economy: working, producing, and paying taxes to the Federal Government. A law which discourages this is not just bad law, it is wrong—and it hurts not only seniors but all Americans.

● Mr. HATFIELD. Madam President, this legislation would provide the flexibility and opportunity for older Americans to remain productive citizens of this Nation. I do not believe that older Americans should be penalized for their ability and willingness to remain active and productive members of society. The current earnings test arbitrarily mandates that a person retire at the age of 65 or face losing benefits. I do not believe that any person who desires to work should be dissuaded from pursuing the goal of employment due to the Tax Code. Finally, let us not forget the hazards our low income senior citizens face who do not possess a pension fund or retirement plan. Low-income seniors who are working out of necessity and face a severe tax penalty should not be penalized for no other reason than their age. For these reasons I support S. 1372 which would increase the earnings limit for seniors.

Unfortunately this legislation to correct that inequity was paid for by using discretionary Federal dollars. In the last 30 years we have seen discretionary Federal outlays, as a percentage of this country's gross national product, plummet from over 14 to 8 percent in 1994. Moving money from discretionary accounts to mandatory accounts is moving us in the wrong direction. I look forward to voting to correct this inequity in the Tax Code at a latter date when discretionary spending accounts are not used to offset the cost.●

Mr. GRAMS. Madam President, I want to commend the Senator from Arizona, Senator MCCAIN, for his leadership on this issue and ask unanimous consent to have my name added as a cosponsor to the Senior Citizens' Freedom to Work Act.

As a longtime proponent of an all-out repeal of the earnings limit, I am pleased the Senate is taking action on eliminating the additional burden President Clinton placed upon our seniors in his 1993 tax bill.

The current Social Security earnings test penalizes senior citizens by reducing their benefits if they continue working beyond retirement age and earn over $11,160 per year. For every $3 earned above that, they are forced to send $1 back to the Federal Government. That is unfair.

While repeated attempts have been made to repeal this seniors' penalty, or to at least substantially raise the earnings limit so that senior citizens can continue to contribute to society, the Clinton administration and the leaders of the previous Congress prevented any measures from passing. Today, we have an opportunity to prove that things have changed, and the Senate can do that by passing S. 1372 and providing some overdue tax relief to our seniors.

I wanted to share with my colleagues some of the letters I have received from Minnesota seniors on this issue.

One constituent of Pierz, MN, writes:

> I cannot afford to start drawing my Social Security because of the earnings limit penalty. . . . If allowable earnings were increased to $30,000 as the Republican plan proposes, consider all the additional Social Security taxes that would be collected. Also consider all the additional income taxes that would be collected by the federal and state governments. We, as Seniors on this issue, need YOUR HELP.

A senior citizen from Eden Prairie shared a copy of a letter he sent to one of my colleagues. ''I wrote in 1993 regarding my concern over Social Security income being taxed,'' said the original letter. ''Not only was 50 percent of it then being taxed . . . but the Clinton budget plan increased the amount subjected to tax to 85%.'' The response this Senator received from my colleague was that he supported President Clinton's 1993 tax plan because it was ''fair.''

Madam President, I stand before you today because Clinton's assault on this Nation's senior citizens in 1993 was not fair. It is blatant discrimination against 700,000 older Americans. Furthermore, it discourages seniors from working, robbing businesses of skilled and experienced workers.

Today, we have an opportunity to restore fairness, and to deliver on the promise we made to seniors. Therefore, I urge my colleagues to support the Senior Citizens' Freedom to Work Act.

MIDDLE EAST PEACE EXTENSION

Mr. DOLE. Madam President, I have had a discussion with Senator DASCHLE regarding this.

I send an original bill to the desk on behalf of myself and the Senator from South Dakota, Senator DASCHLE, regarding the Middle East peace extension, and I ask unanimous consent that it be immediately considered, that the bill be considered read the third time, passed, and the motion to reconsider be laid upon the table.

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

So the bill (S. 1382) was passed, as follows:

S. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) IN GENERAL.—Section 583(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), as amended, is amended by striking ''November 1, 1995'' and inserting ''December 1, 1995''.

(b) CONSULTATION.—For purposes of any exercise of the authority provided in section 583(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 193–236) prior to November 15, 1995, the written policy justification dated June 1, 1995, and submitted to the Congress in accordance with section 583(b)(1) of such Act, and the consultations associated with such policy justification, shall be deemed to satisfy the requirements of section 583(b)(1) of such Act.

