriations process. I am disappointed by that, Mr. President. This is no small issue. It is a scourge in our streets. Clearly, we need to do as much as we can here at home, but this battle needs to be waged on all fronts, including in the production and transportation of nations such as Colombia.

Colombia's civil society has been ripped apart for decades by the violence and corruption that has swirled around their illicit international drug production and trafficking industry. High-profile assassinations of prominent Colombian officials who were trying to put an end to Colombia's drug cartels began nearly 20 years ago with the 1984 murder of Colombia's Minister of Justice, Rodrigo Lara Bonilla.

In 1985, narcoterrorists stormed the Palace of Justice in Bogota and murdered 11 Supreme Court Justices in that nation who had supported the extradition of drug kingpins and traffickers to the United States. In 1986, another Supreme Court Justice was murdered by drug traffickers, as were a well-known police captain and prominent Colombian journalist who had spoken out against these cartels. These narcoterrorists then commenced a bombing campaign throughout the

year, in shopping malls, hotels, and neighborhood parks, killing scores of innocent people and terrorizing the general population.

Before drug kingpin Pablo Escobar was captured and killed by the police in 1993, he had been directly responsible for the murder of more than 4,000 Colombians. In 1994, it became clear that drug money had penetrated the highest levels of Colombian society and called into question the legitimacy of the Presidential elections of Ernesto Samper. Even today, fear of kidnapping and targeted killings by members of Colombia's drug organizations has Colombia's citizens living in fear for their very lives.

At this juncture, I ask unanimous consent that a column written by Thomas Friedman, which appeared last week in the New York Times, be printed in the RECORD.

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

[From the New York Times, Apr. 11, 2000]

#### SAVING COLOMBIA

(By Thomas Friedman)

BOGOTA, COLOMBIA.—I had a chat in Bogota the other day with a group of government officials and businessmen, and I asked them all one question: When you go outside, how many security guards to you take with you? The answers were: 20, 6, 1, 8, 10, 2, 3, 8 and 5. No surprise. Some 3,000 people were kidnapped here last year by guerrillas, and many judges and journalists threatened with chilling messages, such as having funeral wreaths sent to their homes—with their names on them.

This is the terrifying context we have to keep in mind as we consider whether the U.S. Senate should approve the \$1.7 billion plan to strengthen Colombia's ability to fight drug traffickers and forge a peace with the guerrillas. There are two ways to think about "Plan Colombia." One way is to get wrapped up in the details—the helicopters, the training. The other way—the right way—is to step back and ask yourself what kind of courage it takes to stay in Colombia right now and be a judge who puts drug lords in jail or a politician who fights for the rule of law—knowing the criminals have millions in drug money and would kill your kids in a second.

It takes real courage, and that's why the people trying to hold this place together deserve our support. Sure, the democratic government of President Andres Pastrana isn't perfect. But it has a core of decent officials who every day risk their lives by just going to work. Ask yourself if you would have the same courage.

I asked Mr. Pastrana why he stays. "This is our country, it's the only country we have to leave to our children," shrugged the president, who was once kidnapped while running for Bogota mayor. "I believe in this country so much that even after being kidnapped, and even after having my wife's father killed by kidnapers, my wife and I had another baby—a girl. Look, we've sacrificed the best policemen, the best judges, the best journalists in this country. Whatever you want to write about us, don't write that we are not on the front line in the war on drugs."

I asked the head of Colombia's navy, Adm. Sergio Garcia, what it was like to be an officer here. He said it was sort of like being a movie star, with people always trying to get at you, only they don't want your autograph,

they want to kill you—"so even your friends don't want to be in a restaurant with you, and they don't want their kids near your kids."

Colombians tell this joke: After god created Colombia, an angel asked God why he gave all the beauty to one country—rain forests, mountains, oceans, savanna—and God answered: "Ha! Wait till you see what kind of people I put there!"

For years, Colombia's mafia processed cocaine grown from coca in Peru. But as Peru drove the coca growers out, they migrated to the rain forest in Southern Colombia—one of the largest unbroken expanses of rain forest left on earth, but also a region without much government. The drug mafia is now chopping down the rain forest—thousands of acres each month—then laying down herbicides, planting coca, processing it into cocaine in rain forest labs, throwing the chemicals in the rivers, and then flying the drugs out from grass airstrips.

Underlying Colombia's drug war is a real 40-year-old social struggle between Marxist guerrillas and rightwing vigilantes (32,000 killings last year). But let's cut the nonsense: Colombia's guerrillas may have started as a romantic movement against an unjust oligarchy—they may have started as a movement that ate to fight. But today, these guerrillas are fighting to eat—fighting the government because they make tons of money protecting drug operations in the rain forest. In between the guerrillas and the vigilantes (who also profit from drugs), Colombia's silent majority is held hostage.

Yes, Colombians are at fault for having been too tolerant of the early drug lords. And Americans are at fault for their insatiable appetite for cocaine. But here's the bottom line: If we give the Colombian majority the aid it needs to fight the drug Mafia there is a chance—and it's no sure thing—that it will be able to forge a domestic peace. If we don't—and this is a sure thing—the problem will only get worse, it will spew instability across this region, and the only rain forest your kids will ever see is the Rainforest Cafe.

(Ms. COLLINS assumed the chair.)

Mr. DODD. Madam President, the Colombian society is being ripped apart by this problem. It is estimated that there are a million displaced people in Colombia and that 100,000 a year leave Colombia because of fear for their lives over what these narcotraffickers and drug cartels have done to this country.

We often worry about political difficulties here. We get negative letters or nasty phone calls, and we think we are putting up with a lot.

In Colombia, if you take on the drug cartels, you and your family risk your lives. Journalists, judges, police officials, if they have the courage to stand up to these people, put their lives in jeopardy. This drug cartel would not exist but for the fact that Americans consume the products grown in this country.

I think we bear responsibility to work with a courageous government and a courageous people who are paying a terrible price because of our habits and our consumption.

For those reasons, I am disappointed we can't find the time to bring up this supplemental bill, deal with this issue, and offer help to the people of Colombia and to the government of Andres Pastrana, who has shown remarkable

courage. This President was kidnapped by these very people. He is not just intellectually committed to this; he knows what it is like to be terrorized by these people. He is committed to doing everything he can. He can ask us for our help, but we cannot seem to find the time to bring up this issue.

When people wonder why we are not dealing more effectively with the drug problems of this country, you can point to this. We spend days discussing insignificant issues, in my view, by comparison to this. Yet we are told by leadership we don't have time to bring up an issue. At least debate it, and vote it down, if you want, but give us a chance to vote on whether or not we think providing \$1.3 billion over the next several years to the people of Colombia to fight back is worthy of this institution's time. I think it is.

The President has asked for it. The House of Representatives, to their credit, has done so. Yet this body refuses to bring up this matter, even to discuss it on the floor of the Senate.

The legacy in Colombia is a legacy that President Pastrana confronted when he assumed office in 1988. He inherited the reins of government. Since then, he has demonstrated, in my view, leadership and a firm commitment to address the myriad of challenges facing his nation—drug products and trafficking, civil conflict and economic recession.

I have enormous respect for the manner in which President Pastrana has so quickly and aggressively taken steps to entice Colombia's largest guerrilla organization—the so-called FARC—to come to the negotiating table following on the heels of his election to office. The agenda for those ongoing talks covers the waterfront of economic and social issues that must be addressed if four decades of civil conflict are to be brought to a close.

President Pastrana has evidenced similar courage and a vision in tackling Colombia's illicit coca and poppy cultivation and processing industry. He authorized the extradition of a number of Colombia's most notorious drug traffickers to the United States, an extremely controversial decision in his country. He has also crafted a national plan—the so-called Plan Colombia—to address these intertwined problems in a comprehensive fashion.

President Pastrana has made it clear to us that the Government of Colombia is prepared to do its part in making available its own resources—billions of dollars—to fund the various elements of that plan for alternative development programs, for protection of human rights, for working for the resettlement of displaced persons, and for judicial reform, as well as assistance and training for Colombia's military police, the counternarcotics forces.

During our meeting yesterday, President Pastrana made it clear as well that he needs to seek and intends to ask for international cooperation if his plan is to succeed. In fact, he left last

evening for London to meet with members of the European Community and has already received favorable indication that the Pacific rim will be a part of this international effort.

Colombia is currently the world's leading supplier of cocaine and one of the major sources of heroin. We are the largest consumer of these products. But this isn't only President Pastrana's problem; it is obviously ours as well.

All of the enormous demands in the United States and Europe for illicit products grown in Colombia are clearly an important part of the equation in keeping drug traffickers in business.

Moreover, despite billions of dollars spent here at home on law enforcement and drug education designed to reduce the U.S. demand, illicit drugs and consumption continue to pose a threat to the safety of our streets and to the health of the next generation of adults.

I know earlier today my good friend and colleague from New Hampshire, Senator GREGG, spoke about the fact that he is concerned that not enough money is being spent on domestic-related programs and programs to protect our borders against the onslaught of foreign drugs. If one looks at the full picture of our counternarcotics efforts, only a modest amount is currently being spent on the supply and reduction of the source.

Assuming Colombia's supplemental is approved, only slightly more than 15 percent of the total counternarcotics budget is being spent on programs off our shores where the products are grown: \$2.9 billion out of a total of \$18.5 billion is what the Colombian program has adopted, which would be roughly half of what is being spent overseas; \$1.3 billion is being requested. A little more than \$1 billion right now is being spent off our shores. More than \$2 billion currently is being spent on border programs alone in this fiscal year.

If we do nothing to stem the supply at the very source, where it comes from, then I don't see how a border program alone can prevent the exploding supply of drugs from reaching America's streets and communities—rural and urban.

I am all for adding more money to programs—as the Senator from New Hampshire talked about—in the Drug Enforcement Administration and the Coast Guard. But I think we are kidding ourselves when we believe border programs alone will shut out illegal drugs. We need to attack this problem also at its source. There is not one place where this battle is going to be won.

We need to do everything we can to make our borders more secure. We need to make sure our police departments have the tools necessary at the local level. We need training programs and rehabilitation programs to get people permanently off these substances.

But we also need to attack the problem at its source. That also is part of the answer. It is also why it makes

sense for Congress, in my view, to act expeditiously on President Clinton's and President Pastrana's request to us, so we can attack the drug problem as vigorously as possible at all these sources but particularly in Colombia.

It is in our interest to provide Colombian authorities the wherewithal to gain access to areas in southern Colombia and elsewhere where coca and poppy cultivation has exploded in recent years but where guerrilla organizations and right-wing paramilitary units have made interdiction efforts extremely difficult to conduct safely.

President Clinton has decided that Plan Colombia is worthy of U.S. support. The House leadership has also decided that it is in our national interest to do so.

Fifty-two thousand Americans are dying every year in drug-related deaths. That is almost as many as died in the entire Vietnam conflict. Every year, we lose that many in drug-related deaths. If that is not a U.S. interest to which to try to respond, I don't know what is. As much as we need to fight this at home, we also need to fight it at its source.

There is clearly bipartisan support for this program. It is not perfect. It is not a program I would even necessarily write, nor maybe the Presiding Officer, nor would my colleague from California, whom I see on the floor. But let's not fly-speck and nickel-and-dime this issue. Let's at least get it to the floor, debate it, discuss it, amend it, and modify it. But don't deny us a chance to even vote on this issue as we now enter another recess this year. For another 10 days, we will not be here. The House is out, I am told, maybe another week after that. Then it is May, June, and July. How many more deaths will there be on our streets? How many more Colombians have to die because of U.S. consumption and addiction?

They have a democratic government, the oldest democracy in Latin America, whose very sovereignty is at stake. This country is being ripped apart. They are asking for our help, for the cooperation of Europe and other nations to fight back against these people and this multibillion-dollar operation.

We don't even have the time to debate or discuss it.

I promise you that over this Easter break, there will be a lot of speeches given about the problems of drugs in our streets and our narcotics efforts. Yet another day will go by when we cast one vote here, or two votes here—maybe—and no effort is made to bring this matter to the attention of the American public and to debate it on the floor of the Senate.

Despite this bipartisan support, the measure is currently stalled. In the Senate, the majority leader suggested the clock has run out on an emergency supplemental. That has not been the history or experience of the Senate. We have dealt with many supplementals after April. I hope maybe we can do so in this case as well.

We asked President Clinton during our meeting for his assessment of the likelihood that Plan Colombia will work in the absence of U.S. assistance being forthcoming in the near future. We also asked about the prospects for other governments contributing resources to this effort in the absence of U.S. moneys being forthcoming. President Clinton stressed unequivocally that the support of the United States is the linchpin to getting additional international support and for the ultimate success of this plan.

Time is running out for the people of Colombia. Madam President, 100,000 are leaving every year. A million are displaced. Thousands die every year. We need to act now and provide the necessary funding so that Plan Colombia can be fully implemented. It is the only way I know to protect the democratic institutions of that country and throughout the region from falling prey to the criminal assaults of illegal drug cartels. Moreover, it is in our self-interest to do so. It is the only way to ensure that our children will be free from the threat of drug peddlers as they walk to and from school every day, that communities are safe from drug-related crimes which have taken the lives of too many innocent victims.

There is still time to act and I hope we do so. I think it is tragic we have not. I note the presence of my colleague from California, who has been one of the stalwarts for years on this issue, and I am pleased she is here to talk on this subject as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Madam President, I begin by thanking the Senator from Connecticut. I don't think there is anyone else in the Senate who has the kind of expertise about South America as has Senator DODD of Connecticut. He speaks the language. He has studied. He has traveled in the country widely. He has been to Colombia.

On how many occasions has the Senator been to Colombia?

Mr. DODD. I just came back. I was there a couple of months ago and spent time with President Clinton and others involved in this effort. The most recent visit was just a few weeks ago.

Mrs. FEINSTEIN. I think the Senator has stated the case about as well as it can be stated. I have never been to Colombia. I come at this a little differently, as one who has watched the development of major narcotics trafficking over a long period of time. My State is very much influenced and affected by this kind of narcotrafficking.

I have worked with Senator COVERDELL of Georgia in the certification of Mexico. I have watched the development of the big transportation cartels because Colombia is the source country of most of the cocaine. I have watched the big transportation cartels develop in Mexico. I have watched them interface with gangs in our country. I have watched California become the export

State of gangs. The Crips and Bloods started in Los Angeles and are now in 118 American cities. I have watched the gang deaths in America over drugs.

It is a huge problem. I have watched the debate over supply versus demand. We spend dollars on demand. In fact, local jurisdictions are the ones that mount the demand programs, the prevention, the counseling, the drug abuse programs. The one area in which the Federal Government has total responsibility is interdiction at our borders; it is international narcotics, trafficking, and control. These big amount of drugs come from outside of the United States; therefore, what we do affects our role.

I did not know President Pastrana. The chairman of the Appropriations Committee, on which I am fortunate to sit, had a meeting with him in the appropriations room during his last trip. I met this young President for the first time. Prior to that, I had been visited by the head of the military under the former government who pointed out with great alarm what he thought was happening and even said he didn't think Pastrana was being strong enough in the drug area.

The former head of the military pointed out to me that a third of the country at that time was under control of narcoterrorists. That is a country the size of Switzerland. That is how large the geographic area is. He pointed out that a million and a half citizens were refugees within their own country; 300,000 had fled. He believed that 60,000 had tried to come into this country illegally, people who were devastated by this, running in fear for their lives because of it.

We do have a role to play. He pointed out to me there were 3,000 citizens held hostage by narcoterrorists, 250 of them local police, 250 of them soldiers. Nobody knows what happens to these people.

I met President Pastrana. He was a very sincere leader, a leader who had been sobered by this, a leader determined to do something about it, a leader pleading for backup and help by the United States.

Is it in our national interests to help? I believe it is. All of these drugs come to our country, all of these cartels interface with American gangs, all of these cartels are brutal. They kill anyone who stands in their way—even a Catholic cardinal in Mexico. They kill newspaper heads who write against them. They kill anyone who stands up and says no.

The question that Tom Friedman mentioned so eloquently in his New York Times column—and I ask this of the Senator from Connecticut—if someone comes to you and says: here is half a million in an envelope, here is a picture of your wife and where she has her hair done, and a picture of your children and the schools they go to, which will you take?

I ask the Senator from Connecticut what kind of courage does it take to stand against that kind of entreaty?

Mr. DODD. The Senator from California has answered her own question by raising it. It takes a remarkable amount of courage.

I noted earlier and introduced as part of the RECORD the article by Tom Friedman because they so clearly made the point, of the courage of these people. I mentioned 11 members of the Supreme Court in Colombia were gunned down in 1985. Literally thousands of people are kidnapped and executed every year; journalists, just by being there and speaking out or saying anything against these narcotraffickers.

This is a business that collects \$60 billion a year from this country alone. President Pastrana tells me that in Colombia \$100 million is used just to bribe local police officers and functionaries who in some cases earn less than \$100 or \$200 a month to raise their families. Then someone shows up and offers them an envelope of thousands of dollars to turn the other way, look the other way, don't examine the truck.

Mrs. FEINSTEIN. Will the Senator yield?

Mr. DODD. I am happy to yield to the Senator.

Mrs. FEINSTEIN. I have seen it impact our border areas in the United States. I go down to Otay Mesa where trucks are lined up by the thousands and you have Customs agents who maybe earn \$45,000 or \$50,000 a year—we know some trucks are loaded with tons of cocaine, with street values of millions of dollars—taking a bribe, maybe half a million dollars just to turn their head and let that truck go through.

This is where the corruption becomes so evil and where it is not just confined to jungle areas of Colombia or outposts in Mexico or anywhere else in the Andean region but comes right into the United States as well.

Mr. DODD. If the Senator will yield further, it is this corrosive corruption that spreads. It begins in a small hamlet or borough in Colombia, and once it gets through there, then it reaches up into the higher elevations of Government there and then spills across the borders. Before you know it, as the Senator from California has pointed out, it spreads. If you do not stand up to these people early on and fight back, then you, in a sense, become an accomplice to the results, to what occurs.

We have been asked, as the Senator from California has pointed out, by the good and decent Government of President Pastrana, that our Nation step up and help—not do it all, not take on the entire responsibility, but to help him regain the sovereignty of his own nation, to eliminate the corruption, and give the people of Colombia a chance for a decent future.

Our inability to bring up this supplemental to at least debate and discuss this issue is deplorable and sad, deeply sad—that we do not have the time, apparently, to discuss this kind of issue which can make such a difference in the lives of the people of Colombia and, more importantly, in some ways, to

the citizens of this country who lose their children every day to these drug cartels, these gangs terrorizing the streets of this country because of drugs. Mr. President, 52,000 a year die on average in drug-related deaths. If that is not enough of a U.S. interest to respond to it, I don't know what is.

Mrs. FEINSTEIN. I thank the distinguished Senator from Connecticut. I think the point is well taken. I, for one, was delighted—because I tend to read all of Tom Friedman's articles in the New York Times—he spent time in Colombia. I was so pleased that he saw what was the central point in all of this debate. I want to quote him. I know the Senator did earlier, and I hope this is not redundant.

He said there are two ways to look at Plan Colombia. One is to get wrapped up in the details—the helicopters, the training, why we might or might not like it. The other way, and he suggests the right way, is to step back and ask yourself: What kind of courage does it take?

That is what we are talking about here, what kind of courage it takes to stay in Colombia right now—to be a judge who puts drug lords in jail or be a politician such as the President of the country, or the Attorney General, or the generals of the army, or local public officials who fight for the rule of law, knowing that criminals have millions of dollars in drug money and would kill their kids in a second. That is not an esoteric concept. The numbers of children of families who have been killed in drug wars are legion.

These people do not care for anybody who stands in their way. The debilitating part about it is the ability to corrupt to get your way. How many people can actually stand up to that? We see over and over and over again where a respected public official, a police officer, a judge, a prosecutor gives in to this kind of tyranny. The Ariano Felix Cartel in Mexico is notorious for this. They will kill anybody standing in their way. Their cocaine comes right out of Colombia. There you have the narcoterrorists controlling a third of their country and everybody and everything within that third.

So the real courage, as Mr. Friedman points out, is that the people who are trying to do the right thing deserve our support. This is our hemisphere; it is not another hemisphere. The results of drug trafficking, the results of narcoterrorism, only spread. They do not contain themselves; they spread. The spread is northerly into our country.

So I make this point again and again and again: This supplemental appropriation, an appropriation in our budget, is in our national interest. It is in the American national interest to stand tall against the cartels, to stand tall against this kind of terrorism, to support public officials who are willing to do the same thing. That support should be for the Attorney General of Mexico, the President of Mexico, the

President of Colombia, the Attorney General of Colombia, the Judges of Colombia, the people who have been able to come back from M-11 and what was done in their country to try to institute a democracy. These are the people who recognize that, yes, there are problems but they are trying to make the changes. The people who plead to this country say: Help us. Don't do the whole thing; just do a part of it. Put your imprimatur of leadership on it so other nations will follow and so we will have the ability to control something which, if we do not, will spread through the whole Andean region and, I contend, to Mexico and to the United States as well.

I think you have, essentially, a major battle in this area of South America that will effectively determine the future of these countries—Colombia, the Andean region, Mexico—and to a degree our own country.

I very much hope people will reconsider and really look at how important it is to stop this trafficking. I remember the day—and it was in the 1980s—we in the cities of America never saw an arrest involving a ton of cocaine or a ton of any other substances, hundreds of pounds of drugs at one time. Now the arrests are being made, and they are finding 5 tons, 6 tons, 4 tons.

The business that is inherent in this, the corruption that comes with it, is so enormous it is beyond anything we can possibly conceive. The complicity by transportation companies is one of the reasons Senator COVERDELL and I worked together on this drug kingpin bill, to apply the RICO statutes to companies doing business with the cartels who simply turn their heads when there are 5 tons of cocaine on a train coming into this country or in a container as part of a fleet of trucks that come across the border every day. People have to open their eyes. They have to see what is happening. We have to begin to support the leaders who will stand tall.

I will be very candid with the Senator from Connecticut and our distinguished Presiding Officer from the great State of Maine. If somebody came to me with a picture of my daughter or my granddaughter, I don't know what I would do. I don't know. I believe I would tell them where to get off, but I don't really know. It is like the person who jumps in the river to save someone who is drowning. You don't really know until you are in that situation.

The fact is, thousands of people in Colombia are in that situation on a daily basis. What they are saying is: Help, United States. Use your leadership. Give us the resources because we need helicopters that can fly at a certain altitude and have a certain range. The Huey cannot do it; it is the Black Hawk. We need a certain altitude for certain areas. The Huey can't do it; give us the Black Hawk. Help us with some of this other equipment we need and stand by us as we make the battle real.

If we are to put our money where our mouth is, it has to be to fight the major trafficker. It has to be to fight the narcoterrorist. It has to be to stand up for the political leaders who are willing to stand against them.

Mr. DODD. Madam President, if my distinguished colleague will yield one more time, I commend her immensely for her heartfelt statement and use this as another appeal. We are leaving for another week now. There are only two of us here, but I suspect our sentiments are shared by a majority of our colleagues, both Republicans and Democrats. We make an appeal to the majority leader to reconsider this decision on bringing up a supplemental, a boiled-down one if necessary, to focus on this issue and a couple of others that legitimately fall into the category of emergency.

I say this because I think the last statement made by our distinguished colleague from California is an important one. What we say here does not go unnoticed. What we do here or not do here does not go unnoticed. The greatest fear the narcotraffickers have is that there will be a united front to take them on.

That is their greatest fear. They worry about a government in Colombia that is not afraid to extradite. They do not want to be extradited because they know we are not afraid to lock them up forever, if necessary. They are frightened about a European Community and other Latin American countries joining in a common effort. As every one of these leaders will tell you, they know what happens in Colombia can happen in Venezuela, in Ecuador, and happened in Peru. It is happening in Bolivia. These are better financed operations than any insurgency we have seen before with millions of dollars.

Mrs. FEINSTEIN. Can I ask the Senator a question? I believe the Senator was in the Senate when President Bush gave the order to send American troops to Panama because so many heavy narcotics were coming through Panama, much of it under the control of one person, a general by the name of Manuel Noriega. They picked up this general and brought him back to the United States for trial. To this day, he is in Federal prison in the United States, and the problem has been remedied in Panama. This was the kind of direct recognition of a problem and a response that has solved the problem. Does the Senator agree?

Mr. DODD. I do. I say to my friend and colleague from California, I remember it very well. In fact, the decision to go in was made late at night. There was talk about it ahead of time. I received a call, as I think other Members of the Senate did, in the wee hours of the morning informing us that the effort was about to be undertaken.

I recall early that morning going on a couple national television programs to discuss it. I expressed my strong support for what President Bush was doing in Panama. I thought it was im-

portant he have bipartisan support in the effort in Panama.

The Senator from California is absolutely correct. General Noriega was removed. While the problem has not been eliminated entirely in Panama, that action certainly made a huge difference. It is a good case to point out.

We need that kind of leadership in the Senate on this issue, in my view. The narcotraffickers in Bogota, Colombia, in the flatlands, the llanos, as they call them, of southern Colombia know what we are not doing in the Senate. They know President Pastrana has asked for our help. They are watching, and they see a Senate of the United States that says it does not have time to bring this up or does not think it is that important to bring up. I can tell my colleague firsthand there is no more encouraging sign to these people than our apparent disinterest in the subject matter.

Every day we wait and do not respond, their grip grows stronger. I am not exaggerating when I tell the Senator that the sovereignty of this country of Colombia is at stake.

The Senator from California has pointed out a third of the country has already been lost to them. The oldest democracy in Latin America can be lost. Mark my words. This is a well-heeled and well-financed operation. Millions of dollars every day pour into the coffers of these insurgency groups through the narcotrafficking efforts. If we wait another week or another month, we make it that much more difficult to address this issue. We have a courageous President and a courageous country in Colombia and other nations willing to step up.

We are the largest consuming country. We are the addicted nation. The reason these campesinos and farmers grow the poppy seeds and grow the heroin is because there are people here who consume it.

The journalists, the politicians, the judges, and the police officers are willing to fight back. They want to know whether or not we are going to join with them in that fight. That is all we are asking: Stand up and join them in that fight.

I am hopeful, again, before too many more weeks go by that we will respond. The admiration I have for the House for having done so is tremendous. My admiration for the President for calling on us to do it is tremendous.

Mrs. FEINSTEIN. Can I bring up another subject? One of the criticisms I have heard is we spend too much on this kind of activity already, and we need to spend more on demand. In fact, as we both know, there are provisions in this bill to meet the demand needs in our own country.

Mr. DODD. Right.

Mrs. FEINSTEIN. I was interested in finding out how much of our entire drug control budget is devoted to international drug control efforts. Does the Senator have an idea what that amount is?

Mr. DODD. I do. The total amount we spend—my colleague can correct me—is about \$18.5 billion total—domestic and foreign, all the efforts. Of the \$18.5 billion, if one excludes the Colombian plan money, it is about \$1.5 billion out of the—three my colleague is about to say?

Mrs. FEINSTEIN. No, it is 3 percent.

Mr. DODD. Three percent.

Mrs. FEINSTEIN. Only 3 percent of that entire drug budget, which the Senator just accurately stated, goes to international narcotics control. Yet we know the drugs are coming in in 5-ton lots. We know the one area of responsibility we have is to control the borders in international drug control. No local government can do that, most certainly, and yet only 3 percent of the budget goes for that.

Mr. DODD. My colleague says we spend about \$2 billion on our borders, as she points out, and on the drug abuse programs, the efforts of local authorities, but it is a fraction. I am not suggesting and I do not think my colleague from California is suggesting we spend all of the money there or even a half of the money there. This is a multifaceted effort.

We have to spend it locally. We have to fight it at the local level. We have to have rehabilitation efforts, drug abuse efforts. We have to be fighting it at the borders of this country, but we also need to go to the source, and we are not going to the source.

Here is a country willing to fight back. Many times we find it difficult to get cooperation from governments. Here is the President of Colombia who was kidnaped and knows firsthand what it is to live under this kind of system, who is coming to us and saying: Look, we are going to put \$4 billion of our own money into this effort. The Europeans are willing to step up. Can you help? The addicted nation, can you help?

Up to this point, this Chamber has said no.

Mrs. FEINSTEIN. I will conclude with one additional comment. Colombia is the source country for 80 percent of the cocaine consumed in this Nation. It is the source country of 70 percent of the heroin consumed in this Nation. It is a country under siege. It is a country where one-third of the geographic area is controlled by narcoterrorists, and it happens to have a government that is willing to stand up and say: We want to do something about it. United States, help us in a multilateral effort do something about it.

This Senate is saying it does not have time to consider the request. It is in our national interest to consider the request. It is in our national interest to have debate on the request. It is in our national interest to appropriate the dollars for this request.

I end by summarizing something Mr. Friedman said in the New York Times:

If we give the Colombian majority the aid it needs to fight the drug Mafia, there is a chance—and it's no sure thing—that it will

be able to forge a domestic peace. If we don't—and this is a sure thing—the problem will only get worse, it will spew instability across this region, and the only rain forest your kids will ever see is the Rainforest Cafe.

I thank the Chair, and I yield the floor.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. KERREY. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business until 2 o'clock.

### THE WEALTH GAP

Mr. KERREY. Mr. President, in the debate over tax cuts our attention is understandably drawn to the question of who pays those taxes and from this a debate commonly ensues over who should get the benefits of tax reductions. This argument leads us to consider the disparities of income and the need to make certain that our tax laws are not written so as to increase income inequality and hopefully to write our tax laws in order to give a boost to those whose wages are lower.

Today, I rise to talk about a problem facing Americans that is related to but different from the income inequality. The problem I will address today is the growing gap between the richest Americans and the poorest.

The latest Statistics of Income Bulletin from the IRS shows that the combined net worth of the top 4.4 million Americans was \$6.7 trillion in 1995. In other words, the top 2.5 percent of our population held 27.4 percent of the Nation's wealth in the mid-1990s. No doubt this group of wealthy Americans feels very financially secure.

But what about the other 97.5 percent of Americans? Is the security of wealth spread in a reasonably equitable way across all American households? The answer in my view, is a tragic and emphatic no.

Although there is a perception that the recent rapid growth in the stock market has produced widespread economic gains among all income groups, a majority of households still do not own stock-based assets and, thus, have not participated in the growth of the 1990s economy. A complete picture is presented in the United States Federal Reserve's Survey on Consumer Finances. This report provides us with the following statistics:

Since 1989, the share of net worth owned by the top 1 percent of American households has grown from 37.4 percent to 39.1 percent, while the share of net

worth held by the bottom 40 percent of households has dropped from .9 percent to a statistically near insignificant .2 percent.

Nearly 60 percent of the wealth held by families in the lowest 90 percent of the population is in the family home—not liquid assets that can be used as a source of income and security at retirement. Families in the lowest 90 percent of the population had only 3 percent of their assets in stocks and bonds.

While an increasing number of Americans are purchasing stock-based equities—49 percent in 1999 vs. 40 percent in 1995—only 29 percent of households own stock worth more than \$5,000, and the top 10 percent of households in the distribution hold 88.4 percent of the value of all stocks and mutual funds. In fact, the top 1 percent holds 51.4 percent of the value of all stocks and mutual funds—while the bottom 90 percent hold just 11.6 percent of the total value.

These statistics show that the gains of the great 1990s stock market runup have not benefitted a majority of Americans. The gains have not narrowed the gap between the wealthiest in America and the poorest in America. In fact, the data analyzed in a study done by the preeminent wealth statistician, Mr. Ed Wolff, reveals that the wealthiest 10 percent of households enjoyed 85 percent of the stock market gains from 1989 until 1998.

Why should we be so concerned about the growing wealth gap? I believe the answer is that the ownership of wealth brings security to people's lives and because the ownership of wealth opens up new opportunities and because the ownership of wealth transforms the way people view their futures.

An individual with no financial assets—and no means to accumulate financial assets—cannot count on a secure retirement, cannot ensure that his or her future health care needs will be met, and cannot save effectively for important life milestones, such as the purchase of a first home or the funding of a child's college education.

