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Senate

(Legislative day of Monday, January 30, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, 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, Rabbi Joshua O. Haberman, of the Washington Hebrew Congregation.

PRAYER

The guest Chaplain, the Rabbi Joshua O. Haberman, offered the following prayer:

Let us pray:

Creator of all the world: Thou who has set limits to the forces of nature to keep all things in balance, help us to cope with the forces of human nature. Help us distinguish the line between right and wrong; between the interest of some and the welfare of many; between instant gain and the larger, lasting good of future years.

Lead us by Thy justice to enact just laws and by Thy mercy to lift up the fallen.

We thank Thee for all men and women who are faithful to their public trust. May they keep America free, strong, and righteous. May the Lord grant strength unto His people. May the Lord bless His people with peace. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. GORTON. Mr. President, this morning the time for the two leaders has been reserved, and there will now be a period for the transaction of morning business until the hour of 9:30 a.m., with Senators permitted to speak for up to 5 minutes each, and with Senator LAUTENBERG to speak for up to 15 minutes.

At the hour of 9:30, the Senate will resume consideration of House Joint Resolution 1, the constitutional balanced budget amendment and the pending amendments thereto.

Under the order entered last night, debate between the hours of 9:30 and 11:30 will be equally divided between the two leaders or their designees. At the hour of 11:30 a.m., Senator DASCHLE will be recognized for 15 minutes, to be followed by Senator DOLE for 15 minutes. At 12 noon today, the majority leader will make a motion to table the Daschle motion to recommit, so all Senators should be aware that there will be a rollcall vote at noon today.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business.

THE BALANCED BUDGET AMENDMENT

Mr. PELL. Mr. President, the balanced budget amendment is certainly an appealing idea. I can understand why many believe that it is a necessary procedural reform to ensure fiscal responsibility. I voted for the concept in 1986 when there seemed to be a lack of shared political will, between Congress and the Executive, to impose discipline.

Last year, it seemed to me that the atmosphere had improved dramatically, and I opposed the balanced budget amendment because of the substantial and significant strides which the Clinton administration was then making, and continued to make, to curb expenditures and reduce the deficit.

Now, things appear even more promising for the imposition of fiscal restraint. The new congressional majority has made it a primary objective, and the President remains committed to the idea of smaller and leaner government, although I might add parenthetically that I wish his 1996 budget would have gone a bit further than it does in this direction.

But I am not yet convinced that this apparent convergence of political will power should result in a constitutional amendment that dictates procedure for all time to come.

For one thing, I, like many of my colleagues want to see where it will lead in the immediate future. I want to know the full consequences of a 7-year plan to bring revenues and expenditures into balance.

In particular, I want to know the impact on programs in which I have a deep and abiding interest as a legislator—education programs, foreign aid, support for the United Nations, and support for the arts and humanities.

And I especially need to know if the cumulative loss of Federal aid to the State of Rhode Island over the 7-year period ending in 2002 could indeed be nearly $1.8 billion as has been predicated, and, if so, how will my small State adjust to such a massive change.

For all of these reasons I joined in cosponsoring the right-to-know amendment offered by our distinguished minority leader, Senator DASCHLE. We not only have a right to know, we have a responsibility to ask.

But even if we succeed in getting all the right answers I still am not sure

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

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the case will be made for amending the Constitution.

I am troubled by the reservations which have been expressed—economic, fiscal, and constitutional—as we look more closely beneath the attractive surface of the proposed amendment.

I wonder about the economic impact of rapid withdrawal of some $1.6 trillion in Federal spending in the arbitrary timeframe of the next 7 years. Some have warned that the resulting fiscal drag could virtually wreck the economy, especially if it should coincide with high interest rates or a recession.

I wonder too about the rigid annual requirement for balance in each fiscal year. Some have called it ritualistic in its disregard for the more random vagaries of economic cycles, precluding the timely operation of automatic stabilizers such as unemployment insurance during downswings when tax receipts may be on the decline.

And on the other side of the ledger, I wonder if the ritual requirement to balance might deter the accumulation of budget surpluses in good years, since the pending amendment might tend to promote unreasoning tax slashes when such opportunities arise.

I wonder if this constitutional amendment will be any more immune to evasion and accounting chicanery than other attempts to put the political process in a straightjacket. I think of the experience of my own State of Rhode Island where, in order to comply with a constitutional mandate and to take advantage of independent financing authority, various categories of expenditures simply have been moved off budget to a number of commissions and authorities.

And finally, Mr. President, I wonder about the wisdom of using our Constitution for the purpose of imposing accounting rules. Will this amendment still be relevant a century from now in the light of now-unforeseen developments in technology, medical science, space exploration, demographic changes, and all intervening natural disasters and climatic variations?

From the perspective of 2095, it may appear rather anomalous that the U.S. Senate spent much of the month of February 1995 trying to mandate for all time that our books should be balanced, down to the last dollar and cent, at the end of each 12-month period.

Having said that, Mr. President, I would only add that if this amendment is not approved, there will be a great burden on us all to get to work with a minimum of recrimination to produce the general result which would have been mandated; namely, a progressive reduction in Government spending and a corresponding alleviation of debt, hopefully at a more measured pace and without resort to troublesome arbitrary time constraints. I pledge my support to the effort.

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

The PRESIDING OFFICER. Does the Senator from Rhode Island withhold his request?

Mr. PELL. Mr. President, I withhold my request.

Mr. BREAUX. Mr. President, are we still in morning business?

The PRESIDING OFFICER. The Senate is conducting morning business until 9:30.

URGE ADOPTION OF RIGHT-TO-KNOW AMENDMENT

Mr. BREAUX. Mr. President, I thank the Chair.

I would like to use just a couple of minutes in morning business to comment on a very important vote that the Senate will engage in, sometime around noon today. That is on the motion which I guess will be made to table the right-to-know amendment or to send it back to committee, and why I think it is very important that this body adopt a right-to-know amendment so that the people back in the respective States, when their legislators have to vote on this very important balanced budget amendment, will know what they are voting on.

I support a balanced budget amendment. I have supported it in the past. I have voted for it in the past. I hope to be able to vote for it again.

The thing that really concerns me is that we would expect that someone who proposes a balanced budget amendment, like our colleagues on the other side of the aisle, one would expect if they propose this, they would have an idea about how they will do it; that they have a plan that allows them to get, in the year 2002, to a balanced budget. Surely, they are not just proposing a balanced budget amendment without any plan, or without any idea as to how they are going to get there.

I have not seen the plan. That is what I think the American people are entitled to. Is there a secret plan on how to balance the budget that they do not want to share with the American people, that they do not want to share with the Governors of the respective States who will have to live by it, as well as us? Is there a secret plan they do not want to tell the members of the legislatures about, because if they see it, it may be so devastating they will not vote for it? Is there a secret plan to reach the year 2002 that cuts Social Security, slashes spending on Medicare, health programs for the elderly? Is there a secret plan, for instance, which wipes out State highway programs?

I do not know. I do not think anybody knows. Surely those who propose a balanced budget must have in their heads an idea of how to get there. The only thing that we are suggesting is that before we send the balanced budget amendment to the States and say, ''Vote on it,'' that we share with them the secret plan. If there is a plan that proposes how we get there, let Members see it.

What is wrong with it? If the balanced budget amendment is a good thing, and I think it is, certainly how we get to that balanced budget is something that is equally important. It may be that there is a golden secret plan that does not cut defense, that does not have any tax increases, that does not cut Social Security, that does not cut Medicare, that does not cut highway programs, and yet gets to a balanced budget by the year 2002. If there is such a plan, let me see it. Let me show it to the States so that when they vote on it they will know exactly what they are voting on.

I think the bottom line, Mr. President and my colleagues, is that the American people not only have a right to know, but in the real world, they have a need to know. I want my legislators in Louisiana, when they vote on this balanced budget, to say, ''Now we know how it will be achieved. Here is what we have to do as a State in order to make it work.''

This is a partnership, I say to my colleagues. We are not doing this by ourselves. This is a partnership arrangement between the Congress, the Federal Government, and the States. We all will have to share in it. Maybe States will have to increase taxes. It might be they will have to slash State programs that the Federal Government cannot assist, as in the past, with many of these programs. But the bottom line is that the only protection the American people have is the right to know what we are talking about.

I will say, once again, that surely the people who have proposed a balanced budget have a plan. It should not be a secret plan, it should be a public plan. The only thing that we are asking is that it should be made part of this effort so that when the States are called upon to act on this, they will be able to do it intelligently, and not have to do it in the dark.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that ''Reagan ran up the Federal debt'' or that ''Bush ran it up, bear in mind that the Founding Fathers made it very clear that it is the constitutional duty of Congress to control Federal spending.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,806,972,690,433.20 as of the close of business Tuesday, February 7. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $18,247.10.

SUSSEX COUNTY, DE: NO. 1 IN COUNTRY

Mr. BIDEN. Mr. President, I am very proud to come to the Senate floor today to announce that the 1992 Census of Agriculture has named Sussex County, the southern most county in the beautiful State of Delaware, as the No. 1 poultry producing county in the United States. As my hometown newspaper, the Wilmington News Journal, so eloquently stated it: ''Sussex County still rules the roost as the chicken-growin'est county in the nation.''

Of course, being the No. 1 producer is nothing new for Sussex County—the county has officially remained the No. 1 producer since 1982. In fact, Sussex County has been the unofficial leading poultry producer since the industry got its start in Ocean View, DE, in 1923.

It all started with Mrs. Wilmer Steele when she placed an order for 50 chicks, intended for egg production, and ended up with 500. She decided to raise rather than return the extra chicks, and when they were big enough she sold approximately 400 of them to a local buyer. Three years later, she and her husband were raising 25,000 young chickens and selling them to the local population who were discovering the versatility of chicken meat. America is eating about 10 times as much chicken today as we were in 1925, numbers attributable to the fact that chicken is high in protein, low in fat, tasty, and very affordable.

Mr. President, we are doing everything we can in Delaware to maintain the productivity of the poultry industry nationwide. Today there is a disease, harmless to humans but deadly for chickens, affecting the productivity of Delaware poultry industry flocks. Avian diseases such as this affect flocks across the country on a regular basis. In an effort to prevent the economic damage done by these outbreaks, the University of Delaware, in cooperation with the Federal Government and private industry, is building a poultry research facility that will help the poultry industry solve this type of disease problem.

I have worked very closely with the poultry industry people in my State to get this facility up and running. The Delmarva poultry industry has an outstanding record of commitment to research and development in avian diseases and I am hopeful that the remainder of the funds needed to finish this project can be secured this year. The growers who are responsible for keeping Sussex County and the Delmarva Peninsula in the ranks of the top producers know the importance of this facility to the national production of poultry.

Mr. President, I would like to congratulate Sussex County for, once again, achieving No. 1 producer status and for providing the American public with healthy and affordable nutrition.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, under the previous order, the period for morning business is closed.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of House Joint Resolution 1, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

The Senate resumed consideration of the joint resolution.

Pending:

Daschle motion to commit the resolution, with instructions to report back forthwith, with Daschle amendment No. 231, to require a budget plan before the amendment takes effect.

Dole amendment No. 232 (to instructions to commit), to establish that if Congress has not passed a balanced budget amendment to the Constitution by May 1, 1995, within 60 days thereafter, the President shall transmit to Congress a detailed plan to balance the budget by the year 2002.

Dole amendment No. 233 (to amendment No. 232), in the nature of a substitute.

The PRESIDING OFFICER. The time between 9:30 a.m. and 11:30 a.m. shall be equally divided between the two leaders or their designees. The Chair recognizes the Senator from North Dakota.

Mr. DORGAN. Mr. President, I will manage the time on this side until the minority leader appears. I yield to myself such time as I may consume.

Mr. President, this is not an insignificant or an unimportant issue. The Senate is debating the issue of whether to change the U.S. Constitution and, if so, how to change it.

The reason we are at this point today is because the country has had fiscal policy problems of a very significant nature. We have had very significant yearly budget deficits, and we are now bearing a very large Federal debt.

And the question is: What can or should be done about that? I guess most people here would not mind very much if we had a very large Federal deficit if it resulted from our having to fight a war to protect our liberty and freedom. I do not think anyone would complain much about floating bonds and going into debt to protect this country and to protect freedom and liberty. We would understand that.

I do not suppose anybody would complain very much about a Federal deficit if we spent several hundred billion dollars that we did not have and we cured cancer just like that. It would be well worth the price. I do not imagine anyone would complain very much of having borrowed to do that.

But that is not what we are doing today. We have operating budget deficits year after year after year that represent a very significant imbalance between the amount of money we take in and the amount of money needed to routinely run the Government and do the things that this Government does, including all of the transfer payments and all of the programs. And that is the problem. It is not a new problem.

I understand that in this Chamber when you look at the division of the Chamber, some will stand up and decide to boast, ''Gee, we're the conservatives, we're the ones who want to help the taxpayer and save the money and save the country, and you all, you're the liberals, you're the ones who want to tax and spend.''

Total baloney, total nonsense. There is not a plugged nickel's worth of difference between the appetite for spending the taxpayers' money on that side of the aisle as opposed to this side of the aisle. That side of the aisle wants to spend it on military; we want to spend it on milk for hungry kids. The fact is, you look at the record in 15 years and I guarantee you will discover not any significant difference at all in terms of the appetite about how much money the two sides want to spend. Oh, they have different priorities, no question about that. They want to spend it on different things. But they all have the appetite for spending.

But we do not have an appetite to raise the money for that which we spend. So the question is, what do we do about that? The answer is, we cannot spend that which we do not have. We have to cut back. We have to deal with that honestly. We have to make tough choices, and that is why we come to this juncture.

Tough choices are choices that often persuade Members of this body and the other body in our legislative branch to gnash their teeth and sweat profusely and wring their hands and worry and not sleep because they are tough votes, they are awful choices. People think that somebody is going to be angry, maybe I will lose my job. If that is the attitude, one ought not serve here. These are not tough choices. These are issues you look at and decide what is right for this country, what makes sense, what must we do to fix what is wrong.

Every day that I serve in this Senate, I am proud of that service, and some days I rue the fact that there are many who decide that public service is unworthy and Government somehow is corrupt and evil and bad and cast those kinds of aspersions. I am proud of my service here. I think public service is a wonderful undertaking.

Mine comes, I suppose, from a family history and background. I was reading last evening something my brother, who is a journalist, had written about my ancestors. One of them was a great-grandmother named Carolyn and a great-grandfather named Otto. They got married in Oslo, Norway, and moved to Minnesota. They had eight children. Then Otto died, and Carolyn,

living in Minnesota with eight children and a husband who just died, apparently contemplated what to do in life.

What Carolyn did was respond to something that the Federal Government did. The Federal Government said to the people, ''If you are willing to move into a homestead out on the Great Plains, we will give you a quarter section of land. If you want to go out and claim it, go farm it, go live on it, we will give you a quarter section of land.''

So Carolyn with all these children, a husband just died, moved to North Dakota, Cherry Butte Township, ND, and pitched a tent on the prairie with her kids. This strong Norwegian woman homesteaded a quarter section of land and built herself a house and built herself a farm, raised a family and had a son who had a son who had me. And here I am.

I think of the strength of someone like Carolyn, and all of us have these folks in our background. Tough choices? I suppose that is a tough choice, losing your husband and deciding to move to pitch a tent on the winter prairies of North Dakota with your children to try to start and build a farm and make a go of it. That is a tough choice. These are not tough choices.

When we decide that we do not have the strength and we do not have the will to do the fundamental things that are necessary to protect and preserve and nurture this country's future, then something is wrong with all of us.

So I come to the floor today to say on this question there ought not be a serious question about whether we do something about this crippling budget deficit. That question ought not be asked anymore. Anybody who is still asking that question deserves to go out the other side of that door.

The question is what and how, and that is what the amendment is about today. The amendment we are going to vote on in a couple of hours does not say we do not want to balance the budget. It does not say we should not have a constitutional amendment to balance the budget. I have voted for a constitutional amendment to balance the budget in the past. I did not come here thinking we ought to do that, but I was persuaded over the years by Republicans and Democrats, yes, conservatives and liberals, who ratcheted up year after year deficit after deficit. I have been persuaded that any additional discipline, any additional incentive that requires balance is something I would support.

But we come today to vote on a constitutional amendment to balance the budget, and the question many of us ask is, is this just one more empty promise? Because, if it is, the pail is full of those, and the American people can hardly lift it anymore. Or does this have some strength and some meat? Is this honest? Is this going to lead to a plan that actually balances the budget?

Why do we ask? We ask because those who propose this, those who say let us change the Constitution, let us improve on the work of Washington and Madison and Franklin and Jefferson and others who contributed to the Constitution, they say: ''We want to do a couple things. We recognize there is a big deficit in this country, but we want to do a couple things. One, we want to cut the income by cutting taxes and, two, we want to increase defense spending.''

It is logical for those who took simple arithmetic that if you are going to increase the biggest area of public spending and decrease your revenue, one might be willing, and probably required, to ask then how are you going to get to a balanced budget? What is your plan? Or is this another empty vessel, one more broken promise? Is this just politics?

We have offered an amendment that is called the right-to-know amendment, and we are just saying that in this country, if this is not an empty promise, if this is not an empty vessel, then somebody must have a plan that says we can cut taxes and increase defense spending and by the year 2002 find a balanced budget out there.

I hope we can find a balanced budget by the year 2002, and I plan to be part of the solution to do that. I may vote for this constitutional amendment to balance the budget, but I do not understand why anyone in this Chamber would vote against this amendment called the right-to-know amendment.

One prominent Member of Congress says, ''Well, if the American people understood what this means, it would make their knees buckle.'' Does he know something that I do not know? Does he know what the plan is? Is there a mystery plan there someplace that he is aware of that is going to make people's knees buckle? If so, I wonder if he shared it with the Presiding Officer. He has not shared it with me. I suspect he has not shared it with you.

The question is, I guess, is there a plan out there someplace? Is there a mystery plan floating around that is going to make people's knees buckle? If so, let us hear it, let us have it, let us debate it, let us discuss it.

I remember a television commercial—one of my favorites—about chicken. The television commercial was a customer that came up to the counter and wanted to know what was in these chicken nuggets. The person at the counter said, ''Well, its chicken.''

''Well, what kind of chicken?''

''Chicken parts,'' they said.

''Well, what kinds of chicken parts?''

And the person behind the counter said, ''Different parts.''

I wonder what is in a plan in the minds of those who propose to balance the budget, mystery meat of some type?

Could they share it with us, maybe? How do you get from here to there? Does anybody who took arithmetic understand you cannot increase your biggest area of spending, cut your revenue, and get from here to there?

I do not understand what they are telling us. So we are saying if this is more than an empty promise, let us fill it up a bit. Let us say to the American people here is what we are going to do, and here is how we are going to do it.

If we are not willing to do that, what we are saying is this is business as usual. This is not about policy. This is not about substance. This is about politics. And if this is about politics, then this is not about balancing the budget. This is not about doing what we ought to do for this country's future.

So when we discuss the document that begins with ''We the People,'' and we decide we want to change a few words here and there, we are going to try and sort of monkey around a little bit because we have had a lot of people over a long period of years who have not had the courage to say you can only spend what you take in, when we discuss that and decide that, I wonder if we cannot begin to discuss what that would mean in practical terms for the American people.

We are going to have a task here that is pretty ominous, actually. But I for one think it is a task we must undertake.

Last evening, I was looking through this sheet, which does not mean much to anybody. It is a sheet by the Congressional Budget Office that plots out for 10 years what our spending and taxing and deficits will be. What this sheet says, to the extent that you can forecast out 10 years—it is kind of like forecasting the weather in North Dakota, a little uncertain. But what this says is at the current rate, with the current plan, we are talking about the potential of adding $4.3 trillion to the Federal debt—$4.3 trillion. If anybody thinks that we do not have a problem, just look at all the projections and understand we do not have any alternative. We have to deal with this. However, we cannot deal with it just as a political issue. We have to deal with it in a real way.

Now, we are going to have an amendment following this one on Social Security. I do not want five reasons that someone would vote against either the right-to-know amendment or the Social Security amendment. I would just like one decent reason, just one. There is only one reason someone would vote against a right-to-know amendment, I suppose, and that is because they have no plan and you cannot get there from here. You cannot be saying I wish to increase spending, and I want to cut revenue, and I wish to balance the budget.

So we have a right to know. The American people have a right to know. How can you know something that cannot be accomplished? I guess that is why we do not have a plan. But if this is honest, if it is real, if it is not just an empty promise, then why would someone vote against this right-to-know amendment? Why? And the next

amendment, the Social Security amendment, saying we take Social Security out of paychecks in a dedicated tax and put it in a trust fund. We say we promise, in a promise between the people who work and the people who retire in a binding contract, we promise to maintain a trust fund as a solemn obligation. We promise that it will be used for Social Security.

Why—just one reason, not five—would anyone vote against an amendment that says you cannot use Social Security trust funds, you cannot raid Social Security trust funds to balance the budget? It has not added 1 cent to the budget deficit. In fact, it is running a surplus. To the extent that we now have national savings extracted from that system, we need them when the baby boomers retire. So I am not asking for five reasons, just one decent reason someone would vote against either of these amendments.

Now, we will in the coming hours this morning continue to discuss what all of this means in terms of balancing the budget and plans and the ultimate vote on the constitutional amendment. And I would like, if I can—I know that we are in a situation where we do not have very thoughtful or very interesting debates, unfortunately. I think it would be more fun if we all talked to each other on the floor and figured out what we are doing. Is it political for you and me? Is it policy?

The Senator from Utah is here, and I have listened to him at great length, and I would like to engage in a dialog with him if we could for a couple of minutes.

We propose that if we say as a body, maybe with my vote, that we should change the Constitution, it is a big step. If we say that and we should therefore balance the budget by the year 2002, we say we have an obligation to the American people, to the State legislatures, to everyone out there to decide to give them some skeleton of a plan. Here is the way it is going to happen in 7 years.

Now, some say, well, it cannot be done in 7 years. We have a 5-year budget. Well, why not give us five-sevenths of the plan? Just give us a part of it. We will take a fraction.

I would ask the Senator, if I could, without losing my right to the floor, what prevents some in this Chamber from believing the American people have a right to know?

Mr. HATCH. That is a good question. I do not think anybody knows except for one thing. We have had over 10 plans offered by colleagues on both sides of the aisle, some together as bipartisan plans that would lead us to a balanced budget by the year 2002.

The problem is not 1 of those 10 plans has 51 votes. And we have worked on trying to come up with some way of satisfying everybody from a balanced budget standpoint for the whole 19 years I have been here, and we have not been able to do that.

Our contention is that we will never do that unless we pass the balanced budget amendment and put a fiscal mechanism in place so that literally we can balance the budget.

I just cite to the distinguished Senator a very interesting article that appeared in the Washington Times just this morning. It is entitled ''Social Security and the balanced budget.''

Now, the thrust of it is to criticize those who believe that you should exclude Social Security out of the balanced budget amendment; in other words, write a statute into the balanced budget amendment. But it does make a very interesting point here. This is by David Keating.

During the Vietnam war, an American officer was quoted saying we had to destroy the village in order to save it. Now the U.S. Senate may apply similar logic when it votes on a proposal to add a huge loophole to the Balanced Budget Amendment, supposedly to save Social Security.

Mr. DORGAN. All right, I get the drift.

Mr. HATCH. But the point I wanted to make—let me just take a second here. There was a point on this——

Mr. DORGAN. But I understand the point the Senator has made, and I do not want to——

Mr. HATCH. Let me conclude with just one more sentence to answer the Senator's question.

The fact is we have never been able to do it up to now, and there is no way that we should hold the amendment hostage, assuming we pass it by a two-thirds vote and send it to the States, there is no reason why we should hold it hostage until we take another 18 years to try to get together on a balanced budget without the balanced budget amendment being in place.

Mr. DORGAN. Mr. President, I understand the point the Senator from Utah makes. It is an interesting point. The reason I ask the question is this. The Senator's party controls the Senate. We understand that. I mean I was up election night and saw the results. I did not smile as broadly as the Senator did perhaps, but the fact is that is the way the system works.

Mr. HATCH. It is all relative.