Mr. DASCHLE. Madam President, I know we are in the middle of a debate. I will not take long. I commend the majority leader for his work and the leadership he has shown to bring us to this point. This legislation is critical and overdue, and we needed to pass it. I think it enjoys broad bipartisan support, and separating it from other issues relating to our agenda, I think, is important. In this case, we were able to accommodate all Senators. I appreciate the work done by the distinguished Senator from Massachusetts in accommodating these needs. Again, I appreciate the effort of the majority leader.

Mr. DOLE. Mr. President, I, in turn, would like to thank Senator HELMS for his cooperation. I know he has been trying and trying to get the State Department bill passed. He is working in good faith. We expect that a managers' amendment will be agreed on shortly and that the Senate will pass a modified version of his legislation. I am pleased that the chairman has lifted his objection, and that we can pass a clean MEPFA, Middle East peace facilitation extension—at least in the Senate. I hope it can be taken up in the House.

FIRST SESSION OF THE 104TH CONGRESS—STATISTICS

Mr. DOLE. Mr. President, this may be of interest to all my colleagues. We thought they might be interested in a statistical comparison from January through October 31 of the first session of the previous four Congresses to this current first session of the 104th Congress. The comparison contains the number of session hours, rollcall votes conducted, and measures passed in the Senate.

In the first session of the 104th Congress, the Senate has already conducted 558 rollcall votes, as compared to the first session of the last four Congresses, as follows: 100th Congress, 362 rollcall votes; 101st Congress, 279 rollcall votes; 102d Congress, 241 rollcall votes, 103d Congress, 342 votes.

In this first session alone, the Senate conducted 119 rollcall votes just on the budget resolution and reconciliation bill, and we are not finished yet.

Actual session hours for the first session are 2 minutes' shy of 1,548 hours, as compared to the 100th Congress, 1,026 hours; 101st Congress, 861 hours; 102d Congress, 1,014 hours; 103d Congress, 1,091 hours.

The final statistic I will share with my colleagues is the number of measures passed in the Senate in the first session of the various Congresses. In this first session, the Senate passed 259 legislative measures, as compared to 477 in the 100th Congress; 452 in the 101st Congress; 476 in the 102d Congress; 356 in the 103d Congress.

Needless to say, this session has been historical in many ways, including the number of rollcall votes conducted in one day.

The good news is that we have not passed as many legislative measures as

the previous four Congresses. However, in this Senator's opinion, we have passed more sweeping, fundamental reforms that will help bring this country back to financial soundness, putting the American people back in control of their own budgets, and getting big Government off the backs of the American people and our States and cities across the country.

I guess my one regret thus far—whether it is in this session or the next—is the failure to pass a balanced budget amendment. We failed by one vote. However, this Congress is far from over. Senators may yet get another opportunity to do what this Senator from Kansas believes is fundamental in controlling Government waste and spending—that is, passing a constitutional amendment calling for a balanced budget.

I think it is clear, if the time we have spent here and the number of rollcalls are any indication, that the Senate has worked very hard this year, and I commend all my colleagues on both sides of the aisle. I thought this might make rather interesting bedtime reading, if we ever get home in time.

SENIOR CITIZENS' FREEDOM TO WORK ACT

The Senate continued with the consideration of the bill.

Mr. SIMPSON. Madam President, I want to pay tribute to Senator MCCAIN. There is not a more fierce advocate of his position in this area. He has been that way since I have known him. I have been on the other side of the issue all that time, also. We have serious disagreement. But I have a deep respect and admiration for him. He has been of great assistance to me in dealing with the tough issues on the Veterans' Affairs Committee, like POW's/MIA's. No one speaks with more credibility and integrity than this man from Arizona. So I want that clearly on record.

As to Senator KERREY, let me share with my colleagues here that I hope you heard every word that Senator KERREY was saying, because every word that he was saying is absolutely true with regard to Social Security.

Ladies and gentlemen, we cannot continue to leave out of serious total discussion something that is $360 billion a year, and we are not touching it. You do not dare touch it. That is why this will pass. Do not worry about the 60 votes on a point of order. Do not worry about 70 or 80; it will pass by 90 to 10.

Then we will deal with it. We will ''find the money.'' I hear that plea. I can understand that clearly.

This, however, in my mind, does not comport with the sense-of-the-Senate resolution which I voted for the other day, because it said if it can be done ''without injuring the long-term solvency of Social Security or negatively impacting the deficit.''

What this fundraising mechanism does is get the money short term, but in the long term it is absolutely devastating.