Americans clearly understand and desire the freedom and security that comes with wealth. We can point to the ongoing increase in participation rates in 401(k) plans as evidence that people are concerned about amassing wealth for a secure retirement. We can even point to the continued growing popularity of lotteries and game shows like "Who Wants to Be A Millionaire" as evidence that people value the security of wealth—especially wealth that is acquired quickly.

The virtues of savings and wealth accumulation are clear. But if the virtues are so clear, why aren't more Americans voluntarily increasing their savings? Not a TV show goes by without an advertisement from a financial services company offering investment advice and investment products. Not a week goes by without a front page story about the Social Security funding "crisis"—implicitly warning people

to save for their own retirements. So why aren't more Americans saving?

I have identified barriers that I believe continue to prevent a substantial portion of the American population from being able to save, to invest, and to accumulate wealth.

Barrier No. 1 is education.

No single factor is a greater predictor of income and wealth than education. Property educated and trained individuals can command a premium salary because they are in high demand and in short supply. Only one-third of households are headed by someone with a college degree. These households have a median before-tax income of \$55,000 and a median net worth of \$146,400. Households headed by a person with no high school diploma have a median income of \$15,500 and a net worth of \$20,000.

In addition to disparate levels of educational attainment, there is a huge problem in America with a specific lack of investor education. Economics and Finance are not required courses in most school districts across the United States. As a result, too few people understand the magic of compounding interest rates and, as a consequence, wait too long to begin saving for their retirement.

The second barrier is income.

Of course, one of the fundamental rules of wealth accumulation is that you must have income that you can set aside in order to create substantial wealth. A quarter of families in the United States are bringing home between \$10,000 and \$25,000 a year. Forty percent of American households are bringing in less than \$31,000 per year. After FICA taxes of \$2,372 and \$2,600 in Federal and State income taxes, a typical family of four has little left over for savings.

Not only have low and moderate income Americans not shared in the growth of a booming stock market, but they have also not shared in the growth of weekly paychecks. According to the most recent Survey on Consumer Finances by the Federal Reserve Board, mean income grew between 1995 and 1998 only for families headed by individuals with at least some college education—mean incomes for all education groups in 1998 were lower than they had been in 1989. Median income only rose appreciably between 1989 and 1998 for those with a college degree.

When you look at two of the lowest income groups, the story of income stagnation is quite grim. Nearly 13 percent of families earned less than \$10,000 in 1998. The median salary of this group was \$6,200—a real decline of 6 percent since 1989. Nearly one-quarter of families earned between \$10,000 and \$25,000 in 1998. Of these families, the median salary was \$16,900—a real increase of only 2.4 percent since 1989. Clearly, the capacity of this group to save on its own is very limited.

Barrier No. 3 is payroll taxes.

The payroll tax may not seem like much of a barrier to Americans with

income over \$100,000, who only have to pay taxes on the first \$76,200 of income, but to American families earning less than \$25,000—40 percent of all households—it is a tremendous bite. The total payroll tax paid by an individual earning \$25,000 per year and his employer is \$3,825. This is several times greater than their income tax bill. For those who propose spending the Social Security tax surplus to enhance Social Security or Medicare benefits, it is worth noting that the lowest 40 percent of American earners pay more than 40 percent of the benefits for both Social Security and Part A Medicare. And those are the individuals most apt to be uninsured.

Barrier No. 4 is the burden of debt.

Consumer debt has a major impact on a household's ability to save. According to the latest SCF, households earning less than \$25,000 annually bear the most significant burden of debt compared to their income. The median ratio of debt payments to income among those earning less than \$10,000 is 20.3 percent; among those earning \$10,000 to \$25,000, the ratio is 17.8 percent. In fact, 32 percent of those making less than \$10,000 pay more than 40 percent of their income in debt payments, an increase of 16 percent since 1995. About 20 percent of those making between \$10,000 and \$25,000 devote more than 40 percent of their income to debt payments. Finally, 15.1 percent of households with less than \$10,000 of income had debt payments 60 days past due—a doubling since 1995—which not only reflects an inability to keep up with debt payments but also contributes to bad credit and an inability to purchase a future home, etc.

The Federal Government's publicly-held debt also has an indirect impact on the ability of workers to save. As a major borrower, the Federal Government increases interest rates. Higher interest rates lower private capital formation, which in turn hampers growth in productivity and living standards. In addition, higher interest rates on government debt translate into higher interest rates on mortgages, student loans, and credit card debt. When individuals pay higher interest rates, fewer resources are available for saving and investing.

With all of these barriers to wealth accumulation, what can we, as lawmakers, do to eliminate these barriers? I believe the answer is twofold. We must create new savings incentives for low and moderate income workers and we must create a mandatory savings mechanism for all workers.

A number of legislation initiatives have been offered to help low and income workers save. For years, Senator LIEBERMAN has championed an effort to expand Individual Development Accounts beyond a pilot program. IDAs are a way to encourage lower income folks to save for the purchase of a home, the establishment of a business, or education.

President Clinton has offered an interesting plan to get low and moderate

income families to participate in employer pension plans through a government savings match program. While Senators GRAHAM and GRASSLEY and Representatives PORTMAN and CARDIN have offered comprehensive pension reform proposals designed to expand pension coverage among low income workers.

I, along with a bipartisan group of Senate and House Members, have introduced a Social Security reform plan that allows workers to put a portion of their FICA tax dollars into individual savings accounts. Our plan also calls for an additional government savings match program for low income workers. In addition, our plan calls for opening mandatory savings accounts at birth through the KidSave program.

What would this plan do? Fifty years from now we would have a much different wealth distribution situation in America. Men and women who today have no chance of accumulating real wealth would accumulate the kind of wealth that provides them with meaningful financial security. A new generation of Americans would be heading toward their retirement years less dependent on government transfers for health or income. If this plan were enacted, it would immediately change Americans' attitude towards saving on account of informing tens of millions of the power of compounding interest rates.

Sadly, critics of this proposal to help low income workers acquire assets and share in the growth of the American economy too often misdescribe the impact. The key line that is used in opposition is: "I am against privatization of Social Security." This line will usually produce a round of applause with senior groups who would not be affected by any of the proposals. Even sadder, these critics are also the same ones who prefer to merely offer solutions that include transferring more income and thereby increasing dependency on the Government. I do not believe proposals that merely transfer more income will solve the problem of inequitable distribution of wealth.

Ownership of wealth is a much more reliable way of becoming financially secure in old age than promises by politicians to tax and transfer income. Ownership of wealth produces greater independence and happiness. The maldistribution of wealth, the rich getting richer and the poor getting poorer, is not healthy for a liberal democracy and a free market economy such as ours. The costs of financing health and retirement income needs of the baby boom generation exceeds the tax paying capacity of the generations that follow them.

So, Mr. President, after we have spent time debating the need to solve the problem of income inequality we need to turn to the matter of wealth inequality. And when we do we will quickly learn that we will not solve the problem of the rich getting richer and the poor getting poorer by beating up

on the rich. We will solve the problem by lifting the poor out of poverty with programs that enable them to accumulate wealth in a variety of ways including modernizing and improving the Social Security program so that it becomes a means of saving money and a mechanism for transferring income.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield 1 minute of my time to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

#### AIDAN MICHAEL CRAIG

Mr. CRAIG. Mr. President, at the end of the day, we are going to be adjourning for the Easter recess, or at least that is what is anticipated at this time. This Easter recess is going to be a special time for me because I am going home to Idaho to see a new grandbaby I have not yet seen, except by pictures that have been transmitted through the Internet.

His grandmother has already been out there to hold him in her arms. Both Suzanne and I are extremely excited that our son Mike and his wife Stephanie have provided us with a beautiful new grandbaby called Aidan Michael Craig.

We have already enjoyed the excitement of grandmother and grandfatherhood, and now we have one more extension of that. This coming week, I am going to have that unique privilege that only comes with being a grandparent; that is, to hold that grandbaby in your arms. This Easter recess is a special time for me. I wanted to share with all of my colleagues in the Senate that it will be a joyous time for both me and my wife Suzanne.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I may consume off the time allotted to this side of the aisle. We have 44 minutes remaining; is that right?

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

#### REDUCING TAXES FOR MARRIED COUPLES

Mr. GRASSLEY. Mr. President, I take this opportunity, at the start of debate on this important bill to reduce taxes for married couples by eliminating the marriage tax penalty, to give some reaction to comments made from the other side of the aisle yesterday. My reaction probably should have been given last night, but the environment at that time was such that other Members wanted to speak on issues other than the marriage tax penalty, so I did not take advantage of the opportunity. It would have been more appropriate for me to respond to the Senate minority leader and other Members



of the other side of the aisle last night so it would be more in context.

These comments are in regard to our efforts to repeal the marriage tax penalty and also to clear up some of the inaccurate and misleading statements made by the other side of the Senate.

We heard the charge made yesterday by the minority leader that, in passing this bill, we are going to be dipping into the Social Security surplus. Of course, that is going to be the Democratic mantra from now on, even though it is not the truth. Our own budget document is evidence of it not being our intent. Knowing the other side is salivating at trying to make this bogus political charge stick, we have been very careful in making sure we stay within the \$150 billion in tax relief authorized in the budget resolution that will be before us later today in the form of the conference committee report on the budget for the year 2001.

By carefully staying within these limits, we aren't touching one cent of Social Security money. That is important because people know the irresponsibility of Congress from 1969 until the Republican majority of Congress, the first Republican majority in both Houses of Congress in 40 years, finally got the job done of balancing the budget with decisions made in 1997. For the first time in 43 years, we are paying down on the national debt 3 years in a row. The budget we are going to adopt this afternoon for the year 2001 will be the fourth year, and we will be paying down \$177 billion on that off the debt in the budget year 2001.

Regardless of what the members of the other side of the aisle say, this marriage tax penalty bill we are going to pass to reduce taxes for the average married couple by \$1,400, because they will no longer get hit with the marriage penalty, fits into the budget and doesn't use one cent of Social Security money to accomplish our goal of justice for middle-class married families in America.

Now, we also heard the misleading charge yesterday that we in the majority are trying to dictate what amendments the Democrats could offer. All we have been trying to do is to bring some order to this process so we can get this bill, which even the President of the United States says ought to pass. In his State of the Union Message, he asked us to pass a bill eliminating the marriage tax penalty. So, yesterday, they said we were trying to dictate amendments. Well, during that discussion, we asked if second-degree amendments could be in order to the Democrats' first-degree amendments. We were told absolutely not. So the Democratic side is doing as much dictating as anyone. If we can be accused of complaining about the amendments they want to offer and objecting to it, then they have no right to deny us the opportunity to offer second-degree amendments to their amendments.

In fact, the assistant minority leader stated that his caucus was in lockstep

behind the minority leader. Well, that is simply part of the problem. The other side does walk in lockstep against reform in an attempt to paint this Congress as a do-nothing Congress. Funny, isn't it, how when Democrats brag about being in lockstep and unanimity behind their leader, somehow that isn't being partisan. But if Republicans were to vote in lockstep behind our leader, they would say we are being very partisan.

So, again, it seems as if we have a double standard that is not quite justified. Maybe my accusations should be directed more toward the press and media than the other side of the aisle and their statements. But it seems so often if Republicans are together, we are being partisan. But if Democrats are together, they aren't being partisan. As I have followed the stories on this in the press for the last 2 days, I haven't seen any charge of partisanship by the media toward the other side of the aisle. But, boy, I bet we Republicans would be painted as partisan.

Unfortunately, for the other side, this Congress has already made substantial progress and will continue to do so, and they will never be able to label us as a do-nothing Congress. I wish, though, that we had a few independent thinkers on the other side of the aisle, as we do on our side of the aisle, and not the lockstep following of leaders to the extent which it is. All I have to do as a Republican is proudly point out the independence of Senator McCain on this side of the aisle to show that there are Republicans who are independent and do not always follow in lockstep. It would be nice if there were a few "Senator McCains" on the other side of the aisle who were willing to break ranks and be very independent.

A couple of the amendments the Democrats want to offer deal with prescription drugs. Of course, these are political amendments. We Republicans have already set aside \$40 billion in our budget to deal with Medicare and prescription drugs. All we need to do is have people on that side of the aisle—as there are bipartisan Medicare reform proposals with prescription drug provisions in them—get behind some of these bipartisan approaches and get the White House behind them. We will be glad to move on those within the \$40 billion we have set aside in our budget to deal with Medicare reform and prescription drugs because we all know this problem has to be solved. We know that some seniors can't afford prescription drugs. Some seniors have to choose between food and drugs. That is not a choice they should have to make. And we have, consequently, taken the initiative in our budget and have \$40 billion for that. Now all we need is a little bit of cooperation from the other side of the aisle, following on what one or two on the other side of the aisle have attempted to do with Republicans, to move a bill along in this effort. But the White House happens to be dragging its feet.

Now, I think the insinuation is, from the amendments being offered on prescription drugs, that we don't see this as a problem and that we don't want to solve this problem. They aren't telling the truth.

Another amendment they have asked us to look at deals with the taxation of Conservation Reserve Program payments to farmers. The Internal Revenue Service—as they so often do in their infinite wisdom but lack of common sense—is trying to impose Social Security taxes on these payments. Of course, this is the Clinton-Gore administration that is doing this to the farmers of the United States. These taxes hadn't been opposed until the Clinton-Gore administration started imposing them through the IRS. And now we have a Democrat amendment to overturn what the Clinton-Gore administration is doing to the farmers on the CRP payments. So why don't the people on the other side of the aisle just call up President Clinton and Vice President Gore and ask them to order their own IRS to drop this silly new interpretation of the law because right now we have the Vice President going around the country saying how much he is willing to help the farmers of the United States and, Lord only knows, they need help with prices at 25-year lows.

Well, I guess help came after he invented the Internet because I haven't seen any help in this area since this has been in the courts in the United States. Now we have the Clinton-Gore IRS beating up on farmers with this new tax. Now, there is nothing wrong with the tax being offered from the other side of the aisle, trying to correct this; but it seems to me that there are other ways this could be handled.

Yesterday, we also heard what was really a political attack, that this tax relief is somehow a "risky tax cut scheme." How come from the other side of the aisle all we ever hear about is "risky tax cut schemes"? We don't hear about the risky spending schemes that are offered by the White House or by the other side of the aisle. All you have to do is go back to State of the Union Address on January 2000 and listen to the President of the United States propose 77 new spending programs—77 new spending programs. Somehow, there is shock on the other side that we want to let the people of this country keep their hard-earned money rather than running it through the Treasury in Washington, DC.

Now, there is a certain amount of good economic freedom argument you can give that is very philosophical about why the working men and women of America ought to spend more of their own money and send less of it to Washington just so they can have the economic freedom to do with the fruits of their labor and their minds what they want to do. But there is also a pretty good economic argument for not running any more money than is absolutely needed through Washington,

DC. That is because money spent through the Federal budget does less economic good—in other words, it turns over less times for the economy—than money spent by individual taxpayers and working men and women of America. All one has to do is look at the defense budget. The defense budget produces a lot of expensive items. But once they are made, those items are not used for producing wealth. They serve a good purpose for our national defense. But they don't turn over any more money in our economy.

We come to these risky spending schemes of this administration with 77 new programs, and we have tax cuts before Congress. Being at the highest level of taxation in the history of our country, at about 21 percent of gross domestic product, if we allow the President, through those 77 risky spending schemes, to build up to that level of expenditure at 21 percent, then when we have a downturn in the economy, the spending is going to stay up here and the income is down here. Then you have another budget deficit; whereas, if we continue the pattern of the last 50 years of taxing at about 18.5 to 19 percent of the gross domestic product, then over the historical average there will be less chance of a deficit.

We want to let the working men and women keep more of their money and keep our historical level of taxation at about 18.5 to 19 percent. We do not want the extra money that is now coming into the Treasury to be eaten up by these 77 risky spending schemes of this administration.

I feel compelled to correct a statement made by my democratic colleague from Illinois. My colleague stated that the Republican marriage penalty bill would require 5 million more taxpayers to pay higher taxes. My colleague stated:

Here's the kicker. They don't want to talk about they have drawn their bill up so that five million Americans will actually pay higher taxes. . . . Take a look around the corner—five million Americans end up paying higher taxes under the alternative minimum tax. So now isn't that something?

This is simply incorrect. According to the Joint Committee on Taxation there would be no increase in any taxpayer's overall tax liability as a result of this bill.

In fact, the bill attempts to correct an AMT problem for millions of taxpayers. According to Joint Tax, in the year 2010, 9.2 million tax returns will benefit from the AMT provision in the bill—this includes 6.5 million joint returns and 2.7 million other individual returns benefiting from this bill. This is a worthy goal, and we should do what is right.

According to Joint Tax, in 2010 approximately 1.5 million joint returns benefiting from the AMT credit extension will become AMT payers under the bill. However, as I just mentioned, Joint Tax estimates that the bill would not increase any taxpayer's overall tax liability.

The record must be set straight—no one will pay higher taxes as a result of this bill.

My friends on the other side of the aisle have rejected a request we made yesterday to allow a debate solely on the marriage tax penalty relief. The Senate leader has offered 10 relevant amendments, including their alternative marriage tax penalty proposal. The other side has rejected this offer. The other side claims they want to debate other issues—talk about issues other than tax relief.

Either way you slice it—by what the Senate minority has done or by what they claim—they evidently don't care about marriage tax penalty relief itself.

Senate Democrats could live with a focused debate when it applied to the education savings accounts a month ago, March 2, and ending the Social Security earnings limit for seniors over 65, which only a few weeks ago, on March 22, was passed by the Senate.

However, now when it comes down to marriage tax penalty relief, our colleagues and friends on the other side of the aisle say no. Why? What has changed compared to these other two tax bills? Why were those other items only a few weeks ago so much more important than this bill that would help over 40 million families? The bill before the Senate will help 40 million families. They want to debate other issues, so they are holding up the marriage tax penalty bill.

Imagine the hue and cry Democrats would raise if the shoe were on the other foot—if we were debating these other issues and we demanded to offer marriage tax penalty amendments.

The House has acted. The Finance Committee has acted. The Senate should now act. However, it can't because the Democrats are obstructing this legislation like in-laws on a honeymoon.

We have been more than fair. We have said this is a debate on marriage tax penalty relief—offer any amendment you want that related to this bill and we will give you a debate and a vote on it. Any amendment—up to ten of them.

How many relevant amendments did the Democrats offer yesterday? Less than half of their ten addressed this issue. By my generous calculation that means that they only half care about marriage tax penalty relief.

In the House, it was not this way. Forty-eight Democrats across the Rotunda voted for marriage tax penalty relief. It was bipartisan over there. Why can't it be bipartisan here? Democrats here are seeking to make this a highly partisan Senate.

So the Senate must wait and over 40 million American families will have to wait. Every couple who suffers under this marriage tax penalty, which has existed for 31 years, must wait further. In a sense, everyone is going to have to wait while the other side of the aisle obstructs this tax relief effort.

This is tax week across America. America's families are hunkered down over their kitchen tables figuring out their tax forms. Isn't it time these taxpayers get a break from the most unfair part of this process, the provisions that tax them at a higher rate just because they are doing what is right and are married?

I want to give them that break. My colleagues want to give them that break. However, my Democrat colleagues don't want to give them that break. In fact, they don't want to even give them a debate or a vote on this very important issue.

I urge the Senate to go to the final debate on this and pass it before we adjourn this week. I yield the floor.

THE PRESIDING OFFICER. The Senator from North Dakota.

### TAXES

Mr. CONRAD. Mr. President, as I listened to my colleague, I thought some things said required a response.

As we look back at how we achieved balance in our budget and how we turned massive deficits into massive surpluses, let me explain how it was done. This chart covers 1980 through 1999. The blue line is the outlays or expenditures of the Federal Government; the red line is the revenue line. We had massive deficits when we were following the Republican economic prescription for the country, which was trickle-down economics, because the outlays far exceeded revenues. The result was massive deficits and massive growth of the debt.

In 1993, we got a new administration and a new economic plan. We passed a proposal without a single vote from the other side that reduced spending as a percentage of our national economy and raised revenue. That is how we balanced the budget. That is how we stopped the raid on Social Security. That is how we stopped the economic decline the country was experiencing under their plan, under their proposal.

In fact, at the time we passed the new budget plan in 1993, which was a 5-year plan reducing the deficits each and every year as we brought spending down, we brought revenues up until the two lines crossed and we moved into surplus. Our friends on the other side of the aisle said it was a huge mistake. They said it would increase the deficit. They said it would increase unemployment. They said it would increase inflation. They were wrong on every count. They were not just a little bit wrong, they were completely wrong.

Now they come with a new economic prescription to go back to the bad old days—back to debt, back to deficits, back to decline. Are we going to take that path? Haven't we learned anything about what works? Haven't we learned the best course is one of fiscal discipline? Haven't we learned the best course is to stay on this plan that has turned massive deficits into massive surpluses, that has led to the longest

economic expansion in our country, that has led to the lowest unemployment in more than 30 years, the lowest inflation in more than 30 years? Are we going to jeopardize this with a risky tax scheme that our friends on the other side propose?

My friend from Iowa says we have the highest tax rates ever. No, we don't have the highest taxes ever. This chart shows the revenue line, and indeed it came up; that is absolutely correct. It was that combination of reduced spending and increased revenue that led to this result. However, that does not translate into higher tax rates on the American people. A key reason we have higher revenues is because we got the economy moving again. This extraordinary economic expansion—again, the longest economic expansion in our history—has generated more revenue. That is what helped balance the budget, coupled with reduced spending.

The question of what has happened to individual taxes is quite a different story. This was a story on the front page of the Washington Post: "Federal Tax Level Falls for Most. Studies Show Burden Now Less Than 10 Percent."

The story tells the truth.

For all but the wealthiest Americans, the Federal income tax burden has shrunk to the lowest level in four decades.

We don't have the highest taxes on individual American taxpayers that we have ever had, as the Senator from Iowa asserted. That is just not the case.

For all but the wealthiest Americans, the Federal income tax burden has shrunk to the lowest level in four decades.

That is the truth according to a series of studies by both liberal and conservative tax experts. Each of the studies shows the bottom line is the same. Most Americans this year will have to fork over less than 10 percent of their income to the Federal Government. The Congressional Budget Office estimates the middle fifth of American families with an average income of \$39,000 paid 5.4 percent income tax in 1999, compared with 8.3 percent in 1981. Their taxes have gone down. That is the middle-income people in America.

The Treasury Department estimates that a four-person family, with a median income of \$54,900, paid 7.46 percent of that in income tax, the lowest since 1965. And the median two-earner family making \$68,000 paid 8.8 percent in 1998, about the same as 1955.

If we are going to have a debate, let's have a debate on facts and not make up things.

The fundamental problem with the legislation offered by our colleagues: They have more of a tax cut than there is non-Social Security surplus available for a tax cut. It is a question of priorities. What do we want to do with the surpluses available? Remember, these are projected surpluses. We can take the money and use it all for a tax cut that disproportionately goes to the wealthiest. That is what the Republicans want to do.

Our side believes we ought to reserve every penny of the Social Security surplus for Social Security. Republicans agree with that. On the non-Social Security surplus, the Republicans want to use it all for a tax cut that disproportionately goes to the wealthiest; 60 percent goes to the wealthiest 10 percent.

Our side thinks the highest priority should be further paying down of the debt because that is what every economist has said is in the highest interests of this country. This is what will most assure our economic future.

Second, we believe we ought to provide for tax relief; 29 percent of the non-Social Security surplus under our proposal goes for tax relief. Part of that goes to address the marriage tax penalty. However, we are addressing those who suffer the marriage tax penalty.

Our friends on the other side want to give a big tax cut to folks who do not have the marriage tax penalty. In fact, for people receiving the marriage bonus—they pay lower taxes as a result of being married than if they were filing individually—they want to give them a tax cut, too.

When they say we are limited to 10 amendments on our side, the underlying legislation deals with many more issues than just the marriage tax penalty. They want to restrict our right to offer alternatives. That is not fair. That is not the way the Senate was designed to operate. Not surprisingly, we don't intend to go along with that. That is not the way the Senate is designed to work.

We offered legislation in the Senate Finance Committee to give people a choice. They file as married couples; they file as individuals; file the way that helps the most, that gives families the least tax liability. That is what Democrats are proposing. We do it in a way to not use all of the non-Social Security surplus for a tax cut that goes predominantly to the wealthiest. Instead, we put the highest priority on reducing the debt; the second highest priority on tax relief; the third highest priority on using money for high priority domestic needs such as defense, education, and agriculture, which are in very deep trouble.

Mrs. HUTCHISON. Mr. President, are the 10 minutes Senator CONRAD has remaining from the Democratic side?

The PRESIDING OFFICER (Mr. ROBERTS). That is correct, from the Democratic side. There are 20 minutes remaining on the Republican side.

Mrs. HUTCHISON. I thank the Chair.

THE PRESIDING OFFICER. The Senator from North Dakota is recognized.

MR. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 2422 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The distinguished Senator from Missouri is recognized for 5 minutes.

#### MARRIAGE TAX RELIEF

Mr. ASHCROFT. Mr. President, I rise to speak on behalf of the marriage tax relief bill. You could characterize it as tax relief or you could characterize it, I suppose, as a tax cut. But the true characterization is one that Senator HUTCHISON has over and over emphasized: This is tax correction. The bill is intended to correct the Tax Code. The code needs correction because it is an assault on the very values of our culture.

There is a fundamental unfairness when the Tax Code is at war with our values and penalizes a basic social institution such as the institution of marriage. The American people know this. They understand it is not right to have a Tax Code that penalizes marriage. The vast majority of the Members of this body understand this. This last week, during consideration of the budget resolution, the Senate voted 99-1 on the Hutchison amendment to support marriage tax relief. In other words, let's abandon the policy of punishing married people who pay higher taxes in the Tax Code.

Despite this overwhelming vote less than 10 days ago, some of my colleagues are now trying to stop or to delay the marriage tax relief measure by demanding nonrelevant amendments. Yesterday, several Senators from the other side of the aisle spoke on the floor and agreed there is unfairness in the Tax Code and that it is fundamentally unfair to tax people only because they marry. However, these same Senators then said the Finance Committee bill gives tax cuts to people who do not need them. That seems an arrogant statement to me, to suppose Government knows best how to spend the people's money. In addition, one Senator opposed the finance bill, asking, how many of these tax cuts can we afford to give away?

I submit, the real question is, how much of the hard-earned money can families afford to have taken away by an unfair system which penalizes men and women, a schoolteacher, a fireman, for getting married and beginning a family? How much longer will we continue to allow married couples to be penalized just for getting married?

We are here to correct that fundamental unfairness. It is something that has grown up in the code. It is like a weed which is taking over the garden. Good things are prevented by its presence. We ought to pull it out and make sure we have a Tax Code that does not make it harder for young people to be married and have a family.

Are we for correcting this unfairness? Are we against it? Or are we just saying that we are? One cannot say they oppose this penalty and then fight to take the relief away that is provided in the bill. Our colleagues in the House

have already demonstrated dramatically that they back a correction for this injustice.

In February, the House passed the Marriage Tax Penalty Relief Act of 2000. Thanks to the good work of the Senate Finance Committee, under the direction of Senator ROTH, we have a measure which will help substantially lessen the burden of this penalty that has been laid upon the families of America.

This bill makes great strides in providing relief and correcting this injustice. Twenty-five million American couples pay an average of \$1,400 a year extra simply because they are married. Ending the penalty will give couples the freedom to make the choices they ought to make: The choice to be married and have a durable, lasting relationship of marriage as the foundation for the family unit.

The marriage tax penalty forces some Americans to make compromises instead of real choices. Mothers and fathers should be able to choose whether both parents will be employed outside the home based on what is in the family's best interest, or whether there should be a nonworking spouse who stays in the home. The Senate bill respects the value of the contribution of the spouse who stays home, and that is very important. Our Tax Code should respect the value that is added to the equation by a stay-at-home spouse who makes the family a stronger unit and builds for this country the kind of integrity that strong families provide.

In conclusion, no one has ever devised or developed or even dreamed of a better department of education, social services, a better department of health, education, and welfare than the family, and it is time for our Tax Code.

The PRESIDING OFFICER. The time requested by the distinguished Senator has expired. Who yields time?

#### UNANIMOUS CONSENT AGREEMENT—H. CON. RES. 303

Mr. GRASSLEY. Mr. President, on behalf of the leader, I ask unanimous consent, notwithstanding rule XXII, that following the cloture votes relative to H.R. 6, the Senate proceed to H. Con. Res. 303, the adjournment resolution, with a vote to occur on adoption, all without intervening action or debate. I further ask unanimous consent that following that vote, the Senate begin debate on the budget resolution conference report and, when received, the conference report be considered as having been read and there be 4 hours of debate to be divided in the following fashion: 90 minutes under the control of Senator DOMENICI, 90 minutes under the control of Senator LAUTENBERG, and 1 hour under the control of Senator REED of Rhode Island.

Finally, I ask unanimous consent that following the use or yielding back of time, the Senate proceed to vote on the adoption of the conference report, without any intervening action or debate.

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

Who yields time?

The distinguished Senator from Virginia is recognized.

Mr. ROBB. I inquire as to how much time remains on this side.

The PRESIDING OFFICER. The Senator has 2 minutes.

#### MARRIAGE TAX PENALTY RELIEF

Mrs. LINCOLN. Mr. President, in listening to my colleagues I am pleased to detect broad support for ending the so-called marriage penalty. I know that no one in this body believes that there should be a price to pay to the government for matrimony. However, we should work for a fair and reasonable solution that will not expand the marriage bonus and shift tax unfairness from one group in this country to another. The fact is that expanding marriage bonuses is not fair to single Americans just like doing nothing is unfair to married couples.

The ironic thing about the marriage penalty is that it was actually born out of fairness. According to a June 22, 1999 document prepared by the staff of the Joint Committee on Taxation, before 1948, there was only one income tax schedule, and all individuals were liable for tax as separate filing units. Under this tax structure, there was neither a marriage penalty nor a marriage bonus.

However, this structure created an incentive to split incomes because, with a progressive income tax rate structure, a married couple with only one spouse earning income could reduce their combined tax liability if they could split the income and assign half to each spouse. Under this system a disparity between the citizens of community and separate property states arose after a handful of Supreme Court cases upheld the denial of contractual attempts to split income, but ruled that in states with community property laws, income splitting was required for community income. This led Senator John McClellan, of my home state of Arkansas, to ask Senator William Knowland of California, "why is it that just because you live in California and I live in Arkansas, you pay \$646 less every year than I pay?"

The Revenue Act of 1948 provided the benefit of income splitting to all married couples by establishing a separate tax schedule for joint returns. That schedule was designed so that married couples would pay twice the tax of a single taxpayer having one-half the couple's taxable income. While this new schedule equalized treatment between married couples in states with community property laws and those in states with separate property laws, it introduced a marriage bonus into the tax law for couples in states with separate property laws. As a result of this basic rate structure, by 1969, an individual with the same income as a married couple could have had a tax liability

up to 40 percent higher than that of the married couple.

To address this inequity, which was at the time labeled a "singles penalty," a special rate schedule was introduced for single taxpayers, leaving the old schedule solely for married individuals filing separate returns. This schedule created the infrastructure for the so-called marriage penalty that we seek to end today.

At the time more than thirty years ago when the current single and married filing categories were established, our society looked different, and very few people were affected by the flaws in our tax code that imposed a penalty on marriage. As we all know, Mr. President, the general rule is that married couples whose incomes are split more evenly than 30-70 suffer a marriage penalty. However, the fact still remains, that married couples whose incomes are attributable largely to one spouse generally receive a marriage bonus.

As the income levels between men and women have rightly narrowed and as more married women have moved into the work force, the so-called marriage penalty has begun to affect more and more families.

Today we are debating a bill offered by the Senate Finance Committee that seeks to address the problem of the so-called Marriage Penalty, and I applaud my colleagues for bringing this to the floor. As I said before, I believe we all want to tell our constituents that we have ended the marriage penalty, however, the underlying bill will not allow us to do that.

There are 65 provisions in the tax code that contribute to a possible marriage penalty for taxpayers. The bill offered by the Majority only eliminates one of those provisions and softens the bite of two others. The fact still remains that 62 other provisions could rise up to affect married couples on tax day. If we are going to end the marriage penalty, Mr. President, we should just end it.