Mr. DORGAN. Republicans control the Senate. Now, when we controlled the Senate, we passed a deficit reduction bill in 1993. It was a hard bill, in many respects, to get votes for. But we rounded up votes for it and, with 51 votes, passed a bill that, the statistics now demonstrate, cut the budget deficit by somewhere around $600 billion.

We did not even get one accidental vote on the other side of the aisle. You think somebody would just make a mistake over there. But I tell you, it took every single vote that we could muster on this side of the aisle to do what was necessary. This is heavy lifting. The political vote, the easy vote is to vote ''no'' and walk away. But we did not. We did it. We voted to cut the deficit in a significant way, and I went home and took a lot of heat, and I was proud to stand up and say I am not part of the problem, I am part of the solution. Even if it is controversial, even if some of you do not like it, I am going to cast my vote to try to fix what is wrong in this country.

The reason I make that point is this. You say that, well, you know, the reason we are not able to give you a plan is we do not think there is a plan out there that can get 51 votes.

Look, part of the responsibility of leadership when you run this Chamber is to come up with those votes—and I may join you on those votes. But at the very least, especially because of recent experience we have had where we could not even get one vote on that side of the aisle to do the heavy lifting, I think in this circumstance when you say let us change the Constitution, then you have a special obligation to provide the leadership to get the votes for a plan to say to the American people, here is what we stand for. It is not just words to change what Ben Franklin and Madison and others did. It is not just words. Here is what we stand for. Here is our plan. And here is what we are willing to vote for.

Mr. HATCH. Will the Senator yield on that?

Mr. DORGAN. I will be happy to yield.

Mr. HATCH. I respect the Senator and his Democratic colleagues for standing up and doing what they thought was right. We did not think it was right because we did not want to increase the taxes the way they did—or you did, the highest tax increase in history.

Mr. FORD. No, no.

Mr. HATCH. I know there are those who want to say the dollar is worth less and, therefore, Reagan's was the highest—therefore, they are both high. Both occurred because of people who felt the same way as people who voted last time.

But under the Daschle amendment, what it would do is it would hold things up. This is the one time in history where we have a chance of passing a balanced budget amendment, sending it to the States, letting the States make the determination whether they are going to ratify it, three-quarters of them, or 38 States, and make it part of the Constitution.

The Daschle amendment would basically hold that up until we come up with a balanced budget approach that passes 535 Members of Congress.

Mr. FORD. No.

Mr. HATCH. We think that is not the way to go. We believe we have to pass the balanced budget amendment, get it out to the States, and I assure my colleague, Republicans and Democrats will get together and we will have to come up with that glidepath in the year 2002. I think we will have to get a majority of both Houses to do it. That is the only way we are going to get there.

And my point about the last 19 years is that we have never been able to do it

in that time. I want to have the mechanism, the procedural route by which we can get there.

Mr. DORGAN. I understand that and I appreciate the point the Senator is making. I understand that is why they are likely to defeat this right-to-know amendment—which is a terrible mistake, incidentally, because the question of whether this is a real promise or a broken promise is really a judgment by the American people about: Is this simply more words and more posturing, more politics, or is there something here that is real?

The interesting point of all this is the American people, I think, are pretty resilient and pretty strong. You go through 200 years of history in this country, and they move right to left but they always come back to the strong center. And they have a good sense of what is right or wrong and a good sense of what ought to be done.

Mr. HATCH. I agree.

Mr. DORGAN. The fact is the American people are a lot more able to tolerate the kinds of medicine that need to be administered these days than most people here give them credit for. But I think they do want to know. They want to know if someone says: ''Look, we have the votes. We want to go off and build star wars. We know that is out of fashion, but it is not out of fashion with us. We want a star wars program. It is $30 billion, $40 billion. We want to build it because we have the muscle.''

Somebody back home will want to know, if you are going to build star wars, does that mean you are going to cut school hot lunch programs? They want to know what all this means, and those are simple issues. What are the priorities?

You can look back 100 years from now in this country and look at this country's budget and you can tell something about what our people were, what we felt was important, what we invested in, what we considered important for the future. You could tell that by what we decided to spend money on.

The American people, I think, given 18 or 20 years of promises—most of them empty—by both parties, given complicity in arranging this deficit by creating a situation where we spend more each year than we take in because we ratchet up all the entitlement programs to inflation and we ratchet down taxes on the other side so you create an imbalance—I think the people would want to say if this is not business as usual, if it is not really business as usual, why, then, are there not, this time, honest answers? Why are there not honest answers to the questions of what will this mean to us?

Mr. HATCH. Will the Senator yield?

Mr. DORGAN. What is this medicine about? I would say to the Senator from Utah, we have limited time. I probably consumed a few more minutes than I should have on my side. I would love to continue this. I hope we can have it when we do not have a time agreement, at some other time, because I would like to talk through some of these things. With that, I would like to——

Mr. HATCH. If the Senator will yield on my time?

Mr. DORGAN. I will be happy to yield on the Senator's time, sure.

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

Mr. HATCH. I think the Senator is making a terrific case for the balanced budget amendment. I know he is a supporter of it. So I commend him for that as well.

He makes the case that we are going to spend billions on star wars, will that take away from school lunches? Right now we just fund both of them because we do not have to live within any procedural or any disciplined constraints.

The balanced budget, if we pass it, then becomes the discipline through which we are going to have to look at defense as well as everything else and we are going to have to somehow or other come to a conclusion among competing programs and make priorities. I think it would force us to do that. Of course, that is the whole argument for a balanced budget amendment, and I think the Senator is making a good case for it.

I guarantee I will work with the distinguished Senator and others to try to get to that consensus, but until we get the discipline in place, we will never get there and we know it and everyone knows it.

Mr. DORGAN. My intention was to make a strong case for the right-to-know amendment, and I hope we will get some votes on the other side of the aisle to pass that. That will make this constitutional amendment an honest amendment, give people some hope that instead of talking about it, we will finally get something done.

Mr. President, I have consumed some time on our side of the aisle. We have a number of other people who want to speak. I know we have been going back and forth.

I yield to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, how much time remains on our side?

The PRESIDING OFFICER (Mr. KEMPTHORNE). The minority has 36 minutes.

Mr. FORD. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin, Senator FEINGOLD, have up to 10 minutes and the distinguished Senator from the State of Washington, Senator MURRAY, have up to 5 minutes of our 36 minutes.

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

The Chair recognizes the Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I also rise to support this amendment. I offered a similar version of the right-to-know amendment, the glidepath amendment, in the proceedings in the Senate Judiciary Committee. I thought it was the best discussion we had in the committee after a couple of days of discussion. I thought the discussion on the right-to-know amendment was really the most thoughtful and the one that really crystallized the issue.

In at least two important ways, this is the truth amendment. First, in one sense the amendment is a truth test. If the supporters of this constitutional amendment are serious about balancing the budget, this amendment is the one that really provides that opportunity. The central concern I have had with the proposed balanced budget amendment is that it will actually undercut our efforts to reduce the deficit and balance the budget by just providing political cover for those who are unwilling to make these really tough decisions. Having voted for the balanced budget amendment, I fear Members will feel free to duck the real work of actually identifying and voting for real spending cuts and they will be able to continue to do this ducking of the issue as the States go through the rather laborious process of trying to see if they are going to ratify this thing in the next year or 2 or 7 years.

Of course, supporters of the constitutional amendment deny this assertion. They proclaim loudly they will seek specific cuts and we just have to wait and see what they might be. This amendment to the balanced budget amendment, this right-to-know amendment, provides those who are genuinely interested in ensuring the Congress does its job with the opportunity to demonstrate their commitment to real deficit reduction. It does what the proponents of a balanced budget amendment contend they want to do. This amendment forces Congress to get the job done. It forces Congress to lay out over the next 5 or 6 or 7 years, exactly how we are going to accomplish this.

Except, Mr. President, the good thing about this amendment that cannot be said about the balanced budget amendment is that the right-to-know amendment does not allow delay and evasion. It does not let the 104th Congress off the hook by simply passing an amendment, a balanced budget amendment, that does not lay out a single spending cut. The last Congress made substantial progress in reducing the budget deficits that have been generated by the budget policies of the 1980's. That progress was made because the 103d Congress was willing to lay out and have a very difficult process of discussing specific items to reduce the deficit. It was not easy. It was not always popular. But it was specific and it worked and the economy is sound and ultimately the efforts of the President and the majority at that time have been accepted by the American people.

Now there is a new majority, a new leadership in Congress. As is so often the case when there is a change in the ruling party, that new majority promises great change. On the first bill we considered in this Congress we were told very bluntly there would be no

amendments no matter how reasonable, no matter how necessary, because, in the words of the new majority and in the words of one Senator, it was because this is about who runs this place.

But when is the majority going to show us how they plan to reduce the deficit? In other words, when are they going to show us how they are going to run the place when it comes to balancing the budget? That is part of running the place.

Why is it the new Congress, from which all things are supposedly possible, is apparently incapable of providing us with a plan to reduce the deficit? Mr. President, a majority of those supporters of this proposed amendment who were here in 1993—and I am referring to the balanced budget amendment—refused to support the deficit reduction package that was passed and that has resulted in progress.

I remember the discussion in the Judiciary Committee of the Senator from Wyoming, Senator SIMPSON, who referred to past votes when the Republicans were in the majority, which he called times when the rubber hit the road. He said the Democrats were not there to help.

In 1993, the rubber hit the road here; $500 billion in deficit reduction was proposed and passed, and not one single Republican in either House chose to vote for those specific spending cuts.

That is, unfortunately, the only way this can be accomplished, identifying what has to be cut and actually doing it.

So I understand that nobody necessarily has to assign any particular plan. But if you are going to propose a balanced budget amendment I think you have a special burden to at least show us some plan with regard to how it is going to be accomplished.

Mr. President, I said there were two ways this was a truth amendment. The other is that this is the truth-in-packaging measure. The voters, local government, and the State legislatures that are asked to ratify this amendment are all entitled to know what supporters of the constitutional amendment mean to do before they modify the Constitution of the United States.

Looking at the Presiding Officer, one of leaders in this body of concern with State and local governments, this is exactly the kind of thing that this Senator has talked about—the fact that these folks have a right to know what we are up to out here, and that we do not lay an unreasonable burden on them in the form of the balanced budget amendment.

Unfortunately, though, the supporters of the balanced budget amendment have been very reluctant to provide that kind of information. They maintain that to reveal the whole horrible truth to the Congress and the public would make it impossible to pass the balanced budget amendment.

Mr. President, I find that kind of reasoning to be a gross underestimate of the American people. And it is amazing. It even reveals a little bit of an antidemocratic philosophy, and is a little bit insulting to the American people. This is a critical point. I think, in contrast, supporters of this proposal, instead of giving the information, want to alter one of the greatest testaments to democracy in history, our Constitution, and they want to do it in a way, they freely admit, they say would be opposed by the people if they knew what was proposed. The obvious irony of this is also a form of hypocrisy.

Mr. President, though I oppose the proposed constitutional amendment, I am convinced that the failure of the supporters to provide a specific proposal and glidepath will actually undermine the efforts to have the amendment ratified. Even worse, it may jeopardize the real world, the real effort that is required to reduce the deficit. Without a broad-based consensus, no significant deficit reduction plan would stand. Any plan which would generate the opposition that the proponents so obviously fear would be overturned, and rightly so, in a democracy.

So, Mr. President, we will not achieve the broad-based consensus that we need by dealing dishonestly with the American people. We have made progress on the deficit. I for one believe the American people are ready to sacrifice and do more, if they are treated with respect, with honesty, and with open Government. I have seen this consistently over the last 2 years and when I was running for the Senate. I see it in each of the 72 counties of our State, where I hold a listening session in each county every year. Most recently, I have seen it in the willingness of so many of my constituents. The vast majority of my constituents say to me, ''Don't take a tax cut and give it to the American people.'' They say, ''Just reduce spending to reduce the deficit.'' This is the way the people are talking. They are ready to handle this problem, if we are open about it.

Mr. President, the people of this country are willing to make sacrifices to help clean up the mess that was not of their making. The very least we can do is to deal honestly with them. That is what this amendment does. It provides an honest approach.

To conclude, Mr. President, the Constitution of the United States is still our great national contract. Before we ask people to accept a change in that contract, they are entitled to read the fine print.

So I urge my colleagues on this important vote later today to support the Senator from South Dakota and provide the American people the information they need so they can go forward with some confidence on this issue.

I thank the Chair.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized for up to 5 minutes.

Mrs. MURRAY. Thank you, Mr. President.

Mr. President, there is no more important aspect to this debate than the amendment put forward by my good friend from South Dakota, the minority leader.

Yesterday, the Budget Committee heard very important testimony from Dr. Laura Tyson, the Chair of the President's Council of Economic Advisers. Dr. Tyson explained how risky passing this resolution can be if we do not know exactly what is going to be cut, how much, and when.

She outlined for us how dangerous these drastic, irrational cuts can be to the current economic expansion. She described how our fiscal policy will be ''handcuffed,'' that is her word, not mine, if this resolution becomes part of the Constitution.

I refer our colleagues, Mr. President, to her testimony before the Budget Committee yesterday. And, I ask unanimous consent that the text of an article by Dr. Tyson in yesterday's Washington Post be made a part of the RECORD.

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

IT'S A RECIPE FOR ECONOMIC CHAOS

(By Laura D. Tyson)

Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the federal budget is not. The fallacy in the logic behind the balanced budget amendment begins with the premise that the size of the federal deficit is the result of conscious policy decisions. This is only partly the case. The pace of economic activity also plays an important role in determining the deficit. An economic slowdown automatically depresses tax revenues and increases government spending on such programs as unemployment compensation, food stamps and welfare.

Such temporary increases in the deficit act as ''automatic stabilizers,'' offsetting some of the reduction in the purchasing power of the private sector and cushioning the economy's slide, not be able to moderate the ups and downs of the business cycle on its own as well as it can with the help of the automatic fiscal stabilizers.

First, monetary policy affects the economy indirectly and with notoriously long lags, making it difficult to time the desired effects with precision. By contrast, the automatic stabilizers of fiscal policy swings into action as soon as the economy begins to slow, often well before the Federal Reserve even recognizes the need for compensating action.

Second, the Fed could become handcuffed in the event of a major recession—its scope for action limited by the fact that it can push short-term interest rates no lower than zero, and probably not even that low. By historical standards, the spread between today's short rates of 6 percent and zero leaves uncomfortably little room for maneuver. Between the middle of 1990 and the end of 1992, the Fed reduced the short-term interest rate it controls by a cumulative total of 5¼ percentage points. Even so, the economy sank into a recession from which it has only recently fully recovered—a recession whose severity was moderated by the very automatic stabilizers of fiscal policy the balanced budget amendment would destroy.

Third, the more aggressive actions required of the Fed to limit the increase in the variability of output and employment could actually increase the volatility of financial markets—an ironic possibility, given that many of the amendment's proponents may well believe they are promoting financial stability.

Moreover, they do so quickly and automatically, without the need for lengthy debates about the state of the economy and the appropriate policy response.

By the same token, when the economy strengthens again, the automatic stabilizers work in the other direction: tax revenues rise, spending for unemployment benefits and other social safety net programs fall, and the deficit narrows.

A balanced budget amendment would throw the automatic stabilizers into reverse. Congress would be required to raise tax rates or cut spending programs in the face of a recession to counteract temporary increases in the deficit. Rather than moderating the normal ups and downs of the business cycle, fiscal policy would be required to aggravate them.

A simple example from recent economic history should serve as cautionary tale. In fiscal year 1991, the economy's unanticipated slowdown caused actual government spending for unemployment insurance and related items to exceed the budgeted amount by $6 billion, and actual revenues to fall short of the budgeted amount by some $67 billion. In a balanced-budget world, Congress would have been required to offset the resulting shift of more than $70 billion in the deficit by a combination of tax hikes and spending cuts that by themselves would have sharply worsened the economic downturn—resulting in an additional loss of 1¼ percent of GDP and 750,000 jobs.

The version of the amendment passed by the House has no special ''escape clause'' for recessions—only the general provision that the budget could be in deficit if three-fifths of both the House and Senate agree. This is a far cry from an automatic stabilizer. It is easy to imagine a well-organized minority in either House of Congress holding this provision hostage to its particular political agenda.

In a balanced budget world—with fiscal policy enjoined to destabilize rather than stabilize the economy—all responsibility for counteracting the economic effects of the business cycle would be placed at the doorstep of the Federal Reserve. The Fed could attempt to meet this increased responsibility by pushing interest rates down more aggressively when the economy softens and raising them more vigorously when it strengthens.

Finally, a balanced budget amendment would create an automatic and undesirable link between interest rates and fiscal policy. An unanticipated increase in interest rates would boost federal interest expense and thus the deficit. The balanced budget amendments under consideration would require that such an unanticipated increase in the deficit be offset within the fiscal year!

In other words, independent monetary policy decisions by the Federal Reserve would require immediate and painful budgetary adjustments. Where would they come from? Not from interest payments and not, with such short notice, from entitlement programs. Rather they would have to come from either a tax increase or from cuts or possible shutdowns in discretionary programs whose funds had not yet been obligated. This is not a sensible way to establish budgetary priorities or maintain the health interaction and independence of monetary and fiscal policy.

One of the great discoveries of modern economics is the role that fiscal policy can play in moderating the business cycle. Few if any members of the Senate about to vote on a balanced budget amendment experienced the tragic human costs of the Great Depression, costs made more severe by President Herbert Hoover's well-intentioned but misguided efforts to balance the budget. Unfortunately, the huge deficits inherited from the last decade of fiscal profligacy have rendered discretionary changes in fiscal policy in response to the business cycle all but impossible. Now, many of those responsible for the massive run-up in debt during the 1980s are leading the charge to eliminate the automatic stabilizers as well by voting for a balanced budget amendment.

Instead of undermining the government's ability to moderate the economy's cyclical fluctuations by passing such an amendment, why not simply make the hard choices and cast the courageous votes required to reduce the deficit—the kind of hard choices and courageous votes delivered by members of the 103rd Congress when they passed the administration's $505 billion deficit reduction package?

Mrs. MURRAY. Mr. President, Dr. Tyson, probably more clearly than anyone I have heard in the past few days, explains how dangerous this resolution is and why the American people have a right to know what our budget will look like before we act on this measure.

Mr. President, the staff of the Budget Committee prepared an analysis of the balanced budget amendment which puts the abstract words of this resolution into perspective.

Now, as you know, Mr. President, the proponents of this resolution tell us we must have a balanced budget in the year 2002. But, they refuse to tell us how they will achieve that balance. They will not level with the American people about what they will cut and what they will eliminate. And, Mr. President, the American people have a right to know.

They have a right to know before we pass this amendment how this will affect them.

If we pass this resolution with an exemption for Social Security, defense, and some other sensitive programs and if we still enact all the tax cuts in the Contract With America, and all of that is possible, we will see a 50-percent across-the-board cut in all other programs.

Is this responsible budgeting, Mr. President? Is this rational? Is this common sense? If we put this resolution into action, Mr. President, agricultural programs could take a 50-percent cut. So could highway funds. We could lose half of our education and job training money, and we could lose half of our student loans.

If the Constitution is amended in this way, and Congress actually acts on it, the cleanup of the Hanford Nuclear Reservation is in jeopardy. This is not the way we return security to our Nation, Mr. President. And, it is not how we restore the glimmer of hope to our children's eyes.

The radical cuts this amendment will demand will likely fall squarely on the backs of the most vulnerable in our society—our children, our elderly, our disabled most in need of help.

And, Mr. President, at a time of uncertainty for all of our working families we find this resolution will hurt our workers. The economists at Wharton predict Washington State could lose 209,000 jobs the year after this amendment takes effect. They predict my State will experience a 15-percent drop in total personal income. And, they tell me hardest hit will be the manufacturing sector—especially the aerospace industry—which is already experiencing massive job losses.

Mr. President, it is time to level with the American people. If we are gong to engage in a discussion of balancing the budget, let's get beyond the 10-second sound bites. Let us tell the American people how this budget will affect our lives, and their children's lives. Because, Mr. President, if we are going to change the Constitution of the United States the American people have a right to know exactly how this will affect their lives, their security, and their future.

I retain the balance of my time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I yield 10 minutes to the distinguished Senator from New Hampshire.

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

Mr. SMITH. I thank the Senator from Utah for yielding the time.

Mr. President, as I indicated in previous remarks on the floor in this debate on another day, this really is the defining moment. This is the opportunity for us to move on balancing the Federal budget. If we do not do it during this time when we have the opportunity to pass this amendment, it will be the last time. The House has passed it 300 to 132. It is very close here in the Senate. Some would say that we do not have the 67 votes that are required as of now.

Here we are, out here talking about a right to know, so-called. Everyone knows that is a smokescreen. It is dilatory. It is a delay tactic to try to stop us from voting on this amendment or to try to obfuscate the issue so much that no one will understand what the real problems are.

Here is the real problem, Mr. President. This is the President's budget.

It is interesting that the color is green, and it should be because in this budget the President spends one heck of a lot of money. In this budget, the President adds, over 5 years, well over $1 trillion more to the national debt. The annual deficits run over $200 billion a year, on an average, for the next 5 years, adding over $1 trillion to the national debt. That is what it says.

The other side says we need a right to know. Well, what about the President of the United States? Why does he not submit to us at least something that leads toward a balanced budget?

He basically has taken a walk and has presented this budget. It is green. You know, Mr. President, here is the color it should be—red—because it is red ink, more red ink, more red ink, more red ink, business as usual, politics as usual. We stand down here on the floor and we talk and talk and talk, and the debt goes up and up and up, and our children's future is at stake.

That is what this is all about, Mr. President. Let us face it, that is what it is all about. How can the President of the United States, with his party on the floor trying to delay this amendment by using this phony argument of the right to know, keep a straight face in presenting this budget? He ought to replace Jay Leno, for crying out loud. It is hysterical. It is so funny that no one could possibly take the man seriously. How can you say that?

If you want further evidence of what this thing is all about on this amendment—and I say to my colleague, the floor leader from Utah—I remind him because he was very much a participant in this debate a year ago, in February 1994, when we had the amendment up here and we lost it by three or four votes, as the Senator well remembers. The sponsor of this right-to-know amendment by the minority leader of the U.S. Senate was on the floor, and it is interesting to hear what he said because he supported the amendment in that debate and voted for the balanced budget amendment to the Constitution. Here is what he said:

> To remedy our fiscal situation, we must stop spending beyond our means. This will not require the emasculation of important domestic priorities, as some suggest.

He also said:

> We are building a legacy of debt for our children and our grandchildren and hamstringing our ability to address pressing national priorities.

And then he said:

> In this debate on a balanced budget amendment, we are being forced to face the consequences of our inaction. Quite simply, we are building a legacy of debt for our children and our grandchildren and hamstringing our ability to address pressing national priorities.

Here, Mr. President, ironically is what Senator DASCHLE, the minority leader, said on February 28 on the floor of the U.S. Senate about the right to know:

> Congress and the President will have 7 years to address the current deficit and reach a consensus on our Nation's budget priorities. We will have time to find ways to live within our means and still meet existing obligations to our citizens, particularly the elderly.

So you have the sponsor of this amendment on the floor of the Senate 1 year ago in support of the balanced budget amendment and saying pass the amendment and we will lay out the plan and we will work together to lay out a plan to balance the budget. That is 180 degrees in reverse of where we are today with the Senator from South Dakota with his so-called right-to-know amendment.

When are we going to do this? The reason why we need the amendment could never be more obvious than it was when the President submitted that budget, because we will not do it without the amendment. I want to comment for a few moments on this issue of the right to know, because it is kind of fascinating. I hear about the public's right to know as if we have to know every single item, everything we are going to do before we pass the amendment. If Congress wanted to get a balanced budget, they would have done it, Mr. President, and we would not need the amendment. The reason we need the amendment is because they will not do it. That is the reason—because they will not do it.

Do you know what I think? I think the public has a right to know why every child born in America today, even as I speak, is born approximately $18,000 in debt. I think that child has a right to know why that is happening in this country and what we are going to do about it. That is a right to know that I think we ought to have.

