many of my rural towns and downstate Illinois where that emergency room is literally a matter of life or death. Farmers, miners and people who work around their homes count on the availability of their services. When a hospital's financial security is put under significant strain, they are forced to look for other sources of revenue. Cost shifting becomes inevitable. So virtually every American would pay for Congress' failure to invest in Medicare.

The second option, if we don't invest a portion of the surplus into Medicare, is one that would ask seniors and disabled to pay more for their own medical care. They would need to double their contributions to extend the solvency of Medicare to the year 2020 if the President's proposal of investing 15 percent of the surplus into Medicare is not made.

Take a look at this chart to get an idea of what it means to a senior citizen. This is a chart which shows the current amount that is being paid in part B premium of $1,262; then take a look, if we do not dedicate a part of the surplus, what the senior will have to pay instead. Instead of $100 a month, it is over $200 a month.

Some might say it is not too much to go from $100 to $200. I think they don't understand that many senior citizens live on fixed incomes, very low incomes, and that this kind of premium increase in order to continue Medicare as they know it would cause a great hardship to many of their families.

Today, on average, seniors pay 19 percent of their income to purchase the health care that they need. Medicare is currently only paying about half of their bills. These seniors living on fixed incomes are really going to face some sacrifice if this increase takes place. The medium total annual income of Americans over the age of 65 is a mere $16,000; for seniors over 85, it is even less, $11,251; for the oldest and frailest among us, such as those using home health services, the average income is less than $9,000. Now, can someone making about $800 a month, for example, see an increase in their Medicare premium from $100 to $200 without some personal sacrifice? I don't think so. Medicare as it is currently drawn up helps seniors to live with dignity. Medicare reform may involve tough choices but it shouldn't involve mean choices. This Medicare reform on the backs of seniors and disabled, unfortunately, leads us to that.

Reform and investment are clearly needed to strengthen Medicare. There are some who will say all you want to do is spend more money; you have to do more fundamental things like reform. I don't disagree with the concept of reform. I think it is part of the package. But the reality is, the Medicare Program has grown, the number of beneficiaries has doubled since the program was enacted, and Americans are living longer.

I think there is a fair argument to be made that one of the reasons that Americans are living longer is because of Medicare and the access to health care that it provides. Before Medicare, less than 50 percent of retirees had health insurance. Now, virtually every one of them does. This is a question of priority. How much do we value increased life expectancy? Are people in my generation who are working and actually contributing to the surplus—a surplus that we hope to soon have—willing to put off a tax cut to make sure that Social Security and Medicare are there for decades? Are we willing to invest in what is basically our own retirement health insurance program in the years to come?

By not enacting a massive tax cut that benefits the most wealthy Americas, but instead passing more limited tax cuts targeted to help working families, we can, in fact, get a tax cut that is reasonable and consistent with saving Social Security and Medicare. It seems very unwise to enact large tax cuts before we secure both of these important programs.

Let me close by saying that this budget season is one that causes many people's eyes to glaze over. I have served a combination now of about 8½ years on Budget Committees in the House and the Senate. I do my best to keep up with it. It is an arcane science to follow this budget politics. But I have to say that it does reflect our values. We have to decide what is important.

Last week, we had a bill on the floor here that was, on its face, a very good proposal—a bill that would have increased military pay and retirement benefits. I believe that those things should happen. The President proposed it, the Republican Party and Democratic Party agree on it. But the bill that came to the floor was significantly different than the President's proposal. In fact, it spent about $17 billion more over 6 years than the President had proposed.

This bill came to the floor of the Senate without one committee hearing. Some came to the floor and said we need to do this so that men and women will stay in the military, and that we give them adequate pay and the reward of retirement. So they suggested we vote for the bill. I didn't think it was a responsible thing to do. I can remember that, two years ago, on the floor of the Senate we tied ourselves in knots over amending the Constitution to provide for authority to the Federal courts to force Congress to stop deficit spending. We had reached our limits and we had said that the only thing that could control congressional spending is a constitutional amendment and court authority. Well, that constitutional amendment failed by one vote. But that was only two years ago. We were so despondent over dealing with deficits two years ago that we were at the precipice where we were about to amend the Constitution and virtually say we have given up on congressional responsibility in this area.

Well, here we are two years later, and the first bill we consider is not a constitutional amendment about deficits, but rather one over spending this surplus on military pay raises that we cannot justify in terms of their sources. I have asked a variety of members and people in the administration where would the extra money come from—the extra $17 billion—for military pay raises. They say, ''Frankly, we don't know.'' I don't think that is a good way to start the 106th Congress, in terms of its substantive issues; but it is a reminder that we need a budget resolution that honestly looks at our budget to maintain not only a balanced budget, but surpluses for years to come, and investment of those surpluses in a way that we can say to future generations that, yes, we understood; we had a responsibility not only to the seniors, but to the families and their grandchildren, to make sure that those programs would survive.

So, Mr. President, I hope that as this debate continues we can find some common ground to work together to make sure that the surplus as it exists in the future is invested in programs of real meaning to American families for many years to come.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. ALLARD. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business with members permitted to speak therein for up to 10 minutes each.

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

INTERNET TAX FREEDOM ACT AND THE ADVISORY COMMISSION ON ELECTRONIC COMMERCE

Mr. LOTT. Mr. President, the last Congress passed the Internet Tax Freedom Act. it was not an easy process, and compromises were reached. In the end, the debate resulted in a bill which made a good law. It calls for a 3-year moratorium on new taxes. This was important, Mr. President. The Internet is not only a new tool of communication and information but is fast becoming the most vibrant new marketplace as America goes into the next millennium. Having said that, I am aware of the concerns expressed by those on main street as well as mayors—from Greenwood to Belzoni to Shuqualak, Mississippi—and in towns all across America.

Mr. DASCHLE. Mr. President, I share the distinguished Majority Leader's enthusiasm for the potential of electronic