Another problem with the Majority bill is that it expands the marriage bonus. We should not bring back the unfairness we had before 1969. We should learn from the history of this debate and we should come up with a better solution. I believe in the sanctity of marriage, as do all of my colleagues. I don't believe in penalizing it. But I also recognize the rights and fairness that our single constituents demand. We should not shift tax unfairness from one group to another, we should work to eliminate the unfairness for all Americans.

The Majority bill would also expand the roles of the Alternative Minimum Tax. Talk about unfair! I think a lot of Americans would almost rather pay the marriage penalty than have to deal with the Alternative Minimum Tax. The Majority bill would expand, by 5 million, the number of people who have to fill out an AMT tax form and pay higher rates. Not only is it inexcusable,

it goes against what we stand for and what we are trying to achieve.

We should be working to lessen the effects of the AMT on middle class families not expand them. I am aware that the Majority bill includes a provision to permanently exempt the non-refundable personal tax credits from AMT determination. That is good policy. In fact, Mr. President, I am the author of the bill, S. 506, that is essentially attached to the Majority bill. This provision, however, will not do enough to lessen the effects that doubling the standard deduction will have on the AMT roles. The good policy of S. 506 is drowned by the bad policy to which it is attached; drowned in the squeals of 5 million voters. I remind my colleagues that the AMT equals higher taxes and confusing forms. No one wants that for their constituents.

Lastly, Mr. President, this majority bill can hardly be labeled a "Marriage Penalty Relief Bill" at all. It doesn't completely eliminate the marriage penalty and less than half the cost of the bill goes to reducing it. 60 percent of the cost of the Majority bill goes to singles and to expanding the marriage bonus. I believe we should be honest with the American taxpayer and quit trying to aggregate tax cuts under popular headings like "Marriage Penalty Relief" and ram them through the process with cloture votes.

If my colleagues truly believe in fairness, as I think they do, then, Mr. President, let us work to truly end the marriage penalty, not to just put it on hold. Let's work together, Mr. President, to end the marriage penalty. Let's put an end to it now and forever. That means eliminating all 65 marriage penalties. Not just one and a fraction. That also means avoiding a new singles penalty. We have a record to look upon, Mr. President. We have a history. If we approach the marriage penalty in the way the Majority proposes, the unfairness will continue, the debate will continue, and sadly, the marriage penalty will continue as well.

Mr. LEAHY. Mr. President, I do not like the marriage penalty. I think it is poor public policy. However, I am forced to vote against cloture today because the majority has refused to allow the minority to offer amendments to improve this seriously flawed legislation.

The majority has presented us with a bill that not only fails to completely remedy the marriage penalty, but also provides large tax cuts to individuals and married couples who currently experience a marriage bonus. Less than 40% of the benefits of this bill would actually go to couples earning under \$100,000. This is not a marriage penalty bill; this is a fiscally irresponsible tax cut bill for the wealthy. Hard working married couples in Vermont deserve an honest, targeted measure to eliminate the marriage penalty, not the proposal that is before us today.

I had looked forward to debating amendments to strengthen this bill and

I am disappointed that the majority is cutting off the debate with a motion to invoke cloture. The integrity of the Senate is threatened when the majority refuses to permit the minority to debate amendments. The Senate should be the conscience of the nation because of the distinguishing feature of this body for any Senator to offer amendments and thoroughly debate the merits of legislation.

I support an end to the marriage penalty. I will continue to work with other Senators to pass legislation that is targeted at eliminating all of the marriage penalties that are embedded in our tax code. Vermonters deserve nothing less.

Mr. BYRD. Mr. President, today the Senate will vote on two cloture motions, the first, to end debate on the Finance Committee's substitute amendment to H.R. 6, the Marriage Tax Penalty Relief Act, and, the second, to end debate on the underlying bill.

First, I am, as are others, deeply concerned with that anomaly in the tax code known as the "marriage penalty." I can think of no rational reason why two individuals who have vowed a lifelong commitment to each other through the sacred institution of marriage should, in certain cases, have their combined income taxed at a higher rate than that of two unmarried persons. At a time of declining social values, it simply does not make sense for the Congress to sanction policies which clearly work to the detriment of family stability.

Throughout the annals of human experience, in dozens of civilizations and cultures of varying value systems, humanity has discovered that the permanent relationship between men and women is a keystone to the stability, strength, and health of human society. The purpose of this kind of union between human beings is primarily for the establishment of a home atmosphere in which a man and a woman pledge themselves exclusively to one another and who bring into being children for the fulfillment of their love for one another and for the greater good of the human community at large. Indeed, I doubt that any Senator would refute the assertion that the promotion of marriage and family stability is in the best interest of the nation as a whole.

The question then is how to utilize the nation's tax code to move towards this goal. Marriage neutrality, for reasons that I will leave to the distinguished Finance Committee Chairman, the Senator from Delaware, and, the Finance Committee ranking member, the Senator from New York, to explain, is seemingly incompatible with a progressive income tax system that allows for married couples to file jointly. That is, if this body believes that higher-income households should pay higher taxes than lower-income households, and that married couples should be allowed to file joint returns, marriage

neutrality can be a difficult goal to achieve. While I applaud the efforts of the Senator from Delaware and the Senator from New York in their attempts to balance these seemingly incompatible goals, I remain hesitant about jumping on any bandwagon at this time without first raising some concerns.

My primary concern, which I would presume is a concern of all Senators, is the cost associated with each of these proposals. The Republican plan, upon which the majority leader has filed a cloture motion, would cost approximately \$248 billion over 10 years, and would explode after the first 10 years, costing the Federal Government \$39 billion per year thereafter. This cost would be paid for through the non-Social Security surpluses that are projected by the Congressional Budget Office over the next 10 years. The so-called Democratic alternative, on the other hand, is not much better. The proposal would cost \$150 billion over 10 years, but once fully phased in, is expected to cost about \$48 billion per year thereafter. The basis upon which these tax cuts are being proposed is the presumption that the Congressional Budget Office's projections of non-Social Security surpluses will come to pass and will be large enough to cover tax cuts of this magnitude without causing the Federal budget to revert back into the kind of annual triple-digit billion dollar budget deficits we suffered over the last two decades. Never mind the fact that these non-Social Security surpluses are not yet in the hands of the Treasury. Never mind the fact that this Senate has not yet ensured that our domestic spending needs will be met in the coming years. Never mind the fact that such enormous tax cuts, once enacted, would be very difficult to reverse.

To its credit, however, the Democratic alternative is a substantively better proposal. Not only would it eliminate all sixty-five marriage penalties in the tax code, compared to the Republican proposal which would eliminate only three of the penalties, but it would also limit tax relief to those who actually suffer marriage penalties. Nevertheless, the Senate stands ready to shut down debate on these measures, and to effectively prohibit the Democratic alternative from being offered. Moreover, amendments that could possibly improve these proposals, or, at least, ensure that these proposals are enacted in the most cost efficient way possible, would also be limited—perhaps not to be allowed to be called up at all.

Another concern of mine is that both proposals are distributionally skewed away from lower- and middle-income families. Senators should be encouraged to offer amendments so that these proposals better target families who most need tax relief. Instead, Senators are discouraged from offering amendments to improve the measure. Watching the debate yesterday, I noted Senators suggesting that amendments

should be limited to only five or six so that the Senate could finish its work tonight and recess for the Easter break. As far as this Senator from West Virginia is concerned, if this legislation is as important as most Senators seem to think it is, we should stay in tomorrow, perhaps Saturday, and for as long as it takes to provide the best targeted, most cost-efficient tax package possible. This legislation should not be railroaded through this Chamber in order to accommodate a political deadline or to avoid debate on controversial amendments.

I, for one, will not support shutting down debate on these measures without first having these concerns addressed. I refuse to allow myself to be backed into a position where I must support limiting debate on a so-called marriage penalty relief bill simply to avoid political attacks that I do not support marriage penalty relief. My constituents understand my position on this matter. I have been married, now, almost 63 years, so I know about the marriage penalty. It has not changed over the years. I will oppose cloture on this bill, not because I am opposed to marriage penalty relief, but because I am opposed to this kind of legislating.

Putting aside the policy implications of these votes for a moment, I am growing increasingly concerned about how this body is seemingly incapable of considering any legislation without, first, limiting amendments that may be offered, and, second, limiting the ability of Senators to debate the legislation. These marriage penalty proposals are only the most recent example of this new style of legislating. Education savings accounts, the Social Security earnings limit, and bankruptcy reform have all been debated in this fashion. The stock options bill that was brought to the floor was limited to one hour of debate with no amendments or motions in order. Presumably, this agreement was reached to prevent minimum wage amendments from being offered. Indeed, time after time, day after day cloture motions to end debate are being filed before debate even has a chance to get under way.

The rationale behind today's cloture vote is that a majority of constituents and legislators support marriage penalty relief, so this legislation should be passed without delay. Ironically, this is exactly why the Senate was established as the body of majority rule but minority right. When James Madison arrived in Philadelphia in 1787 to correct the "injustices" of the Articles of Confederation, he had derived a general theory of politics based on his experiences in the Virginia state legislature. His focus was on the majoritarian premises of popular government. While Madison pondered that legislators would primarily respond to the passions and interests of their constituents, he realized that minority rights were not so much to protect the people from government as to protect the people from

popular majorities acting through government. In recent months, however, and, I say this not as a Democrat, but as a member of the minority, minority rights have been pushed aside in order to accommodate political expediency. The Democrats, as I observe them, are standing up for their rights as a minority, not attempting, as has been stated several times in the past, to dictate the Senate's schedule. This Democrat is certainly not trying to dictate the schedule. I do, however, have an interest in the Senate. And, I think that the Senate has gone downhill in recent years. I think that it is too partisan. I have seen bills called up, and cloture immediately filed upon them to end debate on them when there had been no debate. I, when I was majority leader, filed cloture motions in similar situations, but I never did it time after time and day after day, I did it very seldom.

Senators do have the right to offer amendments, they do have the right to debate those amendments, and they have the right to a roll call vote on those amendments if they want it. Similarly, this Senator, along with every other Senator in this body, has the right to debate amendments offered by other Senators and to a roll call vote on those amendments. This was the message that I was hoping to convey last Friday during the debate on the budget resolution. When I objected to the unanimous consent request regarding the inclusion of some fifty amendments to the budget resolution, my goal was not to prevent the consideration of those amendments.

In fact, I was suggesting that the Senate spend the extra time on Saturday and on Monday to debate and to vote on those amendments. It was my desire to hear debate and to vote on those amendments, not to move on to final passage.

The Senator who offers the amendment, of course, has a right to have debate on it and a right to ask for a vote. But any other Senator also has a right to hear the debate and also has a right to ask for a vote if he wants it. So it is not just the Senator who offers the amendment whose case is put in jeopardy because he is denied a vote. The whole Senate and the people I represent, the people the Senator from Rhode Island represents, are entitled to a debate also on the amendment.

As I have said before, I will not support the erosion of minority rights in the Senate simply to advance a politically popular initiative. I hope that my colleagues will take a moment to consider their votes in this context, rather than in the context of what is politically popular and expedient.

Mr. ROBB. Mr. President, last week, I offered an amendment to the Senate budget resolution that would have required Congress to enact a new Medicare prescription drug benefit before considering any massive tax cuts. While a procedural hurdle prevented my amendment from passing, fifty-one senators voted to waive the budget

point of order, indicating they favored it, sending the American people a strong signal that a majority of the U.S. Senate thought we should put the needs of our nation's seniors before excessive tax cuts.

Yet only a week after this vote, Mr. President, we are considering a massive tax cut that will spend \$248 billion of the surplus over 10 years, without doing anything to modernize Medicare. Under the guise of eliminating the "marriage penalty," the majority has brought a bill to the floor that would devote over half of its benefits to people who either aren't married, or who are actually receiving right now a tax benefit, or "bonus," for being married. This takes a lot of chutzpah.

I believe we ought to eliminate the marriage penalty for those who actually suffer the marriage penalty and need the relief most. With all the rhetoric from the other side about eliminating the marriage penalty, one might think that they would share my view and want to pass a bill that would actually focus on the penalty.

But a close examination of the Republican bill reveals that it is not quite what it is described to be. In fact, there are 65 provisions in the Tax Code that have a marriage penalty, including Social Security. Their bill takes care of one provision entirely and two others partially, and leaves the other 63 marriage penalties exactly the way they are. The Democratic bill addresses all 65 provisions, and takes care of the entire penalty for nearly everybody. The Democratic bill accomplishes all this but costs half as much.

It is time that we set our priorities straight. We ought not to be devoting \$140 billion of the surplus over 10 years to individuals who currently have no marriage penalty when we have done nothing to help those who suffer from the "senior citizens' drug penalty" the high prices our Nation's seniors are forced to pay for prescription drugs.

I intend to offer a motion to recommend this bloated bill to the Finance Committee, with instructions to report out a new bill by June 1 that focuses its dollars on taxpayers who actually face a marriage penalty, and that devotes \$40 billion over the next 5 years to a new prescription drug benefit. This motion will not prevent Congress from enacting marriage penalty relief this year, it will just ensure that we do not backtrack from last week's vote to enact a prescription drug benefit before we do major tax cuts.

I want to share again a letter I received from a woman in St. Stephens Church, VA which illustrates why the prescription drug amendment is so important. She writes:

My husband and I are both retirees and rely on Social Security and Medicare. Recently, we both had to go to our family doctor, and the drugs that were prescribed for us would cost us out of pocket approximately \$300 per month. Due to the cost of the two prescriptions, we are forced to choose not to take the medication and live with the illness.

Another woman from Scottsville, VA writes:

My husband's income consists of his Social Security and a small pension from his former employer. We spend over twice as much for prescriptions as we do for groceries, and it's getting harder and harder to stretch our income 'til our checks arrive.

These Virginians are not alone in their troubles. The average senior citizen will spend \$1,100 on prescription drugs this year. Most of them will not have adequate prescription drug coverage to help them cover these crushing costs. The numbers of those who do have coverage are dropping rapidly.

Despite the suggestions of some of my colleagues, this problem is not limited solely to the poor. One in four Medicare beneficiaries with a high income—defined as \$45,000 a year for a couple—has no coverage for prescription drugs. And while some seniors do have coverage, nearly half of them lack coverage for the entire year, making them extremely vulnerable to catastrophic drug costs.

Complicating this matter for the elderly is the "senior citizens' drug penalty" that seniors without drug coverage are forced to pay. Most working Americans who are insured through the private sector pay less than the full retail price for prescription drugs. This is because insurers generally contract with Pharmaceutical Benefit Managers—or PBMs—that negotiate better prices for drugs and pass on the power of group purchasing to their customers.

Seniors lack this option, however, and must still pay full price for their drugs. A study released earlier this week showed that seniors without drug coverage typically pay 15 percent more than people with coverage. And the percentage of Medicare beneficiaries without drug coverage who report not being able to afford a needed drug is about 5 times higher than those with coverage.

This "senior citizens' drug penalty," in my view, is unconscionable. Senior citizens rely more on drugs, and have higher drug costs, than any other segment of the population. They deserve to have the same bargaining power that benefits other Americans.

Last week the other side spoke against my amendment, claiming that there was already adequate language in the Republican budget resolution to ensure that we pass a prescription drug benefit this year. At the time, they pointed to the \$40 billion reserve fund which was included in the budget resolution the Committee reported, arguing that this would provide ample money to enact a prescription drug benefit and offer tax relief.

Republicans asked, in essence, that we trust them that the Senate will not squander the surplus on tax cuts before we have helped our nation's seniors. Let me say that I do trust my good friends on the other side of the aisle. To borrow a line from Ronald Reagan, I believe we should trust—but verify. That is what my amendment last week did. It required deeds as well as words.

Seeing what happened in the budget resolution conference committee, it has become clearer than ever why we need to verify the promises that the other side gives us. Because despite both chambers setting aside a \$40 billion reserve fund for a prescription drug benefit, one of the first things that the conferees did was cut this fund in half, to \$20 billion—a number far too low to enact any sort of universal benefit for our nation's seniors. The conferees then took this other \$20 billion, which is vitally needed to fund a universal prescription drug benefit, and said that it should be used for other Medicare reforms, such as another round of adjustments to the payment rates for Medicare providers that were hit hard by the cuts in the Balanced Budget Act of 1997. But after touting this reserve fund as the key to a prescription drug benefit, they have essentially neutered themselves.

Even worse, the conferees removed the one provision that would have helped push a prescription drug benefit forward. The Senate budget resolution set a date of September 1 for the Finance Committee to report out a prescription drug bill. This deadline would have guaranteed that the Senate would at least consider prescription drug legislation this year. But the conferees stripped this deadline out of the bill. They have basically said: it is not important for the Senate to pass a bill to eliminate the "senior citizens' drug penalty."

I am by no means opposed to taking another look at the decisions we made in the Balanced Budget Act of 1997. I worked very hard last year in the Finance Committee on the Balanced Budget Refinement Act. And there ought to be room, in the context of a balanced budget, to provide further relief to health care providers who were hit hard by the cuts in the Balanced Budget Act of 1997.

We ought not to be limiting our Medicare reform efforts to \$40 billion, however, simply to free up additional funds for tax cuts. With this new limit, Republicans have essentially pitted a prescription drug benefit for seniors against additional relief for doctors, hospitals, nursing homes, and other health care providers. Republicans have decided that two important priorities must square off, so that we can provide billions of dollars in so-called "marriage penalty" tax relief to individuals who do not even incur a marriage tax penalty on their taxes.

Our nation's seniors deserve better than this. Last week, at least fifty-one Senators felt the same way. I urge every one of them, as well as Senators who opposed my amendment last week because they thought the \$40 billion reserve fund would guarantee a prescription drug benefit, to support my motion to recommit this bill. With its passage, we will be able to eliminate both the true marriage tax penalty and the "senior citizens' drug penalty."

UNANIMOUS CONSENT REQUEST—  
H.R. 6

Mr. ROBB. Mr. President, I ask unanimous consent that we proceed to consideration of H.R. 6, the Marriage Tax Penalty Relief Act, so that I may offer a motion to recommit the bill to the Senate Finance Committee.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Reserving the right to object, I see this as an effort to delay passing the marriage tax penalty relief bill. Offering or voting for this motion is saying that the Senate does not want to fix the marriage tax penalty. Reccommitting the bill is an attempt, I think, to kill the bill.

We are going to deal with the prescription drug problem. As I said in my opening comments this morning, Republicans have already set aside \$40 billion in our budget to do so. We do not need to delay fixing the marriage tax penalty in order to fix the Medicare problem. We have the resources and the time to do both.

Again, I think this is a transparent effort to kill marriage tax penalty relief, and, consequently, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Virginia.

Mr. ROBB. Mr. President, I accept the objection of my friend from Iowa. Under the conference agreement, the \$40 billion went in on the part of the Senate. Only \$20 billion came out; \$20 billion has already been diverted in the conference agreement. I recognize an objection has been offered. I will make my point.

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

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Montana.

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

#### MARRIAGE TAX RELIEF

Mr. BURNS. Mr. President, I thank my friend from Iowa.

This has been an interesting debate on this part of the Tax Code, and I have been listening to this debate with a lot of interest. If there ever was something that needed fixing, it is unfairness in the tax code. I am not going to talk about a disincentive for folks to get married. I look at it from a standpoint of fairness.

Young couples who are starting out and trying to save a little money for the education of their children, or trying to pay for a home, these couples are penalized. They have dreams of participating in American opportunities, and they are kept from this by an unfair tax code. In Montana, 90,000 couples are penalized to the tune of \$51.5 million every year in extra taxes simply because they are Mr. and Mrs.

We made it pretty clear on this side of the aisle that tax reform is needed.



If we have to do it one step at a time or one inch at a time, then that is the way we will do it. That makes it very slow and very painful. Yet it has to be done.

According to the Congressional Budget Office, almost half of married couples pay higher taxes due to their married status. The marriage tax penalty increases taxes on affected couples \$29 billion per year. Currently, this marriage tax penalty imposes an average additional tax of \$1,400 a year on 21 million married couples nationwide.

I, along with my Republican colleagues, have made it clear that continued tax reform and tax relief is necessary, and I can think of no other tax that has such a dramatic impact on so many people. To some people, \$1,400 may not sound like a lot of money, but to a lot of Americans \$1,400 does mean a lot of money. Especially when it can be used for things like saving for education, or supporting young families, or a long list of things that need to be fixed around the house.

The marriage tax penalty can have significant negative economic implications for the country as a whole since the tax code can discourage some people from entering the workforce altogether.

Additionally, this is a good time for us to restore fairness for married people. No. 1, I think what we have seen this week in the stock market, what we have seen in the high-tech stocks, shows that we may not be in the real booming economy now that everybody thinks we are. No. 2, if you live in farm country, we know we are not in a booming economy. Look at our small towns around my State of Montana and all through farm country. We know what tough times are. And then to be penalized in your taxes just because you are married seems a little unfair.

I support this particular piece of legislation. I want the American people to know that we will take this one step at a time. After all, we did not get into this situation overnight. Maybe it will take one step just to get us out of this kind of a situation.

Mr. President, as I said, I rise in support of legislation currently on the floor that will put an end to the marriage tax penalty. We have been fighting this tax inequity for several years now. The people of Montana have spoken to me either through letters or conversation—they think this tax is unfair.

Last year, I met with a couple in Billings, MT, to determine the impact of this tax on them. Joshua and Jody Hayes paid \$971 more in taxes because they were married than they would have paid if they remained single.

In Montana, it is estimated that nearly 90,000 couples are penalized by this tax to the tune of \$51.5 million—solely for being married.

I along with my Republican colleagues have made it clear that continued tax reform and tax relief is necessary, but I can think of no other tax

that has such a dramatic impact on so many people.

If ever there was a disincentive to be married, this penalty would be it. I believe this, along with the estate tax, is one of the most unfair taxes on Americans. It is not right for people to be penalized with higher taxes simply because they choose to get married.

According to the Congressional Budget Office (CBO), almost half of all married couples pay higher taxes due to their marital status. Cumulatively, the marriage penalty increases taxes on affected couples by \$29 billion per year. Currently, this tax penalty imposes an average additional tax of \$1,400 on 21 million married couples nationwide.

The marriage penalty can have significantly negative economic implications for the country as a whole as well. Not only does this penalty within the tax system stand as a likely obstacle to marriage, it can actually discourage a spouse from entering the workforce.

By adding together husband and wife under the rate schedule, tax laws both encourage families to identify a primary and secondary worker and then place an extra burden on the secondary worker because his or her wages come on top of the primary earner's wages.

As the American family realizes lower income levels, the Nation realizes lower economic output. From a strictly economic perspective, the fact that potential workers would avoid the labor force as a result of a tax penalty is a clear sign of a failure to maximize true economic output. As a result, the nation as a whole fails to reach its economic potential, which is demonstrated by decreased earnings and international competitiveness.

I am very disappointed the President has indicated he will veto this bill as he has in the past. That is not just the veto of a bill—that is another signal the administration does not support the union of two people and their impending family.

Congress has the momentum to correct this inequity and I encourage my colleagues to support this legislation to repeal the marriage penalty.

I ask unanimous consent to have an example of the marriage tax penalty printed in the RECORD.

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

#### EXAMPLE OF THE MARRIAGE PENALTY TAX

Take a couple in which the husband is a new Billings Police Officer and his wife is a teacher for the Billings School District.

	Husband	Wife	Couple
Adjusted Gross Income .....	\$33,500	\$28,200	\$61,700
Less Personal Exemption .....	4,150	4,150	6,900
Standard Deduction .....	+2,650	+2,650	+5,300
	6,800	6,800	12,200
Taxable Income .....	26,700	21,400	49,500
Tax Liability .....	4,271.50	3,210.00	8,504.00

Total tax liability when filing jointly is 8,504.  
Total tax liability for both filing as singles 7,481.50.  
Marriage Penalty 1,022.50.

Mr. BURNS. Mr. President, I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield 5 minutes to the Senator from Texas.

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

Mrs. HUTCHISON. Mr. President, I thank the distinguished Senator from Iowa, who has done a wonderful job in managing this bill, and more importantly for his role in the Finance Committee to make sure that we have a great marriage tax penalty relief bill.

I thank the Senator from Montana for talking in straight terms, as he always does, about what our priorities are: Does this money belong to the people who earned it or does it belong to the Federal Government in Washington, DC?

I think it is very interesting; when people talk about tax cuts, you can tell immediately how Members are going to vote by how they refer to the tax cuts.

As the Senator from Missouri said earlier, if you are going to be against tax cuts, you are going to say: How much will it cost the Federal Government to give this tax relief? But if you believe that people who earn the money deserve to keep it, then you are going to say: How much is it going to cost the American family if we do not give them back part of the excess that they have sent to Washington in income tax withholding?

I want to make the point again, we are not talking about the Social Security surplus providing money for tax cuts. We are talking about the income tax surplus. That means that people have sent too much to Washington and we are trying to return some of it.

I think it was an interesting argument earlier, on the Democratic side, where it was shown that Federal taxes have gone down in our country. We are trying to lower Federal taxes, but, in fact, what has happened is local taxes have gone up. So all of the neutral sources in our country today tell us that there is, in fact, a higher tax burden on the average American family today than ever before in peacetime. That is a big burden on an average family.

About 40 percent of the average family's income is taken in taxes. That is a fact. And we are in peacetime. We do have a balanced budget. We do not need that much. We should send it right back to the people who earned it, to put in their pockets for them to make the decisions as to how to spend it. That is what we are trying to do today.

I think it is interesting when you listen to the debate. The distinguished Democratic leader yesterday said, in the debate: "I think the Republican bill is a marriage penalty relief bill in name only. It is a Trojan horse for the

other risky tax schemes that have been proposed so far this year."

I want to go over what we have taken up this year, what we have proposed this year, and just say to the American people: I wonder what the risky tax schemes are.

Is it a risky tax scheme to let people on Social Security between the ages of 65 and 70 work without paying a penalty? Is that a risky tax scheme? Is the education tax credit that Senator COVERDELL passed earlier this year to give parents a tax credit to buy education enhancements for their children—the computers, the extra books, the tutors—a risky tax scheme? Or is it the small business tax relief that we passed to try to give our small businesses an opportunity to grow and create new jobs in our country?

I am not sure to which "risky tax scheme" the Democratic leader refers. But if that is a "risky tax scheme," I am guilty because I do believe the hard-working people of this country deserve to keep more of the money they earn.

This marriage tax penalty relief was provided for in the budget we passed last week. We would take only 50 percent of the allocation over a 5-year period. We think that is quite responsible as stewards of our tax dollars.

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

Mrs. HUTCHISON. I thank the Chair and yield the floor.

Mr. WARNER. Mr. President, the Republican led Senate is considering legislation that I have long advocated for working families—relief from the marriage tax penalty.

This is not a limited problem. According to the Congressional Budget Office, almost half of all married couples—21 million—are affected by the marriage penalty. One study showed that over 640,000 couples in Virginia are affected.

The marriage tax penalty unfairly affects middle class married working couples. For example, a manufacturing plant worker makes \$30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home \$30,500 a year in salary. If they both file their taxes as singles they would pay 15 percent in income tax. But if they choose to live their lives in holy matrimony and file jointly, their combined income of \$61,000 pushes them into a higher tax bracket of 28%. The result is a tax penalty of approximately \$1,400.

The Republican marriage penalty relief bill would fix this unfairness without shifting of the tax burden and without the need for a tax increase on any individual. Middle and low income families would benefit as much as earners with higher incomes. The bipartisan support for eliminating the marriage penalty is overwhelming. The House of Representatives passed the bill with 268 votes.

In the Senate, our bill increases the standard deduction for joint returns to

twice the amount of the standard deduction for single returns, doubles the size of both the 15% and 28% tax brackets for joint returns to twice the size of the corresponding tax rate brackets for single returns, and increases the phase-out income level for the Earned Income Tax Credit (EITC) for joint returns by \$2,500. Additionally, it makes permanent the current allowance of personal nonrefundable tax credits to offset both regular and alternative minimum tax liabilities.

Critics have claimed that most of the tax relief under our plan would go to wealthy couples. That is simply not true. The Congressional Joint Committee on Taxation's distribution analysis estimates that couples making under \$75,000 annually will be the biggest winners. Additionally, the Joint Tax Committee estimates that couples earning between \$20,000 and \$30,000 will receive the biggest percentage reduction in their federal taxes out of any income level, with couples making between \$30,000–\$40,000 fairing almost as well.

Opponents of this measure have argued that some married couples, where only one spouse works, will receive a so-called "marriage bonus". Although the word "bonus" implies an additional benefit, this is simply not the case. First, this money belongs to the taxpayers. With a surplus of over \$2 trillion, not including Social Security, all taxpayers are entitled to a return of their tax overpayment. Second, should the federal government, through tax policy, discourage either parent from staying at home with children? If a couple chooses to raise their family on just one income, they will need all the financial help they can get. The government should not penalize a family simply because it takes both spouses working outside of the home to make \$50,000. Being a stay at home parent should be rewarded—not penalized.

This means over \$64 billion in tax relief over the next five years. Combined with the other tax relief measures adopted by the Senate this year—tax relief for small employers, improved health care access, and education savings accounts—the total tax relief considered by the Senate falls well within the \$150 billion budgeted for tax cuts in the recently-adopted budget resolution.

This is a modest proposal. Eliminating the marriage penalty will result in less tax paid to the federal government. However, the Congressional Budget Office estimates that taxpayers will send Uncle Sam almost \$2 trillion in additional surplus taxes over the next ten years. That is after Congress has locked up 100% of Social Security surplus and paid down the public debt. Our proposal asks Uncle Sam to give back to middle class families just 10 cents out of every extra surplus dollar they send to Washington. Is that really too much to ask to help families? The Federal government should not put a price tag on the sacrament of marriage.

Mr. GORTON. Mr. President, next Monday is the deadline for all Americans to file their 1999 income tax returns with the Internal Revenue Service. This week the Senate has appropriately dedicated its attention to the tax burden placed on Americans, particularly the unfair marriage tax penalty. Simply, the marriage tax penalty is an injustice in the current Federal income Tax Code that results in a married couple filing a joint tax return paying more in taxes than if the same couple were not married and filed as individuals.

Every week of the year I receive letters from Washington state constituents outraged by the marriage tax penalty, but during tax season my mailbox is deluged with the protests of married couples. Last year, Congress passed a tax relief bill that would have eliminated the marriage penalty, but President Clinton vetoed this needed reform. This year, Democrats have spent this entire week delaying and then blocking a Senate vote on a bill to end the marriage penalty.

Maybe some of my colleagues should hear what I read in the letters I receive asking for action by Congress and the President to eliminate the marriage tax penalty. From an email I received from a constituent in Maple Valley, Washington: "I wanted to express my hope that you and the other members of Congress will be able to eliminate the marriage penalty tax \* \* \* Why should I pay more in taxes since I am married?" From Bellingham, Washington: "Fairness! It all comes down to fairness. Please stop penalizing us for being married. We deserve the same as two single taxpayers." From a family farmer in Eastern Washington state: "I believe the marriage tax penalty is a mistake that should be corrected. It would establish fairness in our tax system." This is merely a sampling of the hundreds of letters I have received, but it is an accurate representation of the views of my constituents and the vast majority of Americans.

My No. 1 tax legislative priority is complete tax reform. I believe the entire confusing and incomprehensible Tax Code should be scrapped and replaced with a system that is fair, simple, uniform and consistent. Until such fundamental reform can take place, I will continue to work in support of tax reform and relief measures that correct unfair aspects of the existing tax code mess. The marriage tax penalty is absolutely one of the most outrageous and indefensible injustices in the current Tax Code. Efforts to delay and block the elimination of the marriage tax penalty are clearly an affront to a sense of fairness, the institution of marriage, and they are contrary to the desires of an overwhelming majority of Americans. The Senate should vote now to correct the marriage tax penalty.