Also, I hear on the floor that we are going to make the tough decisions. Give me a break. That is why we need the amendment. We are not making the tough decisions, and the President did not make the tough decisions in this budget. He did not make the tough decisions. He took a walk. That is going to continue to happen until the national debt goes right through the roof. It is already fast approaching, or will be by the turn of the century, over $6 trillion. Where does it stop, at $12, $13, $15, $16, $20, $100 trillion? That is where it is going to go if we do not stop. We just have to do it.

Why would anybody think the American people are going to trust us to make those decisions? Why should they? We have never done it. That is why 80 percent of them have said over and over again that they support an amendment. That is why they said it. That is why they want this amendment. And that is why those who do not want it are using these delay tactics and phony arguments, because they do not want to make the tough decisions.

In order to force us to do what we have been unwilling to do for the past 15 years or longer, we need this amendment.

Do you know what has been really lost in this debate, beyond the right to know? We are forgetting about the American people. They are the losers in this debate. Many of my colleagues say, oh, the Governors are against it, State legislators will not support it; there will be a lot of polls cited next week saying that. The only poll that the Framers of the Constitution ever thought about or knew about, as far as I am concerned, is whether or not 38 States deem this amendment essential and a majority of the House and Senate deem it essential. If they do, we will be bound by the Constitution that all of us swore to uphold to put our fiscal house in order and, by doing so, we will bring some dignity to this body and restore fiscal sanity to this country. That is what it is all about, fiscal sanity and dignity.

How in the world can we call it dignified to roll up trillions of dollars more of debt on our children, basically saying I am not going to worry about it today, I am going to live the good life and do what I have to do, and I am going to pass my debts on to my kids. That is what we are doing with trillions of dollars.

My friends who oppose the amendment speak only of their ability to make the tough choices. ''We will make the tough choices,'' they say. I heard one of my colleagues say how they made the tough choices. In fact, it was said this morning that they made the tough choices in 1993 in the President's budget. He said, ''No Republican voted for this agreement.''

I remind my colleagues that Republicans were not a party to the agreement. We did not have anything to do with negotiating the agreement. We were not invited to participate in it. I do not know what the discussion was like behind closed doors, nor do any of my Republican colleagues know. Do you know what they talked about in those meetings and discussions? They did not talk about cutting spending or balancing the budget. They talked about, should we raise the top tax rate 5, 8, 9 percent? What are we going to raise it to? They talked about raising taxes. They talked about, should we make tax increases retroactive for 6 months, 1 year, year and a half? How long can we go with a millionaires' surtax? Should it be $500,000 or $250,000. That is what was going on. There were no talks in those meetings about spending cuts or about tough decisions.

So that is one of the reasons why I believe my friends fear the constitutional amendment, those who are opposing it, because they know exactly what is going to happen. You will have to cut spending and cut the bloated bureaucracy and eliminate outdated programs, and you will have to make the tough decisions. That is the truth. They are not ready to do it. That is the bottom line.

I will close on this point. I was very much interested in the story in the Washington Post this week regarding Washington, DC. They announced they are $722 million in debt. And Mayor Barry is telling us in the papers that home rule does not work. He is one of the most noted figures in the history of home rule in the District. He is now saying: I have to have the Federal Government take over some of the services, the prison system, and other programs that he says he cannot maintain. He is in debt.

Now, why has the Mayor changed his mind? Why has he changed his tune from the big government mayor that he was for all those years?

It is quite simple. He does not have the tax base any longer to maintain

the bureaucracy that had been created by him and his predecessors. The well is dry. They cannot raise any more taxes.

Indeed, we have the representative from Washington, DC, in the House saying we may want to eliminate income taxes altogether for people who live in the District. They cannot pay any more taxes. They are up to here. That is the problem.

That is not the answer. The answer is not raising more taxes. The answer is cutting spending. That is the issue. So he has given up. So the Mayor says, ''Come in. Take these things from me. I can't deal with it any more. I do not have the tax base.''

That, my friends, is exactly the predicament that we are going to be in in the very, very near future. We are going to go to the well once too often. There is not going to be any more money there. You cannot squeeze any more blood out of this turnip, out of the American people. They do not have it any more. They are fed up. They have had enough. You cannot get any more. And, therefore, the end is in sight. That is what is going to happen. That is where we are going to get to.

And when that point comes, what do we do? Are we are going to turn and say, ''Take these programs''? The answer is no. We all know, when that comes, it is going to be too late and we will have bankruptcy, the equivalent of chapter 1, where we spend a whole bunch more dollars.

That is not what the American people want. The American people want us to be fiscally responsible, to make the tough decisions and pass this amendment so that the Congress and the President, both political parties, Democrats, Republicans, liberals, conservatives, sit down in a room and make the decision to balance the budget. Yes, we will differ on where the priorities are, but we have to do it. Now we do not have to do it. That is why we need the amendment.

So I urge my colleagues to move off this phony debate of right to know and exempting programs and get on to the business of passing this amendment sooner rather than later and stop the dilatory tactics.

Thank you, Mr. President.

I thank the Senator from Utah for yielding to me.

Mr. HATCH. Mr. President, I thank the distinguished Senator from New Hampshire for his excellent statement. It was terrific.

Mr. President, I yield 3 minutes to our courageous colleague from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President and my colleagues in the Senate, I am for the basic aim of this amendment, but I am going to vote against the amendment for two reasons.

One is, while I think we do need to spell out in broad outlines where we are going and how we are going to achieve a balanced budget before it goes to the States, I do not believe this should be in the Constitution. We are talking about a procedural thing that should not be in the Constitution.

Second, to spell out down to $100 million where we are going I think is just totally unrealistic in terms of where we are going to be 7 years from now. So I think it is an unwise amendment.

I would add, if we pass the balanced budget amendment—and my hope is that we will have the wisdom and the courage to do so—I will request—and I hope to be joined by Senator HATCH and others on this—I will request the leaders of both parties to either ask the Budget Committee or a special task force to put together in broad outlines how we can get to a balanced budget in the year 2002.

Now, CBO has outlined some things; the Concord Coalition has outlined some things. There have been other suggestions. But I think a task force that can be appointed immediately after passage and report back to the Senate is the way we should go. I do not believe we should put this kind of an amendment in the Constitution. I think it is just not constitutional in nature.

Second, I think to say where we are going to be 7 years from now in terms of $100 million—and at that point it will be about a $1.8 trillion budget—is just unrealistic. So I will be voting for the motion to table.

I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I thank the Senator.

Mr. President, I yield 1 minute to the distinguished Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 1 minute.

Mr. BURNS. Mr. President, I thank my friend from Utah for yielding.

Mr. President, I have been listening to the speeches and debate on this amendment and especially on this issue. I just want to go to the bottom line real quick.

We have to get away from these scare tactics that everything is going to be cut. I have had people come into my office and say, ''We are going to lose our programs. Everything is going to be out because you will not tell us how you are going to do it.''

Let me tell you, this is going to make us all set up a criteria to select those things to be funded that should be funded. How many programs have we got right now that are being funded that have not been authorized by this body or the other body or ever signed into law by the President of the United States? If that is one of those criteria, then we are going to see those folks who want to fund programs that have not been authorized or cannot pass the scrutiny of the Senate or the House and we get them out. We just go ahead and fund them.

A case in point is the National Biological Survey. We appropriate all kinds of money for a program that has never passed this Congress. And if we do not have the criteria on which we fund and what we do not fund, we will never do it, we will never get it under control.

So the scare tactics are all baloney.

I thank my friend from Utah for yielding me the minute. You usually hear a lot of flowery speeches, but that is the bottom line when you go to taking up this issue.

Mr. HATCH. I thank my colleague from Montana for his cogent remarks.

I now yield 15 minutes to our distinguished chairman of the Policy Committee, the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 15 minutes.

Mr. NICKLES. I thank the Chair.

Mr. President, I wish to compliment my colleague from Montana for his remarks. They were brief, but they were right on target.

I also wish to compliment Senator HATCH, Senator CRAIG, and Senator SIMON. I very much appreciate the bipartisanship which we have exhibited in trying to pass this constitutional amendment.

We have all been working for a long, long time to pass a constitutional amendment saying, ''Congress, you cannot spend any more than you take in.'' It is long overdue.

Consider the remarks Thomas Jefferson made in 1798. He said, ''I wish it were possible to obtain a single amendment to our Constitution.'' He further says, ''I mean an additional article, taking from the Federal Government the power of borrowing.'' These are Thomas Jefferson's words and he was correct.

Mr. President, we have a heck of a problem. We are spending a lot more money than we take in and we have been doing it for a long time. We did it for many years under Republican administrations, under Democratic administrations, and under primarily Democrat Congresses. We had a Republican Senate in the interlude. But we have seen Federal spending escalate year after year.

Mr. President, I am going to put a lot of tables into the RECORD which represent the facts, the fact that Federal spending has been exploding.

In 1960, Mr. President, the Federal Government spent less than $100 billion. In 1970, we spent less than $200 billion. In 1980, we spent $591 billion. So, we went from less than $100 billion in 1960, less than $200 billion in 1970, and less than $600 billion in 1980. By 1990, Mr. President, we spent $1.25 trillion.

I am bothered, Mr. President, when the President of the United States claims in his State of the Union Message that he cut spending by $250 billion. The fact is that Federal spending has not been reduced; it has climbed every year. The only way that the President can say we have cut spending is by using the inflated baselines that only the Federal Government would

use. He is not accurate. Federal spending has gone up every single year.

In 1992, Federal spending was $1.382 trillion; in 1994 it was $1.461 trillion; in 1995 it will be $1.531 trillion. The President's budget for next year is over $1.6 trillion—And the spending continues to escalate. By the year 2000, spending exceeds $1.9 trillion. Federal spending continues to climb every year, and it has under every President and every administration.

Revenues have been climbing as well, but not quite as fast. I really think we need some kind of restraint. I happen to think a constitutional amendment is the restraint we need. I wish we did not. Some of my constituents asked me recently, was it really necessary? I said it would not be necessary if we had a strong majority in both the House and the Senate that was willing to make the tough fiscal decisions that would have to be made to balance the budget.

We have not seen that kind of majority. Maybe with the new Congress we will have that kind of opportunity, but history has shown that we have not had it in decades. Most States have a balanced budget requirement. Some may allow exceptions, but most States have something in their constitution that limits the amounts of money that they can spend and/or the amount of money they can borrow.

So, Mr. President, I think it is vitally important we pass a balanced budget amendment. It has to be a bipartisan effort, and I hope we will have bipartisan support to make it happen.

Mr. President, some people have said, ''How do you do it?'' This is the intent of Senator DASCHLE's amendment on the right to know. Unfortunately, Senator DASCHLE's amendment amends the Constitution. This is not the proper way to do what he wants to do. I happen to agree that we should put out as much information on how we will get there as possible. I would also say that 7 year estimates are just guessing. No one knows what will happen in the economy between now and then, and certainly the economy makes a lot of difference on what the outlays will be and what the revenues will be. But to put something like his amendment in the Constitution is wrong. I just hope my colleagues before they vote on this amendment will read the amendment that is pending and read section 9. It includes about 11 or 12 paragraphs.

The rest of the balanced budget amendment is quite simple. The rest of the amendment, which is similar to an amendment we passed in the Senate in 1982, one which Senator DASCHLE himself has supported in the past, makes sense. It is logical. It would fit in the Constitution. Section 9 does not belong in the Constitution.

I hope that my colleagues will not support the right to know amendment. Does that mean that Congress should abdicate its responsibility and wait until the seventh year to do anything to balance the budget? No, we should take concrete steps each year to reduce our deficit down to zero.

I regret to say that President Clinton, in his latest budget submission, has not done that. I think he has raised the white flag on deficit reduction. His deficit stays at about $200 billion in the foreseeable future, and beyond the year 2000 increases rather dramatically. The President's budget touches a little bit on discretionary spending, it increases it dramatically in some areas, cuts it in defense and some other areas, and does not touch entitlements.

Entitlements have been exploding. I think that is irresponsible. I think, basically, the President punted and said, ''Congress, you take over. We will wait and see how you do and we will throw rocks at it.'' I think that is irresponsible.

Regardless of what the President does, we need to move toward a balanced budget. Regardless of whether or not we pass this amendment, we need to move to balance the budget. I hope we will. I hope we take concrete steps this year and each and every year to reduce the deficit, reduce the enormous debt load we have on the American people.

Mr. President, we do have enormous debt load. Federal debt in 1994 is $4.6 trillion. Mr. President, per capita that is $17,848 for every man, woman, and child in the United States. That is the amount of public debt we have today. Next year, 1995, that figure is $18,800. So that figure has risen by over $1,700 for every man, woman, and child in the United States, the amount of debt load increase they have all inherited.

I do not think that is acceptable. I think we have to manage something. Maybe this is not the perfect solution, but it happens to be one of the few that I think will work. We are sworn to uphold the Constitution, and we all take an oath that we will uphold the Constitution, I think we will show the courage to do so.

Unless and until we have that constraint, I am afraid we will fall back to business as usual, and business as usual is passing the Daschle amendment or passing another amendment that says we will exclude Social Security or gut this amendment some way or another and not pass it, and we will continue spending more money than we take in.

Why do we do that? Senators are a lot more popular if we spend money than if we take it. People do not like taxes. They like spending. Therefore, we spend more, tax less, and have big deficits. I do not think that is responsible, Mr. President. I do not think we can continue doing that.

How can we balance the budget? Can we do it? CBO says we will have to cut spending by $1.2 trillion. The President's budget would cut spending by $144 billion in the next 5 years. Mr. President, we will spend over $10 trillion in the next 6 years. The President is talking about a marginal reduction of about 1 percent. Again, Federal spending under the President's program goes from $1.5 to $1.9 trillion. That is not a spending reduction. If spending goes up by a dollar, we should say spending went up, not that we reduced the rate of both and therefore it is a spending cut.

Mr. President, we can balance the budget if we allow spending to increase, but spending cannot increase as fast. According to the baseline that CBO uses, spending is increasing right now about 5.26 percent. We can balance the budget keeping spending growth to 3.21 percent for the next 7 years. Then we can balance the budget. Let me repeat that: Spending can increase each and every year, by 3.26 percent.

Mr. DORGAN. Mr. President, will the Senator yield?

Mr. NICKLES. Mr. President, I will not yield. I have a few more points to make, and I will be happy to yield in a moment.

So, Mr. President, how do we do that? We have some programs growing astronomically. I will mention a few: Defense has actually gone down, but there are a lot of other programs that are growing very dramatically. Medicaid, for example, in the last 4 years has grown at 28, 29, 12, and 8 percent. We cannot continue that rate of growth.

Earned income tax credit, a program that this President is very proud of, the last 4 years has grown at 11, 55, 18 percent, 1994 at 22 percent, 1995 at 55 percent. That is an exploding entitlement program that this President expanded. I could go on. Food stamps in the last 4 years has grown 17, 25, 21, and 11 percent. Last year, zero percent. We can see it has exploded in growth. In 1990 we spent $15 billion in food stamps; in 1994, $25 billion in food stamps.

Mr. President, I ask unanimous consent that these tables be printed in the RECORD.

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

FEDERAL SPENDING CATEGORIES

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar Growth	Percent Growth	Percent of GDP
Mandatory				
1980	$292	.....	.....	11
1981	341	$49	17	11
1982	373	32	9	12
1983	412	39	10	12
1984	406	(5)	−1	11
1985	450	44	11	11
1986	460	10	2	11
1987	470	11	2	10
1988	494	24	5	10
1989	526	32	6	10
1990	567	41	8	10
1991	634	67	12	11
1992	712	78	12	12
1993	762	50	7	12
1994	789	27	4	12
1995	845	56	7	12
1996	899	54	6	12
1997	962	63	7	12
1998	1,026	64	7	12
1999	1,097	71	7	13
2000	1,173	76	7	13
Domestic				
1980	129	.....	.....	5
1981	137	7	6	5
1982	127	(9)	−7	4
1983	130	3	2	4
1984	135	5	4	4
1985	146	10	8	4
1986	148	2	1	3
1987	147	(0)	−0	3
1988	158	11	8	3

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar Growth	Percent Growth	Percent of GDP
1989	169	11	7	3
1990	183	14	8	3
1991	195	13	7	3
1992	214	19	10	4
1993	229	15	7	4
1994	242	13	5	4
1995	253	11	5	4
1996	262	9	4	4
1997	274	12	5	3
1998	284	10	4	3
1999	295	11	4	3
2000	304	9	3	3
International				
1980	13	.....	.....	0
1981	14	1	6	0
1982	13	(1)	−5	0
1983	14	1	5	0
1984	16	3	20	0
1985	17	1	7	0
1986	18	0	2	0
1987	15	(3)	−14	0
1988	16	1	3	0
1989	17	1	6	0
1990	19	3	15	0
1991	20	1	3	0
1992	19	(1)	−3	0
1993	22	2	12	0
1994	20	(2)	−7	0
1995	21	1	5	0
1996	22	1	5	0
1997	22	0	0	0
1998	22	0	0	0
1999	23	1	3	0
2000	24	1	6	0
Defense				
1980	135	.....	.....	5
1981	158	23	17	5
1982	186	28	18	6
1983	210	24	13	6
1984	228	18	9	6
1985	253	25	11	6
1986	274	21	8	6
1987	283	9	3	6
1988	291	8	3	6
1989	304	13	5	6
1990	300	(4)	−1	5
1991	320	20	7	6
1992	303	(17)	−5	5
1993	293	(10)	−3	5
1994	282	(11)	−4	4
1995	270	(12)	−4	4
1996	270	0	0	4
1997	278	8	3	4
1998	285	7	3	3
1999	295	10	4	3
2000	304	9	3	3
Social Security				
1980	117	.....	.....	4
1981	138	21	18	5
1982	154	16	12	5
1983	169	15	9	5
1984	176	8	5	5
1985	186	10	6	5
1986	197	10	5	5
1987	205	9	4	5
1988	217	12	6	4
1989	230	14	6	4
1990	247	16	7	4
1991	267	20	8	5
1992	285	18	7	5
1993	302	17	6	5
1994	317	15	5	5
1995	334	17	5	5
1996	352	18	5	5
1997	371	19	5	5
1998	390	19	5	5
1999	411	21	5	5
2000	433	22	5	5
Net Interest				
1980	53	.....	.....	2
1981	69	16	31	2
1982	85	16	24	3
1983	90	5	6	3
1984	111	21	24	3
1985	130	18	17	3
1986	136	7	5	3
1987	139	3	2	3
1988	152	13	9	3
1989	169	18	12	3
1990	184	15	9	3
1991	195	10	6	3
1992	199	5	3	3
1993	199	(1)	−0	3
1994	203	4	2	3
1995	235	32	16	3
1996	260	25	11	3
1997	270	10	4	3
1998	279	9	3	3
1999	294	15	5	3
2000	310	16	5	3
Earned Income Tax Credit				
1980	1	.....	.....	0
1981	1	0	0	0

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar Growth	Percent Growth	Percent of GDP
1982	1	(0)	−8	0
1983	1	0	0	0
1984	1	0	0	0
1985	1	(0)	−8	0
1986	1	0	27	0
1987	1	0	0	0
1988	3	1	93	0
1989	4	1	48	0
1990	4	0	10	0
1991	5	1	11	0
1992	8	3	55	0
1993	9	1	18	0
1994	11	2	22	0
1995	17	6	55	0
1996	20	3	18	0
1997	23	3	15	0
1998	24	1	4	0
1999	25	1	4	0
2000	26	1	4	0
Medicaid				
1980	14	.....	.....	1
1981	17	3	20	1
1982	17	1	4	1
1983	19	2	9	1
1984	20	1	6	1
1985	23	3	13	1
1986	25	2	10	1
1987	27	2	10	1
1988	31	3	11	1
1989	35	4	13	1
1990	41	7	19	1
1991	53	11	28	1
1992	68	15	29	1
1993	76	8	12	1
1994	82	6	8	1
1995	90	8	10	1
1996	100	10	11	1
1997	111	11	11	1
1998	123	12	11	1
1999	136	13	11	2
2000	149	13	10	2
Unemployment				
1980	17	.....	.....	1
1981	18	1	8	1
1982	22	4	21	1
1983	30	8	34	1
1984	17	(13)	−43	0
1985	16	(1)	−7	0
1986	16	0	2	0
1987	16	(1)	−4	0
1988	14	(2)	−12	0
1989	14	0	2	0
1990	18	4	26	0
1991	25	8	43	0
1992	37	12	47	1
1993	35	(2)	−4	1
1994	26	(9)	−27	0
1995	22	(4)	−15	0
1996	23	1	5	0
1997	24	1	4	0
1998	26	2	8	0
1999	27	1	4	0
2000	28	1	4	0
Food Stamps				
1980	9	.....	.....	0
1981	11	2	24	0
1982	11	(0)	−3	0
1983	12	1	7	0
1984	12	(0)	−2	0
1985	12	0	1	0
1986	12	(0)	−1	0
1987	12	0	0	0
1988	12	1	6	0
1989	13	1	4	0
1990	15	2	17	0
1991	19	4	25	0
1992	23	4	21	0
1993	25	2	11	0
1994	25	0	0	0
1995	26	1	4	0
1996	27	1	4	0
1997	29	2	7	0
1998	30	1	3	0
1999	32	2	7	0
2000	32	0	0	0
Medicare				
1980	34	.....	.....	1
1981	41	7	21	1
1982	49	8	19	2
1983	56	6	13	2
1984	61	6	10	2
1985	70	9	14	2
1986	74	5	6	2
1987	80	6	8	2
1988	86	6	7	2
1989	94	9	10	2
1990	107	13	14	2
1991	114	7	6	2
1992	129	15	13	2
1993	143	14	11	2
1994	160	17	12	2
1995	176	16	10	2
1996	196	20	11	3
1997	217	21	11	3
1998	238	21	10	3

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar Growth	Percent Growth	Percent of GDP
1999	262	24	10	3
2000	286	24	9	3
AFDC				
1980	7	.....	.....	0
1981	8	1	12	0
1982	8	(0)	−2	0
1983	8	0	5	0
1984	9	1	6	0
1985	9	0	3	0
1986	10	1	8	0
1987	11	1	6	0
1988	11	0	3	0
1989	11	0	4	0
1990	12	1	9	0
1991	14	1	11	0
1992	16	2	16	0
1993	16	0	3	0
1994	17	1	6	0
1995	18	1	6	0
1996	18	0	0	0
1997	19	1	6	0
1998	19	0	0	0
1999	20	1	5	0
2000	20	0	0	0
Farm Price Supports				
1980	3	.....	.....	0
1981	4	1	43	0
1982	12	8	193	0
1983	19	7	62	1
1984	7	(12)	−61	0
1985	18	10	142	0
1986	26	8	46	1
1987	22	(3)	−13	0
1988	12	(10)	−46	0
1989	11	(2)	−13	0
1990	7	(4)	−39	0
1991	10	4	55	0
1992	9	(1)	−8	0
1993	16	6	68	0
1994	10	(6)	−36	0
1995	10	0	0	0
1996	9	(1)	−10	0
1997	9	0	0	0
1998	8	(1)	−11	0
1999	8	0	0	0
2000	8	0	0	0
Veterans Benefits and Services				
1980	14	.....	.....	1
1981	15	1	10	1
1982	16	0	3	1
1983	16	0	1	0
1984	16	0	1	0
1985	16	(0)	−1	0
1986	16	(0)	−1	0
1987	16	0	0	0
1988	18	2	12	0
1989	18	0	1	0
1990	16	(2)	−10	0
1991	17	1	9	0
1992	20	2	13	0
1993	21	1	7	0
1994	18	(3)	−14	0
1995	17	(1)	−6	0
1996	17	0	0	0
1997	18	1	6	0
1998	19	1	6	0
1999	20	1	5	0
2000	21	1	5	0
Federal Retirement and Disability				
1980	32	.....	.....	1
1981	37	5	17	1
1982	41	3	9	1
1983	43	3	6	1
1984	45	2	3	1
1985	46	1	2	1
1986	48	2	4	1
1987	51	3	7	1
1988	54	3	7	1
1989	57	3	6	1
1990	60	3	5	1
1991	64	5	8	1
1992	67	2	3	1
1993	69	2	3	1
1994	72	3	5	1
1995	75	3	4	1
1996	77	2	3	1
1997	81	4	5	1
1998	85	4	5	1
1999	90	5	6	1
2000	96	6	7	1
Other Mandatory				
1980	160	.....	.....	6
1981	187	27	17	6
1982	196	9	5	6
1983	208	13	6	6
1984	219	10	5	6
1985	241	22	10	6
1986	233	(8)	−3	5
1987	235	2	1	5
1988	255	20	8	5
1989	270	15	6	5
1990	288	18	7	5