Now, this legislation, in my mind, does violate the Budget Act because it increases outlays in the Finance Committee area of jurisdiction during the 5-year budget windows of 1996 to 2000. I hope the Senate will sustain the point of order lying against it, but I know that will be a very remote possibility because I am sure the phone lines are jingling right now as to the fact that we are going to free up senior citizens to do what they need to do. We may well be doing that between these ages of 65 and 70, which has been apparently a very vigorous movement in America with regard to the earnings limit.

There is not a single person in this body that has been more dedicated to that issue in all my time of serving with him than the Senator from Arizona. I am sympathetic. The rest of the Senate is sympathetic. They will prove it in their votes. There is no question that Americans are living longer and are productive for a longer time. Our retirement policy should reflect that.

Let me caution my colleagues and the vapors of the day that it will pass in the Chamber as we vote this because I know how this game works. This is a $360 billion program, the biggest and largest of all handled by the Federal Government. Millions of Americans depend upon it. They should not, but they do. They never should have under the original Social Security law because it was never intended to be a pension. Regardless of what the senior groups may tell you, it is not a pension. It was an income supplement, very well put together, as the Senator from Nebraska has pointed out.

A majority of Americans who stand to retire some day—and almost all of us hope to and many of us in this line of work hope we get out before they throw us out—some day will be dependent upon it as a principal source of income. It is not right that it should be, but nevertheless it is.

It is very difficult to craft it now in these later years to be a principal source of income when it was never intended to be a principal source of income but only a supplemental source of income. That is all very well reflected.

I just want to review the bidding one more time as to what you put into this—as people complain vigorously about what they are getting out—and give some very critical comments about COLA's and why are the seniors being treated this way.

Let me put it in a very personal way. I am 64 years old. I have worked since I was 15. My first job was at the Cody Bakery in Cody, WY. I was the person who put that remarkable strawberry clear glop in the middle of the sweet roll. That was my job. You went tick, tick like that every morning. Somehow I have never eaten one of those again and never shall. That was my job.

Do you know what I put into Social Security that year? Five bucks—they really bit me that year, 1959. Worked at the B4 Ranch, did not put in a nickel. Off to college after high school, never put in a nickel. Never earned enough in the summer—there was an earnings limit—I never earned enough in the summer to contribute to Social Security. Went to the army. Never put in a nickel in those years. Got out. Went to finish law school. Started to practice law.

The first year I practiced law, I put in $59 that year. Then the old man put me to work and he kept the money. I remember how that worked in the partnership. I put a shingle up and it said ''SIMPSON and Father,'' and he never got over that—instead of ''SIMPSON and Son.'' But I had a dear, loving father and we worked together.

Then for all the years of my practice—I hope you will hear this—I never put in over $874 a year and neither did anyone else in America. Got it—874 bucks a year and self-employed, and no other person did either, because there was a cap. A person could make $100,000 a year and the cap was $12,000. A person could make $1 million and the cap was set at $12,000 or $8,900 or whatever it is, and you applied the percentage rate to that. I understand what Social Security is and what it was. So, earning the maximum, from the year 1959 until 1976, I never put in over $874 per year.

Then off to Washington: $1,200 a year, a real hit there, and then $1,500 a year, and then $2,000 a year and then $3,000 a year up in the late 1980's, and now I think I am up to 4,200 bucks a year.

Got it? If I retire at 65 I will receive $1,120 a month—got it? If I save my strength until the age of 70 and not take it until then, I will receive $1,540 a month. That is the way it is. That is Social Security. It cannot be sustained. There is no way it can be sustained.

When I was a freshman at the University of Wyoming, there were 16 people paying into this system and one person taking benefits; today there are three people paying into the system and one person taking benefits. In 20 years, there will be two people paying into the system, one taking benefits. Everybody in this Chamber knows that. Everybody who is a trustee of the Social Security Administration knows that.

So this continual ritual is played out that somehow we are doing something hideous to senior citizens. If you retired in 1960, you got all your money back in the first 2½ years, plus interest. Got it in 2½ years, every penny back.

In the 1970's, you got it all back in 3 years. Today, if you retired, you get it all back in 6½ years, plus interest.

That is where we are, a totally unsustainable system. Who is telling us that? The trustees. Are the trustees all Ronald Reagan Republicans or far-right legions? No. No, they are not. The trustees are Robert Rubin, Robert Reich, Donna Shalala, Shirley Chater—one Republican, one Democrat—telling us very simply, in the year 2013 there will not be sufficient revenue coming in under this pay-as-you-go plan, only