Mr. DOMENICI. Mr. President, the marriage penalty is the extra tax a couple pays as a result of being married. When a couple says "I do" they

are really saying "IRS, we will pay." The tax code has 63 provisions that penalize couples for being married. There are more than 20 income phase-outs and each is a marriage penalty. The two biggest marriage penalizers are the standard deduction and the tax brackets. Fairness would dictate that the standard deduction for a couple should be twice what it is for a single taxpayer. Fairness would dictate that the tax bracket income cut-off points for a married couple should be twice that of a single taxpayer. That is not the way the current code is structured. This bill would restore fairness.

About 25 million married couples annually are adversely affected by the marriage penalty. Average marriage penalty is \$1,400. If we eliminated the marriage penalty, the typical family would have an extra \$1,400 to pay the electric bill for nine months, pay for three months of day care, pay for a five-day vacation at Disneyland or eat out 35 times.

There wasn't always a marriage penalty. Prior to 1948 the tax code taxed individuals, but today, the marriage penalty has infiltrated the entire tax code. It didn't matter when most women stayed at home, but now that so many women work it is indefensible to have the marriage penalty in our law. A working wife often works to support the federal government, more than she works to help her family, because the first dollar she earns is taxed at the highest rate her husband's income is taxed. Some economists call this the "second earner bias" because the income of the secondary earner is stacked on top of the primary earner's income resulting in a relatively high marginal rate.

Of the 27 OECD countries 19 countries taxed husbands and wives separately so there is no marriage penalty. The biggest culprits are the standard deduction and the tax brackets.

The standard deduction for two individuals filing single returns is not twice what the standard deduction for a married couple filing a joint return is. It isn't but, it should be.

Marriage penalty hits low income workers. Eligibility for the earned income credit is the same for single heads of households and married couples. Combining two incomes on a joint return may push a couple into the phase-out range of the EIC and reduce the size of their credit.

As I mentioned, a growing number of tax provisions—credits and deductions—are phased-out at certain income ranges. Any tax provision that has an income phase-out contributes to the marriage penalty. Few of us probably ever stop to think about the marriage penalty when we vote for tax provisions with income phase-outs. Some phase-outs start as low as \$10,000 of income. The dependent credit, the elderly credit and earned income credit have phase out ranges that compound the marriage penalty for the working poor.

Several provisions have phase-outs in the \$50,000 to \$75,000 in income range which add to the marriage penalty of the two income middle class families. The dependent credit, the Hope education credit, the elderly credit, adoption credit; the IRA deduction and the Education loan interest expense deductions. Itemized deduction threshold, personal exemption, all get "marriage penalty-ed" out of existence for many married couples with modest incomes.

S. 2346 provides total tax relief to married couples of \$64 billion over the next five years. Combined with the other tax relief measures adopted by the Senate this year—tax relief for small employers (H.R. 833), improved health care access (H.R. 2990), and education savings accounts (S. 1134)—the total relief considered by the Senate falls well within the \$150 billion budgeted for tax cuts in the recently-adopted Senate budget resolution.

Let me describe in particularity the provisions of the bill. Standard deduction: The bill increases the standard deduction for married couples filing jointly to twice the standard deduction for single taxpayers. According to the Joint Committee on Taxation, this provision provides tax relief to approximately 25 million couples filing joint returns. It is effective for taxable years after December 31, 2000.

Increased brackets: The bill expands, over a six-year period, the 15-percent and 28-percent income tax brackets for a married couple filing a joint return to twice the size of the corresponding brackets for an individual relief to 21 million married couples, including 3 million senior citizens.

EIC: The bill increases the beginning and the end of the phase-out of the Earned Income Credit for couples filing a joint return. Currently, for a couple with two or more children, the EIC begins phasing out at \$12,690 and is eliminated for couples earning more than \$31,152. Under this bill, the new range would be \$2,500 higher. For these couples eligible for the EIC, the maximum credit is increased by \$526, from \$3,888 to \$4,414. It is effective for taxable years after December 31, 2000.

AMT relief: The bill permanently extends the current temporary exemption from the individual alternative Minimum Tax (AMT) for several family-related tax credits, including the \$500 per child tax credit, HOPE and Lifetime Learning credits, and dependent care credit. The bill also exempts two refundable credits, the Earned Income Credit and the refundable child credit, from being reduced by the AMT. It is effective for taxable years after December 31, 2000.

Mr. President, this bill addresses one of the biggest federal income tax injustices and I hope the Congress will enact this legislation.

Ms. SNOWE. Mr. President, I rise in strong support of the S. 2346—legislation that would dramatically reduce one of the most insidious aspects of the tax code: the marriage penalty.

Mr. President, as my colleagues are aware, there are several primary causes of the "marriage penalty" within the tax code, including different tax rate schedules and different standard deductions for joint filers versus single filers.

In terms of the impact of these differing tax provisions, the marriage penalty is most pronounced for two-earner couples in which the husband and wife have nearly equal incomes. While this may not have been as noticeable in society 30 or 40 years ago, the demographic changes that have occurred since the 1960s—with more married women entering the workforce to help support their families—has led to a significant increase in the share of couples who suffer from the marriage penalty.

Mr. President, make no mistake, the impact of the marriage penalty is severe. According to the Congressional Budget Office (CBO), 42% of married couples incur marriage penalties that average nearly \$1,400.

When measured by income category, fully 12% of couples with incomes below \$20,000 incurred a marriage penalty in 1996; 44% of couples with incomes of \$20,000 to \$50,000; and 55% of couples with incomes above \$50,000.

In addition, according to CBO, empirical evidence suggests that the marriage penalty may affect work patterns, particularly for a couple's second earner. Specifically, because filing a joint return often imposes a substantially higher tax rate on a couple's second earner, the higher rate reduces the second earner's after-tax wage and may cause that individual to work fewer hours or not at all. As a result, economic efficiency is harmed in the overall economy.

Furthermore, while I would hope that the tax code would not be a factor in a couple's decision to marry or stay single, the simple fact is that a couple's tax status could worsen if married and could, therefore, impact a couple's decision to marry. Therefore, we should eliminate this potential barrier to marriage and ensure that couples make one of life's biggest decisions based on their values and beliefs—not on the federal tax code.

Mr. President, as a strong opponent of the marriage penalty, I am an original cosponsor of S. 15, legislation introduced by Senator HUTCHISON that eliminates the marriage penalty through a proposal known as "income splitting." Under this approach, a married couple would add up all their income and then split it in half. Each spouse would then file as a single individual and pay taxes on his or her half of the total income, with exemptions, deductions and credits being split evenly between the two spouses.

Last year, to advance this legislation or any other proposal that would provide marriage penalty relief, I offered an amendment during the markup of the FY 2000 budget resolution that ensured a significant reduction in—or the

outright elimination of—the marriage penalty would be a central component of any tax cut package adopted during last year's reconciliation process.

Later that summer, in accordance with my budget amendment, the \$792 billion tax cut reconciliation package that was passed by the Senate last summer included such relief, as did the final House-Senate conference report. However, just as President Clinton vetoed the tax bill in 1995 that included marriage penalty relief, last year's tax bill was vetoed as well.

In an effort to address this issue outside a broader tax package, the House of Representatives passed legislation earlier this year—by a bipartisan vote of 268 to 158—that would reduce the marriage penalty.

Now, in the Senate, we are considering stand-alone legislation that would dramatically reduce the marriage penalty by doubling the standard deduction for married couples relative to single filers; expanding the 15 percent and 28 percent income tax brackets for married couples to twice the size of the corresponding tax brackets for single filers; increasing the phase-out range of the Earned Income Credit (EIC) for couples filing joint returns; and permanently exempting family tax credits from the individual Alternative Minimum Tax (AMT).

Mr. President, it is my hope that, by considering this package of marriage penalty relief proposals as a stand-alone bill—and not as part of a broader, and potentially controversial, tax cut package—we will not only pass this legislation prior to "tax day" on April 17, but ultimately send a bill to the President that he will sign for the benefit of all married couples.

The bottom line is that we should not condone or accept a tax code that penalizes married couples or discourages marriage, and this bill provides the Senate with the opportunity to correct this inequity in a straightforward manner.

Ultimately, this bill is not simply about providing the American people with a reasonable and rational tax cut—rather, it is about correcting a gross discrepancy in the tax code that unfairly impacts married couples. Accordingly, even though individual members of this body disagree on a wide variety of tax cuts policies, I would hope we would all agree that the act of marriage should not be penalized by the Internal Revenue Code—and would support the proposal before us accordingly.

Thank you, Mr. President. I yield the floor.

Mr. HUTCHINSON. Mr. President, I rise today in support of the Roth marriage tax relief plan. The clock is ticking, Mr. President. In less than forty-eight hours, Americans across the country will empty their pockets to pay the government thousands of dollars in taxes.

For approximately 42 American couples, tax day will have an extra sting

to it, because they will have to pay an average of \$1,400 extra in taxes to accommodate an outdated and discriminatory tax system.

When we first adopted the tax code, women made up only about three percent of the work force. But today, women are full time entrepreneurs. Some seventy percent of mothers work, only to find their income penalized. Our tax system did not anticipate this dramatic growth in dual income families. So now an outdated system discriminates against women and married couples.

When Mr. and Mrs. Smith get married, they look forward to a bright and prosperous future—to have and to hold, for richer and for poorer. But they soon find that Uncle Sam has moved in and cast his low shadow over them. And they are undoubtedly poorer.

The marriage penalty cuts two ways—by pushing married couples into a higher tax bracket and by lowering the couple's standard deduction. Two married income earners, with their combined income, must pay their income tax at a higher rate with a lower deduction than they would if they were two single people.

This is not a one time penalty. Under our tax system, marriage is not a free-way. It is a toll road. For ten years of marriage, couples must pay an average of \$14,000 extra. For twenty years, couples must pay \$28,000 extra. And they must forgo money that they could have invested in a car, a house, or their children's education. Mr. President, we must update the tax system and we must lift this extra burden on the backs of American couples.

The Roth plan takes solid steps on the path of tax relief. It increases the standard deduction for a married couple filing a joint return to twice the basic standard deduction for a single individual beginning in 2001. This standard deduction increase will help 25 million couples filing joint returns. The Roth plan expands the 15-percent and 28-percent tax brackets for a married couple filing a joint return to twice the size for a single individual. Twenty-one million couples will benefit from these tax bracket expansions. This legislation also expands the Earned Income Credit (EIC) beginning and ending income levels by \$2,500, removing the disadvantage of receiving a smaller EIC after marriage. Finally, the Roth plan exempts family tax credits from the individual Alternative Minimum Tax.

Mr. President, all week I have heard my colleagues on the other side of the aisle claim their support for marriage penalty relief. Yet they insist on quenching the thirst of American couples with only a raindrop relief. They offer nearly \$100 billion less in tax relief for American couples in the next ten years. Fifty percent of the benefits under their plan do not occur until 2008.

We must be serious about tax relief for American couples. If you talk to

any marriage counselor, he or she will quickly tell you that the number one cause of problems in marriage is money—specifically, the lack of it. If we want to support American families, if we want to support the future of America, we can start by reducing the money problems of married couples.

Mr. President, there are 207,677 couples in my home state of Arkansas suffering from the marriage penalty. They have called for marriage penalty relief. I want to give it to them.

I hope that when the clock stops ticking on Saturday, the Senate will have lightened the load on the couples and the American family. I urge my colleagues to support the Roth marriage penalty relief plan.

Mr. MACK. Mr. President, I hope that our colleagues across the aisle will not prevent us from reducing the marriage penalties in the tax code. This bill will provide married couples the relief that President Clinton denied them last year with his veto of the Taxpayer Refund and Relief Act of 1999. President Clinton's action last year increased taxes by close to \$800 billion and imposed a marriage penalty on middle class American families.

There is no place in the tax code for marriage penalties. Marriage penalties are caused by tax laws that treat joint filers relatively worse than single filers with half the income. It has of late become common practice to use the tax code for purposes of social engineering, discouraging some actions with the stick of tax penalties and encouraging others with the carrot of tax preferences. But there is no legitimate policy reason for punishing taxpayers with higher taxes just because they happen to be married. The marriage penalties in the tax code undermine the family, the institution that is the foundation of our society.

I view this bill as just a start. Our tax code will not truly be family-friendly until every single marriage penalty is rooted out and eliminated, so that married couples with twice the income of single individuals are taxed at the same rates, and are eligible for the same tax preferences—including deductions, exemptions, use of IRAs and other savings vehicles—as those single filers. This bill is an important step toward that ultimate goal.

The Democrat criticisms of our bill are misplaced. They argue that our bill contains complicated phase-ins, in contrast to their simple approach. But anyone who reads the bill and their alternative would see that this is false. The Finance Committee bill contains percentages in it, sure enough. And it phases in the relief, that is true. But the percentages and the phase-ins are instructions to the Treasury and the IRS, to make adjustments to the tax brackets. The only people who have to make any new calculations under the Finance Committee bill are the bureaucrats who make up the tax tables, not the taxpayer.

By contrast, the Democrat alternative, in phasing in its relief, requires

taxpayers to calculate their taxes as joint filers, then calculate their taxes as if they were single—a complicated process that requires the allocation of various deductions and credits. Next, the taxpayer would have to determine the difference between these two calculations and then reduce this by a certain percentage. That is supposed to be simple? The Democrat substitute adds to the headaches of tax filing and the demand for tax preparers and tax preparation software.

The Democrats also complain that the Finance Committee bill does more than address their narrow definition of the marriage penalty. They invoke the so-called "marriage bonus." But the "marriage bonus" is a red herring. What they call a "marriage bonus" results from adjustment tax brackets for joint filers to reflect the fact that two adults are sharing the household income. Under the Democrat approach, single taxpayers who marry a non-working or low-earning spouse should pay the same amount of taxes as when they were single, even though this income must be spread over the needs of two adults.

This approach is fundamentally flawed. The Democrat approach would enshrine in the law a new, "home-maker penalty." The Democrats would make families with one earner and one stay-at-home spouse pay higher taxes than families with the same household income and two earners.

But why discriminate against one-earner families? Why would we want a tax code that penalized families just because one of the spouses chooses the hard work of the household over the role of breadwinner? The Democrat alternative discourages parents from staying home with their infant children, and penalizes people who sacrifice income in order that they can care for their elderly parents. That is just plain wrong.

The Finance Committee bill reduces the marriage penalty in a rational sensible way, by making the standard deduction for joint filers twice what it is for single filers, and by making the ranges at which income is taxed at the 15% and 28% rates twice for joint filers what they are for single filers. This recognizes that marriage is a partnership in which two adults share the household income. Our approach cuts taxes for all American families. The Democrats call this a "bonus." We call it common sense.

Mr. GRASSLEY. Mr. President, how much time do we have remaining on this side of the aisle?

The PRESIDING OFFICER. The Senator has just a little less than 3 minutes.

Mr. GRASSLEY. Mr. President, I yield myself 1 minute. And if somebody else wants the remaining 2 minutes, I would be glad to yield it.

I take this opportunity, just before the cloture votes, to clear up a couple things. First of all, the Senator from North Dakota is a very good friend of

mine. I work very closely with him. I do not dispute what he said. But I do want to clarify his reaction to my saying that taxes are as high as they have ever been in the history of our country.

The Senator made the point that taxes have gone down for many taxpayers. Of course, that is true. He concentrated on middle-income taxpayers. But it is mostly true because of the tax credit for children that the Republicans promoted and passed in the 1997 tax bill. For a family with two kids, for instance, that means \$1,000 that Republicans provided, or about \$25 billion a year.

But despite the protests of the Senator from North Dakota, I still stand by my comments that the overall percentage of taxation is at a historical high of near 21 percent of GDP.

Then in response to Senator ROBB's comments on the Medicare reserve, it is my understanding that \$40 billion was reserved for Medicare and prescription drugs in the conference report. I hope and think that the Senator from Virginia is incorrect.

I yield my remaining time to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. How much time remains?

The PRESIDING OFFICER. Forty-five seconds.

Mr. BROWNBACK. I thank the Chair and the Senator from Iowa.

Mr. President, I say to all my colleagues, this is the vote on marriage tax penalty relief. If you support marriage tax penalty relief, vote for cloture so we can consider this bill. We can send a clean bill to the President. If you are not for marriage tax penalty relief, do not vote for cloture.

This is the vote on whether or not we are going to grant marriage tax penalty relief to nearly 25 million American couples. That is what this vote is all about now. It is not about a whole bunch of extraneous amendments. It is about the marriage tax penalty.

If you ran on this issue, this is your chance to vote to say: I am for eliminating the marriage tax penalty. If you ran on it, this is the time to stand up and say: I am for eliminating the marriage tax penalty.

I urge all of my colleagues to vote for cloture to go to the bill.

I thank the Chair.

The PRESIDING OFFICER (Mr. VOINOVICH). All time has expired.

#### MARRIAGE TAX PENALTY RELIEF ACT OF 2000—Resumed

Pending:

Lott (for Roth) amendment No. 3090, in the nature of a substitute.

#### CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The bill clerk read as follows:

#### CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the

Standing Rules of the Senate, do hereby move to bring to a close debate on the pending amendment (No. 3090) to the marriage tax penalty bill:

Trent Lott, Kay Bailey Hutchison, Judd Gregg, Tim Hutchinson, Rick Santorum, Connie Mack, Michael B. Enzi, Craig Thomas, Robert F. Bennett, Chuck Grassley, Jim Bunning, Gordon Smith of Oregon, Ben Nighthorse Campbell, Wayne Allard, Jeff Sessions, and Bill Roth.

The PRESIDING OFFICER. By unanimous consent, the quorum call under the rule has been waived.

The question is, Is it the sense of the Senate that debate on amendment No. 3090 to H.R. 6, an act to amend the Internal Revenue Code of 1986 to reduce the marriage tax penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned-income credit, and to repeal the reduction of the refundable tax credits, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 53, nays 45, as follows:

[Rollcall Vote No. 82 Leg.]

#### YEAS—53

Abraham	Fitzgerald	McCain
Allard	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Roberts
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Chafee, L.	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Warner
Enzi	Mack	

#### NAYS—45

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	Mikulski
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Schumer
Daschle	Kohl	Torricelli
Dodd	Landrieu	Voinovich
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden

#### NOT VOTING—2

Moynihan Roth

The PRESIDING OFFICER. On this vote, the yeas are 53, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the next votes in the series be limited to 10 minutes each.

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

# CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion which the clerk will report.

The legislative clerk read as follows:

# CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the marriage tax penalty bill:

Trent Lott, Kay Bailey Hutchinson, Judd Gregg, Tim Hutchinson, Rick Santorum, Connie Mack, Michael B. Enzi, Craig Thomas, Robert F. Bennett, Chuck Grassley, Jim Bunning, Gordon Smith of Oregon, Ben Nighthorse Campbell, Wayne Allard, Jeff Sessions, and Bill Roth.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Parliamentary inquiry: What is the next vote?

The PRESIDING OFFICER. The next vote is on the cloture motion on the bill.

Mr. DASCHLE. Mr. President, parliamentary inquiry: If a cloture vote is invoked on this bill, would the pending amendment offered by the majority leader fall because it is not germane?

The PRESIDING OFFICER. It would.

Mr. DASCHLE. Mr. President, I will vote "no" on this cloture in order to protect the majority leader's right to offer his amendment as well as to protect our rights to offer our amendments.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on H.R. 6, an act to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to repeal the reduction of the refundable tax credits, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The yeas and nays resulted—yeas 53, nays 45, as follows:

[Rollcall Vote No. 83 Leg.]

# YEAS—53

Abraham	Burns	Crapo
Allard	Campbell	DeWine
Ashcroft	Chafee, L.	Domenici
Bennett	Cochran	Enzi
Bond	Collins	Fitzgerald
Brownback	Coverdell	Frist
Bunning	Craig	Gorton

Gramm  
Grams  
Grassley  
Gregg  
Hagel  
Hatch  
Helms  
Hutchinson  
Hutchison  
Inhofe  
Jeffords

Kyl  
Lott  
Lugar  
Mack  
McCain  
McConnell  
Murkowski  
Nickles  
Roberts  
Santorum  
Sessions

# NAYS—45

Akaka  
Baucus  
Bayh  
Biden  
Bingaman  
Boxer  
Breaux  
Bryan  
Byrd  
Cleland  
Conrad  
Daschle  
Dodd  
Dorgan  
Durbin

Edwards  
Feingold  
Feinstein  
Graham  
Harkin  
Hollings  
Inouye  
Johnson  
Kennedy  
Kerrey  
Kerry  
Kohl  
Landrieu  
Lautenberg  
Leahy

# NOT VOTING—2

Moynihan

Roth

The PRESIDING OFFICER. On this vote, the yeas are 53, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

# CONDITIONAL ADJOURNMENT OF THE TWO HOUSES OF CONGRESS

The PRESIDING OFFICER. Under the previous order, the clerk will report H. Con. Res. 303 by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 303) providing for a conditional adjournment of the House of Representatives and a conditional adjournment or recess of the Senate.

Under the previous order, the Senate proceeded to consider the concurrent resolution.

Mr. DASCHLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the resolution. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The result was announced, yeas 55, nays 43, as follows:

[Rollcall Vote No. 84 Leg.]

# YEAS—55

Abraham	Domenici	Kyl
Allard	Enzi	Lott
Ashcroft	Fitzgerald	Lugar
Bennett	Frist	Mack
Bond	Gorton	McCain
Brownback	Gramm	McConnell
Bunning	Grams	Murkowski
Burns	Grassley	Nickles
Campbell	Gregg	Roberts
Chafee, L.	Hagel	Santorum
Cochran	Hatch	Sessions
Collins	Helms	Shelby
Coverdell	Hutchinson	Smith (NH)
Craig	Hutchison	Smith (OR)
Crapo	Inhofe	Snowe
DeWine	Jeffords	Specter

Stevens  
Thomas  
Thompson

Thurmond  
Torricelli  
Voinovich

Warner

# NAYS—43

Akaka  
Baucus  
Bayh  
Biden  
Bingaman  
Boxer  
Breaux  
Bryan  
Byrd  
Cleland  
Conrad  
Daschle  
Dodd  
Dorgan  
Durbin

Edwards  
Feingold  
Feinstein  
Graham  
Harkin  
Hollings  
Inouye  
Johnson  
Kennedy  
Kerrey  
Kerry  
Kohl  
Landrieu  
Lautenberg  
Leahy

Levin  
Lieberman  
Lincoln  
Mikulski  
Murray  
Reed  
Reid  
Robb  
Rockefeller  
Sarbanes  
Schumer  
Wellstone  
Wyden

# NOT VOTING—2

Moynihan

Roth

The concurrent resolution (H. Con. Res. 303) was agreed to, as follows:

# H. CON. RES. 303

*Resolved by the House of Representatives (the Senate concurring).* That when the House adjourns on the legislative day of Thursday, April 13, 2000, or Friday, April 14, 2000, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 12:30 p.m. on Tuesday, May 2, 2000, for morning-hour debate, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Thursday, April 13, 2000, or Friday, April 14, 2000, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, April 25, 2000, or such time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

# FISCAL YEAR 2001 BUDGET— CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of the conference report to accompany the concurrent resolution on the budget, which the clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 290) establishing the congressional budget for the United States Government for fiscal year 2001, revising the congressional budget for the United States Government fiscal year 2000, and setting forth appropriate budgetary levels for each of fiscal years 2002 through 2005, having met

have agreed to recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of April 12, 2000.)

The PRESIDING OFFICER. Under the previous order, there will now be 4 hours of debate, as follows: 90 minutes under the control of the Senator from New Mexico; 90 minutes under the control of the Senator from New Jersey; and 1 hour under the control of Senator REED of Rhode Island.

Mr. DOMENICI. Mr. President, on our side, I do not intend to yield back time until Republican Senators have indicated to me they do not want any time. I do not know why we need a full hour and a half on our side, and I do not know why they need a full hour and a half plus 1 hour, which is 2½ hours on their side.

I yield myself time off my hour and a half.

I noted a minute ago that present on the floor was Senator SNOWE. While I wish to discuss a number of issues, I want to say to her, and to those who supported her, that because of her diligence, this budget resolution has a reserve fund of \$40 billion to be used for Medicare prescription drugs and Medicare reform.

Frankly, I note that the House, at least on the majority side, is already discussing what they would do. Clearly, this \$40 billion will go to the Finance Committee of the Senate because Senator SNOWE, Senator WYDEN, and Senator SMITH in the committee worked very hard to get it done. I will say what has changed so I will not, in any way, overstate the case as to what Senator WYDEN did.

But essentially because of OLYMPIA SNOWE's dedication, we put \$40 billion in a reserve fund. That means the Finance Committee can go to work on a bill, and the money is waiting for them to do a bill that meets the mandates or the qualifications of this reserve fund. We have, as she requested, up to \$20 billion for prescription drugs and up to \$20 billion for reforming the system so that it will do a better job and a more efficient job while we are adding some new benefits.

I think everybody who has looked at it thinks that is what we ought to do.

In committee, there was a mandatory date by which this had to be done. In conference with the House, that was refused. So we won half the battle. We got the \$20 billion and the \$20 billion, as I have described, which is \$40 billion, but we did not get the mandatory date. We are going to have to rely upon the impetus that will accrue over the ensuing days because of the House action and the desire of this body to have our Finance Committee produce a bill. I have every confidence that they will.

Having said that, I yield myself about 10 minutes to describe where we are.

If, in fact, we adopt this budget resolution this evening, I say we are getting better all the time at getting our job done. The occupant of the Chair will be pleased to know we have had a Budget Act for a long time, since 1974. For all those years, if we produce this budget tonight, we will have produced three budget resolutions on time. That means April 15 had come and gone most years, and we could not get our job done because it was so contentious and so difficult. It will mean that 2 years in a row—last year and this year—for the first time in history, we adopted a budget resolution on time, by April 15.

That speaks for itself. It means, however, that we can get started on the work that must be done to implement this work. We can get started sooner, earlier. With the hard work that is going to be done predominantly by the Appropriations Committees, and the Finance Committee in our body, we may very well get most of our work done in a very timely manner and be able to leave here before our respective conventions with the people's business having been accomplished.

I think that would be a pretty good achievement. I will agree that it has been a very hard job. I will also indicate openly, it was very difficult for me. This work is about as difficult as any I have done in getting something accomplished. Again, it is partisan. We produced it with Republican votes. That is the way it normally is on a budget resolution. Then we will proceed to try to implement it. We will do our best.

Let me summarize, so everybody will know what this resolution does. Then, in due course, we can hear from the other side as to what they think it does not do and what they would like to do.

But I say to the Senate, I have seen an atmosphere that indicates the theory which I adopted—starting last year when we had a big surplus—that we better take a little bit of this money and allocate it to the taxpayers is resonating every day, with more and more assurance that if we do not, there will not be any surplus.

I know the occupant of the chair is a fiscally responsible person. He has his ideas. I see new bills being proposed because, indeed, we have a surplus. People have not done anything for 40 or 50 years, and they are introducing a bill that would cost anywhere from \$2 to \$5 billion, and all of a sudden it becomes expedient that we do it, and we must do it now.

We hear about all kinds of new bills that are now big-need items in America. Let me suggest, for those who say it is too early to have tax relief, if we do not do it pretty soon, there will be no surplus left for the taxpayer.

Our budget resolution says: If you can, Senate and House, produce some tax relief. It says if you cannot, all that money, over 5 years, goes to the debt, I say to my good friend, Senator GORTON.

But let me suggest that we are right; we ought to put in money to have some tax relief. I will give you the paramount reason for that. On this floor, immediately prior to the consideration of this budget resolution conference report, what were we discussing? We were discussing the marriage tax penalty reform—meaning married couples in America, including the couples married this year, when they file that April 15 tax return early next week, they are going to be penalized, on average, \$1,400 because they are married.

Why should we wait around for another decade, when there are the kind of surpluses we have seen in this budget resolution, to provide tax relief for the American people?

The Democrats have been arguing: The Republicans are going to enhance the rich of America with their tax bill. They are going to use this relief and give it all to the rich people.

It should come as no surprise that 50 percent of the tax relief we are talking about—\$64 billion; almost 50 percent—is going to go to cure the marriage tax penalty. There may be some who will get up and say that is helping the rich. But I am saying, it is something most Americans do not believe is American law. Most Americans say: Are you kidding? Are we punishing two people who are married, who work, who file joint returns? The answer is yes, and we want to fix it.

For those who say wait until we fix Social Security, wait until we fix Medicare, wait until we fund all these programs we now see as desperately needed, wait until we fund the President's programs—I say to Senator GORTON, that is a 14-percent increase in domestic spending—just fund it, there will not be any money for Social Security. If you do that 3 years in a row, there is no money for tax relief, and you are using the Social Security surplus, which is for 3 years of domestic funding at the level of the President.

So what is risky? They say it is risky to have marriage tax penalty relief provided for in this bill. I say it is not risky; it is absolutely necessary. It is urgent.

America must show we are concerned about married couples. There is a very longstanding belief in America and in the world, that we ought to try to promote family life, if we can, and married couples trying to struggle through it.

It is not too early. It is the right time. But if we do not do it, I can see it coming between all the new needs that are going to be prescribed for this budget that we have not done in the past, that we are going to have to add to this huge Federal expenditure called the budget, and there will be nothing for marriage tax penalty relief or any kind of tax relief.

So once again, this budget says, over 5 years, \$150 billion can be used in tax relief. Right off the bat, when somebody on the other side says it is for the rich, I want everybody to understand



almost half of it is for the marriage tax penalty reform. Second, we don't touch a nickel of Social Security. We have Senator ABRAHAM's part of this resolution which for the next year says the lockbox applies and makes it part of the budget resolution that you need 60 votes to touch or use the Social Security surplus. Then to make it even more logical, we put \$170 billion against the public debt this year, the biggest installment on the debt in the history of the Republic, \$1 trillion over the next 5 years. This is an enormous payment on the debt. Nothing similar was ever assumed 5 years ago or 10 years ago or, I imagine, for the last three or four decades.

In addition, because of Senator SNOWE's initiative, we provide \$40 billion on Medicare and prescription drugs.

On the tax relief—just to show the equity of it all—we put \$170 billion on the debt, and we have \$13 billion in tax relief in the first year, between 12 and 13. The ratio is about 12 to 1, almost 13 to 1 of debt reduction versus tax relief. Over the 5 years, it is about 8 to 1 in debt reduction versus tax relief. That is pretty good fairness, since we are talking about tax fairness in this budget resolution.

All spending will increase \$212 billion over the next 5 years. That includes the \$40 billion for prescription drugs. There will be NIH, science, funds for military, funds for health, funds for military retirees, veterans and other high-priority items.

Frankly, I hope we pass this resolution and proceed to prove we tried to try to do this. We think this is the right budget for our time. If we don't hold down spending, except for high-priority items such as defense, education, science, NIH and the like, then the married couples of America can say goodbye to any tax relief as it might affect them and make their commitment to the institution of marriage and family life a little less difficult. After we have done marriage tax penalty relief, we will do something on the tax side for small business, which is the cornerstone of our great success in the last 6 years. We will talk about that later.

With that, unless one of my Republican Senators wants part of my time, I yield the floor and reserve the remainder of my time. I thank the Senate for its attention.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, this is the last budget resolution on which I will be working. It has been quite an interesting exercise.

I start off by saying that I hope and believe firmly the goodwill that exists with the chairman of the Budget Committee and myself will not evaporate as we discuss this budget. We are good friends, and we have been good partners in debate and discussion. We disagree on the conclusions. That means no disrespect flowing either way, and I

am sure I speak for Senator DOMENICI. It is with esteem and—I use the term carefully—affection that we have worked together.

Now that we have said the good things, we will get on to the others; that is, I firmly believe this is the wrong budget resolution at the wrong time because we are still in the position that, with rare exception, we have almost no bipartisan agreement. I heard Senator DOMENICI describe the former occupant of the chair as fiscally responsible. I assume that "fiscally responsible" is kind of a catchall for the side of the aisle that one is on; that others on this side may appear to be fiscally irresponsible.

We can't buy that. We have a difference of view. The difference of view is clearly marked in this budget resolution. What should we do to use the funds we have available on behalf of the American public? Should we focus on those whose incomes are at the middle or the lower end of the scale or should we give the tax breaks primarily to the wealthy of the country? It clearly reflects the values and priorities we each have.