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar Growth	Percent Growth	Percent of GDP
1991	314	26	9	5
1992	336	23	7	6
1993	352	16	5	6
1994	368	16	4	5
1995	394	26	7	6
1996	412	18	5	6
1997	431	19	5	5
1998	454	23	5	5
1999	477	23	5	5
2000	507	30	6	6

HISTORICAL BUDGET ESTIMATES

[In billions of dollars]

Year	Revenues	Discretionary	Mandatory	Net interest	Deposit ins.	Off. receipts	Outlays	Deficit
1970	193	125	69	14	(1)	(12)	196	(3)
1971	187	127	83	15	(0)	(14)	210	(23)
1972	207	133	97	16	(1)	(14)	231	(23)
1973	231	135	112	17	(1)	(18)	246	(15)
1974	263	143	127	21	(1)	(21)	269	(6)
1975	279	163	164	23	1	(18)	332	(53)
1976	298	176	190	27	(1)	(20)	372	(74)
1977	356	197	207	30	(3)	(22)	409	(54)
1978	400	219	228	36	(1)	(23)	459	(59)
1979	463	240	248	43	(2)	(26)	504	(40)
1980	517	277	292	53	(0)	(29)	591	(74)
1981	599	308	341	69	(1)	(38)	678	(79)
1982	618	326	373	85	(2)	(36)	746	(128)
1983	601	354	412	90	(1)	(45)	808	(208)
1984	667	380	406	111	(1)	(44)	852	(185)
1985	734	416	450	130	(2)	(47)	946	(212)
1986	769	439	460	136	2	(46)	990	(221)
1987	854	445	470	139	3	(53)	1,004	(150)
1988	909	465	494	152	10	(57)	1,064	(155)
1989	991	490	526	169	22	(64)	1,144	(154)
1990	1,031	502	567	184	58	(58)	1,252	(221)
1991	1,054	535	634	195	66	(106)	1,323	(269)
1992	1,092	537	711	199	3	(69)	1,382	(290)
1993	1,153	543	761	199	(28)	(67)	1,408	(255)
1994	1,257	545	789	203	(7)	(69)	1,461	(203)
1995	1,355	544	845	235	(16)	(77)	1,531	(176)
1996	1,418	549	899	260	(9)	(73)	1,625	(207)
1997	1,475	548	962	270	(5)	(76)	1,699	(224)
1998	1,546	547	1,026	279	(5)	(79)	1,769	(222)
1999	1,618	566	1,097	294	(3)	(82)	1,872	(253)
2000	1,697	585	1,173	310	(3)	(84)	1,981	(284)
2001	1,787	605	1,245	325	(3)	(88)	2,084	(297)
2002	1,880	626	1,328	344	(3)	(93)	2,202	(322)
2003	1,978	647	1,417	365	(3)	(97)	2,329	(351)
2004	2,082	669	1,513	387	(3)	(102)	2,465	(383)
2005	2,191	692	1,617	412	(4)	(106)	2,611	(421)

FEDERAL DEBT

[In millions of dollars]

Year	Gross Federal debt	Held by the Government	Held by the public	Amount subject to the debt limit
1940	50,696	7,924	42,772	43,219
1945	260,123	24,941	235,182	268,671
1950	256,853	37,830	219,023	255,382
1955	274,366	47,750	226,616	272,348
1960	290,525	53,685	236,840	283,827
1965	322,318	61,540	260,778	314,126
1970	380,921	97,723	283,198	372,600
1971	408,176	105,139	303,037	398,650
1972	435,936	113,559	322,377	427,751
1973	466,291	125,381	340,910	458,264
1974	483,893	140,194	343,699	475,181
1975	541,925	147,225	394,700	534,207
1976	628,970	151,566	477,404	621,556
1977	706,398	157,295	549,103	699,963
1978	776,602	169,477	607,125	772,691
1979	828,923	189,207	639,716	827,615
1980	908,503	199,212	709,291	908,723
1981	994,298	209,507	784,791	998,818
1982	1,136,798	217,560	919,238	1,142,913
1983	1,371,164	240,115	1,131,049	1,377,953
1984	1,564,110	264,159	1,299,951	1,572,975
1985	1,816,974	317,612	1,499,362	1,823,775
1986	2,120,082	383,919	1,736,163	2,110,975
1987	2,345,578	457,444	1,888,134	2,336,014
1988	2,600,760	550,508	2,050,252	2,586,869
1989	2,867,537	678,210	2,189,327	2,829,770
1990	3,206,347	795,990	2,410,357	3,161,223
1991	3,598,993	911,060	2,687,933	3,569,300
1992	4,002,669	1,004,039	2,998,630	3,972,578
1993	4,411,489	1,100,758	3,309,717	4,378,039
1994	4,644,000	1,212,000	3,432,000	4,605,000
1995	4,942,000	1,325,000	3,617,000	4,902,000
1996	5,280,000	1,443,000	3,838,000	5,240,000
1997	5,641,000	1,563,000	4,077,000	5,599,000
1998	6,001,000	1,684,000	4,317,000	5,959,000
1999	6,392,000	1,803,000	4,589,000	6,349,000
2000	6,814,000	1,923,000	4,891,000	6,771,000

FEDERAL DEBT PER CAPITA

[In dollars]

Year	Gross Federal debt	Held by the Government	Held by the public	Amount subject to the debt-limit
1940	384	60	324	328
1945	1,963	188	1,775	2,028
1950	1,691	249	1,442	1,682
1955	1,662	289	1,373	1,650

FEDERAL DEBT PER CAPITA—Continued

[In dollars]

Year	Gross Federal debt	Held by the Government	Held by the public	Amount subject to the debt-limit
1960	1,614	298	1,316	1,577
1965	1,666	318	1,348	1,624
1970	1,869	479	1,390	1,828
1971	1,979	510	1,469	1,933
1972	2,093	545	1,548	2,054
1973	2,222	597	1,624	2,184
1974	2,289	663	1,626	2,248
1975	2,544	691	1,853	2,507
1976	2,930	706	2,224	2,895
1977	3,264	727	2,537	3,235
1978	3,559	777	2,782	3,541
1979	3,766	860	2,906	3,760
1980	3,998	877	3,122	3,999
1981	4,333	913	3,420	4,353
1982	4,907	939	3,968	4,933
1983	5,865	1,027	4,838	5,894
1984	6,633	1,120	5,512	6,670
1985	7,637	1,335	6,302	7,665
1986	8,829	1,599	7,230	8,791
1987	9,681	1,888	7,793	9,641
1988	10,637	2,252	8,386	10,580
1989	11,618	2,748	8,870	11,465
1990	12,857	3,192	9,665	12,676
1991	14,243	3,605	10,637	14,125
1992	15,697	3,938	11,760	15,579
1993	17,126	4,273	12,849	16,996
1994	17,848	4,658	13,190	17,698
1995	18,808	5,043	13,766	18,656
1996	19,906	5,440	14,469	19,755
1997	21,072	5,839	15,230	20,915
1998	22,217	6,235	15,983	22,062
1999	23,459	6,617	16,842	23,301
2000	24,795	6,997	17,797	24,638

Mr. NICKLES. Mr. President, I could go on. Medicare, in the last 4 years is compounded at 13, 11, 12 percent. This year it is expected to compound at 10 percent. Those are rates greater than 3.2 percent.

I admit, we will have to slow the rate of growth in a lot of programs if we will balance the budgets. Will it be easy? Not necessarily. The point is that Federal spending will continue to grow and we can still balance the budget. It will not be able to grow as much or as fast.

Again, I have heard people say, wait a minute, to balance the budget we will have to reduce spending $1.2 trillion. Over the next 7 years we will spend about $15 trillion. Can we afford $1.2 trillion? I think we can reduce the rate of growth and not spend $15 trillion.

I think we have to do it, Mr. President. I think passing a constitutional amendment to balance the budget will make us do it. If we do not pass it, I am afraid we will be back to business as usual. I hope that is not the case. I really do hope we will be serious. I hope that we will be serious and make a concerted effort to balance the budget, make the tough decisions, cut spending, cut entitlement programs, reduce those programs that are growing to astronomical levels, and try to live within our means. We have to do it.

I just have a couple of comments concerning the pending Daschle amendment. It says:

> In order to carry out the purpose of this article, Congress shall adopt a concurrent resolution setting forth a budget plan to achieve a balanced budget (that complies with this article) * * *.

And so on. And it says in section C:

> New budget authority and outlays, on an account-by-account basis, for each account with actual outlays or offsetting receipts of at least $100,000,000 in fiscal year 1994.

This does not belong, Mr. President, in the Constitution. This does not fit. It does not work. And it will not work.

I will read from Senator DASCHLE's comments that he made last year on February 28. He said:

> To remedy our fiscal situation, we must stop spending beyond our means. This will not require emasculation of important domestic priorities, as some suggest.

And then he says:

> Congress and the President will have 7 years to address the current deficit and reach a consensus on our Nation's budget priorities. We will have time to find ways to live within our means and still meet existing obligations to our citizens, particularly the elderly.

I happen to concur with that. However, his amendment does not concur with the statements last year. His amendment does not belong in the U.S. Constitution, with all respect to its supporters. I may concur with their desire for Congress to set out a glidepath. The glidepath is this: Let us limit Federal spending to 3.2 percent, and if we want spending in some areas, like Social Security, to grow at 5 percent, that is fine; we have to find some other spending areas to be reduced to offset that amount. We can do that, if we will just show the courage to do it. Unfortunately, Congress has not shown the courage in the past.

Mr. President, I will conclude with, again, complimenting the sponsors of the balanced budget amendment, Senators SIMON, HATCH, and CRAIG, and many others who worked tirelessly to make it happen. We passed a similar amendment in 1982—I wish it would have been adopted by the House—in 1982, we were spending about $746 billion. We are spending more than twice as much today, in 1995, as we did in 1982.

So I think we need this balanced budget amendment. It is regretful we did not pass it a decade ago, or maybe in Jefferson's time. We would not be in the plight we are in, with our children inheriting a debt of over $18,000 per person. So I hope that the Daschle amendment will be either defeated or tabled, and I hope that we will pass a constitutional amendment to balance the budget identical to that of the House and then allow the States to go forward with the ratification process.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, I intend to yield time to the Senator from Illinois. Let me for 30 seconds on my time indicate that which sounds deceptively simple is just plain wrong. As someone said, as happens often, you can simply limit to 3 percent growth and you solve the problem. If you limit Social Security to 3 percent growth, you effectively—Social Security recipients would not have the cost-of-living adjustments—but you tell the 6 million new people who become eligible, ''There is no money for you; you don't get your Social Security benefits.'' It sounds simple.

Mr. NICKLES. Will the Senator yield?

Mr. DORGAN. I do not have the time, as the Senator did not, either. Let me yield 10 minutes, if I might, to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for up to 10 minutes.

Mr. NICKLES. Will the Senator from Illinois yield for 30 seconds?

Ms. MOSELEY-BRAUN. Mr. President, I cannot yield because there is precious little time left in the debate. I would like to take this opportunity to state my support for the right-to-know amendment.

Mr. President, I am a strong supporter of the balanced budget constitutional amendment, and I am an equally strong supporter of the American people's right to know what balancing the budget will mean for them, for their future, and for their children's future.

Frankly, I do not understand why the right-to-know amendment should be the least bit controversial. I cannot believe that any Member of this Senate would argue that the American people should not know how the Government spends their money. I cannot believe that any Member of this Senate would argue that the American people should not know—in advance—what programs will need to be cut, or consolidated, or terminated, in order to balance the budget. I cannot believe that any Member of this Senate would argue that the American people should not have the right to make their views known on the options for balancing the budget before we are committed to any particular set of options, and that includes options for changes in tax laws, as well as spending cuts. Most of all, I cannot believe that any Member of this Senate would seriously argue that the American people should be asked to make a decision on an issue as important as the balanced budget constitutional amendment without knowing in detail—before they decide—what balancing the budget will mean, both for the United States in general, and for themselves.

It seems to me that we have an obligation to give the American people the absolute truth about the Federal budget, and about the choices we have to make to bring it back to balance—and to keep it there. If we think balancing the budget is important—and I, for one, believe that it is critically important to meeting our responsibility to future generations—then we have an obligation to present the facts to our constituents, to let them know what the options are, and the consequences they entail. In a democracy, the only way to build broad, sustainable support for the hard decisions that adopting a balanced budget constitutional amendment will force is to talk sense to the American people and to tell them the truth.

The people know the truth when they hear it—and they want to hear it. They know that, all too often in the past, budgetary issues have been presented to them as if they were the marks in a three-card monte con game.

Americans don't want to put up with that any more. They want the truth—now. They know they haven't been getting that truth, but they also know that in our democratic system, they deserve that truth, and they are entitled to it.

What the right-to-know amendment is all about is seeing that they get the truth. It calls for nothing more than treating the American public with the respect they deserve. It does nothing more than ask the Congress to do what common sense requires—to simply tell the truth about what it means to balance the budget, and about the changes that balancing the budget will bring. Most importantly, it means putting an end to the kind of budgetary gamesmanship that has contributed so greatly to the rise in public cynicism about Government, and its ability to tell the truth.

Just yesterday I was talking to an auto worker from Decatur, IL. He recounted a joke that goes something like this: ''How can you tell the government official is lying?'' The answer is: ''Because his lips are moving.'' That response is a telling indictment of the Government's stewardship of the budget and the kind of cynicism that is out there about what we do. In 1981, the American people were asked to believe in supply side economics, a plan that told the American people that cutting taxes would lead to faster economic growth, generating additional Federal revenues that would painlessly balance the budget. Of course, the only thing that it actually generated was staggering deficits that led to a quadrupling of the national debt from $1 trillion to over $4 trillion in just 12 years.

And the American people were told that Gramm-Rudman budget discipline would lead to a balanced budget. That effort also failed, because, like supply-side economics, it was more a cosmetic fix. It made the Congress look good and look like it had the discipline to make hard choices concerning the budget. But it was not based on telling the American people the truth about the Federal budget, or about what it would really take to balance it.

That is why the right-to-know amendment is so important now. If the balanced budget constitutional amendment is not to be seen as another budgetary gimmick, as another way to avoid the decision, or as another attempt to concentrate on process in order to again postpone the real decisions that must be made, the American people need to know that Congress is prepared to act, realistically and forcefully, based on budgetary realities rather than political illusions. And the only way they will be convinced of that is if they are made a full partner in the decisionmaking process.

There are those who fear that telling the American people the truth will undermine support for the balanced budget amendment, and there are others who hope it will. But there is no reason to fear the truth. The only thing we should fear is the consequences for our country and our democracy if we do not tell the truth.

Yet, there are those who continue to twist and turn in order to avoid meeting their obligation to the American people—to avoid telling the truth about the budget—and thereby put the balanced budget constitutional amendment unnecessarily at risk. These continued attempts at evasion make the right-to-know amendment, and the facts it will provide, even more necessary.

After all, according to the Congressional Budget Office, it will take over 1.2 trillion dollars' worth of budget changes to reach a balanced budget by the year 2002. And that is just the beginning, because balancing the budget that year will not ensure that it is balanced from then on, and that is what the balanced budget amendment requires.

The fact is that, as difficult as it will be to balance the budget by 2002, that task looks almost insignificant when compared to the challenge of keeping it balanced. I served on the Bipartisan Commission on Entitlement and Tax Reform. That Commission's interim report, adopted by an overwhelming 30 to 1 vote, found that, without major reform in entitlements, the Federal Government will almost double in size by 2030 as a percentage of the economy, and the Federal deficit that year would exceed 18 percent of the economy.

Think of that. Not only would the Federal deficit in 2030 equal virtually one-fifth of our GDP that year, but interest expense alone would consume over $1 of every $10 our economy generates.

The Commission report also made it very clear that growth in spending on discretionary programs subject to annual appropriations is not what is driving the growth of Federal spending. As a percentage of overall Federal spending, discretionary spending has dropped from over 70 percent of the budget in 1963 to only 28 percent of the budget now.

What is growing is entitlement spending, spending for activities like Social Security, Medicare, and Medicaid, and the like. Entitlements consumed only 22 percent of the Federal budget in 1963, but by 2003, together with interest on the national debt, they will account for 72 percent of overall Government spending.

The report of the Congressional Budget Office entitled ''The Economic and Budget Outlook: Fiscal Years 1996–2000,'' confirms the findings of the Entitlement Commission. It found that nondefense discretionary spending has basically not grown at all, as a percentage of GDP, since 1960. Over that same period, however, the CBO report found that entitlement spending has more than doubled.

Some might say, however, that looking only at percentages of the economy masks very large spending increases. The actual numbers tell much the same story. For example, based on CBO's latest estimates, Federal spending increased by a total of $70 billion between fiscal 1994 and fiscal 1995. Ninety-five percent of that increase was due to growth in entitlement programs and interest expense. In fact, those two budget areas actually increased by a total of $88 billion, well over the $70 billion net overall increase in Federal spending this year.

It seems to me, Mr. President, that every American has a right to know these budget facts, and that every American has a right to know what Congress plans to do about them. Yet, it is also very clear that the American people have not been told these facts, either by the media or by the Congress or the administration. Instead, the American people have been led to believe, as a recent poll by the Wirthlin Group found, that ''cutting welfare, foreign aid, and 'congressional perks' '' would ''do a lot towards balancing the budget.''

Most Americans, however, harbor substantial doubts about what they know about the budget. According to a recent memo done for the Republican Conference by the Luntz Research Cos., entitled ''Communications Strategy for the Upcoming Budget Battle'':

> Again and again, focus group participants complain that they don't have anywhere close to the information on the budget that [Members of Congress] do. Survey respondents always overestimate their knowledge on nearly any subject, and only 22% believe they know either ''a lot'' or ''a good amount'' about the budget process.

What that means is most Americans know that they are missing a lot of important information about the budget. Most Americans do not know, for example, that AFDC spending—and I have heard a lot of talk about programs for the poor—in real dollars per beneficiary, is down by roughly 40 percent since 1970. Most Americans do not know that foreign aid is only about 1 percent of the Federal budget, and that the value of congressional perks much, much smaller than that. But every American has a right to know these and the myriad other important facts about the budget, and every American has a right to know how Congress plans to change the budget if the balanced budget constitutional amendment becomes the law of the land. Americans have a right to know in advance so that they can determine whether those plans make sense, whether they will work, who will be affected, and why.

There are those who argue against providing details at this point, on the ground that it is somehow premature. Timing, however, did not prevent the new House majority from laying out its tax proposals in great specificity, proposals that the Treasury Department estimates will cost $375 billion over the next 7 years, and increase the size of the budget gap over that period by almost 40 percent.

Why is it, Mr. President, that now is the time to be specific about tax cuts, but now is not the time to be specific about the changes on the spending side of the equation that will be required to pay for those tax cuts and still balance the budget by the year 2002?

Americans have the right to know the specifics. It is time to put aside talking about waste, fraud, and abuse, and pork barrel spending as if the budget could be balanced by eliminating those sins. It is, instead, time to come clean with the American people and tell them what balancing the budget will really mean. I do not say that to suggest that we abandon our efforts to deal with waste, an inefficiency. Far from it. Tackling those issues must continue to be a priority. But it is time to acknowledge reality, and the reality is that dealing with waste, fraud, and abuse is not, and cannot be, in and of itself, a complete strategy for dealing with the budget deficit. It is only a component of a strategy, and not even the biggest one.

It is time to stop diverting the American people's attention from the major policy options that absolutely must be examined if the budget is to be balanced. If we are serious about balancing the budget, if we want to meet our obligation to future generations—and if we want the American people to support the tough decisions that will be required—then we have to stop the budget gamesmanship now, and enter a real partnership with the American people.

The American people need to know the dimensions of the budget problems we face, and what the realistic options are to address those problems. They need to know that it would take a 13-percent across-the-board cut in every Federal program, including Social Security and Medicare, to balance the budget by 2002—and that more cuts would be needed thereafter to keep it balanced unless the rate of growth of entitlement spending can be cut.

They need to know that it would take an 18-percent cut in every other program but Social Security to balance the budget by 2002, if that program is taken off the table, and that further cuts would be needed in those other programs to keep the budget balanced after 2002. And they need to know that even taking Social Security off the table will not keep Social Security viable in the long run, because that does nothing to restore the actuarial balance in that program that the Social Security trustees say is now out of balance. They need to know that we must act to keep Social Security available for future generations—and that the sooner we act, the easier it is to accomplish. And they need to know that maintaining Social Security's viability can be accomplished without cutting

the benefits of any current beneficiary by even a nickel.

They need to know that it would take a 32-percent cut in all other Federal programs, including defense, to balance the budget by the year 2002, if both Social Security and Medicare are taken off the table—and more cuts in those programs thereafter to keep it balanced, because both Social Security, and particularly Medicare, are growing faster than our economy or Federal revenues. And they need to know that it will take a cut of 36 percent in all other Federal programs if defense is also taken off the table.

They need to know that it is not the programs benefiting the poorest Americans that are driving the growth of the Federal budget. They need to know that the real engines of growth are rapidly rising health care costs, and the fact that the baby boom generation is moving toward retirement.

Perhaps most of all, they need to know what some of the options for balancing the budget might mean for them. Would the proposed path toward the balanced budget mean rougher roads, or higher subway fares? What would it mean to their children, to their opportunity to get a good grammar school and high school education, and to their chances to go to college. What will it mean to their ability to buy a home and to obtain a mortgage? And what would it mean to older Americans who need access to affordable health care? Would they face additional gaps in coverage, higher premiums, higher deductibles, or some combination of all of these? Would older Americans be able to choose to pay somewhat more in taxes to keep Medicare solvent, or would the only choice they are offered be private insurance—even if that option were to be more costly. Will COLA's—cost of living adjustments—be set based on the facts and the best measurement of inflation we can make, or will COLA's be determined on a more political basis?

Americans also want to know whether the result of Federal actions to balance the budget means higher State and local taxes for them. After all, the Federal Government currently provides more than 21 percent of the State of Illinois' budget, and provides major support for the budget of towns and cities across my State. An analysis done by the Treasury Department at the request of the chairman of the National Governors Association found that across-the-board cuts in Federal spending to balance the budget could lead to tax increases in my State of over 10 percent—and in some States, the tax hikes necessary to make good the loss of Federal funds could be as much as 25 percent.

In the 1970's and the 1980's, both the Presidents and the Congress failed in their obligation to face our long-term budget problems. They flinched from making the necessary decisions because those decisions were politically difficult and because it was easier to talk about fiscal responsibility, than to act to achieve it. However, if we had balanced the budget in 1980, there would be no need for even a single dollar of program cuts this year. The budget would actually be in surplus. Dealing with the rapid cost increases in Medicare and Medicaid would be much easier than it will be now. The Government would have a far greater ability to act to address problems that need our attention, because it would not be spending over $200 billion a year just on debt service.

The failures of the 1980's brought us to where we are now, and those failures make the job of restoring fiscal discipline more difficult now. The lesson of that failure is that we cannot afford further delay. That is why I was critical of the President's budget that was released yesterday It avoids facing our budget problems. It avoids telling the American people the truth about those budget problems, and what it will take to solve them. It does not meet the responsibilities that leadership entails.

But the fact that the President did not act aggressively does not lessen the responsibility of the Congress to act, particularly when Congress is attempting to add a balanced budget amendment to the Constitution. We must begin to act—now—whether there is a balanced budget constitutional amendment or not.

And that is the real importance of the right-to-know amendment. It properly focuses attention where it absolutely must be focused—on the decisions involved in implementing a constitutional amendment—on what is involved in turning the promise of a balanced budget into a reality. The work is not done if and when the balanced budget amendment becomes a part of the Constitution, and the truth is that the real work cannot wait until a constitutional amendment is ratified.

The ongoing Mexican financial situation gives us a glimpse of the future if we do not tell the truth to the American people about or budget problems and get their help in beginning to solve them now. Mexico was financing economic growth with foreign capital, and was therefore vulnerable to a loss of confidence. The result of that loss of confidence is creating economic recession in Mexico, and real hardship for millions of Mexicans.