This budget conference report calls for costly and risky tax breaks that would, contrary to the statements made, raid Social Security surpluses. It proposes deep cuts in domestic programs such as education and health care and law enforcement and veterans' benefits and environmental protection. It fails to ensure that seniors will be provided with a meaningful prescription drug benefit. It talks about it, but it doesn't arrange for it to happen. On debt reduction—the Holy Grail that Chairman Greenspan held out as being the cardinal first step, the principle by which we operate in terms of maintaining our fiscal responsibility, paying down the debt—this fails to pay down the debt as much as we can. It fails to make it a priority. It hides the long-term cost of its tax breaks and it puts our economy at risk by weakening our commitment to fiscal discipline.

To understand my contention that the tax breaks in this conference report would raid Social Security, I will take a quick look at the numbers.

The Congressional Budget Office, CBO, says that over the next 5 years, the non-Social Security surplus will be \$171 billion. We don't dispute that. The sides have not argued on that count. This assumes that Congress freezes discretionary spending at current real levels. "Current real levels" means adjusting only for inflation. In fact, if Congress increases domestic spending at the same rate as it has done in recent years, which has been greater than inflation, the actual surplus would be substantially smaller. Still, to give the majority the benefit of the doubt, let's ignore history for a moment and optimistically assume that the non-Social Security surplus will be \$171 billion. The conference report—that report which was debated and agreed upon between the House and the

Senate, their budgeteers, our budgeteers, and finally both bodies, they have already passed this so we are being asked to pass it—calls for tax breaks of \$175 billion. Now, that is in the face of a \$171 billion non-Social Security surplus.

This reduction in future surpluses also would require the Government to pay about \$21 billion more in interest payments because we would have more debt. Thus, the real cost of the tax breaks isn't \$175 billion; it is \$196 billion, \$25 billion more than the entire non-Social Security surplus of \$171 billion. In clear words, this budget would raid Social Security of \$25 billion.

Now, if the tax breaks use the entire non-Social Security surplus, plus \$25 billion of the Social Security surplus, how can the conference report also provide funding for any of the new initiatives it claims, such as increases in military spending, prescription drug coverage, and agriculture, to name just a few high-priority items?

The real answer is, it just can't be done. The numbers don't add up. Unfortunately, the majority seeks to sidestep this problem by assuming huge, unspecified cuts in domestic programs. The resolution calls for a 7.5-percent cut in nondefense discretionary programs over the next 5 years. The cut would be, in the fifth year, 9.8 percent. In fact, since the majority claimed it would protect some specific programs, the cuts in other areas would be substantially higher.

We only received a single copy of the conference report last night at about 10 o'clock. So we haven't had the time to fully analyze the impact of cuts such as this. But these cuts are even more dramatic than the cuts proposed in the Senate version of the legislation, which were 8.2 percent in the fifth year. That was the Senate version of the legislation, before it merged with the House in the conference report we are examining now.

Here are some of the examples of the impact of the less severe Senate cuts—once again, the bill we sent over to merge with the House—as estimated by the Office of Management and Budget. We would have 20,000 new teachers not being able to be hired to reduce class size; 5,000 communities would lose assistance to help construct and modernize their schools; 62,000 fewer children would be served by the Head Start Program, which is a very successful program that says early education helps kids prepare to learn. We find that is necessary in our society. Then, there would be 19,000 fewer researchers, educators, and students who would receive support from the National Science Foundation. They do the research that talks about climate variations. We all see what the impending disasters might be like, such as tornadoes and other windstorms with higher and higher velocities and more frequency. And funding for all new federally led cleanup of toxic waste sites would be eliminated. Nine-hundred fewer FBI agents could be retained.

I wonder how the public feels about 900 fewer FBI agents—when we are looking not only at reduced rates of criminality, but also understanding what the need might be; that includes domestic terrorism, it includes fraud, and it includes all kinds of things for which we know the FBI has responsibility. We are going to work with 900 fewer FBI agents?

There would be 430 fewer Border Patrol agents available to safeguard our borders. Well, there isn't anybody I have talked to who thinks we need less protection on our borders.

The list goes on. The actual cuts will be even deeper than those suggested since the conference report calls for substantially deeper cuts than the Senate-passed version of the budget resolution.

As most people around here recognize, cuts of this magnitude are just completely unrealistic. They are not going to happen. Neither Republicans nor Democrats are going to tolerate them. It is kind of putting it off in the future. It may get us through an election cycle, but reality will come home and we will not be able to stand these cuts.

This is not the first time the Senate has assumed deep, unspecified cuts in the budget resolution. Last year's resolution included similarly unrealistic assumptions. Not surprisingly, by the end of the year, the Republican majority of Congress had approved appropriations bills that spent about \$35 billion more than it assumed earlier. No doubt something similar is going to happen this year.

Unfortunately, the Republican budget relies on these unrealistic cuts for its tax breaks and its various increases in mandatory spending.

Just to explain, mandatory spending is funding those programs that are decided by the legislature, the Congress—that these programs get a high priority. We recently voted \$2 billion more for the FAA—not that people disagree with the need for improving FAA's operations, but the fact is, it is mandatory. That means it gets priority, and no matter what happens behind it, the increases in FAA take place. Well, it has to come from someplace. It can come from transportation, from the Coast Guard, with all of the services they provide, or it can come from other sensitive places. The cost of that spending and the new tax breaks will be locked in up front. The savings, however, will.

When Congress later fails to make the assumed cuts in appropriations bills, funds for the tax breaks and for new spending will require deeper raids on Social Security. We should not let that fact escape. We want everybody to think about it. We want the Congressmen and the Senators who are going home and looking toward reelection to be able to explain to their constituents about how we had to dip into Social Security a little bit, even though everybody basically swore on the sword it

would not happen. But it has to happen if this budget is going to stand.

One might think the assumption of deep, unrealistic cuts in discretionary spending would allow the Republicans to claim significantly more debt reduction than the budget proposed by Democrats. However, if one assumes GOP spending cuts actually materialize, which is highly unlikely, the Republican budget would still reduce much less debt than President Clinton and the Senate Democrats. The Republican plan claimed to use non-Social Security surpluses to reduce only about \$12 billion of debt over 5 years. By contrast, the President's budget would reduce \$90 billion of debt over that same period—more than seven times as much. So it is \$90 billion under the President's budget and \$12 billion in the Republican budget. This difference in debt reduction helps to show just how extreme the GOP tax breaks really are.

Throughout the debate on the resolution, the Republicans have claimed that their budget contains over a trillion dollars of debt reduction. However, this figure is based almost entirely on Social Security surpluses. These surpluses are called off-budget, and both parties are committed to protecting them. Yet when it comes to the portion of the budget that remains subject to congressional discretion, Republicans have refused to devote significant resources for debt reduction. In doing so, they have rejected repeated calls by Federal Reserve Chairman Alan Greenspan to make debt reduction our first priority.

My next concern about the budget resolution is that it fails to ensure that Congress will really act on legislation establishing a prescription drug benefit—another program that is saluted, generally. But it is not real. This is in marked contrast to treatment of the tax breaks. Tax breaks have an instruction to the Finance Committee that they must report out a way to get tax breaks. They have to do it. There is quite a distinction between saying we should and they have to. The conference report includes two \$20 billion reserve funds that, theoretically, could be used for prescription drugs, but there is no requirement for the Senate to act. It is very unspecific.

The second reserve fund contains vague language that would allow virtually the entire \$20 billion to be used for purposes other than prescription drugs. That could leave little more than \$20 billion for prescription drugs, which is far short of what is needed to provide an adequate benefit. The Medicare reserve fund, applicable to the House, would allow virtually the entire \$40 billion fund to be diverted to purposes other than prescription drugs.

While they say we have to have it, they don't arrange for the mechanism to make it happen.

Compounding matters, Mr. President, the language of the second Senate reserve fund requires that the solvency of

the Medicare Program be extended before a single penny can be used either for any prescription drug benefit, or new provider payments. In other words, if you want access to this money to help seniors with prescriptions, you have to cut somewhere else within Medicare first. And that seems very unlikely to happen.

Mr. President, there is only one conclusion to draw from all this: the Republican Party simply is not committed to providing our seniors with prescription drugs. The senior population has to listen to that. For the Republican Party, tax breaks for the wealthy are a much higher priority.

Mr. President, my final concern about the conference report is that it covers only 5 years, not the 10 included in last year's resolution.

People might say: Well, what is the difference between 5 or 10? It matters a lot because a tax break has an effect of compounding significantly in the second quintile. It is going to grow by leaps and bounds.

This has the effect of hiding the long-term cost of its tax breaks. It also weakens the budget resolution as a means of enforcing long-term fiscal discipline, since points of order would not be available against tax breaks that explode in cost after 5 years.

Mr. President, as of last year, CBO has been producing 10-year numbers. There's no excuse for Congress not doing the same. And if we were serious about preparing for the baby boomers' retirement, we would be sure to plan for longer term costs.

In sum, Mr. President, the Republican majority has made tax breaks that go largely to the wealthy their highest priority. Higher than Social Security. Higher than education. Higher than prescription drugs for our seniors. Higher than reducing our debt. This is unacceptable. And higher than maintaining fiscal discipline.

In so doing, they have produced a budget that is fundamentally at odds with the priorities and values of the American people. A budget that puts our economy at risk. And a budget that fails to prepare for our future.

Just to confirm something I earlier said, the budget resolution, as it came out of the Senate, says the Senate Committee on Finance shall report to the Senate a reconciliation bill. That means they must do it. That is the only place we have any force of law in the Budget Committee. Otherwise, ours is generally a guideline or blueprint for how the Congress should act, putting a ceiling on total spending. It is up to the Appropriations Committee to divide that spending. They say this reconciliation bill shall be done not later than July 14 in the year 2000, and not later than September 13 in the year 2000. So they have 2 days. That is a realistic assignment for the Finance Committee.

There is no such thing for prescription drugs. The Republicans are not asking that we treat prescription drugs

with the same force and the same outcome as we do the tax breaks.

One thing is apparent. One thing is very clear. They are going to protect the tax breaks no matter who they have to take the money from to make it happen—no matter what program they are going to take the money from to make it happen; no matter what it does to the budget and its balance; no matter what it does to debt reduction; no matter what. The primary thing is tax reduction and tax breaks for the wealthy. If you make \$800,000, which is kind of the median figure for the top 1 percent, you might get a \$50,000 tax cut, if plans go as they are. But if you make \$35,000, you could be looking at \$1 a week, or maybe even \$2, if things go right.

We have to make decisions. There is no room for amendments. There is no room for change. This has been decided. The majority decided. The majority will have to carry it because I predict that there is going to be little, if any, support from Democrats. We don't believe it is fiscally responsible. We don't think it is fair. We don't think it is equitable. We don't think the wealthy ought to be the largest beneficiary of the outcome.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I wonder if the distinguished ranking minority member would agree with me on a request. Senator GORTON is going to preside at 4 o'clock. He wonders, if he arrives on the floor 4 or 5 minutes before having to preside, if he could speak on my time for 5 minutes.

Mr. LAUTENBERG. I have no objection assuming that we don't interrupt right in the middle. We will do our best to provide for Senator GORTON.

Mr. DOMENICI. I thank the Senator.

Mr. President, I yield myself 5 minutes in rebuttal. Then I will be glad to yield time to the distinguished Senator from New Jersey.

First, let me explain what we have done on Medicare.

Before any tax relief is provided in terms of dollar numbers, we have already used \$40 billion of the non-Social Security surplus for Medicare. That is waiting for the committee, at which time it is assigned to them. We are not gambling. We are saying that is it. As a matter of fact, we are saying if you do not do it, it goes to the debt.

What do we provide with the \$40 billion? There is a little, tiny bit of difference between the way we and others see it. And we think there will be a majority for this view when the bill finally gets considered. We say there is \$40 billion. We say if you do no reform of the program, there is \$20 billion. Let me repeat that. If you do no reform, there is \$20 billion for prescription drugs. If you do some reform to stabilize the program, you can use the whole \$40 billion for prescription drugs.

That is what Senator OLYMPIA SNOWE of Maine had as the underpinnings of

her approach. She wanted some reform. But she wanted to make sure, even if we could not do that, we started a prescription drug program with \$20 billion.

If the committee does something like the Breaux-Frist—that is a bipartisan approach—with some reform in Medicare, you understand the Medicare program will be insolvent in about 13 years. I don't think seniors want us to add a benefit that will make it run out of money sooner. I think they would be asking us to see if we could fix it and make it more responsive, more modern, to give them more money for prescription drugs.

Let me repeat that we are not taking this money from anyone. It is aside and apart from the tax relief we are asking for, such as the marriage tax penalty reform that the other side has been delaying here on the floor.

We are saying \$40 billion is set for Medicare, and it has two purposes. If you do not reform and make the program more modern so it has a chance of surviving longer, you can use \$20 billion of it. It says so in the resolution for prescription drugs. But if you do something such as the Breaux-Frist reform, which is fixing the program, you can use the \$40 billion of new money for prescription drugs.

Frankly, I think it is a responsible way to handle a very difficult problem because if you do not ask for some reform to get the full \$40 billion, we are going to have \$40 billion, and the program next year is not going to be any better off. Then seniors are going to ask: Now what happens? We have prescription drugs, but we are still not going to have any money to pay our regular bills in about 13 years.

I think we are pushing both at the same time.

Let me make my last observation with reference to the difference between the two parties.

All of them are going to vote against this. It really says you cannot pass the marriage tax penalty which is going to cost the Treasury about \$64 billion over 5 years in the name of fairness to married couples. You can't pass that, they say, until you have done all of these other things that Government wants done for the Government. And there will never be a time when we are going to have a surplus to give to the hard-working people of this country, in particular, relief items such as the marriage tax penalty. There is not going to be any money around. Don't kid anyone. There is a very big difference.

I ask that you take a visual inventory with me about the announcements of late by the administration, the Secretary of Energy, and many others: We have new programs on which we have to spend money. It isn't enough that the President already provided a 14-percent increase in domestic discretionary. There are all the new needs.

What money will they use for the "pay fors"? Does anybody have any idea? Is the money coming from heaven? New manna in the desert? Of course

not. It will be the surplus we think ought to go back to the taxpayer in the form of tax relief after we spent money to increase government.

We have money to increase government, but how much is enough? I think there is enough money available to leave a little bit. I rechecked my notes, and the tax relief in this first year is \$11.6 billion; the debt reduction is \$170 billion. How can anyone say we are not reducing the debt when that is the largest payment on the national debt in the history of the Republic? This resolution says: Don't touch Social Security. You will reduce it by \$1 trillion—hardly a number we can understand—and still have a little bit left over for such things as tax relief for married couples in America.

That is the big difference. They want to wait, we don't know how long, but perhaps until we solve every problem we have in government with reference to Medicare and everything else. Don't give the taxpayer back even this little tiny amount.

I hope the Republicans will support this. I am very proud of the difference.

They would not have put more than \$40 billion in for Medicare if they were producing their own resolution. That is about the right number on which they could get consensus on their side of the aisle. They would not put 50 or 60 or 80. If you put 40 in, there is money left over for the taxpayer. That is the truth of the budget resolution.

There will be a historic debate on education reform in a couple of weeks. I am very pleased to know we have probably had something to do with precipitating that reform debate. There is enough money to increase education. It is obvious to this Senator the Republicans are not going to go for an increase in education money if it is status quo for education, if we are going to do more of the same, because more of the same isn't good enough. We need to do something very different in education and spend more money doing it. We are going to have an opportunity to have that discussed.

This conference report assumes \$45.6 billion in 2001 for the Department of Education. That is overall, for everything—a \$10 billion increase. Not exactly for what the President wants but overall in this function. That is what is provided.

This is an election year. The administration and Secretary Richardson have the latest idea to take care of anyone who worked in a nuclear facility over the last 50 or 60 years. I know they are good sounding bills, but it is also an election year.

I say to the taxpayer and to married couples of America, beware of an election year. In this country, an election year means they want to spend all your money and try to convince you that is right, leaving nothing to repair problems in tax law such as the marriage tax penalty. Beware. They will have more spending programs than you ever

heard of, including a 14-percent increase in domestic discretionary spending by the President in his budget in an election year.

The Republicans say: We want a change; we don't want the huge additions to government. We think in the scheme of things, over the next 5 years, the taxpayer ought to get a little bit of relief.

That is the difference in the two bills. I think it is a good difference. When they say rich people are going to get the benefit of the tax relief on the marriage tax penalty, that is unfair. We want to fix it. How many want to do that? We win that. We have to use some of the surplus to pay for that kind of reform. That money doesn't grow on trees. That money has to come out of the coffers of the United States. It doesn't belong to the Government.

I am pleased to yield 5 minutes to Senator GORTON, and then I yield back to the Senator from New Jersey.

Mr. LAUTENBERG. I appeal to my friends on the Democrat side, as well as others, we only have a total of 3 hours, plus an hour that Senator REED has, for Members to talk. Members need to be prepared to come to the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, there are, in my view, two remarkable aspects to the budget resolution conference report before the Senate this afternoon.

The first is, I believe for only the third or fourth time since the Budget Act was passed, the promptness with which the Senate is dealing on a final basis with a budget resolution that is the springboard from which we will do the substantive work of the appropriations for the balance of this year. For that promptness, for the efficiency with which the Senate has dealt with this issue, we owe our deepest and sincerest thanks not only to the chairman of the committee, my friend, PETE DOMENICI, but to the staff who have labored so long and so hard on a highly technical and complicated task.

More significant perhaps than the significance of finishing our work on time is the substantive nature of this budget resolution. It is exquisitely balanced among three separate needs: The need to adequately fund those programs that are already major responsibilities of the Federal Government; the need to provide for additional programs of considerable interest, the most significant of which being the Medicare program about which Senator DOMENICI spoke earlier, but also including priorities with respect to education—particularly close to my heart—and to our national defense.

The second substantive element of this budget resolution is the dramatic reduction in the national debt it will cause. It is only a short period of time since we were discussing how we could reduce annual national deficits of upwards of a quarter a trillion a year. Now we face the equally difficult but

far more pleasant prospect of paying off the national debt at a very substantial rate.

The third element in this budget resolution is the opportunity to provide tax relief for hard-working Americans who pay taxes. The chairman of the committee, Senator DOMENICI, pointed out the importance of the bill, which regrettably was subjected to a filibuster earlier today, to end the unconscionable penalty against married Americans, both of whom are at work. The thought that a couple in love, even in relatively modest professions, should pay a penalty for getting married rather than receiving the approbation of society for doing so is bizarre. To have the ability to provide for that marriage tax penalty relief, amounting, as the chairman pointed out, to almost half of the allowed tax relief in the bill, is a vitally important part of this budget resolution.

As the chairman himself pointed out, if for some reason we cannot pass tax relief, or if for some reason we pass a tax relief bill that is vetoed by the President, then that money should go to further pay down the national debt. Regrettably, many of the Members on the other side, as evidenced by their actions just a week ago when we were debating this issue on the floor of the Senate, would prefer to spend it. I suspect if we added up the expenditures contained in all of their unsuccessful amendments, we not only would have spent the entire general fund surplus, but we would have once again eaten into the Social Security surplus as well.

In summary, we have a budget resolution that allows us adequately to fund the functions of government. It allows us to meet some new needs and desires of the American people. It allows us modest but still significant room for tax relief. It makes dramatic payments on the national debt.

For each and every one of those reasons, we not only owe our thanks to the chairman of the Budget Committee and to his staff, I believe we owe our votes in favor of the resolution.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). Who yields time? The Senator from Rhode Island.

Mr. REED. Mr. President, I request to be recognized out of my time under the unanimous consent agreement.

The PRESIDING OFFICER. The Senator is so recognized.

Mr. REED. Mr. President, we are spending a few moments discussing the budget. There are obvious differences on both sides with respect to this budget. I commend the chairman, Senator DOMENICI, and the ranking member, Senator LAUTENBERG, for their efforts over many months to fashion a budget and bring it to us.

My focal point is not on the vote that is forthcoming; it is on the vote we just concluded with respect to adjournment. In many respects, I share the overall sentiments of the Senator from

West Virginia that it is about time we get down to work and business, and if we need to take time to consider the marriage tax penalty and other provisions, we should do that, rather than arbitrarily and conveniently walking away.

The concern I have goes to another critical issue, and that is the issue of our inability over many months to bring to this floor a conference report on the juvenile justice bill which includes sensible gun safety measures we all adopted in the wake of the Columbine tragedy.

The first-year anniversary of that tragedy is just 7 days away, and we will not be in Washington working on this issue; we will be scattered around the country. I believe—and that is why I joined many of my colleagues voting against adjournment—that we should be here working rather than off about the country on April 20 saying, I am sure, thoughtful and pious comments about our outrage at what happened at Columbine High School and the need to do something. We should be here instead doing something, and our departure should be tempered with the realization that we have for months foregone effective action to provide sensible gun safety rules in this country.

We all were shocked last April 20 by the carnage and horror at Columbine High School. Within a month, in May, we passed extremely sensible provisions as part of the juvenile justice bill to provide for child safety locks, to close the gun show loophole, ban the importation of large-capacity ammunition clips for automatic weapons, and many other provisions. Yet all of our efforts have languished for months. In fact, the conference committee met just one time in August in a perfunctory meeting, and since that time, it has not even come together to consider these difficult issues and to seek a compromise resolution so we can send this measure to the President to become law.

We are leaving today with our work undone. I had hoped we could have stayed. I had hoped we could have worked harder and more efficiently so that we could, in fact, have a conference report with gun control measures that would be sent to the President for his signature.

The Columbine tragedy is just one aspect of a pervasive climate of gun violence in this country that claims 12 children a day. We have to take effective steps to prevent that tidal wave of gun violence.

I note the other body, responding to the pressure of public opinion and the sensible nature of the provisions we are talking about, moved last Tuesday to enact legislation that provides enhanced penalties, mandatory minimum sentences on any person who uses a gun while committing a crime of violence or is involved in serious drug trafficking offenses.

No one is going to argue about the need for strong enforcement and stiff

penalties, but enforcement without adequate, sensible, comprehensible laws misses the point. We have to do both. Indeed, we insist both be done.

My colleague, Senator DURBIN of Illinois, has been very forceful in trying to, within the context of this budget, enhance the resources devoted to the enforcement of our gun laws. He has met opposition. That opposition, I believe, should fade. We can and must do both: Prevent gun violence by good, sound, commonsense laws, and enforce those laws so we further add to the prevention of violence in our community.

One other aspect of this enforcement issue is the simple fact that we cannot enforce loopholes. We have to have legislation that is sensible, practical, and works. We found, particularly in the case of the gun show legislation, that the current regime just does not work. Senator LAUTENBERG's amendment on the juvenile justice bill will effectively close that loophole and give our authorities credible and effective means to prevent easy access to firearms by those individuals who are prohibited, either through criminal records or a history of mental instability.

There are other aspects within the bill that are so clearly and obviously necessary and, indeed, noncontroversial. In poll after poll, 89 percent of Americans support child safety locks, support the notion that these safety locks should be sold with a weapon and, indeed, should be incorporated in the design of a new weapon. The State of Maryland last week, in a very courageous legislative act, passed legislation that will do just this.

The need is quite clear. For children under the age of 15, the rate of accidental gun deaths in America is nine times higher than the rate of 25 other industrial countries combined. Often, I believe, there is a misperception about the nature of gun violence in this country; that it is the result of hoodlums attacking innocent citizens, victimizing them with handguns, when, in fact, there is an extraordinary number of children who are killed accidentally. Here, certainly, is a situation where a child safety lock can and should make a difference.

There is another aspect of gun violence in America and, again, it is not the gangs with guns attacking innocent citizens. It is the fact that guns are frequently used in suicides. For young children under 15, suicide deaths from guns are 11 times higher than that of the other 25 industrial nations combined. In fact, 54 percent of all firearms-related deaths in 1996 were suicides. Once again, a child safety lock might have helped, might have deterred for a moment a child, or even an adult, who was so desperate, so distraught that they contemplated and sadly acted out a death wish.

These statistics alone warrant the legislation—in fact, demand the legislation. There is a wealth of research that suggests the likelihood of suicide among adolescents increases by the

ease of access to firearms—suicide by firearms.

According to the National Journal, one study last year found that three-fourths of adolescents who use a gun to commit suicide obtain the gun from the family home.

The Injury Control Research Center at the Harvard School of Public Health found in a 1999 survey that 20 percent of gun owners stored their guns loaded and unlocked. This is a situation, again, that cries out for sensible control of weapons to prevent these tragic and unnecessary deaths.

There is a national survey—the largest ever conducted—on gun storage by the American Journal of Public Health which found that more than 22 million children in the United States live in homes with firearms; and in 43 percent of those homes, the guns are not locked up or fitted with trigger locks.

Simply by the adoption of a national requirement to have trigger locks on weapons, we cannot ensure that each and every gun will be locked up and secured. But certainly, we will have a much higher percentage of those weapons that are secured if we pass legislation of this kind.

If we require a safety lock to be provided when a gun is sold, if we give parents and adults who buy these weapons not only the incentive but the actual lock, we can, I hope and expect, reduce these types of deaths among children.

In fact, we probably should be doing more because there are many States that have child access prevention laws—or CAP laws as they are called—which encourage the safe storage of firearms by holding adults accountable if they knowingly keep a firearm within their home where a child might have access to it and that child, in fact, obtains the weapon and uses it to harm themselves or to harm others. Senator DURBIN has such a bill. I am proud to be a cosponsor of that legislation. This legislation is working.

A 1997 article published in the Journal of the American Medical Association analyzed the effect of CAP laws in 12 States. The JAMA study found that, on average, there was a 23-percent drop in accidental firearm-related deaths among children younger than 15 years old.

There has been an overall downward trend in unintentional shootings in the United States since 1979. That is encouraging. But indeed, we saw a much steeper decline in those States that had child access prevention laws.

But if we are not yet ready to consider a child access prevention law, the least we can do, the minimum we can do, is follow through on our vote of last May and ensure the conference committee sends to us quickly the child safety lock legislation that we passed.

There is another important part of the legislation that is pending in the conference committee, and that is the legislation that was sponsored and championed by Senator LAUTENBERG with respect to the gun show loophole.

This particularly resonates at this moment when we are days away from the Columbine tragedy, because, in fact, three of the weapons used in the Columbine tragedy were bought at gun shows from unlicensed dealers who did not have to perform background checks.

The two killers, Dylan Klebold and Eric Harris, along with an older woman friend, Robyn Anderson, went to a gun show and obtained these weapons. In fact, it is reported that both Harris and Klebold went from table to table, from booth to booth, trying to find an unlicensed dealer, knowing they would not be subjected to a background check.

In fact, Robyn Anderson herself testified before the Colorado Legislature that she would not have helped these young men if she knew she had to face a background check.

What more compelling evidence can we have of the need and the effects of this legislation than the reality of the tragedy at Columbine High School?

There has been a lot of talk by the gun proponents that a 72-hour waiting period is involved in this amendment. It is not the case at all. There is not a waiting period. What it requires, though, is that the law enforcement authority would have 72 hours to fully conduct the background check. The gun lobby and their allies say that would completely undermine gun shows, which are weekend events, which start up on a Saturday and end perhaps in midafternoon the next day, Sunday. They say they could not do that.

In fact, not only could they do it in the vast majority of cases, but they should do it because we should have the same Brady law applying to all dealers at a gun show.

It turns out that the FBI indicates, in their statistics, that most gun purchases are processed extremely quickly. In fact, using the national instant check system, the FBI clears 72 percent of gun buyers within 30 seconds; another 23 percent are cleared within 2 hours. So 95 percent of the people who attempt to obtain guns are cleared within 2 hours. It is only that other 5 percent who might require an additional day or two.

But of that 5 percent, they are 20 times more likely to be prohibited from possessing a firearm. So the reality is that those people who argue for no background checks at gun shows or they have to be limited to 24 hours are simply protecting those who are most likely to be prohibited under the law from purchasing a firearm, a handgun.

In fact, the vast majority of gun purchasers, those law-abiding citizens, those individuals that the NRA points to as their sterling members, would not be impeded at all. They would be checked within 2 hours.

The other aspect of this, in terms of requiring additional time for law enforcement officers, is that if there is a problematic application for a purchase, if there is a suggestion or indication

that the individual is not qualified, then those law enforcement officers need the time to check out records, to go to a county courthouse or to go someplace else to get the records that would be virtually impossible if this was limited to 24 hours on a Saturday or a Sunday.

Frankly, they have to do it because there is a due process requirement. If you are going to turn down an individual from obtaining a firearm, that police officer has to have sufficient evidence, real evidence—not hearsay, not the feeling that something is wrong, not a thought that they heard about this individual someplace, in the coffee shop, that he is unreliable or might have been convicted of a crime—they have to have tangible evidence. Otherwise, they will be sued, probably by advocates and proponents of the gun lobby. So this is a real, practical and necessary need for enforcing the law.

But what we hear consistently from the gun lobby is lots of misinformation: It will close down gun shows. There is a waiting period.

All of this is wrong. The Lautenberg amendment is sound, practical, pragmatic legislation that will deal with the problem, that will not at all impede the vast majority of purchases of firearms at gun shows, and will contribute significantly to the elimination of, we hope, or at least a diminution of the gun violence we are seeing in the country today.

In the Senate last week, we had the opportunity to vote on a resolution I proposed that would urge the conferees to send a report back to us before April 20, including all of the provisions I have spoken about, that would, in fact, give us the chance to send this to the President for his signature. The vote on April 6 was 53-47, with a bipartisan majority. That vote has started some wheels turning.

On April 11, Mr. HYDE, chairman of the Judiciary Committee in the other body, and JOHN CONYERS, the ranking member, sent a letter to Senator HATCH saying:

We write to request a juvenile justice conference meeting as soon as possible.

We are making progress, but we are going to lose this momentum and this progress as we leave this week. Perhaps that is intentional. Perhaps this is about stopping the momentum that is building up, playing for time, hoping that we forget about Columbine, hoping that when the anniversary comes, we will be all around the country and the world and not here to respond to the concerns of families in this Nation who are deeply concerned about this issue.

I have spoken about the aspects of the legislation. I have spoken about the logic behind it, the statistics that strongly support it. Ultimately, this is about people's lives in America—sadly and too often, about children's lives.

On February 29, a 6-year-old, Kayla Rolland, was shot to death by her 6-year-old classmate in Mount Morris

Township, MI. I have said this before and it bears repeating: If any of us last May stood on this floor and said a 6-year-old child would be shot to death with a handgun by another 6-year-old child in a school in America, we would have been accused and lambasted as a hysterical demagog who was trying to stir up unreasonable fears and concerns for political advantage.

The truth is, it has happened. A 6-year-old is dead, shot by another 6-year-old in a school in this country. That week, Kayla's death was just one of other deaths of children that go unheralded because 12 children die a day. For example, one young woman in Carroll County, MD, 18 years old, died of an accidental gunshot wound to the head after she and her friends were admiring her father's .22-caliber revolver. Where were her parents? They were in Costa Rica as missionaries. Had there been a law requiring a trigger lock, had the gun salesman been required to provide a trigger lock with this weapon, I have to believe parents such as that would have locked up the weapon. As those teenagers were admiring the weapon, it wouldn't have discharged. We might have been able to save a life if we had acted. Think of the lives that are being lost because we are not acting.

Another 16-year-old boy in Shopiere, WI, and his friend were horsing around with a .22-caliber pistol his mother kept for protection. It was usually stored in a dresser, but they got ahold of it. After posing with the gun for pictures, the boy pointed the gun to his head. It went off, killing him. As his grandmother said: It was kid's play, total kid's play. Ask yourself, had that weapon been secured with a child safety lock, would it have gone off as two young kids horsing around posed with it? Probably not.

Then a 15-year-old boy in San Bernardino, CA, found his stepfather's handgun, while his pregnant mother slept, and used to it shoot himself. Perhaps at the height of desperation, if he had seen a lock on that weapon, he might have been deterred for a moment, enough time perhaps to somehow come back off the edge rather than to plunge into the abyss and take his own life.

A 16-year-old girl in Altoona, PA, argued with her father about her curfew. He was a gun collector; he had handguns. She found one and killed herself—over a curfew. Perhaps, again, if there had been a child safety lock, some other protective device, that momentary pique, that momentary anger we have all had with our parents, would have resulted in perhaps an annoyance but not death.