The United States economy is much larger and stronger, and much more resilient than Mexico's. We do not face the same kind of sudden collapse. But the U.S. national savings rate has been declining for many years now. We are financing an increasing portion of our Government debt, and private economic investment with foreign capital. And the result will likely be everyhigher interest rates in the United States, and increasing pressure on the incomes of most Americans, if we do not begin to act now. On the other hand, if we do begin to move toward a balanced budget, OMB Director Alice Rivlin, in her ''Big Choices'' memo, tells us that we can turn the anemic 3.7-percent national savings rate into a 6.1-percent savings rate by the year 2000. And that higher national savings rate would mean more opportunity and a brighter future for our children—and their children.

As important as it is to our futures, and our country's future, to restore discipline to the Federal budget—to balance the budget—how we get to that balance makes a difference. Some options work better for the American people than others. How we choose to get to a balanced budget makes a big difference.

The right-to-know amendment ensures that every American has the opportunity to get a good, hard look at the plans for balancing the budget, and, indeed, at all of the available options. It takes the abstractions involved in the balanced budget amendment, and makes them concrete and real.

The right-to-know amendment calls on Congress to meet its obligation to American democracy. It is nothing less than a recognition of our fundamental moral responsibility to our country, because it seeks to ensure that the American people have the information they need to be able to meet their own responsibilities as Americans.

No one can make good decisions without good information. In a democracy, that means not only must Congress and the President have good information, but so must the American people. For that reason alone, it should have universal support in this Senate. It is the only way to demonstrate that Congress is serious about wanting to balance the budget, that Congress wants the American people to be real partners in the decisions required to make that happen, and that Congress is committed to doing what is right—telling the whole budget truth to the American people.

The PRESIDING OFFICER. The Senator's time has expired.

Ms. MOSELEY-BRAUN. I ask if the Senator will yield for 5 minutes.

Mr. DORGAN. I have 12 minutes and two additional statements.

Ms. MOSELEY-BRAUN. I conclude by saying, Mr. President, the balanced budget amendment is going to require some real hard decisions by all of us, decisions that will affect our States, decisions that will affect our constituencies, and it seems to me that we have an obligation to tell the truth beforehand so people get a sense of exactly how this will work.

Taking Social Security off the table, taking Medicaid off the table, taking defense off the table, doing the kinds of changes that will come up in amendments after we get past this one, will, I think, require some hard decisions. It seems to me that with the right-to-know-amendment the people will have the truth. They can evaluate our actions more accurately and more effectively. They can hold us accountable for what we do.

With that, Mr. President, I thank the Senator from North Dakota and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. I yield myself 6 minutes.

Mr. President, at the outset of this debate, I observed that Members of the Senate divided into three distinct groups in connection with the proposal now before us.

The first was those who believe that the present budget and financial system of the Government of the United States is broken, broken seriously and requires major surgery in order to fix it. The evidence which we, a majority, in this body have cited is the fact that in 30 years we have had but one balanced budget. In the last 20 years, the total debt has multiplied by more than 10 times to almost $5 trillion, a tremendous burden on the people of the United States of America; that even at the present time, at a time of relative prosperity, we are running deficits of $200 billion a year, adding that amount to our total debt. The cure, it is the belief of the substantial majority of the Members of this body, is the balanced budget amendment in the form in which it passed the House of Representatives.

The second group in this debate are those who claim allegiance to the concept of a balanced budget but not in this fashion, not through the provision for such a budget in the Constitution of the United States.

Now, I believe that the overwhelming challenge to that second group is if not this way, what way? What indicates to them in the history of the last 30 or 40 years that either a President of the United States or a Congress of the United States without any external discipline whatsoever will change the course of action of several decades and work toward a balanced budget without external discipline?

So far, this second group has been quite silent about what there is that has so profoundly changed in America that we will now get what we have lacked over the course of the last 30 years. In fact, it seems to me that it is more the duty of that group to show us how they would reach the goal than it is of those who believe that a constitutional amendment is necessary and who are the subject of the demands in this motion by the distinguished Democratic leader.

Third, of course, is the group that does not believe in a balanced budget at all, who feel that the present, the status quo is perfectly appropriate. There are relatively few in number in this body who candidly advocate that position but one certainly can credit their candidness. Probably a number of those in the second group really fall into the third group with the balanced budget as a low priority or no priority at all.

That third group, however, got a wonderful new recruit on Monday. On Monday, the President of the United States, William Clinton, joined them by presenting to us a budget with a $200 billion deficit and projections that are very optimistic from the perspective of inflation and economic growth, projections that never bring the budget deficit to significantly less than $200 billion a year, with a deficit that increases after the turn of the century, so that another $1.5 trillion will be added to the debt. That budget, that Presidential budget is the best single advertisement for the passage of this constitutional amendment in its original form.

The Daschle motion, the motion of the distinguished Democratic leader, is designed to justify doing nothing, to retain the status quo. I cannot imagine that any of its proponents really believe we ought to include in the Constitution of the United States two pages of detailed instructions which will become irrelevant if the constitutional amendment is actually passed. They cannot believe it.

But beyond the inappropriateness of putting such language in the Constitution of the United States is the unconstitutionality of the motion itself because our Constitution tells us that this Congress passes proposed constitutional amendments which are then submitted to the States for their ratification. Under the Daschle motion, no such thing will happen. The submission to the States is conditioned upon Congress passing a series of laws before that submission takes place.

The Daschle motion is, therefore, not only bad policy, not only bad aesthetics by putting terrible language in the Constitution of the United States, it is itself blatantly unconstitutional.

Both for reasons of policy and for reasons of constitutionality, the Daschle motion should be decisively and swiftly tabled so we can move on to a debate over the merits of the constitutional proposal itself.

The PRESIDING OFFICER (Mr. KYL). Who yields time?

Mr. HATCH. Mr. President, I yield 7 minutes to the distinguished Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. Mr. President, I rise in support of the pending resolution to amend the Constitution to require a balanced budget.

I have not always supported the balanced budget amendment. When this measure was considered by the Senate in 1982 and again in 1986, I felt that Congress could and would address deficits without the aid of a constitutional amendment. Several years ago, however, I realized that I had overestimated Congress' ability to deal responsibly with the budget. We have not balanced the budget in 25 years.

When it came time for the tough spending cuts ordered by the Gramm-Rudman deficit reduction law, Congress did not have the will to follow through. So in 1992, for the first time I supported a balanced budget amendment in the Senate.

Public debt is not inherently bad. It was both necessary and wise for the Federal Government to borrow heavily during World War II. In the three decades following the war, the United States gradually paid down this debt. Beginning in the 1970's and worsening in the 1980's, however, the Federal Government reversed this trend by borrowing more and more to pay for current expenses. The huge deficits we have been running for the past 15 years have not been to finance public investments that will yield benefits in the future. We have been borrowing primarily to pay for current consumption. We're not borrowing to build roads; we're borrowing to put gas in the car.

Contrary to popular belief, Congress is never faced with the option of raising taxes or borrowing money to finance Government. Spending can only be paid for through taxes—it is simply a question of whether we raise taxes today or tomorrow. Borrowing invariably means that future generations will face a heavier tax burden. In fact, the Office of Management and Budget last year published an analysis of the growing tax burden. The report forecast that, without changes in Federal law, the average net tax rate for future generations would eventually reach 82 percent of their lifetime earnings. Clearly, such a tax burden would be unacceptable.

The real harm caused by Government borrowing is that it draws down the pool of savings available for investment. Rising standards of living are possible only through investments in infrastructure, in plants and equipment, and in education. Savings by American families and businesses provide the capital for these investments. But deficits draw down, or crowd out, the national pool of savings. This year, for instance, the first $200 billion in savings will not go to investments in new plants and equipment but to feed the deficit.

As more and more of our savings are devoured by the deficit, investments for the future decline—and with them, the rate of economic growth in the country.

So the deficit is a double hit on future generations. We are not only asking them to finance our current spending; we are handicapping their ability to meet this obligation—by crowding out investments for the future. We are not only eating their seed corn, we are asking them to pick up the dinner check.

This travesty simply must end. As nearly every economist in the country agrees, the surest way to increase investment in the future is to cut the deficit. And, the surest way to cut the deficit is to pass the balanced budget

amendment. All other remedies have failed.

Repeated deficits have done serious damage not only to the economy but to Congress' standing with the public. The low esteem in which Congress is held is directly related to our fiscal irresponsibility. For the sake of the integrity of this institution, we cannot continue to promise the American people long-term deficit reduction and do little about it. Actions do speak louder than words.

We have tried every conceivable legislative option to force a more responsible budget policy. With few exceptions, these efforts have failed. A constitutional amendment appears to be the only solution left. As others have said, it may be a bad idea but one whose time has come.

Amending the Constitution should not be proposed lightly. It is a very serious matter. However, the balanced budget amendment is consistent with the historic role of the Federal constitution in safeguarding the rights of those who may be under-represented in the political process. In this case the under-represented individuals are future generations who are being asked to pay for our profligacy.

Numerous arguments have been made in opposition to the balanced budget amendment. Some have argued that the balanced budget amendment is a gimmick that will not work, while at the same time arguing that it will wreak havoc by imposing draconian cuts. The balanced budget amendment is neither a gimmick nor a merciless ax hanging over all Federal programs—and it is certainly not both.

The balanced budget amendment is not an easy political vote. The easy votes have been the routine ones to spend beyond our means. The proposed amendment will not—with certainty—end deficit spending, but it will undoubtedly make it more difficult.

When the 1990 budget agreement required a supermajority to exceed annual caps in discretionary spending, no one argued that the supermajority requirement was a gimmick. It was recognized as an essential step toward fiscal responsibility. When all the smoke is cleared on the balanced budget debate, it is undeniable that deficits will be harder to continue under a constitutional amendment. If you want to make it more difficult for Congress and the President to pass the tax bill on to future generations, you should support the balance budget amendment.

The amendment does not tie Congress' hand to the point that it could not respond to a national crisis. With the approval of three-fifths of the Congress, deficits would be permitted. In times of war or dire economic circumstances, three-fifths of the Members of the Congress can be expected to recognize the need for deficit spending.

Unfortunately, Congress has too often viewed deficits not as a necessary tool in dire circumstances but as a convenient way to spend beyond our means. We have turned the exception into the rule and have become hooked on deficit spending. It has been easier to reach for the deficit brew than to abstrain and act responsibility. The practical effect of the balanced budget amendment will be to put this elixir a little higher on the shelf and further out of Congress' reach.

In closing, I would like to make three points that I think put this debate into context.

First, 37 States have balanced budget amendments. Complying with these requirements is not always convenient. But over the long term, forcing governments to balance their budgets promotes good and disciplined government.

Second, the fact that taxpayers are willing to finance only $1.4 trillion of the $1.6 trillion worth of current Government services, begs the question of whether the public really wants as much Government as currently exists.

Last, we should not lose sight of the fact that there is no free lunch here. Every dollar the Government borrows is a dollar unavailable for job-creating investment in the private sector. Also, every dollar the Government borrows today is a dollar tomorrow's taxpayers will have to repay. At its most basic level the balanced budget amendment stands for the simple principle that we should pay today for the Government we use today. If we are unwilling to put the money on the barrel ourselves, by what right can we ask future generations to put their money on the barrel?

The balanced budget amendment offers the best hope of ending the fiscal child abuse in which we have been engaged. The bruises may not show right now, but the pain is going to last a lifetime. We owe it to our children and their children to balance the budget. I have no illusions that this will be an easy task, but if we do not in earnest set this as our goal and accept it as our responsibility, it will never happen. The debate today is not about how do we get there, it is about where are we going.

Thomas Jefferson once said that whenever one generation spends money and taxes another to pay for it, it is squandering futurity on a massive scale. Let us end this squandering and pass the balanced budget amendment now before our task becomes even more difficult.

Mr. President, now let me speak briefly about the pending amendment, the so-called right-to-know amendment.

The word ''gimmick'' has been thrown around here quite a bit in this debate, with the opponents of the balanced budget amendment arguing it is simply a gimmick rather than a serious effort to balance the budget. I respectfully suggest if there is a gimmick stalking the Chambers these days, it is the so-called right-to-know amendment. It is designed to kill the balanced budget amendment and nothing else. Some of its principal sponsors supported the balanced budget amendment last year, and there was no mention on their part of a right to know at that time. Curiously, suddenly it has emerged.

Any one of us can produce a balanced budget plan by the year 2002. Indeed, some of us have. I joined last year with Senators Danforth, Boren and JOHNSTON, to offer the only bipartisan alternative to the President's budget. Our plan called for cutting spending on the basis of $2 for every $1 in taxes. It was a serious and detailed plan. Unfortunately, it gathered more critical acclaim from the Concord Coalition and others than it did from Members of the Chamber.

But the issue pending before the Senate is not how we are going to get somewhere. It is about where we are going. Are we truly committed to balancing the budget? If so, let us take the first step by passing this amendment. The process of figuring out how we achieve the goal is going to be difficult. Everyone in the Chamber understands just how it is that no serious debate can take place in an atmosphere of partisan sniping, where one side is trying to score points through fear mongering, by saying the other side is trying to attack Social Security or veterans or some other group.

Three years ago, Senators NUNN and DOMENICI offered a plan to cap entitlement spending the way we already cap discretionary spending. I supported it. Unfortunately, there were only 28 votes in favor of that approach.

A second-degree amendment was offered by the Democratic leader to exempt veterans' programs. It was effective. Very few Senators wanted to vote against that amendment. It was effective in terms of short-term politics, but it served to underscore what is wrong with Congress and why the American people are basically fed up with Washington. Every thinking person who has looked at the Federal Government knows entitlement reform is the key to any serious deficit reduction, yet the political fires are stoked to the point where no one dares to discuss openly what we know privately to be essential—entitlement reform.

During the debate on the Nunn-Domenici plan, we were told, do not undertake broad entitlement reform, that is really not where the problem is. The problem is with health care spending. We need health care reform.

After a year of debate in this Chamber, after the President submitted his 1,435-page proposal for health care reform, the best that could be said was that it was deficit neutral. Yet before we were told, ''Wait until we get to health care reform, that is where the savings are, forget about entitlement reform,'' and when the plan finally came up it was at best deficit neutral. It certainly did not reduce the deficit.

It is a mistake both in terms of politics and policy. The atmosphere around

here has become so poisoned that honest debate has become nearly prohibited, and that is neither in the country's nor the Senate's best interest.

The President's budget calls for $200 billion in deficits as far as the eye can see. We all understand why it does not call for a long list of specific cuts, because he would be attacked, just as Republicans are when we produce lists of spending cuts. We need an environment like the one Chief Justice Earl Warren sought when the Supreme Court took up the case of Brown v. Board of Education, dealing with racial segregation in public schools. The Chief Justice, knowing this would be a landmark and controversial case in the country's race relations, first sought an agreement among the Justices for unanimity in their decision. He did not want such an important decision to be decided by a split Court.

I have no illusion that the Members of Congress could unanimously agree on a difficult deficit reduction package, but I do think we ought to learn from Chief Justice Warren's approach in terms of securing an atmosphere where debate can be undertaken without fear of being punished for candor. The budget deficit is rivaled only by the candor deficit. Until we can openly discuss these issues without fear of charges of heresy, is any serious progress ever going to be made? The balanced budget amendment is necessary to create that atmosphere, and I urge my colleagues to reject the attempt to subvert and derail this effort by the so-called right-to-know amendment.

I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, I yield the remaining 11 minutes to the Senator from Massachusetts [Mr. KENNEDY].

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Do I understand the Senator from Connecticut desires time?

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, first of all, I thank the distinguished Senator from Massachusetts. I will ask for just 2 minutes, if that is appropriate, if the Chair will notify me so I do not eat into the time of the Senator from Massachusetts.

Mr. President, I rise to support the right-to-know amendment offered by the distinguished Senate minority leader, Senator DASCHLE.

The first headline to greet me yesterday morning was "Republicans Vow Leadership They Say Clinton's Budget Lacks."

Mr. President, I look forward to their leadership on this vitally important matter. We have not seen any yet, but I am sure it is right around the corner.

I look forward to providing as much scrutiny of Republican deficit reduction efforts as has been accorded to the President's efforts. To my Republican friends, I say it is time to see your cuts. The 104th Congress has now been in session for 36 days, and we have yet to see any specific cuts.

THE CLINTON RECORD

Twenty-seven days after President Clinton assumed office he submitted a detailed budget plan that contained more than $500 billion in deficit reduction. He did not say "I want to see the Republicans plan first." Instead he did what he was elected to do—he led.

He made difficult and painful choices. The choices were so hard, in fact, that not a single Republican Member supported his deficit reduction initiative. The House Budget Committee chairman, Representative JOHN KASICH, proposed an alternative plan that cut the deficit by $15 billion less than the President's plan.

Despite the doom and gloom predictions of our Republican colleagues, the President's plan has substantially reduced the deficit and helped the economy. President Clinton has reversed the trend of the Reagan/Bush era. Then the national debt was growing faster than the economy. Now the economy is growing faster than the debt. And the combined rates of unemployment and inflation have reached a 25-year low.

HEALTH CARE

Last year, the President exercised considerable leadership again by tackling the principle cause of rising deficits, skyrocketing health care costs. The President offered a comprehensive plan to reform our health care system and contain rising health care costs that are fueling deficit growth. Forty percent of the increase in spending is due to increasing medical costs.

Last February, CBO reported that:

> Once the administration's proposal was fully implemented, it would significantly reduce the projected growth of national health expenditures * * * from 2000 on national health expenditures would fall below the baseline by increasing amounts. By 2004, CBO projects that total spending for health would be $150 billion—or 7 percent—below where it would be if current policies and trends continued.

Unfortunately, the President's efforts were thwarted.

The President remains committed to reining in rising health care costs and reforming our system in a comprehensive manner. Health care, however, is not even mentioned in the Contract With America.

FISCAL YEAR 1996 BUDGET

On Monday, the President submitted his 1996 budget and recommended an additional $81 billion in deficit reduction. That savings, and the President's tax cuts, are fully funded with specific spending cuts.

REPUBLICAN LEADERSHIP

Mr. President, we have heard much from our colleagues on the other side of the aisle about their desire to achieve significant accomplishments in the first 100 days of this session. We are now 36 days into that benchmark and we have yet to see the Republicans spending cut plans.

We have heard much talk, and seen very little action. The GOP has reversed the advice of a great Republican leader, Theodore Roosevelt. Instead of speaking softly, and carrying a big stick, they are shouting loudly and carrying a fig leaf. A constitutional amendment provides their cover.

Congressman KASICH said recently, "You can't have people who are afraid to break china when you've got to go at this with a sledgehammer."

Let us see what the sledgehammer will produce.

RIGHT-TO-KNOW AMENDMENT

Mr. President, that is the purpose of this amendment. It is no more and no less than a truth in budget advertising amendment. It says simply that we must be honest with the American people.

Before we pass a balanced budget amendment to the U.S. Constitution, we should tell the American people how we intend to accomplish this task. I cannot imagine this effort being at all controversial anywhere but Washington, DC. It simply says if you are going to talk the talk of balanced budgets, you have to walk the walk of how you get there. So far, that is exactly what is not happening.

RENEGING ON PROMISES

Several weeks ago, in response to President Clinton's demand that any tax cuts be deficit neutral, our Republican colleagues promised that spending cuts would precede tax cuts. The message was clear: Before we pass broad new benefits, we must assure the American public that they will be paid for. This promise has since been abandoned to concerns of kneebuckling constituents.

MORE PROMISES—NO DETAILS

The Contract With America promises to balance the budget by 2002. CBO estimates that this will cost $1.2 trillion over 7 years.

The contract also promises $200 billion in tax cuts over 5 years, and $700 billion in cuts over 10 years. Fifty percent of the tax cuts, I might add, would benefit Americans with incomes in excess of $100,000 a year.

Before attempting to pay for these promises, the GOP proposes to take more than half the budget off the table. Republicans want to increase defense spending and remove Social Security, while at the same time continuing to pay interest on the debt. Less than half the budget would then remain on the chopping block.

Removing these items would require a 30-percent across-the-board reduction in everything else.

That means a 30-percent across-the-board cut in: Violent crime programs, veterans pensions, Medicare benefits, child nutrition, headstart, health programs, low-income energy assistance, student loans, research and development, and so forth.

Let us analyze further for a moment what these cuts may well mean in human terms:

A 30-percent across-the-board could mean:

A $5,175 increase in Medicare premiums and out-of-pocket costs for seniors.

An elimination of nursing home coverage or optional services like home care and prescription drugs.

Some 6.6 million less children with health care coverage through the Medicaid Program.

A drop of a third in NIH biomedical research grants severely impeding research on cancer, AIDS, heart disease, and other illnesses.

Veterans disabled in their service to our country could expect their average monthly benefit check to decline from $819 to $574.

A middle-class family relying on Government loans to send a child to college could owe over $3,000 in additional interest.

As many as 3,000 teachers could lose their jobs, dramatically increasing class sizes.

Over 200,000 American families could lose the child care subsidies that enable parents to work or attend school.

Approximately 1.8 million households could lose the Federal assistance that enables them to pay their heating bills during the winter.

Over 150,000 jobs could be lost through cuts in highway funds.

Almost 2 million pregnant women and young children could lose infant formula and other nutrition supplements.

Over 30 million meals on wheels for homebound seniors might not be delivered.

Over 38 million means might not be served at seniors centers.

The average interval between inspections of food manufacturing facilities could increase from 6 to 11 years.

Over 200,000 dislocated workers could be denied retraining and job replacement services; 40,000 violations of workplace safety regulations uncovered by the Occupational Safety and Health Administration could remain uncorrected.

Mr. President, it is clearly impossible to achieve significant deficit reduction without pain.

That is the whole point of this amendment. Before we promise to balance the budget, and enact new tax cuts, the American public deserves to know exactly what kind of pain to expect.

The President has revealed his cuts. Democratic members have made painful choices and tough votes. It is time for the Republicans to reveal how they intend to fulfill their own promises.

NO DETAILS

On spending cuts, the Republicans are essentially saying to each other, like Connie Chung, ''Whisper it, just between you and me.'' They do not want a serious debate by an informed public of all the implications of this constitutional amendment.

It is true that 80 percent of the American public supports a balanced budget amendment to the U.S. Constitution, as long as it remains a slogan or a simple statement of principle. But what happens to that 80 percent figure when people are presented with various spending cut options?

A Washington Post-ABC news poll is telling:

Only 59 percent still support the balanced budget amendment if it would mean cuts in welfare or public assistance to the poor.

Only 56 percent still support it if it would mean cuts in defense.

Only 37 percent still support it if it would means cuts in education.

Only 34 percent still support it if it would mean cuts in Social Security.

Mr. President, before we amend the fundamental charter of our Nation, the U.S. Constitution, we must be open and frank with the American people about our plans.

I urge my colleagues to support this amendment to inform the electorate of the important budgetary choices this body intends to make in the years ahead.

Let me briefly say it is no secret to my colleagues here that I am opposed to this amendment to the Constitution. My intention would be to vote against all amendments that are offered to it. This amendment, however, I think, deserves support. It simply asks us to know what I think most persons would like to know: Before their Congressmen or Senators vote on something as significant and profound as to change the organic law of the country into which we will incorporate economic theory—and it is always open to speculation and guesswork in such an organic law—to have some idea as to how this is all going to be achieved.

It is, as one would enter into contract negotiations—since that is a subject of some heated debate now in this city, between baseball owners and players—as if someone would suggest: Look, sign the contract. We will talk about the details afterwards.

You would be ridiculed if you made such a proposal.

Here, what we are merely suggesting is that as we go down this road, which will incorporate for the first time a real straitjacket into the Constitution of the United States, what are the implications of this? What does it mean to people out there who pay the taxes and fund all these programs? They, it seems to me, are really the ones who have a right to know how their tax dollars will be used or not used in the future.

The suggestion, somehow, their knees would buckle if they knew because it is painful is no reason to reject the desire to find out exactly how this is going to work. And for that reason I strongly support this amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I oppose the proposed balanced budget constitutional amendment, because it is unnecessary and unwise to write a balanced budget requirement into the Constitution.