That is just one week in America, the week Kayla Rolland died. But it is every week in America, 12 children a day. We can do more. We should do it, rather than leaving today and going off on our recess. That would be the greatest tribute to the 12 young people and the 1 teacher who died in Columbine High School.

I would like to say the conference committee has been working, but that is not accurate. They have been waiting for a year. We have been waiting for a year. We can do more. We should do more. We must do more. The American people want it. The American people expect it. The American people deserve it—certainly the families of those children who were killed at Columbine and the 12 children a day who are victims of gun violence in this country.

I realize we have lost that vote on adjournment. We will be back. We will come back again and again and again until we pass sensible gun safety legislation to make this country a bit safer and, hopefully, do what the American people sent us here to do: To protect their children and ensure a rule of law and not an error of violence that claims the lives of children each and every day.

I yield the floor and reserve the remainder of my time.

Mr. LAUTENBERG. Mr. President, I yield the Senator from Massachusetts 10 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the budget resolution that Republicans put before the American people today proposes an unacceptable change of course, at a time when the Nation needs to stay the course of the investments that are driving our historic economic expansion. This is a budget that reverts to the days of trickle-down economics, despite all the evidence that it will only widen the unconscionable gap that already exists between rich and poor in our society. It fails to respond to the challenges the Nation so obviously faces in education, health care, prescription drugs for the elderly, youth violence, firearm safety, hunger, scientific research and development, and environmental protection.

The Senate improved the House budget resolution in important respects last week, but the House position prevailed on every issue during conference. The document before the Senate today is far less satisfactory than the budget the Senate sent to conference last Friday. The Senate resolution dedicated just \$2.7 billion of the \$150 billion Republican tax cut to Pell Grants that help low-income, high-achieving students attend college. But the House Republicans killed even this modest incentive for college education, preferring to keep every possible dollar for more tax breaks for the wealthy.

The Senate resolution included an \$8.5 billion reserve fund to expand early learning opportunities, so that young children enter school ready to learn. This was a bipartisan amendment that Senator STEVENS, Senator JEFFORDS and I offered. But House Republicans blocked it.

The Senate resolution included a pledge that the minimum wage should be increased by \$1, but the House Republicans rejected it.

The Senate minimum wage provision expressed our fundamental commitment that many of the hardest working Americans working 40 hours a week, 52 weeks of the year, ought not to have to continue to live in poverty, nor should their children. But it was rejected by the House conferees.

The Senate resolution even included a provision by Republican Senator ARLEN SPECTER to increase funding for medical research. But again, House Republicans rejected it.

Instead, the Republican budget resolution that emerged from conference is a shortsighted scheme to protect narrow special-interests instead of the national interest. I'm proud to join my Democratic colleagues in voting against it. We will continue the battle for a fair budget in weeks and months ahead. But the final battle may well be on election day, when the American people at long last will have the choice to elect the Congress that will make the right investments, not the wrong investments, for the Nation's future.

During last week's budget debate we heard many statistics that are misleading at best. When we cut through all the "smoke and mirrors," what matters is that this unacceptable budget resolution supports a huge tax break for the wealthy that the Nation can't afford.

The independent Congressional Budget Office confirms that the Republican budget resolution reduces domestic discretionary spending by an average of 6.5%. It is impossible for this Congress to write honest appropriations bills with cuts that drastic. Our Republican colleagues couldn't make the numbers add up without massive accounting gimmicks last year, and they can't do it this year.

Our Republican friends say that they designed this budget resolution to curb the gimmicks used last year. But we all know there will be new ones used to pretend to meet the urgent needs our country faces.

This budget also prevents us from acting to reduce the number of low-income working families who have no health insurance—to rebuild our crumbling public schools, to reduce the hunger that still afflicts 3 out of every 100 American households—to make college affordable for low-income students—and to achieve the scientific advances that are so close.

Tax breaks for the wealthy are what this budget resolution is all about. No other subject is treated so often and so thoroughly. There are reconciliation instructions on tax cuts, reserve funds for tax cuts, and even provisions for more tax cuts if the surplus grows. The only things that this budget resolution requires committees to report are tax cuts. The only procedural protection under "reconciliation" provided by the resolution is for tax cuts.

Democrats support affordable, targeted tax cuts, and they should be enacted promptly. But the merit of a tax cut depends on its size and its distribu-

tion. It is obvious that these GOP tax cuts are excessive and irresponsible. They offer plums for the rich and crumbs for everyone else, and President Clinton will be right to give them the veto they obviously deserve.

The budgets we vote for say a great deal about our values. It is easy to pay lip service to meeting the Nation's unmet needs. But a budget clearly shows whether we are willing to allocate resources to address those needs effectively.

This budget does not pass the laugh test. It does not seriously address the range of important challenges facing America. It does not meet our national needs in education, in health care, in medical and other scientific research, in security for senior citizens, in environmental protection, and in public safety. On all these issues, it is a failed budget, because it fails America. It gives the most to those who already have the most. It pretends that the Nation has no unmet needs—and it deserves to be defeated.

Mr. President, one very important aspect of the budget that was altered and changed in the budget conference report concerns the issue of prescription drugs. This issue was before the Senate Finance Committee. We had debate on this measure on the floor during the budget consideration. We hoped to be able to have debate on this issue when we talked about the marriage tax penalty. Look at the contrast between the way the budget conference considered tax breaks and how the conference committee addressed prescription drugs—an issue that is calling out for action by this Congress, and calling out for action now.

We made some progress in the budget resolution that passed the Senate earlier, but look at what happened in that conference. Look at what happened on one of the most important issues in this country today. Providing America's seniors with the help they need in order to survive, through a responsible, comprehensive prescription drug benefit that will be affordable and that will include basic benefits, as well as catastrophic coverage must be a priority.

Look at the difference on what we call reconciliation of revenue reductions in the Senate. In other words, what did the budget resolution say in the conference with regard to tax cuts? It says that the Senate Committee on Finance shall report to the Senate a reconciliation bill not later than July 14 of the year 2000, and not later than September 13, 2000, that consists of changes in laws within its jurisdiction sufficient to reduce the total level of revenues by \$11.6 billion in 2001 and \$150 billion for fiscal years 2001–2005. Not later than July 14 or September 13. This is what is in the conference report with regard to prescription drugs.

Whenever the Senate Committee on Finance reports a bill which improves access to prescription drugs for Medicare beneficiaries, the chairman of the

Committee on the Budget may revise to accommodate such legislation \$20 billion over the period of fiscal years 2001 through 2005. Then the (b) section talks about Medicare reform.

We have changed some rather specific instructions on prescription drugs—improving access to prescription drugs. The seniors of this country know the difference between access to prescription drugs and a benefit package that includes prescription drugs. Access to prescription drugs may mean a bus ticket for a senior living in Maine or any of the border States to go over to Canada. That is access to prescription drugs. We are not talking about access. We are talking about a benefit package that is going to be meaningful to our senior citizens.

That is what this debate has been about. Our seniors understand which benefits they receive and they understand which benefits they don't receive. One benefit they do not receive is a prescription drug benefit. In addition, the \$20 billion which may have access to prescription drugs at this time is half the amount the President has recommended.

This is a clear abdication of this body's responsibility to our seniors. We cannot go home without taking action on an effective prescription drug program. We on this side of the aisle feel strongly that one of the priorities that should have been attended to prior to a tax break is an effective prescription drug program; one that is universal, basic and catastrophic, and affordable—affordable to the individuals and affordable to our government.

But, no, we get lip service on the issue of prescription drugs in this particular proposal. That in and of itself should be enough reason to reject the proposal. If you vote for this budget, you are not serious about making sure our seniors are going to have prescription drugs. You cannot vote for this budget and say you are serious about prescription drugs because this budget does not provide the necessary assurance to our senior citizens.

I will take a final minute to talk about the drug crisis America's seniors are facing. Prescription drug coverage is going down at the same time drug costs are going up. I shared with the Senate the other day the reality our senior citizens across this country face. A third of all senior citizens don't have any prescription drug coverage at all; another third are losing coverage. These seniors have employer-based coverage, which is declining dramatically every single year. Then there are seniors with coverage through HMOs; their coverage is being squeezed out. The only group that has reliable coverage are the poorest of the poor who are covered under the Medicaid program. Prescription drug coverage is not just another benefit, it is life and death for our seniors.

This chart demonstrates what has been happening to drug costs. We are seeing double-digit increases in drug



costs. From 1995, going up; in 1997, up 14 percent; and in 1998, up 15 percent; in 1999, up 16 percent. These increases were at a time when we had an average of a 2-percent increase in the rate of inflation.

This issue affects Americans all across this country; it isn't an issue just in the Northeast. It is an issue in the Northeast, the Southeast, the Midwest, the Northwest and the Southwest. It is a universal issue. Our senior citizens deserve better action by the Budget Committee in the conference. It is a tragedy. But we are strongly committed on this side of the aisle not to give up on this issue. We are going to take every opportunity to fight for prescription drugs. We believe our seniors are entitled to an effective drug program. We think a prescription drug program is absolutely essential. It has to be one of our top priorities. It should have been done right by the Budget Committee.

The prescription drug benefit is more deserving than the tax breaks which are included in this resolution. That was the issue that was before the Budget Committee. That is the issue that is before the Senate of the United States this afternoon. That is the most important reason I will vote "no."

Mr. DOMENICI. Mr. President, I note the presence of Senator BOXER on the floor. I have 45 minutes remaining and I will take a few minutes to discuss Senator KENNEDY's remarks.

Mr. President, fellow Senators, nothing could be further from the truth than this budget resolution and this budget conference does not provide for Medicare prescription relief for senior citizens.

Let me state what I think the triggering mechanism would have ultimately done. It would work in favor of those who don't want a bipartisan solution because they could have stonewalled this until the date arrived and then produce a partisan solution to Medicare on the floor of the Senate. But nobody should deny the work and the authenticity of what is in this budget resolution as suggested in our Budget Committee by the distinguished Senator from Maine, Senator SNOWE.

Senator SNOWE recognizes seniors don't want a prescription drug added to a Medicare program that is going bankrupt. We provide in this budget resolution if there is some reform in this program, \$40 billion in new money can be used for prescription drugs. I don't want to let my voice grow any louder because I have on different occasions wondered whether talking extremely loud helps with one's case or not. I have no illusions but that I am speaking to myself and I will speak very moderately about this. The truth of the matter is, the Finance Committee of the Senate is challenged by this budget resolution to produce a bipartisan solution to the issue of prescription drugs. Some in this body do not want a bipartisan solution because it

will have some of the good points of experts on our side about how to fix this, including the distinguished Senator from Tennessee, Mr. FRIST the distinguished Senator from Maine, Ms. SNOWE, a Republican, and many others.

Let me repeat, this budget resolution says whatever you do on taxes or tax relief, such as the marriage tax penalty, there is in addition to that, \$40 billion for Medicare. That is \$40 billion that can be used for prescription drugs. If the committee in charge of this wants to use it all for prescription drugs, they have to provide some reform to the system.

Frankly, there is a big split over whether that is what the bill ought to do. But the Budget Committee opted, in this budget resolution, to try to be on the side of pursuing a bipartisan solution in the committee of jurisdiction, which has had 14 hearings, and is going to do something. The House is going its way. Before the year is out, we will have a bipartisan solution on this floor. That is precisely what would be good for seniors. We will take the politics out of Medicare, and we will put money into prescription drugs. That is really what we want to do in this budget resolution.

Some may call it irresponsibility. I call it the height of responsibility. I believe to do otherwise is an invitation to election year politicking about Medicare prescription drugs that is, in the end, apt not to help with the Medicare program which everybody wants to try to fix and add prescription benefits.

I want to repeat, the reason we have tax relief in this budget, and tell the committee to produce it, is the very issue we debated 4 hours ago on this floor called marriage tax penalty reform. It will cost, if we do it right, somewhere between \$50 and \$65 billion. Where will we get that relief for the millions of married couples? We will get it in this budget resolution and get \$40 billion for Medicare, prescription drugs, and reform.

If the seniors understand the two positions, they will say let's go try this; let's have Senators on that committee of finance, Democrat and Republican, working on a solution that belongs to everybody. It will probably be a right solution for the trust fund if it is a bipartisan solution.

So I repeat, there is money for prescription drugs and there is money for tax relief, such as the marriage tax penalty reform that must be adopted.

I reserve the remainder of the time I have on the resolution.

Mr. REED. I yield 10 minutes to the Senator from California from the time I control.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from California.

Mrs. BOXER. Mr. President, I want to say to Senator REED, he is a very powerful voice in favor of sensible gun laws. He is taking every opportunity he can. He has stated this many times, to bring this matter of the juvenile jus-

tice bill that contains all these important gun control laws to the floor of the Senate. Today he said we should not adjourn until we take care of this. I think he is making a very important point. We have five important, sensible gun control measures in the juvenile justice bill. We voted for them here. On one of them, it was AL GORE, the Vice President, who broke that tie vote on closing the gun show loophole on which Senator LAUTENBERG had worked so hard, to keep away from children, and to keep away from people who are mentally unstable, and keep away from criminals, access to weapons.

It is a very sad day indeed that we are going home, now, right on the heels of the tragic anniversary of Columbine—those killings occurred a year ago—and we have done nothing.

I want to state for the RECORD, every time my friend Senator REED comes to the floor, I will be there with him as long as it takes. We are going to have a Million Mom March. I don't know whether a million moms will come, but thousands will come to march in favor of these very responsible gun laws. I intend to be there, and many of us will be there with them. We will not stop the pressure.

Mr. President, every budget is a roadmap. This budget takes us down the wrong road at almost every turn. I agreed with one thing that happened in the conference, and I want to say thank you to the House. I am very careful not to say thank you to my chairman, who told me not to thank him for this because he is on the other side. The language calling for drilling in the Arctic wildlife refuge was removed. I am very pleased about that. I thank the House for doing that. I hope we do not have to face that fight this year, next year, or the year after.

But in terms of everything else that happened, this budget got decidedly worse. It is leading us down the wrong road, a road that does not adequately fund education or prescription drug benefits, a road that doesn't reduce the debt enough, a road that leads to risky tax cuts that can derail our economic recovery and therefore endanger Medicare and even Social Security.

This is a road that lacks fiscal responsibility. It has no room in it for a lands legacy bill that people on both sides of the aisle want to see, where we can take offshore oil revenues and put them into good use by expanding our public ownership of precious lands we are losing and preserve historic areas. I think this budget puts America in a risky, dangerous position and it does not meet the needs of our people.

We know what will happen if this budget goes into effect, as it will, and the appropriators carry it out. We will see cuts to the most vulnerable population—cuts in the Women, Infants and Children feeding program, cuts in Head Start, in the Job Corps, in child care, in children's mental health. Those cuts will be perhaps more than 10 percent.

We could not get more funding for afterschool programs even though we

had some bipartisan support. The police chiefs all across this land know that is the best crimefighting program. We could not get that. We know juvenile crime peaks between 3 p.m. and 6 p.m. What does this budget say? We are holding the line on afterschool programs, and the million kids waiting to get in will simply have to wait. One million kids are waiting to get into afterschool programs. That is how popular they are. Ninety percent of the American people want them. The police want them. The President put it in his budget, and they have cut his request in half, leaving 1 million people out of the loop.

I do not understand how we can say we speak for the people when we walk away from a program that has 90 percent approval and one we know works.

Senator KENNEDY has talked about the flimsy prescription drug benefit. It is not going to help our seniors if we make them think we are doing something for them but we do not back it up with funding. Senator CONRAD, who will speak after I finish my remarks, has talked long and hard about a lockbox for Medicare. That was voted down. That is gone.

We agreed to lock up Social Security but not Medicare. It does not do us any good if our people get their full Social Security benefit and they have to turn around and pay more and more for Medicare. They are going to be poor one way or the other. If my colleagues support Social Security, they have to support Medicare. This budget simply does not do it.

My colleagues should see the letters that come from the people in my State who are forced to cut their medicine in half in order to make ends meet. They are choosing between prescription drugs and eating dinner. This is America. This is wrong.

Why does this budget turn out this way? Because of a risky tax cut.

Maybe some say it is good to have a tax cut; maybe they look at the tax cut as helping people who really need it. One roadmap we have is George W. Bush's tax cut. Let's look at that one. What happens if one earns over \$300,000? They get back \$50,000 a year. They will be popping those champagne corks in the boardrooms. But if one earns \$38,000 a year, they will get back about \$260 or \$280 a year.

Summing up, this budget takes us down the wrong path any way one looks, whether it is looking at tax cuts that are fair and targeted, sensible and fiscally responsible, or it is a prescription drug benefit that makes sense for our seniors, protecting Medicare that makes sense for our seniors, or investing in education which makes sense for our children, or having a reserve fund for our environment.

By the way, on energy efficiency, they slash and burn the President's proposal, and then they say he has no energy policy. This budget takes us down a bad road. It should be rejected, Mr. President.

Mr. ROBB. Mr. President, I regret that I am unable to support the budget resolution that is before us today. Our annual budget resolution supposedly represents our nation's fiscal blueprint, but this document comes up short in terms of what our priorities ought to be. Instead of large, untargeted and unwarranted tax cuts, we ought to be dedicating our resources towards rebuilding our nation's schools, providing Seniors with affordable medication, strengthening Social Security and building up our national defense—in addition to paying down the national debt, so that the federal government can stay out of the capital market and be better equipped to handle dips in the economy in the future. In all of these categories the budget resolution falls woefully short. Through fiscal discipline the past seven years, we finally have the ability to begin to address our real needs. We cannot allow this golden opportunity to slip through our fingers. We owe it to our children and our parents to do a better job.

Mr. LEAHY. Mr. President, I am disappointed that the conference committee dropped an amendment I offered with Senator KOHL that would have applied additional surpluses estimated by CBO to debt reduction rather than tax cuts. I had hoped that this fiscally responsible amendment, which was unanimously adopted by the Senate, would be included in the final version of the budget resolution. Instead, the Committee accepted a House provision that would allow the budget chairman to use additional surpluses for tax cuts above and beyond the \$150 billion in cuts already in the resolution. I find it disheartening that Congress is not even willing to commit unexpected surpluses to debt reduction.

In the 1980s, Congress went on a tax cut binge and left the bill for our children. During those years we all saw the lip service paid and the sloganeering about balancing the budget, while we simultaneously tripled the national debt and ran the biggest deficits of any nation in the history of the world. As a result, the national debt now stands at \$3.6 trillion and the Federal government pays almost \$1 billion in interest every working day on this debt. Now that we have surpluses, we have a chance and an obligation to pay off that debt. This budget resolution fails to live up to that responsibility.

Nothing would do more to keep our economy strong than paying down our national debt. Paying down our national debt will keep interest rates low. Consumers gain ground with lower mortgage costs, car payments, credit card charges with low interest rates. And small business owners can invest, expand and create jobs with low interest rates.

Alan Greenspan and nearly every other economist who has testified before the Senate Budget and Finance Committees has stated that our nation's budget surpluses should be used to pay down the debt. And yet, the Re-

publican budget resolution proposes far less debt reduction than the budgets developed by President Clinton and Senate Democrats. This resolution would use 98% of the non-Social Security surplus for tax breaks which would primarily benefit the wealthy. By dropping our amendment, Congress is in danger of using an even higher percentage of the surplus for tax cuts, and even less for debt reduction. This does not make fiscal sense.

During markup, Senator LAUTENBERG offered an alternative budget that would have reduced \$330 billion in debt over ten years, while providing almost \$300 billion in targeted tax cuts—cuts that would go towards eliminating the marriage tax penalty, permitting the self-employed a full tax deduction for their health insurance and providing estate tax relief for family farmers and small business owners. Such cuts would be fair and targeted to help all Vermonters, not just the wealthy. Unfortunately, this amendment failed.

In 1993, Congress charted a course of fiscal discipline and the country has reaped the benefits of this successful plan. Republicans and Democrats can rightfully claim their shares of the credit for getting the nation's fiscal house in order. The important thing now is to keep our budget in balance, to pay down our debt, and to keep our economy growing. Unfortunately, this budget resolution fails to make a real commitment to debt reduction, which is why I must vote against it.

The PRESIDING OFFICER. Who yields time? The Senator from North Dakota.

Mr. CONRAD. Mr. President, I ask for time off our side off the resolution and ask to be notified when I have consumed 15 minutes.

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

Mr. CONRAD. Mr. President, this is one of the most important decisions we make every year: the question of the budget outline for the United States; what are our priorities; where is the money going to be spent; what are the revenue sources for the United States. The fundamental question is, Are we going to maintain fiscal discipline? Are we going to maintain a strategy that has produced the longest economic expansion in our country's history?

This article appeared in the Washington Post in the business section announcing that the expansion was, at that time, the Nation's longest. This is back in February. Of course, the expansion has now been extended even further. But even then, we had created the longest economic expansion in our country's history. I say when "we" created; I am talking about all of us as Americans.

Part of it is a result of Federal policy: the fiscal policy of the country, which is controlled by the Congress and the President of the United States, and the monetary policy, which is controlled by the Federal Reserve. The two work hand in glove to produce economic results for this country.

Obviously, the underlying strength of America is the people of this country. Their hard work, their innovation, their creativity, their entrepreneurial spirit and drive makes this country the greatest economic power on the face of the globe.

It is important to remember the economic strategy and the economic plan that brought us to where we are today. If we look back at the last three administrations and look at the question of the budget deficits that are so important to the fiscal policy of this country and the monetary policy, this is what one finds: The Reagan administration inherited a deficit of about \$80 billion and promptly ran it up to over \$200 billion and dramatically expanded the Nation's debt over the period of that administration. In fact, they more than tripled the national debt during this period.

Then we had the Bush administration, which inherited a deficit of \$153 billion and promptly ran it up to a \$290 billion deficit. It actually was somewhat worse than that because this is counting the Social Security surplus. The true deficit, at least as I define it, was well over \$300 billion.

The Clinton administration came in, and in 1993, we passed a 5-year budget plan that was designed to reduce the deficit dramatically to take pressure off interest rates and to get this economy moving again. That plan passed without a single Republican vote in either the House or the Senate. These are the facts.

That 5-year plan was put into place, and here are the results. They are clear; they are unambiguous. They show that each and every year that 5-year plan reduced the budget deficit, first, to \$255 billion; then to \$203 billion; then to \$164 billion; then to \$107 billion; then to \$22 billion. By the end of the 5-year plan, we had done what was perhaps thought impossible when we started. We had balanced the Federal budget.

Now we anticipate a \$176 billion budget surplus in this year. This is a plan that worked.

This shows the trend in receipts and outlays, the expenditures of the Federal Government that made this plan work. The blue line shows the spending of the Federal Government; the red line shows the receipts of the Federal Government. This is over a 20-year period.

What it shows is obviously our spending was higher than receipts for an extended period in the eighties. That is why we were running massive budget deficits. When Democrats voted for a 5-year plan to get our fiscal house in order, spending came down each and every year in relationship to the size of our economy, revenue went up each and every year because, in part, we raised taxes on the wealthiest 1 percent in this country, and spending was cut. That is what allowed us to balance the budget, get our fiscal house in order, and kick off the longest economic ex-

pansion in our history. That is the record. Those are the facts.

The question is, Are we going to put all this at risk and go back to the old, bad days of "debt" and "deficits" and "decline," what I call the three Ds? I very much hope we do not return to those policies and those plans and that set of results: debt, deficits, and decline. That would be a profound mistake. Why would we ever turn our back on an economic strategy that has worked so well?

Let's look at the results.

Federal spending is now at its lowest level since 1966. We cut spending with that 5-year plan in 1993. Democrats cut spending because we did not have any help from the other side of the aisle—none. We cut spending because it was necessary to get our fiscal house in order.

The results of reducing those deficits has been the virtuous cycle: Reduced deficits, reduced debt, and reduced interest rates that helps spur investment in the private sector, that helps spur private growth in the private sector, that led to the creation of over 20 million jobs, that gave us the lowest level of inflation since 1965. The virtuous cycle does not end there because it also gave us the lowest rate of unemployment in 42 years.

These are the results of an economic plan that was put in place in 1993. It has also brought down the debt. What a remarkable circumstance. But we have actually started bringing down the publicly held debt. We are in a position to nearly pay it off by the year 2010. We are in a position to pay off the publicly held debt of this country by the year 2013, if we stay on course.

Alan Greenspan, who is in charge of monetary policy—the Congress and the President are in charge of fiscal policy; the Federal Reserve is in charge of monetary policy—the head of monetary policy for our country says: Pay down the debt first. That is what he is urging us to do.

He is not alone because virtually every economist of whatever ideological persuasion who has come before the Budget Committee and the Finance Committee, on which I sit, has told us: The highest priority ought to be to continue to pay down the debt, to put us in a position to deal with the baby-boom generation when it starts to retire and puts enormous demands on Medicare, on Social Security, on veterans programs; that the best way to prepare for the day when they retire is to build this economy, to grow this economy. And the best way to grow this economy is to lift the debt burden that is on this economy.

That is what will hold down interest rates. That is what will keep the Government out of competition in private markets for scarce resources. That will allow additional resources to go into private investment.

This plan, this strategy, has been working. Now, all of a sudden, our friends on the Republican side, who op-

posed putting in place that strategy that has worked so well, tell us: Ah, well, we were wrong then, but trust us, let's go back to that failed strategy we were pursuing before, and let's try it again.

Why would we do that? It makes no earthly sense.

What will happen if we take this risky approach they are proposing? I submit to you, in their plan they use all of the non-Social Security surplus—all of it—for a tax cut, a tax cut that goes to the wealthiest among us. Senator McCain said it well during the campaign. He questioned the Bush plan to take 60 percent of the benefits of their tax plan and to give it to the wealthiest 10 percent.

Mr. Bush has said, over and over, in his campaign: What they don't know in Washington is, this is the people's money. He is right about that. It is the people's money. The question is, What should be done with the people's money? Should it be given to the wealthiest 10 percent—disproportionately given to the wealthiest 10 percent—or should our top priority be to use the people's money to pay down the people's debt? I submit to you, the highest priority ought to be to pay down the people's debt. But that is not the Republican priority.

It is true they take all of the Social Security surplus and reserve it for Social Security. We do the same thing in our budget. That is the right thing to do. I applaud them for it. But on the non-Social Security surplus, they have quite a different approach.

I think, objectively stated, the non-Social Security surplus is most likely to be about \$170 billion over the next 5 years. The Republican plan has a \$150 billion tax cut, a \$25 billion reserve for tax cuts, and costs another \$21 billion in interest. So they have \$196 billion reserved for a tax cut that goes primarily to the wealthiest among us when we have only \$171 billion available in a non-Social Security surplus.

Where is the rest of the money going to come from? I think it is going to come right out of the Social Security trust fund. We are going to go back to the old, bad days of raiding the Social Security trust fund surplus. I hope not. I do not know how else it happens.

Our priority on the Democratic side is to use the vast majority of the projected surpluses over the next 10 years for debt reduction. In fact, we use 82 percent of the projected surpluses for debt reduction. That is, every penny of the Social Security surplus for Social Security, since it is not used for that purpose immediately, goes to pay down the debt. The Republicans do the same thing. But, in addition, we take 36 percent of the non-Social Security surplus and use that for further paying down the debt.

We also have a chunk of money for tax relief—not nearly as much as they do; we will stipulate to that. Their priority is a big tax cut to the wealthiest among us. Our priority is to pay down the debt.

As I indicated, we take all of the Social Security surplus and use that to pay down debt. But, in addition, we take, of the non-Social Security surplus, 36 percent of it for debt reduction. We take 29 percent of it for tax cuts because we, too, believe tax relief is important.

We would like to solve the marriage tax penalty. We would like to ease the estate tax burden. We would like to deal with some of the other inequities in the Tax Code.

We also reserve 23 percent for high-priority domestic needs such as defense, education, agriculture, and, yes, a prescription drug benefit.

We believe these are the priorities of the American people.

Let me conclude by saying there are some on the Republican side who have argued over and over that the tax burden on the American people is the highest it has ever been.

The tax revenues are high, but the tax burden, the tax rates, on individual taxpayers are not high. That is odd. How can the revenues be high but the tax rates on individuals not be high? The reason is, we have a booming economy that produces lots of revenue. That is part of the virtuous cycle we have created by getting our fiscal house in order.

But if we look at the individual tax burden, what we find is, contrary to what our friends on the Republican side say so often and so repeatedly, the Federal tax level has fallen for most people in this country.

Let me quote from the Washington Post of March 26 of this year:

Studies Show Burden Now Less Than 10%

For all but the wealthiest Americans, the federal income tax burden has shrunk to the lowest level in four decades, according to a series of studies by liberal and conservative tax experts. . . .

What we see is that the tax burden on individual Americans has been reduced, and reduced dramatically.

The article further states:

The Congressional Budget Office estimates the middle fifth of American families, with an average income of \$39,100, paid 5.4 percent in income tax in 1999, compared with 8.3 percent in 1981. The Treasury Department estimates a four-person family, with a median income of \$54,900, paid 7.46 percent of that in income tax, the lowest since 1965.

The article continues: The Conservative Tax Foundation figures that the median two-earner family, making \$68,000, paid 8.8 percent in 1998, about the same as 1955.

This is a question of priorities. We ought to reject this budget and pass the alternative.

Mr. LAUTENBERG. Mr. President, I yield 10 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. First, I thank the Senator from New Jersey, Mr. LAUTENBERG, for his tremendous leadership on the Democratic side of the Budget Committee. I have truly enjoyed working with him and will miss him a great

deal in the coming years. His leadership has been so important to all of us.

I come to the floor today to address the Republican budget proposal and to tell my colleagues that I will be a "no" vote because I believe it fails to reflect the priorities of families across this country. In fact, if this budget were submitted to any math class, it would get an F because, frankly, the numbers do not add up.

The reality in this budget does not meet the rhetoric. Despite all the claims, when we do the math, the things Americans care about—improving their education, reducing the debt, saving Social Security, strengthening and modernizing Medicare—have all been left behind. The things that matter to families have been sacrificed in the name of an irresponsible tax cut.

I am disappointed that this budget abandons the progress we have made since 1993. Since I first joined the Budget Committee, our Nation's financial strength has grown dramatically. Through the hard work of the President, the Vice President, and Congress, we have turned deficits into surpluses. We learned many important lessons. We learned that budgets must be realistic. They have to take into account what our Nation needs and what we are capable of providing.

This budget is neither realistic nor responsible. It does not provide the necessary investments in education and health care. It does not ensure that prescription drug coverage for Medicare beneficiaries will be considered before we enact tax cuts. Instead, this Republican budget sacrifices our priorities for a \$200 billion tax cut.

I am extremely concerned that this tax cut could eat up all of the on-budget surplus. Given this Congress' track record on tax cuts, it is fair to assume that, as usual, the top 10 percent of the people will get more than 60 percent of the benefits. The President and the American people rejected that tax plan last year, and I expect they will reject it again. We can have responsible and fair tax cuts that are fiscally prudent, but you won't find them in this budget.

I am also disappointed that this conference report dropped two important priorities during the conference committee. First, an important amendment I introduced to ensure programs that help victims of domestic violence was dropped. Another amendment concerning pipeline safety was also left behind. In the Senate Budget Committee, I introduced an amendment to ensure that pipeline safety efforts are funded at levels that were called for in my bill. My amendment was unanimously passed by the Senate Budget Committee. Unfortunately, this budget makes it almost impossible to fully fund the Office of Pipeline Safety. Our budget should help us make our pipeline safer. I fear this budget moves away from our responsibility.

I will be talking later this evening about the issue of pipeline safety as well.

While those two key amendments were dropped, I am pleased that my amendment concerning women and Social Security was affirmed. After 2 years, the Republican budget conferees have finally committed that Social Security reform should not penalize women. I am pleased it is in this budget.

Overall, to make room for their tax cut, Republicans shortchanged the investments that really matter to the American people. In fact, in key areas, this budget doesn't even keep up with inflation.

I will give a few examples of how this budget leaves America's priorities behind. The decisions in this budget will be felt in classrooms across America. The budget before us would decimate the progress we have made over the last 2 years in reducing overcrowded classrooms. In the last 2 years, we have hired 29,000 new, fully qualified teachers to reduce class sizes in first, second, and third grades. Today, because of that action, 1.7 million students are learning in classrooms where the basics are taught in a disciplined environment. We should be building on our progress. This Republican budget before us today abandons our progress. This budget tells students: Sorry, you are going to have to sit in an overcrowded classroom next year because, under the Republican tax plan, you are not a priority.

It should be a priority that we pay down our national debt instead of passing that burden along to our children. This budget tells every young American: Sorry, you better start saving money now to pay off the national debt because, under the Republican tax plan, you are not a priority.

It is a priority that we strengthen and modernize Medicare. It is a priority that seniors get help buying the medicine they need because no one should have to choose between buying medicine and paying for food. This budget tells seniors: Sorry, you can't get the prescription drug coverage you need because, under the Republican tax plan, you are not a priority.

The American people want real budgets, not gimmicks. They want to know that our Nation's vital priorities are being treated as priorities. They don't want the things that matter in their lives to be squeezed out by unbalanced tax cuts that only benefit a few people.

We should be using the surplus we have today to honor our commitments to our children and to our seniors. Now is the time to address the long-term solvency of Social Security and Medicare and to provide resources to local communities to make our classrooms ready for the 21st century. Those are the things a responsible budget would do. We should pass a budget that reflects the priorities of the American people and one that is realistic. I believe the budget before us fails the American people on both counts. Therefore, I must oppose it.

I thank the Chair and yield the remainder of my time to the Democratic side.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Would the Chair inform me how much time remains?

The PRESIDING OFFICER. The Senator from New Mexico has 40 minutes; the Senator from Rhode Island has 26 minutes; the Senator from New Jersey has 20 minutes.

Mr. DOMENICI. Mr. President, I don't intend to use the entire time I have. I would like to make sure I understand where they are going on the other side. If we are going to make an effort to vote earlier, I will be yielding back some of my time. I yield myself 6 minutes.

First, let me identify the occupant of the chair. The occupant of the chair is one of our new Senators, Mr. SMITH, from way over on the West Coast. I am very proud to have him in the Senate, but I am more proud that he is on the Budget Committee. There are people talking about what happens in this budget resolution, such as the distinguished Senator, Mrs. MURRAY, talking about a sense-of-the-Senate resolution as if it were binding on somebody. It is nothing more than what it says. It doesn't affect anything. To the extent we dropped some of her provisions, there were scores of sense-of-the-Senate resolutions in this budget that we did not take.

What we did keep was something for which the distinguished occupant of the chair fought hard. I am told there are so many people watching C-SPAN. Sometimes I wonder how many times they want to hear the same speech, but I believe, when it is given again on that side, I have to say a few words.

I repeat: Because of the distinguished Senator who occupies the chair, working in concert with the distinguished Senator from Maine, Ms. SNOWE, helped by Senator WYDEN from the same State as the occupant of the chair, we have a real provision we did not drop that has to do with Medicare prescription drugs and Medicare reform. I was so pleased to hear a freshman Senator, the occupant of the chair, say he wanted to support the Snowe amendment for \$40 billion and that we might as well face up and get a bill. It says we can use the whole \$40 billion for prescription drugs, and it is not crowded out by tax relief. It is separate and distinct; it is available.

We have said if you do some reform to preserve the well-being of the Medicare system, you can have \$40 billion in new money for prescription drugs. Now, if you choose to only do prescription drugs and do nothing to Medicare, it gets \$20 billion to go ahead and add some prescription drugs. Frankly, I believe the Senator occupying the chair, Senator SMITH of Oregon, was on the side of a very large majority of Senators. I think so long as we keep it bipartisan there is going to be an effort to repair the Medicare system for the

senior citizens, which is going broke, and we can say we reformed it and modernized it and at the same time we have added \$40 billion for prescription drugs.

No matter how many times the other side repeats it—and I don't know that I am going to answer it again today—I will tell you what I know is in the budget resolution. If I had to read the words, you would see I am paraphrasing the words quite accurately. With reference to education, we can continue to hear specifics, that we didn't provide classroom teachers. Let me repeat, the only time we are going to find out what we really do for education is when the Appropriations Committee, headed by Senator SPECTER, produces an appropriations bill, because anything we say in this budget resolution about specifics on education are only assumptions.

Many times, if not most of the time, the Appropriations Committee decides what they are going to spend on education, which programs they are going to fund, and whether it is going to be less children per classroom or more. That is not going to be decided by this resolution. What is going to be, or could be, decided is how much is available for education—not specifics but education.

I say that this conference report assumes \$45.6 billion in the year 2001 for the Department of Education—a \$10 billion increase, or 30-percent increase, over last year's level. Over the next 5 years, most interestingly, assumptions on education are \$21.9 billion in new money, additional money, which is essentially what the President asked for.

Now, whatever they want to say in the next hour in repetition, I don't know that I will answer it again. I am trying my very best to say that these specific things Senators bring to the Senator floor and say there is a sense of the Senate on it and that would have gotten it done, I want to be kind; I don't want to say what I might say. But the fact that it is in, or not, doesn't mean very much. It is what the Appropriations Committee does with the money. Then there is going to be a bipartisan debate, for which I am grateful, on whether we should have the status quo on education programs or whether we should have reform.

Essentially, for anybody interested in what is going to determine where we spend the money and how we spend it, it may be that we are going to leave all these categorical programs—money for more teachers and less students per classroom and all the other specifics that some people think are important—it may be that we will let the schools keep doing that. We are probably going to give them an option not to do that; in a way, that is more accommodating to them, with flexibility and accountability.

That is essentially what we set up. We don't preclude that debate and its conclusions, which I understand from the majority leader will occur before

this year is out. It is historical because it is coming out of committee of jurisdiction. It is not going to be done on the floor. It is headed by Senator JEFFORDS. Nobody thought there would be major reform. There is major reform, and it comes out to the floor to be debated.

I don't know that I can do more on the issue of debt reduction other than to tell the Senate that this budget resolution has over \$1 trillion in debt service over the next 5 years. It is most interesting that, all of a sudden, there is a difference between reducing the debt held by the public through Social Security surpluses and reducing it with other surpluses. Let me say, dollar for dollar, it is the same debt reduction, or reduction held by the public. It doesn't matter whether it comes out of the Social Security surplus that we don't spend or whether it comes out of the surplus that is on budget. We have a different way of accounting for them.

We think there is a lot of money available during the next 5 years. In fact, we think over a freeze there is \$400 billion in non-Social Security surplus. There is already a basic budget. Looking at this chart, we think it is \$400 billion. Interestingly enough, that is over freezing everything. The Democrats assume what they call a freeze in real spending, that would bring the spending way up to here because they add inflation every year and call it automatic. It is not spending new money. We said let's start over. So we put \$212 billion in domestic programs—domestic and defense. We put \$150 billion in tax relief, which we ask today, how many more times do we have to hear that our tax proposals are for the rich? The biggest tax proposal is the marriage tax penalty. Is that what they are saying is a typical Republican effort to help the rich? I hope all the married people in America listen to that argument.

In addition, we take that surplus and we put \$40 billion of it in this non-Social Security on the debt. I don't believe the argument is about debt reduction. It may be today, but the argument is: Let's spend that tax relief money. Let's spend this. That is what the argument is about. I repeat, if we don't get tax relief, all this money, \$150 billion, goes to debt reduction for the debt held by the public, adding to the \$1 trillion I have just told you about that is in this.

I will conclude by thanking the Budget Committee. The Republican majority produced this format. Obviously, from the newest Senator, to me as the most senior Senator on our side, we followed the lead of OLYMPIA SNOWE on Medicare and the leadership of my friend who is occupying the Chair, in getting a real Medicare proposal and that will drive a bipartisan solution. Let me repeat, in an election year, praise the Lord, if we can get a bipartisan solution to Medicare because it will be the right one if it turns out to be a partisan solution. I am afraid it

will be a political solution, and I am not sure the Medicare trust fund for our seniors is going to come out very well. So that is why I think this is a good approach.

My last observation is that the Appropriations Committee has to take all this money and decide what to do with it. Senator TED STEVENS is the chairman and that is his principal responsibility. I assure those who voted for this and who will vote for it today, it depends on how you allocate the money among priorities. But if they happen to be priorities we have been expressing today and that we expressed in this resolution, there will be plenty of funding for education, plenty of funding for the National Institutes of Health, plenty of funding for Medicare—and that is not an appropriated account—and we will have plenty of money to prepare our defense for this new 100 years we are entering where we need to make up some lost ground.

I yield the floor and reserve the remainder of my time.

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

Mr. LAUTENBERG. Mr. President, I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I have a lot to say and not much time in which to say it. The fundamental point is that this budget resolution represents a statement of the values of the Members of Congress, representing the 270 million citizens of the United States of America. What this budget resolution says is that we are giving a priority to tax cuts over meeting the moral, ethical, and legal obligations of the U.S. Government to its citizens by failing to make a commitment to strengthen Social Security and to strengthen the Medicare program. That is the fundamental message of this budget resolution.

This budget resolution requires the Senate Finance Committee to report two bills with tax cuts totalling \$150 billion in the next 5 years. The Finance Committee can report separate legislation cutting taxes by an additional \$25 billion over 5 years.

The Finance Committee can report even greater tax cuts if in July the Congressional Budget Office projects higher on-budget surpluses.

There is no similar set of mandates or permission as it relates to strengthening Social Security and strengthening and expanding Medicare. We must do these things. And we can do these things relative to tax cuts. There is no similar provision relative to our obligation to Social Security and Medicare.

We already have embarked on a serious and, I say, unfocused tax-cutting process. If you add up what we have already done in the educational savings account, the Patients' Bill of Rights, the minimum wage, small business tax cut, and what was proposed this week

in terms of marriage penalty tax cuts, and suspension of the gas tax, with that hole in our transportation funding being filled by the non-Social Security surplus, we have already spent approximately two-thirds of the non-Social Security surplus we anticipate for this next fiscal year and approximately two-thirds of what we anticipate for the next 5 years with those actions alone.

I suggest that is not a prudent way to go about using the non-Social Security surplus—that we ought to do first things first. The first thing we should do is to meet the obligation this Government has to its citizens in the areas of Social Security and Medicare. Why are those two such priorities? They are priorities because the citizens of the United States every payday are paying into those trust funds for Social Security and for Medicare. They have a legal, contractual obligation from the Government to meet those benefits which they anticipate. We need to have a similar commitment to assure that those programs are going to be capable of meeting those obligations.

We also have not been faithful in this budget resolution to some commitments both Houses have made in terms of a prescription medication benefit.

Both the Senate- and the House-passed resolutions infer—and the leadership of both Houses publicly stated—that we would be reserving \$40 billion over the next 5 years for purposes of a prescription medication benefit.

We received from the conference committee a commitment to spend \$20 billion for additional access to prescription medication—not a specific modification of the Medicare program that would incorporate prescription medication as a benefit of Medicare. The other \$20 billion would be available only if there were changes in the structure of the Medicare program which would be scored by the Congressional Budget Office as increasing the solvency of the Medicare program.

This is not the prescription medication benefit the American people expected. This is not the benefit we anticipated when we passed the budget resolution in the Senate. It is not a prescription medication benefit that will respond to the realities of modern medicine.

One of the reasons many of us believe it is so important to have a prescription medication benefit is to change the fundamental culture of the Medicare system. Medicare was adopted in 1965 as an acute-care program. If you were sick enough to go in the hospital, or if you were run over by a truck, Medicare would provide financing for your health care.

What we need to be thinking about as we start the 21st century is the approach to health care most Americans want. That is an approach that emphasizes prevention and wellness and the maintenance of quality of life. Almost every step required to do that, whether it is to moderate diabetes, to reduce

the prospect of stroke and heart disease, to deal with hormonal imbalances, all of those things that are fundamental to the quality of life, particularly of older Americans, requires prescription medication as a key to this accomplishment.

Providing this prescription medication benefit is not just adding another benefit to Medicare, as has been asserted; rather, it is changing the fundamental orientation of Medicare to one that will focus on the wellness of the American people, and not just wait until they get sick enough to go in the hospital.

That is the fundamental issue that is at risk with this budget resolution which puts at the top of the pyramid of American values providing unspecified tax cuts and puts at the bottom of American values meeting our contract with the Americans who have built this great Nation through strength in Social Security and Medicare.

I urge the rejection of this budget resolution. Hopefully, we will have an opportunity to adopt one that is more in keeping with the desires of the American people.

Mr. LAUTENBERG. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank the Senator from New Jersey.

We have an economy that is booming. We have record low levels of unemployment. We have Government coffers that are overflowing. We have a predicted \$3 trillion surplus over the next 10 years.

We are still being told by this budget resolution that we can't afford in our country to provide a good education for every child; we can't afford good health care for citizens; we can't afford to do something about the poverty of 14 million children in our country.

In the words of Rabbi Hill, "If not now, when?" This Republican budget resolution provides a very discouraging answer to Rabbi Hill's question. This budget resolution says to Rabbi Hill, "Not now and probably not ever."

The tradeoff is simple. You have huge tax cuts disproportionately flowing to wealthier, high-income citizens. You have in a post-world-war era a bloated military budget. But you have a budget resolution that does not invest in the health, the skill, the intellect, and the character of our children, and you have a budget resolution that in nondefense discretionary spending calls for cuts with a booming economy.

We will see cuts in Head Start, new teachers, reducing class size, home-delivered meals to seniors, and environmental cleanup.

We will not do well in this new century, and we will not have the successful economy or the successful moral nation Senator GRAHAM talks about, if we don't provide a good education for every child. We will not do as well as we can do as a nation in this new century if we don't invest in the skills development of our children. We will not

do as well as we could and must do as a nation and national community if we don't invest in the health of our children. We, the United States of America, the good country, will not be better unless we make this investment in our children. By that standard, this budget is sorely lacking. I will vote against it.

I yield the floor.

Mr. LAUTENBERG. I yield 10 minutes to the Senator from Iowa.

Mr. HARKIN. Mr. President, 7 years ago we ended a failed economic policy of trickle down economics. It brought ballooning deficits, a quadrupling of the national debt, high interest rates, and low growth. But we made some tough decisions and tough votes. We changed the course of the new economic policies that invested in people and imposed needed fiscal discipline.

The results are in: 21 million new jobs, 4 percent unemployment rate, the lowest in 30 years, the fastest growth rate in 30 years, and the lowest crime and welfare rate in 30 years. There is the highest home ownership ever, 108 months of straight economic growth, productivity-breaking records, and inflation outside of energy is tame. Why do we want to change this? Why return to the days of risky tax schemes, the days of trickle down economics, and fiscal irresponsibility?

That is exactly what the conference report budget before the Senate does. This budget resolution before the Senate provides \$175 billion to tax cuts, skewed to the wealthiest of Americans. The Congressional Budget Office, however, projects \$171 billion in non-Social Security surpluses over the next 5 years. Add the higher interest we have to pay on the public debt because we did tax cuts instead of paying down the debt, and what does that add up to? This budget conference report before the Senate means we will have to tap into the Social Security surplus in order to pay for these tax cuts.

It is fiscally irresponsible. We ought to take a different course and follow the adage that when times are good, prepare for the future. That means the budget should put the highest priority on paying off the debt, securing Social Security and Medicare for the future.

I have said time and time again on this floor, if you want to save Medicare and cut down on Medicare expenses today, invest in medical research. To that end, 3 years ago, the Senate, in a unanimous vote, went on record as saying we ought to double NIH basic medical research in 5 years. Last year, we had a historic increase of \$2.3 billion to keep on the track of doubling NIH research in 5 years. This next year would require \$2.7 billion. Keep in mind the Senate voted unanimously to double NIH funding.

When the budget came out of committee, it was short by \$1.6 billion for NIH research. Senator SPECTER, chairman of the appropriations subcommittee on health and human services that funds NIH, offered an amend-

ment that I supported to add back the \$1.6 billion to medical research. Nine Republicans joined the Democrats, and it passed 54-46.

As anyone who has even opened the newspapers lately knows, we are on the verge of many breakthroughs in biomedical research, stem cell research, and the human genome, which is being mapped and will be done shortly. Now we need to push ahead to invest in medical research, to find the causes, the cures, and the preventions for many of the illnesses that cost Medicare so much today. Yet this conference report ignores the bipartisan vote in the Senate. It completely obliterates the \$1.6 billion that was added by the Specter amendment. It has been wiped out.

Let's bring it to concrete terms. What does it mean? The conference report that took out that \$1.6 billion, when spread over the different research being done by NIH, means, for example, that in AIDS research, \$179 million less than what we had in the Senate; cancer research is \$261 million less than what we had in the Senate; prostate cancer is down \$21 million; arthritis is down \$24 million; Alzheimer's is \$41.8 million less than what we had in the Senate.

If the conference report had kept in what we had voted for in the Senate, we would have an additional \$261 million for cancer research; we would have an additional \$179 million for AIDS research; we would have an additional \$111 million for mental health research; we would have an additional \$14 million for Parkinson's; we would have an additional \$13 million for osteoporosis; we would have an additional \$1.9 million for multiple sclerosis; we would have another \$24 million for kidney disease; we would have another \$38 million to study infant mortality; we would have another \$47 million for diabetes research if this budget report has the \$1.6 billion added by the Senate.

I thought the budget we passed was inadequate before; it is woefully inadequate now. For the life of me, I don't understand why the \$1.6 billion was taken out of this critically needed part of meeting our obligations of the future for NIH basic research.

There is another point. The Senate resolution had increased Pell grants by \$400, bringing them up to \$3,700. We have needed to do that over the last 20 years. The purchasing power of Pell grants went down 25 percent. A poor student in college today can spend 25 percent less with the maximum Pell grant than 20 years ago. The education was also dropped in conference. That is deeply, deeply disappointing.

This budget needs to be sent back to the drawing board. It targets fiscally irresponsible tax breaks to the wealthiest of Americans. It shortchanges the critical investments we need: First, in medical research; and, second, in investment in education to keep our economy and our people healthy and strong.

I yield back the remainder of my time.

Mr. DASCHLE. Mr. President, in the last week, this budget has gone from bad to worse. That is the only "progress" we've seen. After a conference from which Democrats were excluded, our Republican colleagues are now proposing even bigger tax cuts. Last week, Senate Republicans voted for \$150 billion in tax cuts over five years, plus a "summer surprise" of more tax cuts. This resolution calls for \$175 billion over five years, plus a "summer surprise."

To pay for those bigger tax cuts, this resolution calls for even deeper cuts in education, health care, other critical priorities. It still calls for 6 percent across-the-board cut in discretionary spending next year. That hasn't changed—for obvious reasons; our colleagues don't want to make things even worse just before an election.

But things do get much worse after the election—and every year for the foreseeable future—under this plan. The additional cuts all ratchet up in the "out years." Instead of 8 percent across-the-board cuts by 2005, this plan calls for cuts of nearly 10 percent across-the-board by 2005.

This plan dramatically weakens—in fact, it all but eliminates—any commitment to a prescription drug benefit. Last week, this Senate passed a plan that dedicated \$40 billion over five years for prescription drugs. That commitment is not included in this resolution. This resolution includes \$20 billion to quote—"improve access to prescription drugs"—whatever that means. There's another \$20 billion—but that's available only after we cut Medicare benefits.

As if that's not bad enough, this plan says the money for a prescription drug benefit will be available "whenever" the Finance Committee reports out a prescription drug bill. "Whenever"? Why don't they just say the money will be available "if we feel like it," or, the money will be available "if there's anything left after we pass all our tax breaks"?

The Senate-passed Republican budget at least included a date. It said money for prescription drug benefit would be available by Sept. 1, 2000—whether or not the Finance Committee did its job. Now they've scratched out that date and written in "whenever." You can practically see the budget writers winking! What they really mean is "never."

Last week, a majority of Senators voted that Congress should put prescription drugs ahead of tax cuts. Fifty-one Senators—Republicans and Democrats—said we should not spend one dollar on tax cuts until we pass a real prescription drug bill. This resolution directly contradicts that statement. It says, "Forget what we said last week. Spend nearly \$200 billion on tax cuts now. Worry about prescription drugs whenever." The contradiction would be laughable if it weren't so deadly serious.



Our Republican colleagues claim that, under their plan, total discretionary spending next year would be \$14 billion above freeze. The operative word is "total." What they don't like to say about their budget is defense spending is \$21 billion above a freeze; non-defense discretionary spending is \$7 billion below a freeze.

There's another thing our colleagues don't like to talk about: According to the Congressional Budget Office, the total non-Social Security surplus over the next five years will be \$171 billion. The reason our colleagues don't like to talk about that is their tax cut costs \$196 billion over 5 years—\$25 billion more than entire non-Social Security surplus.

I am tempted to recycle that classic old Yogi Berra line—"It's *deja vu* all over again."—because it seems like we've had this same debate every year for the last five years. Instead, let me use a different Yogi Berra quote: "It ain't over 'til it's over." This is just the beginning of the budget process. We have many months to go.

This budget does not meet the priorities of American people. If we pass this flawed plan, America would miss a once-in-a-lifetime opportunity to sustain and expand this economic prosperity; protect Social Security and Medicare; and invest in America's future—in education, medical research, safe communities, clean water—all the things we need to remain strong and competitive.

In the five years since they regained control of Congress, Republicans have never passed a budget without a major "train wreck." This budget, unfortunately, sets us up to extend that record. To quote the Republican Chairman of the House Appropriations Committee, these numbers are "unrealistic." They do not add up. It's obvious. We know it, and they know it.

We hope that this year, our colleagues will admit their plan can't work—before the train wreck. If they do, Democrats are ready, willing and determined to work with them to get the budget process back on track. We want to work with Republicans to write a responsible budget. A budget that extends the solvency of Social Security and Medicare, so we can avoid a Baby Boomer retirement crisis; a budget that includes a real Medicare prescription drug plan that is voluntary, affordable and universal.

We want to work with Republicans to pass a budget that pays down our national debt—so we can stop wasting \$220 billion a year—\$600 million a day—on interest payments. We want to work with our colleagues to pass a budget that provides tax cuts to help working families with real needs—like child care, day care, and caring for older parents—a budget that invests education, health care and other critical priorities. We want to work with Republicans to pass a budget, in short, that allows us to seize, not squander, the once-in-a-lifetime opportunity now before us.

Mr. MCCAIN. Mr. President, I will reluctantly vote against the Conference Report on the Budget Resolution for Fiscal Year 2001. Although the budget resolution includes most of the mechanisms approved by the Senate to ensure better budgetary discipline, the resolution fails to address the pressing issues of the impending financial insolvency of Social Security and Medicare, and the massive burden of debt that will be passed along to our children and grandchildren.

Mr. President, for the first time in history, economic projections show a surplus of nearly \$1.9 trillion over the next ten years, exclusive of the surplus in the Social Security Trust Funds. At the same time, we know that the Social Security system is projected to be bankrupt by 2037 and Medicare will be broke in 2023, leaving millions of elderly Americans without the promised benefits they need to live comfortably in their retirement years.

Yet, this budget resolution uses none of the surplus to shore up either Social Security or Medicare. Nor does it apply any significant portion of the surplus to reducing the burden on future generations of our \$5.7 trillion national debt. In fact, debt will actually continue to accumulate because the resolution allows most of the non-Social Security surplus to be spent on more big government programs.

Mr. President, as I traveled around the country over the past several months, I listened to the American people. Everywhere I went, they told me that they wanted us to protect and preserve Social Security and Medicare. They said they wanted to pay down the debt. I proposed a plan to use the bulk of the non-Social Security surplus to do what the people told me they wanted to do, and still provide much-needed tax relief to those who need it most—lower- and middle-income families. Unfortunately, this budget spends too much and saves too little for the future, and I cannot support it.

Mr. President, there are some very good provisions in the budget resolution.

I support the increase of \$4.5 billion in defense spending over the President's budget request, which represents real growth in the defense budget for the first time in many years. I am pleased that the conference includes the \$25 million added to the defense budget to get 12,000 enlisted families off of food stamps and end the disgrace of the food stamp Army once and for all. For too many years, the Clinton Administration has neglected the people who volunteer for military service. With this increase, and money freed up from eliminating waste and inefficiency in the defense budget, we can make progress toward restoring the morale and readiness of our Armed Forces.

The addition of \$1.9 billion to the budget request for veterans health care is the amount identified in the Independent Budget of the veterans groups

as the minimum necessary to provide appropriate care for our veterans. I hope the Congress sees fit this year to restore the "broken promise" of free lifetime medical care that was made to our nation's oldest veterans, and I intend to work with my colleagues to ensure all of our military personnel have access to the quality, affordable health care they deserve.

Many of the specific funding assumptions in the resolution are laudable, but I disagree with funding most of these increases from the surplus. I have identified billions of dollars of pork-barrel spending in annual appropriations bills over the past several years—programs that are wasteful, inefficient, or low-priority. Because of the compelling need to deal with the problems in Social Security and Medicare, we should look within the budget to ferret out waste in order to fund higher priority requirements, rather than spend the entire surplus on more government.

Some of the objectionable provisions in this resolution are earmarks that would qualify as pork-barrel spending if they were included in an appropriations bill. For example, the resolution identifies \$700 million to construct, or site and design, more than ten new courthouses in 2001. It assumes \$25 million will be set aside for the construction of a Metro station on New York Avenue in the District of Columbia. And it earmarks \$510 million for NOAA's Pacific coastal salmon recovery program. As I have always said, I am not making a judgment on the merits of these programs, but their mention in this resolution leads me to assume that they will show up as earmarks in the appropriations process—a process not noted for its reliance on merit over politics.

I also note the significant cut in the International Affairs budget in the resolution, which is \$2.7 billion less than the President's request and \$2.2 billion below last year's level. I am concerned that, as in past years, the foreign affairs budget is seen as an easy target for cuts to offset spending in other areas. Clearly, the United States is and must remain a global power with global interests, both related to our security and that of our allies, as well as our economic health. Our continued international involvement requires not just a strong military, but a robust diplomacy. I will be looking carefully at the Foreign Operations Appropriations bill to ensure that the programs that are cut to meet this budget target are appropriate and do not in any way hinder our ability to influence world affairs to our advantage.

Mr. President, I am pleased to note that the resolution includes several Senate-passed provisions to ensure Congress complies with the revenue and spending levels in the resolution to limit the amount of emergency spending and budgetary gimmicks, including:

A Social Security "lockbox" point of order which can be raised against any

budget resolution that dips into the Social Security Trust Funds.

A permanent 60-vote point of order in the Senate challenging any "emergency" in any spending or revenue bill, to ensure that emergency spending is truly used for emergencies and not simply to avoid accounting for routine spending.

A restored firewall between defense and non-defense spending for FY 2001, with any funds unused in either account to be used for debt reduction.

Two new 60-vote points of order to prevent the use of advanced appropriations and delayed obligations to circumvent spending limits.

Mr. President, there are many good provisions in the budget resolution, and I thank the Chairman and Ranking Member of the Budget Committee for taking on some very tough fights. The fact is that we simply have different opinions about budget priorities. I cannot support this resolution because it spends the surplus on more government, without guaranteeing funding for Social Security or Medicare reform or significantly reducing the debt, and I will vote against the resolution.

Mr. L. CHAFEE. Mr. President, I rise today to express my opposition to H. Con. Res. 290, the Budget Resolution for FY 2001 Conference Report that the Senate is voting on today. I feel it is important to note that despite my opposition, I have deep and abiding respect for Budget Committee Chairman DOMENICI and recognize and appreciate the hard work, expertise, and excellent leadership that he has displayed in the Senate's consideration of the federal budget.

There is much to praise in Chairman DOMENICI's budget. Increased funding for education and defense. A reserve fund of \$40 billion for a prescription drug benefit. Provisions to do away with budgetary gimmicks. A Social Security Lock-Box. But, there is just too much money set aside for tax cuts, and not enough for paying down the debt.

While I support some targeted tax cuts, such as the low-income housing tax credit, and marriage penalty relief, I believe that \$150 billion over five years in tax cuts is too much. Instead, I believe it makes more sense to pay down the debt. The federal debt—currently \$5.7 trillion, with interest costs of over \$200 billion per year, or almost 12 percent of annual federal outlays—represents a huge burden that should not be passed on to our children and to our grandchildren. Not only is this massive debt a problem, but by paying down the debt we would free up more than \$200 billion per year. That money eventually could be used to ensure the solvency of Social Security and Medicare; to increase funding for education, specifically, Individuals with Disabilities Education Act (IDEA); needed infrastructure and environmental improvements; and to provide for tax relief.

Let me take a few moments to explain a number of my votes from last

week during the Senate's consideration of the Budget Resolution. I voted for an amendment offered by Senator CONRAD that would have reduced the tax cuts in the Budget Resolution from \$150 billion over five years to \$75 billion for tax cuts and \$75 billion for debt relief. I also voted for an amendment offered by Senator VOINOVICH that would have struck all tax relief from the Budget Resolution so that it may be used for debt relief. Believing that the approach taken by Senator LAUTENBERG was more fiscally responsible, I voted in favor of his amendment because it contained only \$59 billion in tax cuts and provided for more debt relief. Finally, I voted against the Budget Resolution as it was reported from Committee because it contained a too high level of tax cuts and not enough debt relief.

All of us who have had to pay interest—be it on our house, car, credit card, or other payment—know that these costs are painful. We need to apply the same fiscal discipline here in Congress that we apply at home. To pay out 12 percent of our revenues annually on interest costs rather than on education, needed infrastructure construction and improvements, and to ensure the solvency of the Social Security and Medicare programs, seems to me to be a poor investment of taxpayer dollars. Therefore, in an effort to encourage fiscal discipline and responsibility, I am casting my vote against the Budget Resolution Conference Report.

Mr. JEFFORDS. Mr. President, first I must congratulate the Chairman of the Budget Committee, Senator DOMENICI, for producing an on-time budget for only the third time in the 24-plus-year history of the Budget Act.

Thrifty, cautious, and conservative. These adjectives describe the Yankee qualities of many Vermonters when someone tries to get them to open their wallets, and are in the genes of anyone who represents our great state in Congress. I am pleased that this resolution protects social security. Not one penny of the social security surplus is touched. Second, it balances the budget every year without using the social security surplus. Thirdly, this resolution retires the national debt held by the public—nearly \$170 billion in the first year and \$1 trillion over the next five years.

I am greatly troubled, however, about certain elements in the budget, and will vote against the fiscal year 2001 budget resolution now before the Senate.

What would a cautious farmer do when times are good—invest in new equipment to become more efficient, pay off debts, and put some away for a rainy day. There is no question that tax relief is warranted, but not at the expense of education, veterans health, job training, child care and other important discretionary programs.

A farmer cautiously guards his seed corn for future harvests. Our nation's

seed corn is its youth and investments in education are needed to protect our prosperity. The conference report now before us rejects funding added on the floor of the Senate for three important education programs. It not only rejects funding that a majority of this body supported but it takes a giant step backward by reducing funding for education \$3 billion below what was contained within the original Senate-passed resolution.

When I first arrived in Congress, one of the very first bills that I had the privilege of working on was the Education of All Handicapped Act of 1975. As a freshman Member of Congress, I was proud to sponsor that legislation and to be named as a member of the House and Senate conference committee along with then Vermont Senator Bob Stafford.

At that time, despite a clear Constitutional obligation to educate all children, regardless of disability, thousands of disabled students were denied access to a public education. Passage of the Education of All Handicapped Act offered financial incentives to states to fulfill this existing obligation. Recognizing that the costs associated with educating these children was more than many school districts could bear alone, the Federal government pledged to pay 40 percent of the costs of educating these students.

The budget resolution that is before us makes a mockery of this pledge. The original Senate budget resolution assumed that the Federal government would only fund between 15 and 18 percent of the cost of educating disabled students. My amendment to increase this percentage was narrowly defeated last week and was then watered down by an amendment by my colleague Senator VOINOVICH. I had hoped, nonetheless, that passage of the Voinovich amendment meant that a serious effort would be made in conference to increase funding for IDEA. This hope was clearly misplaced.

Let me also speak for a minute about early childhood education.