It is obvious why the Republican majority has scheduled consideration of the balanced budget amendment now, so early in this new Congress.

The Republican majority wants to pass the constitutional amendment before more pressure builds for them to explain how they would achieve the balance. The more the American people understand this leap-before-you-look strategy, the less the people like it.

The House Republican majority leader has already admitted to this strategy. Congressman ARMEY, a strong supporter of the proposed constitutional amendment, said that if Members of Congress know what it takes to comply with the requirement, ''their knees will buckle.'' He also is reported to have said that ''putting together a detailed list beforehand would make passing the balanced budget amendment virtually impossible.''

Instead of devoting the time and effort to craft a responsible budget, the Republican majority asks us to amend the Constitution now, ask questions later. But the Constitution has served this Nation through wars, economic depressions, and other crises far worse than the current budget deficit. Amending the Constitution should be the considered option of last resort, not the expedient course of first resort.

For that reason, I commend Senator DASCHLE's amendment to insure that the constitutional amendment will not take effect unless Congress first passes a resolution specifying in detail how the budget would be balanced by 2002. The American people and their elected representatives in the State legislatures have a fundamental right to know how this constitutional amendment would affect their lives.

The Congressional Budget Office estimates that a total of $1.2 trillion in deficit reduction will be required to balance the budget by the year 2002. And that total does not include the tax cuts called for by the Republican Contact With America, which would raise the total of cuts required to $1.5 trillion.

If Social Security, defense, and interest on the national debt are excluded from the deficit-cutting calculations, all other Federal programs will have to be cut by 22 percent to achieve a balanced budget in 2002. And if the tax cuts in the Contract With America are included, all other Federal programs will have to be cut by 30 percent. That's a 30-percent cut in spending on Medicare, Medicaid, veterans benefits, student loans, farm benefits, and all other Federal programs.

The American people have a right to know if that is how the Republican majority will balance the budget.

Across-the-board 30-percent cuts would have a disastrous impact on children, the elderly, and hard-working familes throughout the United States. Here are just a few examples:

Over 220,000 children would be unable to enroll in Head Start early childhood programs.

Over 200,000 families would lose the child care subsidies that enable parents to work or attend school.

And 1.9 million students would lose the opportunity for remedial education through title I of the Elementary and Secondary Education Act.

Also, 3,000 teachers would lose their jobs, dramatically incresing class sizes in many school districts.

To achieve the necessary cuts, the House Budget Committee has already proposed that the Federal Government should stop paying the interest on student loans while students are in college or professional school. Middle-class students on the full available amount of such loans would owe over $3,000 in additional interest at the end of 4 years of college. Instead of $17,000 in loans to pay back, they would have to pay back over $20,000.

The challenge that we are facing in higher education is not how we are going to raise the burden on middle-income families to send their children to school, but how we are going to dampen that burden, lessen that burden, so that their young members of their family are going to be able to go to school. The fact, even as we are here this morning, is that efforts are being made within the Republican Budget Committee and by the Republican chair of the Appropriations Committee to raise the cost of those loans significantly for future years.

If those same needy students were to attend medical school and continue to borrow the full amount available, they would owe over $16,000 in additional interest at the end of medical school. A debt that would be $51,000 under current law would climb to a debt of $67,000.

If Pell grants are slashed by 30 percent, eligible students would receive a maximum of $1,560, a fraction of the $8,000 it now costs to attend many State universities. Many students could not even afford community college at this reduced level of support.

What we have seen in the 1980's to 1992 is a dramatic shift from the grant programs for the children of working families to go to schools and colleges which they were qualified to go to and to which they wanted to go—three-quarters for the grants and one-quarter for the loan. Now it is three-quarters for the loan and one-quarter for the grant.

Now the Republicans are talking about increasing the costs of those particular loans and indenturing young sons and daughters of working families for years to come. That will only be increased dramatically with a balanced budget amendment.

If the cut is achieved by reducing the number of students receiving Pell grants rather than the amount of the grant, 1.1 million students would fail to receive the Federal aid they need to attend college.

Senior citizens would face drastically higher medical bills. Medicare beneficiaries would pay an additional $1,320 more in premiums and out of pocket costs.

Monthly benefits for disabled veterans would drop from $819 to $574 a month.

A 30-percent cut in Federal support for biomedical research would reduce the number of annual research project grants awarded by the National Institutes of Health from 6,000 to 4,200. This cut would severely damage research on cancer, AIDS, heart disease, and other illnesses affecting millions of Americans. The promising current effort to identify a genetic basis for diabetes would be set back.

The greatest opportunity for breakthroughs that we have had in the history of this country is out at the NIH. There is a difficulty, even with the administration getting an additional $500 million for additional grants. More than 90 Nobel laureates won because of NIH support over the history of the NIH with extraordinary opportunities for breakthroughs in cancer and many other diseases that affect families all across this country.

The effect of a balanced budget amendment, in cutting back what is called discretionary funds—we are not talking about exempting NIH. No; no. We are talking about cutting discretionary funds, whatever that means. Make no mistake about it. You are talking about cutting NIH; you are cutting cancer research; you are cutting heart disease research; and you are cutting AIDS research. That is going to be a direct result with a balanced budget amendment.

Why not give us the opportunity to find out from those that support a balanced budget amendment whether they are going to include the NIH? Let us have a debate on it. What is wrong with that? Why not say: Are you going to include NIH, or are you going to be willing to cut back on other kinds of spending? Or, do you want to enhance some fees in terms of other parts of the country, mining fees or grazing fees? But we are denied that opportunity, and the Daschle amendment would require that kind of a factor.

Approximately 1.8 million households would lose the Federal assistance that enables them to pay their heating bills during the winter. Alternatively, the assistance available to all eligible households would be cut to only $120 each year, barely enough to pay a single month's bill.

Nearly a quarter million senior citizens who rely on the Meals on Wheels Program for their nutrition would be denied that assistance. There are some 32,000 seniors every single day who get Meals on Wheels in my State of Massachusetts. You are talking about cutting thousands off of that particular list. Over 700,000 senior citizens who benefit from the congregate meals program would lose that assistance. Large numbers of these senior citizens, unable to feed themselves, would no longer be able to live at home and would be placed into institutions.

The Occupational Safety and Health Administration would be able to carry out 12,000 fewer inspections each year. Some 40,000 violations of workplace safety regulations that OSHA uncovered last year might remain uncorrected. A similar number of violations uncovered by the Mine Safety and Health Administration might remain uncorrected.

Over 200,000 dislocated workers would be denied retraining and job placement services. An additional 200,000 teenagers seeking summer jobs would be refused that opportunity.

The average number of food inspections by the Food and Drug Administration would fall from 10,000 to 7,000.

The average interval between inspections of food manufacturing facilities would go from 6 years to 11 years. The average frequency of blood bank inspections would decrease from once every 2 years to once every 3 years.

The process for reviewing new pharmaceutical products would lengthen from approximately 20 months to 30 months initially, and get longer as the backlog carries over from year to year.

Those are but a few of the examples of the impact of the 30-percent across-the-board cut in Federal spending that would be required under the Republican proposal for a balanced Federal budget by 2002.

If that is what the Republican majority have in mind to comply with the proposed constitutional amendment, the American people have a right to know it.

The Treasury Department has also estimated the impact of the proposed constitutional amendment on the States.

An across-the-board deficit reduction package that excluded Social Security and defense would require cuts in Federal grants to States of $97.8 billion and cuts of an additional $242.1 billion in other Federal spending that directly benefits State residents. We can ask whether the States have a full understanding and awareness of this as they begin this debate.

According to the Treasury Department, State taxes would have to increase an average of 17.3 percent, just to offset the loss of Federal grants.

If that will be the impact of the proposed constitutional amendment, then the States have a right to know it.

Asking the States and the American people to support this proposed constitutional amendment without telling them what it means is bumper sticker politics at its worst. The American people deserve facts, not slogans.

I urge my colleagues to support the right-to-know amendment. Sunshine is

the best disinfectant. It is understandable that the Republican majority prefers to keep Congress and the country in the dark about this proposal. But if it cannot stand the light of day, it does not deserve to pass.

We have the election of Republicans, and they have leadership positions in the House and Senate of the United States. I hope that at least they would feel honor bound to be able to describe to the institutions and the American people what their vision is in terms of a balanced budget.

That is all this amendment does. If we are going to have a balanced budget, why not let the American people understand exactly what is going to be involved, both at the Federal level and at the State level? This particular amendment would give that kind of information to the American people. I think the amendment is flawed without this amendment.

I hope that the amendment will be agreed to.

I yield back whatever time remains.

I thank the Chair.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I enjoyed listening to my dear colleague from Massachusetts, and almost everyone, I think, knows of my affection for him. But we know what is going to happen if we do not do this balanced budget amendment. He and his friends are going to continue to spend us blind, which is what they have been doing for most of the last 60 years.

The fact of the matter is everyone knows that this country is in real trouble and they know who has basically put the Great Society programs into effect, many of which, if not all of which, were well-intentioned—they know who has caused the entitlements to grow to now. If you put interest in the entitlements, which it should be, 72 percent of the total Federal budget, it is running out of control. And if you add in the factor that most of them do not support any type of fiscal discipline to bring the Federal Government into some sort of a balance, and now they come to us and say: Well, now that you have the balanced budget amendment on the floor, you ought to tell us how you are going to do it, knowing that we have all kinds of plans already on the boards, some of which I agree with and some of which I do not, but nevertheless budgets that would get us to balance without the draconian 30-percent cut that the distinguished Senator from Massachusetts is talking about, this 30-percent cut across the board that my friend from Massachusetts has been presenting is highly exaggerated.

Congress could adopt many types of these plans or parts of these plans into a consolidated whole, if they want to, and we can reach a balanced budget without cutting 30 percent across the board. In fact, I do not think anybody would argue against that provision.

But while we have been talking here in the Congress—we are now in our 10th day since we started this—our balanced budget debt track we reach each day, $4.8 trillion is the baseline; that is our debt which we started with before we started this debate. We are now in our 10th day, and we are now up to $8,294,400,000 in additional debt just in the 9 days since we started here.

All I hear from my friends is you should not be able to enact a balanced budget amendment until you tell us how you are going to reach a balanced budget, and you cannot submit it to the States until you do. They know once we put this fiscal discipline into place, the game is over. And they know that they are going to have to start to live within their means. No longer can they spend themselves into the Senate or keep themselves in the Senate by spending and telling the people how much we are doing for them while we are spending them into bankruptcy.

I cannot sit here and simply ignore the fact that the liberals, who have spent us into bankruptcy, are the ones who are fighting against this amendment. We have irresponsible debt in this country. We have runaway spending. We have a destructive welfare system that not only is too expensive but it is destroying families. We have an antisavings Tax Code that is eating us alive. We have a huge Washington bureaucracy. We are killing the American dream, and we are killing our children's future.

We have to cut the waste. We have to cut the fat. We have to do it through a discipline that only the balanced budget amendment will bring to us. And if we do not do that, I just worry about the country, and so does everybody else. This is not a game around here. For those who are against the amendment to come and say, now, after they have been in control for most of the last 60 years, and never having reached a balanced budget for the last 26 years, to come to us and say, you have to explain how you can do it and satisfy 535 Members of Congress before you can put the discipline into place that will get us there, it seems to me is pure sophistry.

We need the discipline. That is what is missing. Remember Gramm-Rudman-Hollings? We all thought that statute was going to do the job. It did do a little bit until we amended it and set the goals farther out there, and amended it again, and now we have done away with it altogether because it was a simple statute. It was well-intentioned, and a lot of people thought it might work, and it did to some to degree, but it was tossed out when they decided to spend more around here.

The Democrats against this balanced budget amendment were in charge last year, and they have been in charge since 1986. They have never presented a balanced budget, nor have they presented a plan. Certainly the President's program is not a plan either to get us to a balanced budget. His budget, very clearly, is not a plan to get us there.

Now we come down to the Daschle amendment, this right-to-know amendment. I have seldom seen a more frivolous trivialization of the Constitution than what this amendment would do, because it would write a section 9 into the balanced budget amendment that would put new language into the constitutional amendment—new language for the first time, all kinds of budgetary terms, all kinds of language that really would allow loopholes galore, which would institutionalize even committees in the Senate and the Congressional Budget Office.

Look at this language and you have to say, constitutional language? That is with a big question mark. I do not see how anybody can argue this is what we ought to do for the Constitution, even though they talk about the right to know. Aggregate levels of new budget authority. In the Constitution? Major functional category, account-by-account basis, allocation of Federal revenues, reconciliation directives, section 310(a) of the Congressional Budget Act. That can be changed by a simple majority vote? Talk about trivialization. Omnibus reconciliation bill. What in the world does that mean? That is going to be written into the Constitution so they can continue doing business as usual? Congressional Budget Office. They are going to go write that into the Constitution, the Congressional Budget Office? For all of its good intentions, it has been wrong more than it has been right on budgetary matters. Economic and technical assumptions. And then they are going to write the Committee on the Budget into this Constitution?

Let me just end. This is a trivialization of the Constitution. It does not make constitutional sense. It would destroy the balanced budget amendment. It would destroy the one time in history since the House, for the first time, has passed the balanced budget amendment, the one time in history when we really have a chance to restore discipline to this process. It would put language into the Constitution that is totally unworkable, unless you want to keep spending.

I thought it was appropriate for some of those who did come out here and speak right before this important vote. The opponents are apologists for the status quo. They are the people that have been here 30, 40 years. They are the people that have been around here and have seen it go the same way every time, and they say we ought to have the guts to do it. Yet, when they had control, they could not do it because there was not a fiscal discipline in the Constitution that required them to do it, or at least gave incentives, which is what this amendment does, to get to a balanced budget.

Are we going to stick with the old order around here, the old way of doing things, the status quo, that now has us $4.8 trillion in debt, plus another $8.294

billion in the 10 days we have been debating this? Are we going to stick with the people who brought us to this and let them come in here with this phony trivialization of the constitutional amendment and say all of a sudden, in just a short period of time, you Republicans, before you pass a balanced budget amendment and submit it to the States, you have to show us how you are going to cut the budget? The fact of the matter is that we will show them once the discipline is in place, because we will all have to show them. The Democrats who support this amendment will be right there with us helping us to show how this can be done. But you cannot do that in less than a year or so, and we have to get the balanced budget amendment in place before we do.

The Daschle proposal raises a lot more questions than it will answer. For example, it would require a statement of new budget authority and outlays only on accounts which were over $100 million in 1994. What about accounts which were under $100 million in 1994 but have grown over that? What about new accounts? This proposal would also require an allocation of Federal revenues among major resources of such revenues. But what qualifies as major? This proposal would further require a detailed list and description of changes in Federal law required to carry out the plan. Such information is currently in a document separate from the budget resolution. That document for President Clinton's 1993 budget plan was over 1,000 pages long. His budget plan will keep deficits at around $200 billion well into the future, for 12 years into the future, and then we do not know what will happen. That is assuming if the rosy economic circumstances continue that they are claiming will be the case.

Do we really want to increase the already mammoth budget resolution? In addition, the provision is vague and incoherent. The Daschle proposal literally requires that we predict over the next 7 years not just the changes in law Congress may ultimately pass, but the date that Congress will pass them.

The Daschle proposal creates additional problems by making constitutional reference to statutory law, as I have just shown on this chart. It is ridiculous. Incorporate 310(a) of the Congressional Budget Act of 1974 by reference. What happens if Congress amends that section? Does that qualify as a constitutional amendment by a simple majority vote? Similarly, as we have said, the CBO is explicitly referred to in this proposal. That means that the Constitution will now have to refer to four branches of Government: judiciary, executive, legislative and, of course, the Congressional Budget Office.

Here we are in the new Congress trying to reduce the Federal bureaucracy, and the Daschle proposal attempts to enshrine a part of it in the Constitution. Those of us on both sides of the aisle who have worked for years to pass this constitutional amendment have consistently heard from our opponents that we are trivializing the Constitution with this budget matter. Talk about trivializing the Constitution.

The Daschle proposal would have us add a new section to the Constitution that is longer and extraordinarily more detailed and technical than the proposal that has been the subject of hearings, committee debate, vote, and a committee report. It adds new terms to the Constitution like ''concurrent resolution.'' I have gone through those terms. They will no longer have just lawyers pouring over the document; we are going to need a slew of accountants to tell us what the Constitution means as well.

I think we ought to vote this amendment down. It does not deserve to be in the Constitution.

Mr. President, I have stated many times during this debate that the balanced budget amendment represents the kind of change the American people voted for in November. The American people know that the mammoth Federal Government must be put on a fiscal diet. In contrast, the proposal offered by the distinguished minority leader, with all due respect, is offered in the defense of the status quo and business as usual.

THE RIGHT TO STALL AMENDMENT

The Daschle motion to recommit has been termed by the opponents of the balanced budget amendment the right-to-know motion. But it has rightly also been called the right-to-stall proposal. It purports to put off the requirement of a balanced budget until Congress actually agrees to a balanced budget, by adopting such a budget plan.

Mr. President, this proposal actually will give to Congress a constitutional right to stall the requirement of a balanced budget by mere failure to balance the budget. Mr. President, the very reason we need a balanced budget amendment is because Congress has failed to balance the budget for decades. The Daschle right-to-stall amendment would make that abject failure of responsibility the explicit condition of avoiding the acceptance of that responsibility. If there is a better manner to lock in business as usual, a better way to constitutionalize our borrow and spend status quo—our ever-steeper slide into the debt abyss—I admit I cannot think of it.

Consider, Mr. President, that the proponents of the right-to-stall amendment want to use Congress' historical inability to balance the budget as a reason—a constitutional reason—to deny the American people, to deny future generations, the requirement they want to force Congress to act responsibly, get its fiscal house in order, and live within its means. Talk about a recipe for inaction. The right-to-stall proponents say ''if Congress cannot balance the budget, they should not have to.'' They say, ''if Congress has been and is unable to balance the budget in the absence of a balanced budget requirement, we should not impose a balanced budget requirement on it.'' Is this what the American people want? Do they want Congress' failure to fulfill its responsibility to be a reason to drop the requirement? Does this even make any sense?

If my colleagues supporting the Daschle proposal had been in the First Congress, we would never have adopted the first amendment in the Bill of Rights. Just imagine James Madison defending the free speech clause of the first amendment from some of my colleagues: Does this mean you cannot yell fire in a crowded theatre? they would ask. Does it protect obscenity? If not, what is the line between obscenity and protected free speech? We cannot accept the free speech clause without these details spelled out, they would say. Does the free speech clause protect the American flag from desecration? If so, we cannot accept the first amendment. Some of my colleagues made that clear when they turned down the flag-burning amendment twice a few years ago.

What about the religion clauses, the free exercise clause and the establishment clause, of the first amendment? Would supporters of the Daschle proposal, had they been in the First Congress, demanded an accounting of just when and how the Government can aid religious schools? Would they have insisted on knowing all of the circumstances under which citizens or local governments can put a Menorah or a creche on public property? Would they have turned down the first amendment because the First Congress could not fulfill the ludicrous task of answering these questions? Or would they have accepted the principles contained in the first amendment and allowed those principles to develop, as they have over the years?

Just imagine when the following clause in article I, section 9 came before the Constitutional Convention of 1787 in Philadelphia: ''No money shall be drawn from the treasury, but in Consequence of appropriations made by law * * *'' Oh no, my colleagues would have said, tell us how much the appropriations will be over the next 7 years or we cannot adopt this provision and this Constitution.

What about the clause in article I, section 8, giving Congress the power to regulate foreign and interstate commerce? Oh no, some of our colleagues would have said in Philadelphia in 1787. We cannot give Congress the power to regulate commerce until we know the tariffs and interstate regulations Congress will enact over the next 7 years.

Here and now, let us adopt the principle of a balanced budget with the careful exceptions of war time or when a supermajority consensus is reached for a pressing national purpose, on a rollcall vote. Then, after we adopt the principle, we can implement it over the next 7 years, adjusting the budget to

take into account changing circumstances during that time.

After all, this is a constitution we are amending, not budget legislation. In fact, as I read the Daschle proposal, it requires that we pass a resolution laying out the details of a plan starting in fiscal year 1996 even though that requirement is contained in an amendment that does not become effective until 2002.

To require that a constitutional provision be fully implemented before it is adopted puts the cart a long way before the horse. After all, the whole problem is that Congress has not been able to balance the budget in the absence of a constitutional requirement to do so.

It seems to me that the people who really have the burden of showing us how they will balance the budget are the ones who claim we do not need the balanced budget amendment. We say the budget cannot be balanced without a constitutional requirement. To those who think we can balance the budget without the balanced budget amendment, I say show us how. If you cannot show us the way to a balanced budget without the amendment, this suggests one of two things. Either you agree with us that it cannot be done without the constitutional requirement, or you are simple arguing against balancing the budget at all.

CONFUSING PROCESS WITH SUBSTANTIVE CHOICES

Mr. President, the right-to-stall amendment confuses the difference between choosing rules and making choices within the rules. Yesterday, I mentioned a letter to the editor in the Wall Street Journal by Prof. James M. Buchanan, a Nobel Prize-winning economist, who explained that important distinction. I would like to quote it again because I believe it points up a basic fallacy in the reasoning of the objection of the right-to-stall proponents. Professor Buchanan states:

> The essential argument [of the Daschle amendment proponents] against the balanced budget amendment reflects a basic misunderstanding of the difference between a choice of rules and choices made with rules. The Clinton-Democratic argument suggests that proponents of the amendment should specify what combination of spending cuts and revenue increases are to be implemented over the 7-year transition period. This argument reflects a failure to understand what a choice of constitutional constraint is all about and conflates within-rules choices and choices of rules themselves.
>
> Consider an analogy with an ordinary game, say poker. We choose the basic rules before we commence to play within whatever rules are chosen. Clearly, if we could foresee all of the contingencies beforehand (for example, how the cards are to fall), those of us who know in advance that we shall get bad hands would not agree to the rules in the first place. Choices of rules must be made in a setting in which we do not yet know the particulars of the within-rule choices.
>
> Applied to the politics of taxing and spending, the constitutional amendment imposes a new rule of the game, under which the ordinary interplay of interest groups—majoritarian politics will generate certain patterns of taxing-spending results. By the very nature of what rules-choices are, outcome patterns cannot be specified in advance.
>
> The opponents of the proposed balanced budget amendment should not be allowed to generate intellectual confusion about the difference between choices among verus within rules. There are, of course, legitimate arguments that may be made against the amendment, but these involve concerns about the efficacy of alternative rules, including those that now exist, rather than a specific prediction of choices to be made under any rule or choices made during the transition between rules. [Wall St. Journal, 2/6/95, p. A13.]

Mr. President, Professor Buchanan is obviously correct. Proponents of the balanced budget amendment recommend a rule change. Opponents argue against the amendment on the basis of either possible choices under the new rule which could hurt well-organized special interest groups or the failure to specify which well-organized special interest groups will be hurt under the new rule. Either objection is, as Professor Buchanan points out, intellectually confused as an objection to the new rule. The proponents do not advocate any particular outcomes, just a new way of making those choices. The right-to-stall motion offered by the Democrat leader does not move the debate forward.

In fact, Mr. President, the Daschle right-to-stall amendment is nothing more than a way to stop Congress from adopting the resolve to force itself to act responsibly and balance the budget and live within its means in the future.

PRESIDENT CLINTON'S DEFICIT REDUCTION RECORD

This brings me to the President. If President Clinton gets his way and defeats the balanced budget amendment this year as he did last year, what is his purpose? Does he not want a balanced budget? Does he stand for the status quo of ever higher taxes and even higher deficits? Let us look at his record.

The President's 1993 deficit reduction tax plan has failed to control even the growth of annual budget deficits, which continue to rise during the later years of the plan, surpassing $200 billion as early as 1996, reaching the record level of $297 in 2001, and topping $421 in 2005.

The President's so-called deficit reduction plan, which included massive tax increases on working people, retirees, and other Americans, neither stopped the growth of the national debt nor balances the budget.

Now, the opponents point to President Clinton's tax plan of 1993 as the great epitome of budgetary courage we should follow. But, Mr. President, that was no plan to balance the budget. I would ask my colleagues, did the 1993 tax bill balance the budget? Does the President propose a path to a balanced budget?

Now look at the President's budget released this week. It projects $200 billion yearly budgets as far as the eye can see—and that is the best case scenario with the most optimistic assumptions. There is no budget balancing leadership here.

Mr. President, those who say we can balance the budget without the balanced budget amendment are the ones who should show us how they propose to do it. They are the ones who say, regardless of history, we can balance the budget now, without a rules change. But I continue to ask in vain, how do they propose to do it, Mr. President? Why should we trust they will do better under the status quo than they have for the last 26 years? Mr. President, I ask again, where is their plan?

Mr. President, this will not do. We should adopt the binding resolve to accept our responsibility, and then fulfill it. We should not avoid responsibility on the ground that we have so far failed to act responsibly. We should not be able to deny the American people and future generations the responsible rule of fiscal discipline on the grounds of our historical lack of discipline.

Mr. President, let us take the first step first, and let us get our house in order by adopting the balanced budget amendment.

The fact is that if House Joint Resolution 1 passes in its current form, we can and will balance the budget. It is not the lack of plans that has prevented us from balancing the budget; it is the lack of will.

We don't claim to have the perfect, painless way to balance the budget, but there are quite a number of options for us to examine and draw from, at least in part. In fact, as I stated previously in this debate, over the last few years we have seen a number of plans released from both sides of the aisle, from both bodies, and from outside organizations. [I will just hold up a few of them]: The Concord Coalition zero deficit plan; the Republican alternative to the fiscal year 1994 budget, and the Congressioinal Budget Office's illustration of one path to balance the budget in their Economic and Budget Outlook 1996–2000, just to name a few.

Even the current White House Chief of Staff submitted a balanced budget proposal during his tenure in the House.

Other ideas include limiting the growth of spending to 2 percent without touching Social Security, or cutting 4 cents a year off of every dollar of planned spending except Social Security.

Furthermore, there are many proposals out there to reduce spending significantly and reduce the deficit: The Dole 50-point plan; the Penny-Kasich deficit reduction plan; the Brown-Kerrey bipartisan cutting plan; the prime cuts list prepared by Citizens Against Government Waste; the Kasich budget alternatives for fiscal year 1994 and fiscal year 1995; and the Brown deficit reduction plan.

I do not think that any one of these proposals is necessarily the ultimate solution. Yet, they all have some ideas worth considering. I certainly believe that we could evaluate and analyze

proposals in these plans as well as other ideas that I guarantee will be forthcoming from both sides of the aisle if we pass this amendment.

Let me say it one more time: The problem is not the lack of ideas, it is the lack of will. House Joint Resolution 1, in its current form, will provide that will.

THE UNWORKABILITY OF THE DASCHLE PROPOSAL AND THE TRIVIALIZATION OF THE CONSTITUTION

Furthermore, the Daschle proposal raises more questions than it would answer. For example, it would require a statement of new budget authority and outlays only on accounts which were over $100 million in 1994. What about accounts which were under $100 million in 1994 but have grown? What about new accounts? This proposal would also require an allocation of Federal revenues among major resources of such revenues. But what qualifies as major?

This proposal would further require a detailed list and description of changes in Federal law required to carry out the plan. Such information is currently in a document separate from the budget resolution. That document, for President Clinton's 1993 budget plan, was over 1,000 pages long. Do we really want to increase the already mammoth budget resolution?

In addition, this provision is vague and incoherent. The Daschle proposal literally requires that we predict, over the next 7 years, not just the changes in law Congress may ultimately pass, but the date that Congress will pass them.

The Daschle proposal creates additional problems by making constitutional reference to statutory law. It incorporates section 310(a) of the Congressional Budget Act of 1974 by reference. What happens if Congress amends that section? Does that qualify as a constitutional amendment?

Similarly, the Congressional Budget Office is explicitly referred to in this proposal. That means that the Constitution would now refer to the four branches of Government: Congress, the Supreme Court, the President, and the Congressional Budget Office.

Here we are in the new Congress, trying to reduce the Federal the bureaucracy, and the Daschle proposal attempts to enshrine a part of it in the Constitution.

Those of us on both sides of the aisle who have worked for years to pass this constitutional amendment have consistently heard from our opponents that we are trivializing the Constitution with budget matter. Talk about trivializing the Constitution. The Daschle proposal would have us add a new section to the Constitution longer and extraordinarily more detailed and technical than the proposal that has been the subject of hearings, a committee debate and vote, and a committee report. It adds new terms to the Constitution like concurrent resolution, aggregate levels of new budget authority, account-by-account basis, allocation of Federal revenue, reconciliation directives, section 310 of the Congressional Budget Act, omnibus reconciliation bill, Congressional Budget Office, and economic and technical assumptions. We will no longer have just lawyers pouring over this document, we'll need a slew of accountants.

THE DASCHLE PROPOSAL IS UNCONSTITUTIONAL

Perhaps the most significant reason for opposing this proposal is that it is unconstitutional. Article V of the Constitution provides for two—and just two—ways to amend the Constitution: By a proposal passed by two-thirds of both Houses of Congress, or by a proposal of a constitutional convention called by two-thirds of the States. In either case, three-fourths of the State legislatures must ratify the proposal before it becomes part of the Constitution.

The Daschle proposal is infirm because it places a condition subsequent to the explicit methodology for amending the Constitution contained in article V. Article V mandates that whenever two-thirds of both Houses concur, a proposed amendment must be promulgated to the States for ratification. The Daschle proposal, on the other hand, delays sending the proposed amendment to the States after passage by Congress until Congress acts again, this time by a simple majority on a budget resolution. It is black letter law that Congress may not alter, expand, or restrict, procedures established and explicitly mandated by the Constitution. See *Immigration and Naturalization Service* v. *Chadha*, 462 U.S. 919 (1983) (the Supreme Court held unconstitutional the one-House congressional veto as violative of the bicameralism and presentment to the President requirements of the Constitution).

Now Senator DASCHLE defended his proposal by referring to the 7-year time requirement in House Joint Resolution 1 itself as an example of a condition that Congress has historically set to the amendment process. Indeed, the Supreme Court in *Dillon* v. *Gloss*, 307 U.S. 433 (1939), did hold that the 7-year limit that appears in the text of an amendment is a constitutional condition placed on the ratification process.

Senator DASCHLE, however, misstates my argument. Article V sets forth the exclusive conditions for promulgation of a constitutional amendment. The 7-year time limit is a condition on ratification. Promulgation and ratification are, of course, distinct acts, and the two should not be confused.

Under article V, once Congress has passed an amendment by the necessary two-thirds margin in both Houses, the amendment must be promulgated to the States for ratification. There is nothing in either the text of article V nor in our constitutional history that suggests that Congress can play slick games with the States by passing an amendment but keeping it from going to the States. The act of promulgation is a ministerial act that must be performed once the two-thirds vote has been obtained.

By contrast, there is ample reason why Congress should be permitted to include additional conditions on ratification, such as the 7-year time limit. Article V itself makes clear that it is up to Congress to specify the mode of ratification. There is also substantial precedent in our constitutional history for Congress to specify time limits on ratification.

In conclusion, the promulgation of a constitutional amendment is distinct from its ratification. The Daschle substitute is unconstitutional in that it would place an additional condition on, and thereby delay, Congress' promulgation of the balanced budget amendment. Under article V, once Congress passes an amendment, it shall be promulgated to the States. The Daschle substitute violates this provision.

Mr. President, for the forgoing reasons, I urge my colleagues to support the Dole amendment and vote to table the Daschle proposal.

I would like to point out that, look, we would like to resolve these problems. We hope there are enough Senators here who are willing to stand up for this one time in history, Democrat-Republican, bipartisan amendment that would put us on the fiscal path we should be on. We would not have to worry about all those moneys being laundered through the Federal Government and getting back to the people Senator KENNEDY said they are meant for. I think it is time to get real about budgeting and spending and real about balancing this budget and real about what is best for this country. The only way we are going to do that is by passing the balanced budget amendment intact, without statutory language added to it.

The PRESIDING OFFICER. Under the previous order, the hour of 11:30 having arrived, the Senator from South Dakota [Mr. DASCHLE] is recognized for 15 minutes.

Mr. DASCHLE. Mr. President, I yield 2 minutes of my time to the distinguished Senator from Louisiana.

Mr. BREAUX. I thank the minority leader for yielding.

I would just say this, as we come down to the critical point of the vote: You would think that when someone proposes a balanced budget amendment, they must have a plan to get to it after the balanced budget amendment passes. The only thing I am suggesting is that they should share that information with the American public. They should share it with the States.

If there is a secret plan that they have to balance the budget, does it include massive cuts in Social Security? Or does it include massive reductions in veterans' pension plans? Or does it include the dismantling of the highway assistance programs for the States? I am not sure what it includes.

But if there is a secret plan to reach this balanced budget, I would suggest that it should be secret no longer. If it

is good enough to balance the budget in the year 2002, let the States see it. Let them have an opportunity to vote knowing how we are going to balance that budget.

How can we send this amendment to the States and not let them know what the plan is as to how we are going to achieve it?

Oh, perhaps, maybe there is a golden secret plan they have that does nothing with regard to cutting Social Security and does not increase taxes and increases defense spending and yet still balances the budget. Maybe they have that type of a plan. But let us see it.

I mean, somebody over there who is proposing this must have a plan on how to get to the end result. How are you we doing to ask the States to be able to pass this amendment unless they know what that plan is?

And that is what the right-to-know amendment is all about. I think the people of America have a right to know how they are going to do this. How are we all going to do it, because it is a collective effort. It is going to be a partnership between the Federal Government and the States. And the States are not going to be able to vote unless they see what plan they are going to be voting on. I think we need a right-to-know amendment. I think America needs it.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Mr. President, let me thank the Senator from Louisiana for his comments this morning.

Like this Senator, the Senator from Louisiana was in the House of Representatives in 1981. I am sure he, like I, remembers the ease with which we passed the tax package of 1981. The President and the Republican leadership at that time convinced the Congress and the American people to cut taxes, to increase defense spending, to protect Social Security, and to balance the budget by 1984. There were no details, very few specifics, just a promise and the words ''trust us.'' The vote was overwhelming.

I will never forget that morning on the floor and the overwhelming vote. Everyone applauded. We all went home.

But 10 years later, the American people saw an increase in the national debt to $4 trillion, four times what it was when we had cast that vote in 1981.

I also remember the difficulty we encountered in 1993, as we passed the President's economic package. That did not pass overwhelmingly. That passed by a margin of 50 to 49, amid doom and gloom predictions of recession and mass unemployment and negative market reaction. We heard it all. It was a very, very tough vote. I vividly remember that morning, as well.

But the difference between 1981 and 1993 was more than the difficulty in passage. Rather than vague predictions with rosy scenarios of 1981, the 1993 proposal put details into black and white—details involving cuts, details involving revenue, details requiring major changes in the way we do business; hundreds and hundreds of pages of black and white details. It was controversial. And we fought over many of the details in this document for days. No one can forget that.

But, do you know what? It was effective. And in the end, the 103d Congress passed a 5-year deficit-reduction plan that reduced the deficit by $500 billion. Instead of asking the American people to trust us, we showed them, up front, line-by-line, what our intentions were. And the results—well, the results speak for themselves.

Mr. President, those are the two models from which we can choose today. The only difference is that today the issue is far more serious—more serious because the debt has now risen to $4.5 trillion; more serious because this is the first time in history that we may be adding an amendment to the Constitution affecting the fiscal policy of this Nation.

The question for the American people is really very simple: After those two experiences, will the Senate roll the dice, will it roll the dice and say, ''trust us again,'' or will we do what we know we must do? Will we show in 1995, as we showed the American people in 1993, exactly what must be done? That is the issue.

The Senator from New Hampshire, my good friend, this morning mentioned my willingness to support a balanced budget amendment last year and took issue with us for not arguing the right-to-know amendment then.

Well, the reasons are easy for anyone to understand. First, we had just passed our own version of the right to know. It was right here. The print was hardly dry. Second, we were not faced then, as we are today, with the exact situation with which we were faced in 1981—promises of tax cuts, promises of increases in defense, promises to protect Social Security, and promises to balance the budget in a designated period of time, but no promise to explain how it is going to be done.

If the Senate is unwilling to promise the American people a blueprint, I guess I would have to ask: What is it they are trying to conceal? What is it we are trying to conceal from Social Security recipients whose pensions are affected by the decision we are going to make in the next couple of weeks? What is it we are trying to conceal from the Pentagon and our allies about the true commitment to the military strength of this Nation in the coming years? What is it we are trying to conceal from veterans and military retirees about our true intentions with respect to their future?

What about States? What are we trying to conceal about the real impact this decision will have on them, on the Governors, and on their fiscal health?

And, very honestly, what about us? What about us? What are we trying to conceal from ourselves, and how is it possible that we can commit ourselves to repeating the clear mistake of the past? How can we set a goal and have no idea—none—how we are going to get there?

Tax cuts, defense spending increases, protection for Social Security—all these are doable in the abstract. It is only in the context of a constitutional amendment to balance the budget in 7 years that the job becomes nearly impossible.

Assuming we pass the Contract With America, assuming that we protect Social Security, our job is to cut $2.2 trillion in 7 years. That is our goal—$2.2 trillion. That means we have got to cut $300 billion for each of the next 7 years.

Pass the Contract With America, protect Social Security, balance the budget by the year 2002. And we are going to ask our colleagues in the next 7 years, each and every year, to cut $300 billion. And every year we delay, the task becomes even more overwhelming the next year.

But that is only part of the story, because if we actually take Social Security off the table, if we take defense off the table, and because we must exclude interest payments, we are left with a mere 48 percent of the budget with which to work. That is really what we have left—48 percent. If you take those three items off the table, that is all we have left, 48 percent of the entire Federal budget from which we now must cut $2.2 trillion in 7 years.

Well, do you know what the American people are saying? The American people are saying: ''Right. Show me. Show us how you are going to cut all that and how you are going to cut funding for the States. Show us how you are going to cut my farm programs and other programs directly affecting rural America. Show us how you are going to deal with education, nutrition, health and housing, and as you do, do not even think about saying any of this is going to be easy or painless.''

Mr. President, I bet there is one thing for which there is universal agreement within this Chamber. That is, there is a lot of skepticism out there, and, frankly, I think there is skepticism for a good reason.

Too many times, Washington has said one thing and done another. We cannot afford, on something this important—this important—to let that happen again. We cannot afford to add to the deep-seated skepticism about this institution or its actions. Not now. Not on an issue this important.

My Republican colleagues have lodged three basic objections to the right-to-know-amendment. The House majority leader said recently, ''Once Members of Congress know exactly, chapter and verse, the pain that the Government must live with in order to get a balanced budget, their knees will buckle.'' The majority's apparent solution is to hide the truth and sidestep the pain. But the right-to-know-amendment says we have tried all that. We did it back in 1981, and $4 trillion

later, we now must come to the realization that we have to end business as usual. That will not work again.

The second objection is that they cannot be precise about a 7-year budget process. Yet, the current law requires already that we offer 5-year estimates. What is so much more mysterious or unknowable about years 6 or 7 than years 4 and 5? All the health reform proposals last year were evaluated over a 10-year budget projection. The Congressional Budget Office already has the ability to give us 7-year budget estimates. We should use them. I have not heard one credible economist tell Members that this cannot be done, that we cannot lay out a budgetary glidepath for 7 years.

The third objection is especially ironic. It asserts that the right-to-know-amendment is somehow unconstitutional because the Constitution does not specifically sanction Congress to set conditions on an amendment before it goes to the States for ratification. But neither does the Constitution specifically sanction the 7-year limit for ratification that is found in the underlying amendment.

I have not heard any of my colleagues argue that their amendment is unconstitutional because it includes the customary but not constitutionally sanctioned time limit. As everyone here knows, the Constitution has just two requirements: First, that we pass the amendment by a two-thirds vote in both Houses; and second, that it be ratified by three-fourths of the States. That is all it says. Period.

Mr. President, the issue is pretty simple. If we are going to build a sturdy house of real deficit reduction, do we have a blueprint? Are we going to ask this body to lay out the blueprint by which that will be done? Or do we just start pounding away, hoping we have the materials to build that house, hoping we know where the budget-cutting rooms really are, hoping we can do it all in 7 years, hoping that somehow we can build a house of real deficit reduction without the details.

The American people would never build their house without a blueprint. They know we cannot, either. By a margin of 86 to 14 percent, they are saying, ''Show us. We have a right to know if you are going to affect Social Security. We have a right to know if you are going to cut defense. We have a right to know if you are going to cut veterans programs. We have a right to know how you plan to cut $2.2 trillion from 48 percent of your budget in 7 years. We have a right to know if you have learned from the mistakes of the past. We have a right to know if you are really serious.''

So today, Mr. President, the Senate has an opportunity. It is an opportunity to end business as usual, an opportunity to be honest, an opportunity to affirm that when it comes to an amendment to the U.S. Constitution, the American people have a right to know.

I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, the majority leader is in a meeting and is having a difficult time getting here, and has asked that I take a few minutes before he gets here. He may have to use some of the leader's time.

The PRESIDING OFFICER. The Senator from Kansas was to be recognized for 15 minutes.

The Senator from Utah will be recognized.

Mr. HATCH. Mr. President, I particularly enjoyed the comments of the distinguished minority leader of the Senate. He is a very fine man. I am sure he is very sincere in what he is talking about. And he is a good friend. I do not have any desire to make this a partisan thing. This is a bipartisan constitutional amendment. We are fighting to try to get this country's fiscal house in order.

To have people come here now and say, ''Just show us a blueprint,'' and to use that tax vote a year ago, when they increased taxes on the American people—and they did get the deficit down to a little below $200 billion, but this was nothing, and they all know that that very bill that they passed and they are taking such credit for, touting it as their fiscal responsibility, that bill had the deficit jamming upward in 1996 and thereafter to the point where we get to a $400 billion deficit after the turn of the century.

That is hardly something I would brag about, increasing taxes against the American people, the largest in history, and then a jump in spending, starting in 1996. Now, the President has come in and he has tried to reduce that jump in spending, but even his budget admits, until the year 2007, we will have at least a $190 billion deficit a year.

Now, we have had 38 years since the balanced budget amendment has been introduced. Since we passed it when I was Constitution chairman back in 1982 in the Senate, we have had 13 years. And every time we turn around, somebody is saying, ''Well, show us how you will get to a balanced budget before we pass a balanced budget amendment,'' or, as in this amendment's case, ''Show us how you will get there before you can submit the balanced budget amendment, once passed, to the States,'' putting another requirement into the Constitution that really does not deserve it to be there.

Now, look, this is a game. It is a game by those who personally do not want a balanced budget amendment, although some who will vote for this will do so out of loyalty to the leader on the other side. It is not a game to us. The distinguished Senator from Illinois and I are not playing games. We have worked to bring the whole Congress together on a bipartisan consensus—Democrat and Republican—constitutional amendment, and we intend to get it there. This type of an amendment to the basic constitutional amendment would gut the whole amendment, and everybody on this floor knows it.

I yield a couple of minutes to the distinguished Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank the Senator from Utah for yielding. Let me express my thanks for the leadership that he and the Senator from Illinois have taken on this issue, along with myself and others, to bring to the floor and to build the consensus that is clearly here in a strong majority to pass a balanced budget amendment.

Now, within a few moments, we will have a vote on the Daschle motion. We have been debating this amendment and the Daschle motion in part for a week and a half, without a vote. I think the American people expect Members to move in an expeditious fashion through this issue, to a time when we can vote up or down on it, and send it to them to make the decision.

Article V of the Constitution is very clear. We have the right to propose amendments, and when we do, they must go straight to the States. In all fairness, the Daschle amendment has to be called not the right to know, but the right to stall, and stall and stall, and deny the American people the opportunity to express their will through their State legislators as to whether they want a balanced budget amendment, as to whether they want a balanced budget amendment to the Constitution to be the 28th amendment to our Federal Constitution.

So while Senator EXON or Senator HOLLINGS may have offered similar amendments to the unfunded mandates issue, they were entirely different. That was a statute. That was an issue that can be changed year to year, day to day, as the Congress meets. This is an amendment to our Constitution. Nowhere has there ever been within the Constitution such a prescriptive process as so designed by the Senator from South Dakota. It is not the right to know, it is simply the right to stall, in an effort to defeat this amendment or to deny the American people the right to express their will.

The Senator from Utah has made that evident time and time again. I have and our colleagues have joined Members on the floor to debate this issue.

Certainly we are now at a point, within a few moments, of voting, the very first vote in over a week and a half, while the other body has already moved several other pieces of legislation.

I am not at all convinced that just stalling and stalling and stalling, as has been proven here, is the way to solve this problem. Thorough debate is, and I am all for adequate and thorough debate on this issue. Now it is time to vote and move on to other portions of it in a timely fashion, and then allow

the American people to make the decision on how we govern, not the elite few.

I yield back to the Senator from Utah.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Ms. MIKULSKI. Mr. President, I rise to give my strong support to the right-to-know amendment.

The American people have a right to know what a balanced budget means.

If a balanced budget amendment is added to the U.S. Constitution without a plan for how to balance the budget, we will leave the American people in the dark.

Mr. President, I will not defend every line item in the Federal budget. I believe we must look at the mission of programs. If a program achieves its mission and helps people, it should continue. If not, it should be scrapped.

However, before we adopt a balanced budget amendment, we should know exactly what it is that we are doing. We need to know just how these programs are going to be affected. What cuts are going to be taken. How deep. What programs. And most importantly what the consequences will be to the health, safety, and security of the American people.

My first question is how a balanced budget amendment will affect Medicare.

Achieving a balanced budget in 2002 will require cuts of between 20 and 30 percent in Medicare—between $75 and $100 billion in 2002. What will this mean for seniors?

Medicare already pays less than half of older Americans' health costs. In the year 2002, older Americans are expected to spend more than $4,600 on health care premiums and other out of pocket health costs. But a balanced budget amendment could make seniors pay $1,300 more. What will that $1,300 mean? It could mean forcing older Americans to choose between health care and eating, or between health care and heat.

Could a balanced budget amendment restrict access to health care providers? We do not know. If the cuts are taken out of payments to providers, those providers may decide not to see Medicare patients. This could leave millions with no access to health care, especially in rural areas. We have a right to know.

Could a balanced budget amendment mean raising the eligibility age for Medicare up to age 70? We do not know. Unemployed individuals in their fifties and sixties already find it difficult to obtain health insurance. Many struggle with no insurance, hoping they will not get sick before they reach age 65, when they will at least have access to Medicare. If we raise the Medicare eligibility age, many more seniors could be forced into poverty, unable to pay their medical bills. We have a right to know.

Will the balanced budget amendment force elderly Americans into managed care plans so they are no longer able to choose their physicians? We do not know. We—and they—have a right to know.

There are many other agencies and many other programs that the American people depend upon to protect their health, their safety, their economic security. Law enforcement, traffic safety, education—now will they be affected? What is the plan? Do we not owe it to the people we represent to explain to them how they will be affected by the balanced budget amendment?

I applaud this effort by my colleague Senator DASCHLE, the Democratic leader. His amendment would satisfy the American people's right to know. I am proud to cosponsor and vote for this amendment, and I urge each of my colleagues to join me.

I yield the floor.

Mr. BIDEN. Mr. President, Senator DASCHLE has put before us a common sense addition to the balanced budget amendment, that requires us to tell the people of the States—the people who will decide on ratification of the balanced budget amendment—what the effects of their decision will be.

Should we and the people who will be asked to ratify this permanent change to our Constitution not be given the facts we need to understand its effects?

It seems to me that to oppose full disclosure is to say that we want this decision—that is a fundamental change in our Nation's charter—to be made in the dark, in ignorance.

Two years ago, we voted for a budget plan that laid out a course of action that identified the specific changes that would be needed to cut half a billion dollars from our deficits over 5 years.

That plan was clear and detailed; it was of course subject to both honest disagreement, and, unfortunately, some partisan distortion. But it has cut the deficit for 3 years running, for the first time since the Truman administration.

We told the American people what we were going to do, and we did it. We cut over $500 billion from our deficits over 5 years.

And a strong economy that followed passage of that plan has brought our deficits even lower.

Like all of us here, I hope that the most recent action of the Federal Reserve Board will not be the one-two punch that wipes out the benefits of that plan—a blow that both flattens the economy and increases our deficits with higher interest rates.