Research into the development and growth of the human brain clearly demonstrates that learning begins at birth. The sheer magnitude of this scientific research is difficult to fathom. When talk turns to 100 billion neurons or connections with axons and dendrites, confusion is the most likely outcome. What this research basically says is something that parents and grandparents have known for decades, very young children need a nurturing, stimulating environment in order for their brains to make the myriad of connections they need to grow into competent, caring adults.

Research on the brain has shown that the years between birth and six are critical for future success in school, at work, and in society. I believe that education provides the cornerstone from which all other things become possible. Our Nation's first educational goal is that all children should begin

school ready to learn. In order to achieve that goal, parents and caretakers need support and assistance to better ensure that they have the tools necessary to incorporate early childhood learning into the daily lives of our Nation's children. Senator STEVENS offered an amendment that was adopted by unanimous consent that provided mandatory funding for this program. This funding was rejected in conference and is not contained within this budget resolution.

Senator KENNEDY and I offered an amendment that provided for a \$400 increase in the maximum Pell Grant. These funds make it possible for millions of students to attend college each year. Again, this funding was rejected in conference and is not contained within this resolution.

Prosperity also dictates that we redouble our efforts to protect society's most vulnerable. Unfortunately, this budget does not go far enough to provide drugs to seniors who need them now. I agree with Vermonters who tell me that prescription drug costs are too high, and that it doesn't make sense for Medicare to cover hospital charges, but not cover the drugs that could keep beneficiaries out of the hospital.

Let me be clear, Mr. President, I believe that we need Medicare reform that includes a broad prescription drug benefit. But even if we are not able to enact Medicare reform this year, I believe we need to provide sufficient funds now, in this budget, that will provide relief to Medicare beneficiaries that need help the most—those low-income seniors whose income is high enough that they don't qualify for Medicaid, but still do not have enough income to afford the prescription drugs that they need.

Mr. President, I am very disappointed with the prescription drug provision in this Budget Resolution. I supported the approach of Senator SNOWE's amendment in the Budget Committee that would have provided \$40 billion for prescription drugs for Medicare beneficiaries even if Congress is unable to enact Medicare reform. We should not let Congress' inability to enact broad Medicare reform stand in the way of providing seniors with the medicines that they need to live longer, healthier lives.

I am further dismayed that this budget resolution does not fulfill our Nation's commitment to its veterans. Years of underfunding coupled with spiraling health care costs have left the veterans health care system struggling to provide the quality care that veterans expect and deserve. This trend must be stopped and reversed. We owe it to future generations to keep federal spending under control. But we must first recognize the prior claim of veterans who have already given of themselves and who expect to receive the medical care and benefits they were promised.

This budget, like all budgets passed by Congress, is an expression of polit-

ical intent, priorities, and a starting point for bargaining. Much work remains to be done to pass the 13 appropriations bills that actually fund the government. In areas where I disagree with the budget resolution, I plan to work hard with appropriators to adjust spending levels and turn this budget into reality.

Mr. President, I yield the floor.

Mr. ASHCROFT. Mr. President, the Budget Resolution before us is a responsible budget framework. Senator DOMENICI has done a superb job in helping to craft this budget on the Senate side, and he deserves our praise. This budget resolution balances the important goals of debt reduction, tax relief, and prudent spending levels.

Most importantly, the budget will fully protect Social Security now and in the future. This represents a sea change in the way business is done in Washington. When I came to Washington, Congress routinely spent money out of the Social Security trust fund. This resolution ends the raid on Social Security, and does so in two ways.

First, the budget is based on the premise that Social Security funds will not be used to pay for additional deficit spending or tax relief. Second, as part of this budget's commitment to protect the entire Social Security surplus, Senator DOMENICI included a point of order against any budget that spends money out of the Social Security surplus. This rule is the same as the one I proposed last year, and that was included in the FY 2000 budget.

As a result of this hard-fought fiscal discipline, this budget will retire \$1.1 trillion in publicly held debt over 5 years, and approximately \$170 billion next year. If we continue upon the path laid out by this budget, we will completely eliminate the publicly-held debt over the next 13 years.

We have already made great progress in this regard. When this budget is enacted, we will have reduced the national debt by \$533 billion over the past three years.

I was particularly pleased that the Senate unanimously accepted my amendment objecting to the President's plan to have the government invest Social Security surpluses in the stock market. This risky scheme would have put both Social Security and the stock market at risk.

In addition to responsibly paying off our publicly-held debt, this budget allows for approximately \$150 billion in tax relief over 5 years, including \$13 billion in FY 2001. These actions include significant marriage penalty relief, which already has passed the House, and is working its way through the Senate. In fact, during the debate on the Budget Resolution, the Senate passed the Hutchison-Ashcroft amendment calling for marriage penalty relief 99-1.

In addition to providing a judicious mix of tax relief, debt reduction, and Social Security protection, the FY 2001

Budget Resolution also includes responsible spending levels. This budget, which is a balanced budget for the third year in a row, calls for approximately \$600.5 billion in discretionary spending.

This budget will fully fund Medicare, rejecting President Clinton's Medicare cuts of \$14 billion over 5 years. In addition, Congress' spending plan calls for a \$40 billion reserve fund to pay for Medicare reform and Medicare prescription drugs.

As I said, this budget focuses spending towards our national priorities, including a \$4.5 billion increase in education spending in FY 2001, and \$5.5 billion in agriculture spending in FY 2000. The FY 2001 budget also increases funding for domestic priorities such as Head Start; embassy security; the National Science Foundation; the National Institutes of Health; the Park Service; and highways and airports.

Of course, this budget isn't perfect. I was disappointed that the Senate did not adopt the effort to protect the Medicare surplus with my Medicare lockbox amendment. This amendment, which would have extended the protections that now apply to Social Security to the Medicare Part A Hospital Insurance trust, did not overcome a point of order in the Senate.

Despite this setback, I am pleased with the overall package agreed to by Congress. It meets the vital national needs of protecting Social Security, reducing debt, cutting taxes, and funding our domestic priorities. I plan to vote for the FY 2001 Budget Resolution.

Mr. WARNER. Mr. President, I rise today in support of the budget resolution conference report. This budget before us today continues the momentum we started last year to provide additional funding for defense in an effort to correct the most critical readiness, modernization, and recruiting and retention problems in our military.

I thank the Majority Leader, the distinguished chairman of the Budget Committee and his staff and the distinguished chairman of the Appropriations Committee and his staff, for working with me to provide the additional \$4.0 billion in much-needed funding for the Department of Defense, the reserve for military retiree healthcare, and the important language necessary to allow the military thrift savings plan to become a reality. I also recognize members of my own committee staff—Les Brownlee, Staff Director, Judy Ansley, our Deputy Staff Director, and especially Larry Lanzillotta, our Budget Chief—whose expertise in budgeting matters is invaluable not only to the Armed Services Committee, but to the entire Senate as well.

The funds which have been added in this Budget Resolution for defense are absolutely critical in providing readiness, modernization funding, and the personnel incentives necessary to reverse the negative trends in recruiting and retention. The increase of \$4.0 billion will allow us to bring defense

spending to a more appropriate level and address some of the urgent unfunded requirements of the military chiefs. For too many years, the size of our defense budget has been based on constrained funding, not on the threats facing our country or the military strategy necessary to meet those threats. This budget will go a long way in allowing us to ensure the safety and security of our people by maintaining a strong and capable military.

Making the Thrift Savings Plan available to military personnel comes at a critical time for the military services. Participation in a thrift savings account will encourage personal savings and enhance the retirement income for service members, who currently do not have access to a 401(k) savings plan. When the TSP program is implemented, military personnel will be able to join federal workers in a savings program that will enhance the value of their retirement system and permit them to improve their quality of life. The Service Chiefs have indicated that this plan, combined with the pay raise, the repeal of the Redux retirement system, and the increased bonuses in the FY 2000 Defense Authorization Act, will reduce the hemorrhage of trained and experienced military personnel we are now experiencing.

The Secretary of Defense, the Chairman of the Joint Chiefs, and the Service Chiefs have all said that fulfilling our commitment for healthcare to our military retirees should be among the highest priorities for this year. I believe there is overwhelming support in the Senate to correct many of the shortfalls in the military healthcare system for our service members, their families, and our military retirees. It is critical that we enact the important initiatives contained in the bipartisan healthcare legislation introduced by the leadership of the Senate and the leadership of the Armed Services Committee earlier this year. This budget resolution makes it possible to fund these important health care initiatives for our military retirees.

I want to again express my appreciation to the distinguished Chairman of the Appropriations Committee, Senator STEVENS, and the Chairman of the Budget Committee, Senator DOMENICI, and also their highly professional staff members for assisting us in securing these much-needed funds in support of a stronger national defense.

Mr. DOMENICI. Mr. President, once again, I am trying hard to accommodate Senators. I will not use more of our time if they want to give back. I have one Senator who has not spoken. I yield 5 minutes to Senator SNOWE.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Mr. President, I rise today to speak in support of the conference report on the fiscal year 2001 budget resolution and to highlight a reserve fund that Senator DOMENICI has been referring to with respect to a new prescription drug benefit.

In advance, I would like to thank the chairman of the Senate Budget Committee for his unwavering commitment to a balanced budget and fiscally responsible decisionmaking over the years. Thanks to his leadership and efforts, the turbulent waves of annual deficits and mounting debt have certainly been calmed. And if we adhere to the principles as contained in this year's budget resolution, and retain these principles in the years to come, clearly, we will have provided security for many generations.

The conference report we are now considering not only maintains fiscal discipline but it also ensures that critical priorities are protected in fiscal year 2001 and beyond, which is the purpose of the balanced budget: to be able to provide a constraint on Federal spending but at the same time determine how best to invest in the future.

I commend the chairman of the Budget Committee for having taken the step last year to protect every dollar that belongs to the Social Security trust fund and devoting it solely to reducing the publicly held debt. Ultimately, this commitment and this conference report will ensure that we reduce the publicly-held debt by approximately \$1 trillion over the next 5 years and eliminate it entirely by the year 2013. Clearly, it is a paradigm shift, not only with respect to the fact we are no longer using surpluses that belong to Social Security, but also the fact that we are able to reduce the publicly held debt and make a commitment to protecting Social Security.

The second issue in this budget that is critically important is that we are making investments where we should be making investments for the future—in education, health care, child care, and defense. In addition, this budget provides modest tax relief. The American people do deserve tax relief, given the burdens they have faced over the years to achieve debt reduction, and the constraints we have had to adhere to over this last decade. Certainly they deserve to have a piece of that pie through the elimination of the marriage tax penalty, through a deduction for college tuition expenses and a credit for the interest paid on student loans. Those are the priorities that could be accommodated in this conference report that the American people deserve. I think they are the right priorities.

Third, as the chairman of the committee has indicated, we have now included and have taken a giant step forward in ensuring our Nation's seniors have a prescription drug benefit program. Senator WYDEN, Senator SMITH, and I offered an amendment in the committee that would have laid out a bifurcated approach that would provide a down-payment of \$20 billion for a new benefit in the first 3 years, and \$20 billion in years 2004 and 2005 contingent on Congress moving forward on Medicare reform. Of importance, the initial down-payment of \$20 billion would

allow us to move forward in creating a new benefit this year with or without Medicare reform—and that structure has been retained in this conference report.

We also included a date certain by which the Senate Finance Committee would be required to report a new prescription drug benefit bill. If that date was not met, we would be able to proceed with the stand-alone prescription drug benefit on the floor. That time certain was dropped.

But the fact of the matter is, the conference report retains the reserve fund language, and we still have the ability to create a stand-alone prescription drug benefit this year. As a result, the Senate Finance Committee still has \$20 billion available to develop a prescription drug benefit program for our Nation's seniors that is not contingent on Medicare reform or other legislation—and an additional \$20 billion will be made available if they proceed with broader Medicare reform.

Accordingly, I thank Chairman DOMENICI for his efforts in ensuring that provision would be included in the conference report. The significance of it is twofold. One is that we have \$20 billion that would be immediately available for such a benefit. As a result, this reserve fund gives us the opening we need to consider and pass a prescription drug benefit program this year. Furthermore, it not only provides a downpayment for such a benefit over the next 5 years, but it also provides an additional \$20 billion if we move forward reach a consensus on Medicare reform. This total allotment of \$40 billion over the coming five years is more than was contained in the Chairman's mark, and even more than was provided in the President's own budget proposal for a prescription drug benefit.

There are no caveats, there are no conditions. The Senate Finance Committee has the ability to proceed with a comprehensive Medicare reform package. But in the event they cannot grapple with this issue, if they fail to reach a consensus and Congress fails to reach a consensus, we can proceed and enact a prescription drug benefit program.

So the overall structure of this fund is the same as it was when we offered it as an amendment during the markup, as it was supported unanimously by Republicans and Democrats on the Budget Committee. As a result, it provides the Finance Committee with both the means and the motivation to act on this legislation in a timely manner.

In conclusion, I again applaud the efforts of the chairman of the Budget Committee, Senator DOMENICI, for preserving the essential structure of this reserve fund which enables the Senate and the Congress to create a prescription drug benefit in a timely fashion. I congratulate him because this is a significant step forward and gives us the opportunity, for the first time in a

very long time, to enact this very significant and critical benefit for our Nation's seniors.

Thank you, Mr. President. I yield the floor.

Mr. DOMENICI. I will propound a unanimous consent request. It is cleared on the other side.

I ask unanimous consent vote on adoption of the budget conference report occur no later than 6:30 p.m. this evening.

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

Mr. DOMENICI. I thank the Chair and Senate.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I conclude my remarks, regretfully noting we are leaving without passing the juvenile justice bill conference report, without adopting sensible gun control legislation, missing the opportunity, I think, to do what the American people want us to do.

I have long been a supporter of effective gun controls, working hard for the Brady bill and for the assault weapons ban while I was in the other body. But I have been galvanized to an even more concerted effort by an event that took place very recently in Providence. This, I think, is an example of the gun violence we face.

Two young men were horsing around wrestling. One got offended by the other one. Unfortunately, this happened in a neighborhood, like so many neighborhoods, where it is easier to get a gun than it is to get a library book. Someone in the crowd had a handgun. In an act of absolute recklessness, one young man fired at the other young man, critically wounding him in the head. That young man, the shooter, was so distraught that he rushed off and took his own life. That is the face of gun violence in too many places in America today.

We can do something about it. We should do something about it. We should not leave until we do something about it. Regretfully, we are leaving but we are coming back, I hope, with a renewed commitment to ensure we will, in fact, pass the provisions in the juvenile justice committee report.

I yield 5 minutes to the Senator from New Jersey, who has particularly championed the legislation to close the gun show loophole.

I yield to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank the Senator from Rhode Island for the work he has done on trying to limit the damage from gun violence in this country. He reminded us it is time. We are days away from April 20, the anniversary of the terrible tragedy at Columbine. We are days away. That means in this full year that passed, we could not find time to get on with doing our best to control gun violence by examining what the possibilities

are, by closing the gun show loophole, by making sure those who are going to apply for gun ownership were fit to do it.

Here is a picture of a fellow who is on the FBI Ten Most Wanted Fugitives list. He could walk up to an unlicensed dealer in a gun show and purchase all the guns the money in his pocket can buy. We ought not permit that. The American people do not want us to permit that.

Mr. President, we are closing the debate now. I congratulate my friend and colleague from New Mexico for his ardent work on getting this done. They have a majority, and the one thing we know about our democratic system is if a majority has been sent here by the American people, we have to acknowledge that, and they have the choice of a majority. I wish we had the majority, and we would be kinder and gentler, although I am not sure everybody would agree with that.

That is the die as it was cast. It was cast by a majority. In the process, I see substantial loopholes in this budget conference report. It proposes deep cuts in programs such as education and health care, law enforcement, veterans benefits, and environmental protection. Also, based on just the most simple arithmetic, it is going to raid the Social Security surplus, regarding which so many of us have taken an oath: Touch not a hair on yon gray Social Security head. Here we are, preparing to violate it, even as we present a program for the fiscal year 2001.

They did purport—and I am not talking about as a deception; I am talking about it as an analysis of the arithmetic, the mathematics as it is there—that prescription drugs were going to be taken care of.

I read from the conference committee report under the heading of prescription drugs. It says: Whenever the Committee on Finance in the Senate reports a bill, a joint resolution or conference report thereon submitted which improves access to prescription drugs for Medicare beneficiaries. It does not say we are going to develop a program that is going to make prescription drugs more available, cheaper, et cetera. It does not talk about that. It says access. Maybe it means the Government is going to produce lists of places where one can buy drugs off the Internet cheaper. Maybe access means if you visit country X, Y, or Z, you will be able to buy prescription drugs cheaper.

Access is a broad term. It does not say anything about having to get it done, but it does say in the tax section that the Finance Committee must reconcile. That means they have to produce a sufficient amount of funding for tax breaks for whomever it affects, and this is going to be principally the wealthy.

We leave the prescription drug section and go to the Medicare reform on page 48. It says: Whenever the Committee on Finance in the Senate—they

are the people who can do it; we cannot do it in the Budget Committee—when ever the Finance Committee reports a bill, joint resolution, or conference report thereon submitted which improves the solvency of the Medicare program without the use of new subsidies from the general fund—to me that says we are going to dip into the Medicare trust fund in order to reform Medicare.

If that is reform, Heaven protect us, keep us from the kind of reform that says we will have to take funds from cuts in the Medicare trust fund.

Mr. President, in conclusion, this is my last attempt to work on the Federal budget. As disappointed as I am with the outcome, I am pleased to say I very comfortably and very forthrightly worked with Senator DOMENICI. He is a distinguished Senator. He knows his subjects, oh, so well. I will miss the chance for the fray, but also the chance for the pleasant contact we have had through this experience.

Mr. DOMENICI. Does the Senator from New Jersey yield back his time?

Mr. LAUTENBERG. I yield back my time.

Mr. DOMENICI. Mr. President, I am going to respond to the Senator for 1 minute, and then I will have remarks about the Senator from New Jersey and our relationship.

I say to the distinguished Senator who spoke about the National Institutes of Health and what we are going to do and not going to do, everybody should know when and by whom the NIH increased in the most dramatic manner in its history.

In the last 3 years, when Republicans controlled both Houses, we increased the National Institutes of Health—cancer, AIDS, all those diseases—let me give the numbers to my colleagues. Since 1998, NIH has increased 40 percent: In 1998, \$13.7 billion; in 1999, it was \$15.6 billion. That is a 14-percent increase. In 2000, it went up 13.8 percent, one of the largest domestic program increases in this whole budget. In 2001, this conference report, NIH funding is going to \$19.3 billion. That is an increase of 8 percent. We are doing pretty well trying to find cures for serious ailments, thanks to the Republicans who in conference and elsewhere pushed so hard for it.

I ask that it be in order to ask for the yeas and nays.

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, when Senator LAUTENBERG of New Jersey came to this committee, I do not know if he was like me, but I never thought I would be ranking member, much less chairman. I am not sure he had a plan to be ranking member, especially when he had to put up with me.

It has been not only a joy, in terms of getting our committee work done, but it has been healthy from the standpoint of adversaries who believe

strongly about their position but understand the other fellow can have a different opinion and it is all right, they are OK. That is how I feel about him. He has different views than I, but he brought a lot of stability to this committee. The minority ought to be very grateful for the way he handled matters. They all had a chance to contribute.

Today is his last effort on the floor of the Senate as ranking member. I thank him. I hope the whole Senate understands what he has done.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, if I may take 1 minute from the time remaining of the Senator from Rhode Island, I yielded back all my time.

I ask unanimous consent to print in the RECORD documents prepared by OMB that explain the impact as they see it.

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

POTENTIAL IMPACT IN FY 2001 OF THE BUDGET RESOLUTION CONFERENCE REPORT

The following programmatic impact statements illustrate reductions (by function) to the FY 2001 Budget request contained in the Budget Resolution Conference Report.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

**Class Size.** The Conference Report appears to freeze the Class Size Reduction program at the FY 2000 level and would therefore prevent the hiring of the third group of teachers meant to reduce class size in grades 1-3, to a nationwide average of 18 students per class. Twenty thousand new teachers could not be hired.

**21st Century Community Learning Centers.** The Conference Report could cut \$547 million from the President's request, denying approximately 1.6 million school age children in over 6,000 new centers access to before- and after-school and summer programs in safe, drug-free environments.

**School Construction.** The Budget Resolution Conference Report could eliminate \$1.3 billion in loan subsidies and grants to repair 5,000 public schools.

**Small, safe, and drug-free schools.** The Conference Report could prevent 400 additional high schools from developing schools-within-schools and career academies that could create smaller, safer learning environments for students. It could also severely compromise the President's proposed 40-community expansion of the popular interagency Safe Schools/Healthy Students initiative, which supports comprehensive, community-wide approaches to drug and violence prevention, and eliminate Project SERV, an initiative to provide emergency assistance to schools affected by serious violence or other traumatic incidents.

**Funding for the Dislocated Worker program** would be cut by about \$213 million, denying training, job search assistance, and support services to approximately 118,000 dislocated workers.

**Adult training services** for over 45,000 of the 380,000 adults who would otherwise be served in FY 2000 would be eliminated.

**Funding for the Youth Activities Formula Grant program** would be cut by about \$123 million, denying 73,000 low-income youth summer jobs and training opportunities.

**The Community Service Employment for Older Americans program** would be cut by

about \$57 million. About 12,000 low-income older Americans would lose their part-time jobs.

The budget resolution would cut the Job Corps program by \$163 million—preventing Job Corps from opening the final two centers of the recent four center expansion and possibly resulting in the closure of 8-11 additional Job Corps Centers, denying job training opportunities to over 5,000 disadvantaged youth.

**Funding for the Youth Opportunity Grants program** would be cut by \$45 million, denying over 10,000 youth in high-poverty communities access to education, training, and employment assistance.

A \$845 million cut to the President's request would force Head Start to provide services to approximately 70,000 fewer children in FY 2001 than would otherwise be served.

The 12-percent cut to the Administration on Aging assumed in the Budget Resolution would result in 20 million fewer home-delivered meals to ill and disabled seniors than would otherwise be served.

COMMUNITY AND REGIONAL DEVELOPMENT

The final Budget Resolution reduces funding for Community and Regional Development below last year's level and is a decrease of approximately \$3 billion from the President's budget. Given the competing demands within this program category, this funding level would almost certainly result in no increase in the Community Development Block Grant (CDBG) program, and would probably end up reducing CDBG funding by eight percent below the President's budget level. This would reduce local communities support of housing activities, including a loss of more than 28,000 people from benefiting from programs providing housing rehabilitation, construction, and homebuyer assistance, and 6,900 fewer jobs being created using CDBG assistance for economic development. The resolution funding level would seriously impair the ability of the New Markets initiatives to provide businesses with funding and assistance, which they would use to invest in low income neighborhoods around the country.

The Conference Report's funding level would seriously impair the ability of the New Markets initiatives to provide businesses with funding and assistance, which they would use to invest in low-income neighborhoods around the country.

**FEMA Emergency Funding.** Contingent emergency appropriations provide a means to make emergency disaster response funding available to handle the disaster activity that is expected to occur, based on recent experience. By stripping out contingent emergency funding from the President's budget request, the Budget Resolution makes it more difficult for the President to release appropriate funding as quickly as possible to enable Federal agencies to respond rapidly when a disaster strikes. Postponing consideration of contingent emergency appropriations until disasters strike could lead to circumstances in which disaster victims are left without shelter and communities are left without critical clean up and rebuilding assistance for days, weeks, and sometimes even months.

**Super-Majority for FEMA Emergencies.** Requiring a super-majority of the Senate for an emergency appropriation would make it much more difficult for the Federal Government to respond quickly and appropriately to disasters. A super-majority requirement could lead to some circumstances in which disaster victims are left without Federal disaster assistance for lengthy periods—and perhaps even some cases in which disaster victims will not receive the assistance they need.

INCOME SECURITY

The Budget Resolution explicitly states its intention to provide funding for the renewal of all expiring Section 8 housing contracts. However, the large and competing demands on Income Security activities assumed in the Budget Resolution indicate that full renewal funding cannot be achieved within the resolution's functional total. As a result, the resolution would necessitate significant cuts in housing renewals from the President's request of \$13 billion. The resolution would also eliminate the Administration's efforts to assist more needy families with 120,000 new incremental housing vouchers. The deletion of new housing assistance would come at a time when a record 5.4 million low-income households in this country have worst-case housing needs—defined as spending over 50 percent of their income in rent or living in substandard housing.

INTERNATIONAL AFFAIRS

**International Organizations and Peacekeeping Accounts.** A 17-percent reduction to funds for the international organizations and peacekeeping accounts would prevent the United States from making its full assessed payments to the UN and other international organizations that directly promote vital U.S. interests. This would substantially increase U.S. arrears to the UN and jeopardize the negotiations for reforms that would lead to the payment of approximately \$800 million in arrears. This cut would also cripple continuing and critical new peacekeeping missions seeking to redress the instability and suffering caused by conflicts in East Timor, Kosovo, and Africa.

**African Development Foundation (ADF) and Inter-American Foundation (IAF).** The abolition of ADF and IAF would eliminate the only U.S. Government institutions that work exclusively with local, grassroots organizations in Africa and Latin America to expand economic opportunities and develop basic democratic values and institutions.

SCIENCE AND SPACE

**Reduced Support for Basic Research.** A reduction of about \$365 million to NSF would result in almost 14,000 fewer researchers, educators, and students receiving NSF support—affecting the high-tech workforce and well-trained students needed for the Nation's future. A reduction of this magnitude would result in over 3,000 fewer awards for state-of-the-art research and education activities.

NATURAL RESOURCES

The Budget Resolution would cut farm loan programs at the USDA, resulting in 800 fewer loans to American farmers and ranchers.

**EPA's Superfund program** would be cut by \$69 million. This would eliminate funding for all 15 new federally-led cleanups and five ongoing federally-led cleanups in FY 2001, needlessly jeopardizing public health for citizens living near affected sites and making it more difficult to meet the 900-site cleanup goal in 2002.

The cut to EPA's Enforcement Program assumed by the Budget Resolution would significantly hamper the environmental cop on the beat, jeopardizing our ability to assure adequate protection of public health and the environment. Nearly, 1,000 fewer inspections could contribute to a higher non-compliance rate and an increase in pollution.

The reduction assumed by the Budget Resolution to the Children's Health Initiative would impair efforts to train health care workers on the environmental control of asthma; limit outreach programs to children, parents, and care-givers on avoidance of second-hand smoke and other indoor allergens; and, hinder critical research into the role that pesticides and chemicals may play

in the onset of asthma. In addition, EPA's lead program, which focuses on enforcing lead regulations and community-based programs that are aimed at reducing children's exposure to lead, would be curtailed.

The Budget Resolution reduces most Interior Department and Forest Service programs by six percent below the President's request. Such a reduction would hinder Wildland fire suppression and protection programs, delay or limit the construction and rehabilitation of needed visitor facilities, and diminish the ability to oversee coalmining operations and the ability to assist States and Tribes in cleanup of almost 9,000 acres of abandoned mine lands.

#### HEALTH

Funding for the Food and Drug Administration (FDA) could be cut by over \$191 million. Such a reduction would result in extended product review times for new vaccines, new food additives, and complex emerging medical technology, making it difficult for the FDA to meet congressionally-mandated performance levels. This reduction would also impede FDA's efforts to ensure the safety of the Nation's food supply and would strain the agency's ability to respond to outbreaks of food borne illness.

Substance Abuse and Mental Health Services Administration funding would be reduced by \$305 million, which would deny treatment to roughly 66,000 people who receive mental health and substance abuse services.

#### TRANSPORTATION

A reduction of four percent, or \$21 million, below the President's request of \$521 million for Amtrak would jeopardize Amtrak's ability to achieve self-sufficiency. The recently announced route expansions would be postponed, and the frequency and level of service on Amtrak's remaining trains reduced. This will further reduce revenues, leading to additional service reductions.

#### ADMINISTRATION OF JUSTICE

The Budget Resolution rejects the President's \$1.335 billion request for the 21st Century Policing Initiative (COPS). It does not appear to provide any funds for the hiring of additional police officers, or for community crime prevention programs, and it is well below the President's request for law enforcement technology and gun prosecution. Without continued funding for the COPS hiring program, it will be impossible to meet the President's goal of funding up to 150,000 additional officers by 2005.

#### GENERAL GOVERNMENT

IRS. The Budget Resolution assumes cuts in the IRS's resources by \$1.2 billion below the President's Budget—nearly \$0.8 billion below the level needed to maintain current operations. The IRS would lose 12,000 workers needed to provide service to taxpayers and to ensure that the tax laws are enforced fairly. IRS modernization efforts mandated by the 1998 Restructuring and Reform Act would be halted. Instead of the improvements in performance proposed in the President's budget, audit rates—which have already fallen by half over the past decade—would drop to unacceptable levels. Taxpayers would face greater frustration, and the Treasury would lose billions of dollars in enforcement revenue. Such a dramatic cut in both compliance efforts and taxpayer service would put at risk the voluntary compliance system, which collects over \$1.7 trillion in revenue each year.

Mr. LAUTENBERG. Mr. President, I thank Senator DOMENICI. I thank staff in the person of Bill Hoagland and Bruce King on my side.

I yield the floor.

Mr. REED. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 48, as follows:

[Rollcall Vote No. 85 Leg.]

#### YEAS—50

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Santorum
Brownback	Grassley	Sessions
Bunning	Gregg	Shelby
Burns	Hagel	Smith (NH)
Campbell	Hatch	Smith (OR)
Cochran	Helms	Snowe
Collins	Hutchinson	Stevens
Coverdell	Hutchison	Thomas
Craig	Inhofe	Thompson
Crapo	Kyl	Thurmond
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Enzi	Mack	

#### NAYS—48

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	McCain
Bingaman	Harkin	Mikulski
Boxer	Hollings	Murray
Breaux	Inouye	Reed
Bryan	Jeffords	Reid
Byrd	Johnson	Robb
Chafee, L.	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Schumer
Daschle	Kohl	Specter
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden

#### NOT VOTING—2

Moynihan Roth

The conference report was agreed to. Mr. LOTT. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I thank the distinguished chairman of the Budget Committee, Senator DOMENICI, and the ranking member, Senator LAUTENBERG, for their work on the budget resolution, and for the way they have handled it throughout the process.

#### CRIME VICTIMS RIGHTS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to S.J. Res. 3, regarding the rights of crime victims.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object.

Mr. President, I notice that the adjournment order has already been

adopted. Respectfully, I do not believe that there is any intention of completing this matter today, tomorrow, or even next week. We have just barely filed a committee report.

This is a constitutional amendment. I think we ought, at least, to make sure Senators know that this is going to be the next matter coming up and that they have a chance to consider the report and the proposal. A constitutional amendment should not be rushed through this way, with all due respect. So I will object.

I will be happy to work with the distinguished majority leader, who has the added problems of having to make sure that the Senate does its work at the appropriate time. I will be happy to work with him on schedules and everything else on this, but because it is a constitutional amendment, I think we should treat it with more care and not just zing it off like this. We should have a real debate. I am not going to stop it from coming forward. I only want to make sure that everyone knows about it, that everyone has a chance to debate it and that everyone has the opportunity to offer amendments.

The PRESIDING OFFICER. Objection is heard.

#### PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES TO PROTECT THE RIGHTS OF CRIME VICTIMS—MOTION TO PROCEED

#### CLOTURE MOTION

Mr. LOTT. Mr. President, I move to proceed to S.J. Res. 3 and send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

#### CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 299, S.J. Res. 3, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims:

Trent Lott, Jon Kyl, Judd Gregg, Wayne Allard, Robert Smith of New Hampshire, Richard Shelby, Gordon Smith of Oregon, Bill Frist, Mike DeWine, Ben Nighthorse Campbell, Jim Bunning, Chuck Grassley, Rod Grams, Connie Mack, Craig Thomas, and Jesse Helms.

Mr. LOTT. Mr. President, this cloture vote will occur on the motion to proceed on Tuesday, April 25.

I ask unanimous consent that the vote occur at 2:15 p.m. and that the mandatory quorum under rule XXII be waived, and I withdraw the motion to proceed.

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



**N O T I C E**

*Incomplete record of Senate proceedings. Today's Senate proceedings  
will be continued in Part II of the Record.*