Our plans here in Congress, like the plans of private citizens and businesses across the country, now hang on the hope that the Federal Reserve has not gone too far.

But that is a topic for another day.

Some of my friends here who voted against cutting the deficit back then, and some of my newer friends, who do not like the way we did it, now act surprised to see that deficits will rise again in the future, even though no one—certainly not the administration—ever claimed they would not.

We all knew that fundamental health care reform and other actions would be necessary to turn the deficit trend down permanently, and not just over the life of the 1993 budget plan.

But the fact is that we passed that budget plan with the narrowest possible margin in each House of Congress.

As for those who now complain, their own plan was less specific than ours and still could not promise as much deficit reduction as we have actually accomplished.

So let us not be distracted from our duty of being honest about the future by arguments about the past.

With the release of President Clinton's budget plan, we hear again from those who voted against deficit reduction in 1993 that they could do better.

Well, Mr. President, I believe them. That is why I challenge them to tell us how they would do better, as specifically as the plan they are attacking.

If an amendment to the Constitution is needed to keep building on the accomplishments of the last few years, to force us to confront the continuing deficits that are predicted through the end of this decade, then it only makes sense for us to prepare a document that sets forth the choices that will be necessary to bring the budget into balance.

Right now, we are confronted with an interesting situation. A new majority in Congress, that promised a new legislative agenda, now tells us that they cannot commit themselves to bring the budget into balance until after the Constitution is changed to force them to do it.

It is certainly within the competence of our budget committee and Congressional Budget Office to provide us with the specifics of a budget path that will bring us to balance by the year 2002.

Of course projections are only our best scientific estimates of future economic activity. But virtually all of my friends who support the balanced budget amendment have made good use of projections of future deficits under current law.

Those estimates are the best view we have of the future, even if we cannot be certain that all of our assumptions will hold true.

So let us drop that argument right now—we all accept that it is possible to make useful estimates about our economic and budget future.

It is because we accept such projections that we are here today, contemplating an amendment to our Constitution.

The particular problem this year is that this amendment is part of an economic plan—as announced in the so-called contract—that, taken all together, raises serious problems.

If we cut taxes, increase defense spending, and promise not to push any new costs off onto the Governors and mayors, the road to the balanced budget looks rocky indeed.

It may be, Mr. President, that you cannot get to a balanced budget from here, if the contract is your road map.

There is powerful evidence—the one-vote margins in both Houses for the 1993 budget package—that votes for deficit reduction are difficult to find.

How much more difficult will it be if we reduce our revenues, and keep major segments of the budget safe from the requirements of the balanced budget amendment?

Well, we know that it will be difficult, but we cannot know just how difficult until we see some numbers about where the axe is going to fall.

Mr. President, I would like to echo the astute observation of a new member of the judiciary, the distinguished Senator from Wisconsin [Mr. FEINGOLD].

During the debate in the Judiciary Committee on a similar proposal, Senator FEINGFOLD responded to the suggestion that this was a transparent ploy to kill the balanced budget amendment.

I want us all to reflect on that charge for a moment—that an attempt to find out just how a permanent addition to our Constitution will work is nothing but a ploy by those who oppose it.

Mr. President, when I took on the task as floor manager for this important proposal, I did so because I am genuinely torn between my concern for our fiscal future and my concerns about the effects of this balanced budget amendment on our Constitution and on our economy.

I did not anticipate that honest questions about the effects of a permanent change in our fundamental charter would be dismissed as insincere or disingenuous.

But I ask my colleagues to consider Senator FEINGOLD's response to that charge. He said that the American people would be more likely to ratify this amendment if they knew for sure what was in it, than if they had to buy it sight unseen.

Those of us who have faith in the people who will make the final decision on this amendment believe—whether we support or oppose it ourselves—that it is our constitutional duty to establish a record of debate and evidence before we send this amendment to the people.

Not often enough, I am afraid, does this chamber live up to its claim to be the world's greatest deliberative body. Certainly, we should aspire to fulfill that role as we debate a change in our Constitution.

And certainly, the American people deserve to know what the new majority party has in mind when they say that they can comply with the terms of the balanced budget amendment.

If we truly believe that amending the Constitution is the right thing to do, then let us give the American people the facts they need to make that choice themselves.

Certainly, that is not too much to ask.

In addition to the very real benefits of being honest with the American people, and restoring some of their faith in our ability to solve problems, there is another substantial benefit of accepting Senator DASCHLE's amendment.

If we accept this amendment, we will have the assurance that we have in place a plan to get us from where we are today to a balanced budget by the year 2002.

By itself, that is no small accomplishment.

I cannot believe where we now find ourselves in this debate—where the call for a specific set of goals that provide a path to a balanced budget is denounced as a delaying tactic, a distraction.

And where those who call for an amendment to the Constitution that will go into effect in the next century say that a promise to take action in the future is more serious than a call for action now.

That does not make sense to me.

If we accept this amendment, we will still have to send the amendment to the States. Let us assume for a moment that the American people lose their enthusiasm for the balanced budget amendment. What happens if we put all our eggs in that one basket?

Will we wait for the year or more that ratification is likely to take before we decide what to do next?

Or would we be more prudent, more serious, more committed to real deficit reduction if we were to also pass a binding budget resolution that sets a course for a balanced budget regardless of the outcome of the ratification process?

I believe that the answer to that question is clear. The more serious approach is to pass the actual law that compliance with the balanced budget amendment would require, not simply to pass an amendment with the promise that at some future date we will get down to the real work of balancing the budget.

And there is a further substantial advantage to what Senator DASCHLE's amendment offers—a commitment to start now on the very difficult journey ahead of us.

Without a plan that starts now to build on the real progress of the past 3 years—without such a plan in place from the beginning, we will have established a collision course between our Constitution and our economy.

In a game of chicken, we will approach the year the balanced budget amendment comes into effect, without the capacity to comply with its mandate.

If we wait until the last minute, when huge budget cuts will be required—over $300 billion for the deficit in 2002—we will swerve, and avoid the economic crash that deficit reduction on that scale would cause.

At that point, the balanced budget amendment will not keep us from extending the year of reckoning yet further into the future. As we all know, it will not make deficit spending—at any level—unconstitutional.

Lest we forget, Mr. President, the balanced budget amendment makes deficits difficult, not illegal.

And if we make use of the established procedure in the amendment to permit continued deficits—probably rightly, if the cost would be a disastrous recession—we will only add to the frustration and anger of the American people.

The balanced budget amendment will be not just another empty promise from Washington, but the most cynical one of all—one that we were willing to put into the Constitution, but not into action.

And so Mr. President, to avoid making a mockery of our constitutional duties, to avoid a collision between the Constitution and the economy, to provide the American people the facts they need to make an informed decision, we should adopt this right-to-know amendment.

Mr. LIEBERMAN. Mr. President, I rise in support of this amendment to require us to pass a detailed plan on how we will balance the budget before we act to send this proposed balanced budget amendment to the States for ratification. This amendment makes good sense because it requires us to consider in the here and now—not at some undefined time in the future—just what steps we will take to get our books in order. I support getting us to a balanced budget. And I support tough cuts in programs to get us there. But taken alone, I am not convinced that a balanced budget amendment will get us to make those tough cuts. Taken alone, I am not convinced that a balanced budget amendment will get us in balance by the year 2002. In fact, taken alone, I am concerned that the balanced budget amendment may have the unintended consequence of taking us further, not closer to, the goal of a balanced budget.

That is why I support this right to know amendment. What I do not support is an amendment which might make us all feel better but will not make us behave better with taxpayer dollars. Taken alone, the balanced budget amendment is long on the atmospherics and short on the details—the amendment does not take Social Security off the table, it does not provide for a continued strong national defense, it does not require us to choose difficult cuts over increased taxes. And although I know it is not intended to be I am fearful that this amendment is potentially dangerous to our economic

health. I say potentially dangerous because I am fearful that this amendment may lull us into a false sense of security—that we have balanced the budget just by saying we will do so.

Mr. President, this Chamber has just spent long hours debating the unfunded mandates bill. The idea behind that bill is that we should not pass on costs to other levels of government, particularly if we have no clear idea what those costs will be. In a certain sense if ever there was an unfunded mandate it is asking the States to ratify the balanced budget amendment without fessing up to what that amendment will cost. By refusing to give the details on how we will achieve the goal of a balanced budget, we are hiding the costs, and pushing the tough decisions we must make into the future. We may also be pushing the costs of getting our financial house in order onto our States and our localities. At least one Treasury study shows that a balanced budget amendment would reduce Federal grants to Connecticut by $1 billion a year. Treasury estimates that if Social Security and defense are off the table, Connecticut would be faced with truly draconian cuts in education, job training and the environment.

If those are the decisions we intend to make, then let us debate them. If they are decisions that we would prefer to avoid, let us figure out what we can support in a rational and thoughtful way. What we really need to do, is figure out how we intend to get to a balanced budget and map out that strategy. If we are serious about balancing the budget, the least we can do is provide those details and start working toward our goal. Because I believe that it is both desirable and possible to come up with a workable roadmap to a balanced budget, I strongly support the right-to-know amendment which calls for a 7-year approach to get us to a balanced budget by the year 2002. This approach makes good sense and prods us toward action sooner rather than later.

The consequences of waiting are daunting and quite frankly, the balanced budget amendment gives us the excuse to wait. If we wait until the year 2002, when this amendment would go into effect, the Congressional Budget Office [CBO] has estimated that we would need to cut $322 billion—that is billion with a ''b''—out of the Federal budget in a single year. That would create national, local and personal chaos. What we need to do is start acting now by making the kind of tough spending cuts that will bring us closer to our goal of a balanced budget and by implementing policies that will help our economy to grow in a healthy way.

Standing in front of the mirror and announcing that you are going to lose 10 pounds does not take the weight off, dieting and exercise does. That is what this Chamber must pledge to do. As Hobart Rowen noted a few weeks ago, ''By itself, such an amendment would cut neither a dollar nor a program from the Federal budget.''

As anyone who has read the resolution mandating a balanced Federal budget can tell you, it is sketched with a very broad brush. It excludes nothing from the requirements of a balanced budget—not Social Security, not defense, not veterans' benefits. Nor does it leave higher taxes off the table. And it allows 40 rather than 50 percent of the House and Senate to hold up the entire Federal budget in the event that there is a Federal deficit. I have spent a tremendous amount of time exploring ways to bring that deficit down. At the same time, I do not support increasing the power of large States with lots of Members of the House. By decreasing the number of House Members needed to hold up the budget we would be doing just that. When you come from a small State like mine, changing the rules in this way just does not sit well.

I want us to balance the budget in a responsible and thoughtful way. For this reason, I support drawing up a 7-year plan toward that goal. Regardless of what happens in this particular debate, I hope that all of us in this Chamber will pledge to work together to make that happen.

Mr. KERRY. Mr. President, I rise in support of this commonsense amendment to the balanced budget proposal. No matter what our beliefs are on the wisdom of this amendment, we should at least ensure America's right to know who will be hurt and what will be cut if we pass a balanced budget amendment to the U.S. Constitution.

It would seem to me, Mr. President, that notwithstanding any Senator's position on this legislation, this amendment—which simply requires that we be honest about the impact of our actions—is little to ask in the face of such a monumental constitutional change.

Frankly, I cannot imagine that we would consider passing any piece of legislation, regardless of the subject, without doing our best to understand as much as possible about its potential impact on the general public. Is that not, in fact, our fundamental responsibility as legislators? Is that not what we were sent here to do?

Is that not what we just asked in the legislation this body passed not more than a week ago that required the CBO to advise us of the impact on State and local governments of the unfunded mandates bill?

I have to say, Mr. President, I am somewhat confused. The same Senators who insisted on knowing the nature and the exact impact of that legislation are now arguing that we do not need to know the financial impact of our actions. Are we not supposed to know what we are doing here?

I ask you, are we not obligated—as a body—''to protect the people,'' as Madison said in his Journal of the Federal Convention ''against the transient impressions into which they themselves might be led.''

And here we are, legislating by impressions. That is exactly what we are doing if we do not show the people what this means.

We do not need to know the contents. We do not need to know how it works or what it does, we just need to buy it, we are told.

Mr. President, is this the modern day equivalent of the ''traveling salvation show'' complete with snake oil and magic elixirs that cure all of our ills? We do not need to know what is in it. Trust us. It works.

Have we lost our perspective here? Have we lost all touch with reality? I wonder if anyone in this Chamber can go home to his or her constituents and say, ''Ladies and gentlemen who elected me, I have absolutely no idea what this legislation will do. However, I've been assured that everything will be fine. Trust me, and thank you for your continued support.''

And yet here we are suggesting that we pass this constitutional amendment and worry about the details later. By God, let us be honest with our constituents.

If achieving a balanced budget by 2002—with half of the budget protected from cuts—will cost my State, annually, $1.9 billion in Federal grants, then let us be honest about it.

If a balanced budget will cost Massachusetts $248 million in highway trust fund grants, $459 million in lost funding for education, job training, the environment, and housing, then let us be honest about it.

If—over 7 years—it will cost over $1 billion in Medicaid, and almost $2½ billion in Medicare, then let us be honest.

Mr. President, what are we afraid of? If we support it, let us talk about it. If we believe in it, let us defend it. But I implore you, let us be honest about the impact of what we do here. It is our job. It is our obligation. It is our only mandate from the people who sent us here.

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

Mr. HATCH. Mr. President, I have been informed that the majority leader is in meetings which he cannot interrupt.

(At the request of Mr. HATCH, the following statement of Mr. DOLE was ordered to be printed in the RECORD):

Mr. DOLE. Mr. President, let us be clear about one thing. Whether or not the Senate votes to approve the balanced budget amendment, Republicans intend to offer a detailed 5-year budget plan that will put us on a path toward a balanced budget by 2002—a test that President Clinton's latest budget makes no attempt to meet.

The Daschle amendment is a poorly crafted, last-ditch effort to thwart the will of the American people who overwhelmingly support a balanced budget constitutional amendment. The distinguished chairman of the Judiciary Committee, Senator HATCH, and the distinguished chairman of the Budget Committee, Senator DOMENICI, and others have already made that point.

The Daschle amendment is an effort to change the subject. Rather than debate the value of making a balanced Federal budget a national priority, most opponents of the balanced budget amendment would prefer talk about potential cuts that might affect their pet programs.

This bait-and-switch effort will not work.

This Congress will put forward a plan to control Federal spending and move us toward a balanced budget without touching Social Security and without raising taxes. Everything else, every Federal program from Amtrak to zebra mussel research will be on the table. For those who want an idea of how we would try to achieve this goal, look at the Republican alternative budgets that have been introduced in each of the past 2 years.

Mr. President, it is ironic that on April 1, 1993, the vast majority of those who now support the Daschle right-to-know amendment voted to adopt a budget blueprint paving the way for President Clinton's massive tax increase before President Clinton submitted the legally required details of his plan to Congress. They voted to adopt a budget blueprint that called for a massive tax increase without knowing the specifics.

This debate is different. It is a lot simpler. The central issue is whether or not we should vote to make balancing the budget a national priority. We are debating whether or not future generations of Americans—our children and our grandchildren—deserve constitutional protection. That is what this amendment is all about.

This year, we have a real chance to approve a balanced budget amendment and send it to the States for ratification. It is the best chance we have had in years. Every single vote matters.

Several Senators who voted for a balanced budget amendment in the past are now under tremendous pressure from the special interests and others who are addicted to Federal spending. The special interests are trying to convince past supporters of the balanced budget amendment to switch their votes. I hope that every Senator who supports the balanced budget amendment will continue to stand firm, do what is right for our children and our grandchildren, and vote for the balanced budget amendment.

Let us get on with the real debate.

Mr. HATCH. Mr. President, I would like to just read a few of the distinguished majority leader's remarks because I think they are very appropriate.

I will read these for and on behalf of the majority leader:

* * * Mr. President, it is ironic that on April 1, 1993 the vast majority of those who now support the Daschle right-to-know amendment voted to adopt a budget blueprint paving the way for President Clinton's massive tax increase before President Clinton submitted the legally required details of his plan to Congress. They voted to adopt a budget blueprint that called for a massive tax increase without knowing the specifics.

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Let us get on with the real debate.

On behalf of the majority leader, I move to table the Daschle motion, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the Daschle motion to commit House Joint Resolution 1. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 62 Leg.]

YEAS—56

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Campbell	Hatfield	Santorum
Chafee	Heflin	Shelby
Coats	Helms	Simon
Cochran	Hutchison	Simpson
Cohen	Inhofe	Smith
Coverdell	Jeffords	Snowe
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kyl	Thomas
Dole	Lott	Thompson
Domenici	Lugar	Thurmond
Faircloth	Mack	Warner
Frist	McCain	

NAYS—44

Akaka	Feingold	Levin
Baucus	Feinstein	Lieberman
Biden	Ford	Mikulski
Bingaman	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Harkin	Murray
Breaux	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Johnston	Pryor
Byrd	Kennedy	Reid
Conrad	Kerrey	Robb
Daschle	Kerry	Rockefeller
Dodd	Kohl	Sarbanes
Dorgan	Lautenberg	Wellstone
Exon	Leahy	

So the motion to lay on the table the motion to commit House Joint Resolution 1 was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. BAUCUS. Mr. President, I ask unanimous consent that I be allowed to speak as if in morning business, and that at the conclusion of my remarks the Senate proceed to a quorum call.

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

BUTTE, MT

Mr. BAUCUS. Mr. President, my statement today is the second in a series on Butte, MT, and the attractions it offers the Micron semiconductor company. I would like to focus today on Butte's top-notch higher education facilities, particularly in technical fields.

Foremost among these is Montana Tech. Under the dynamic leadership of Montana Tech president, Lindsay Norman, Montana Tech has grown and developed into one of the best small engineering and science schools in the country.

A former vice president of Chase Manhattan Bank in New York, Mr. Norman really understands business, and has made it his mission to ensure that Montana Tech's programs reflect the needs of the private sector.

As I pointed out yesterday, a recent survey of college presidents voted Montana Tech the best small college science program in the United States—the best, No. 1. Other surveys show that this is no fluke. Money Guide magazine rated Montana Tech one of the top 15 best buys in college education in the southwest and mountain States. And last year, U.S. News & World Report ranked Montana Tech the No. 1 educational value among western regional universities.

Let me repeat. The U.S. News & World Report ranked Montana Tech the No. 1 educational value among western regional universities.

Established in 1895 as the Montana School of Mines, Montana Tech historically focused on mineral and energy-related engineering programs. It now offers undergraduate and graduate programs in a multitude of science and engineering disciplines, including computer science, environmental engineering, hydrogeological engineering, and mathematics.

Montana Tech also offers a broad range of courses in the humanities and social sciences. In addition, the college has an active continuing education program which offers night courses for adults.

The university has said that it would work closely with Micron to make sure class offerings not only meet the educational needs of Micron's employees but convene at appropriate times for Micron's work force.

Altogether, Montana Tech offers Micron a top-quality source of new recruits, and the perfect place to ensure that existing employees are able to upgrade their technical and computer skills.

Also located in Butte is the Butte Division of Technology, whose 41-acre site offers occupational training. Its strength is its ability to meet immediate and short-term training needs of regional industry and businesses, as well as to constantly update and revise its courses of instruction in order to meet changing market demands.

Finally, of course, Butte's educational resources are not limited to Butte-Silver Bow County. The city is strategically located at the center of the southwestern Montana technology corridor at the intersection of Interstates 90 and 15.

Thus, in addition to Montana Tech and the Division of Technology, Micron employees would have easy access to Montana State University at Bozeman [MSU], Carroll College in Helena, and the University of Montana at Missoula. These institutions together have combined research and engineering programs that exceed $49 million a year.

Education has always been a top priority for Montanans. As Michael Malone, the president of Montana State University and the dean of Montana historical scholars, writes, as early as 1900 our State boasted one of the Nation's highest literacy rates.

Our earliest State education laws paid special attention to technical and scientific fields. That commitment continues today in top-quality institutions like Montana Tech. And it is a perfect fit for a company like Micron.

If I might, Mr. President, it is interesting to make another observation. Last year, the senior Senator from New York [Mr. MOYNIHAN] presented in the Democratic Caucus two charts. One chart listed the per capita State expenditure for elementary and secondary education, ranked with the most expensive on down to the least expensive. That is, the top States spend more dollars per pupil in elementary and secondary education on down to the States that spend the fewest number of dollars per pupil.

Next to that was another chart. It ranked, in descending order, States whose elementary and secondary students do best in mathematics, the best States being at the top, the worst States down at the bottom. Senator MOYNIHAN put the charts side by side and asked a very pertinent question: What on Earth could one deduce by looking at these two charts? One is that there is no correlation, zero correlation, between the number of dollars spent per pupil on the one hand, and how elementary and secondary students ranked in mathematics performance on the other.

Finally, the Senator pointed out, in a way only he can, combinations, and in seeing linkages that others do not see, he said that one can draw only one conclusion by comparing the two charts and, that is, if you want your kids to have the best math education, either live in Montana or live in the State adjoining Montana, because the States that have the highest rankings of mathematics are the States of Montana, the Dakotas, and Wyoming.

I mention this to point out the commitment the State of Montana gives to education in general, and particularly the commitment Butte gives to its people, Montana Tech and related universities, so that Micron will do very well if it comes to Butte. Butte wants Micron and will make any necessary adjustments to tailor its operations to Micron.

This is the second in a series of statements I will make. I will make another speech regarding the ties between Micron and Butte on Monday.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

RECESS UNTIL 2 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 2:00 p.m.

There being no objection, the Senate, at 12:35 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. FRIST).

The PRESIDING OFFICER. The majority leader is recognized.

MORNING BUSINESS

Mr. DOLE. Mr. President, I now ask that there be a period for the transaction of morning business, not to extend beyond the hour of 2:30, with Senators permitted to speak for not to exceed 5 minutes each.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding the leader just put the Senate into morning business.

The PRESIDING OFFICER. That is correct.

SOCIAL SECURITY AND THE BALANCED BUDGET

Mr. REID. Mr. President, I take this opportunity to address the Senate about the amendment we hope to offer in the immediate future. That is the amendment regarding the exclusion of Social Security from the balanced budget amendment.

Mr. President, I believe that we lost the amendment that has been debated on this floor for a week dealing with the right to know; that is, whether the American public should be able to understand the glidepath that will allow this Government to arrive at a balanced budget by 2002. That was denied. The American public does not have the right to know how we are going to arrive at that balanced budget by the year 2002.

I hope, though, Mr. President, that the next matter we are going to discuss, namely, Social Security, would be something the American public should have the right to know. How are we going to handle Social Security in the overall mix of this balanced budget amendment?

It would seem to me that senior citizens, but just as importantly all the people of this country, men and women who are working for a living and those people who yet will work, should be entitled to know how we are going to handle Social Security.

I, frankly, am disappointed the way it was handled in the other body. In my opinion, the other body in handling this, in passing House Joint Resolution 17, recognized how weak their references were to protect Social Security. They did not even go to the trouble of introducing a statute, trying to pass a statute. They had a concurrent resolution that passed by a vote of 412–18 that has, Mr. President, the authority of this blank piece of paper.

I suggest that we would all be well advised to get to the debate on Social Security, to have a determination made by this body whether we will exclude Social Security from the stringencies of the balanced budget amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DORGAN. Mr. President, my understanding is that we are in a period of morning business.

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. And I may be recognized for 5 minutes.

The PRESIDING OFFICER. Yes.

SOCIAL SECURITY EXCLUSION AND THE BALANCED BUDGET

Mr. DORGAN. Mr. President, following on the comments by the Senator from Nevada, let me ask the Senator from Nevada a question. The right-to-know amendment was an amendment

offered by the Senator from Nevada, myself, and many others who felt that it was important to try to understand: Is this a promise to balance the budget, or is it a promise with a plan this time to balance the budget? Lord knows the American people have had a barrel full of promises.

Was there something behind it? If there is, as one of the leaders in the other body said, the plan is so significant it will make America's knees buckle. It will make the knees buckle of the American people if we ever told them what is required. The question many ask is, should not the American people understand what it is they are talking about? What will buckle people's knees? Is there a plan? Is this a mystery plan that we are not allowed to understand or see? Well, we had a vote on that and the vote was no. This is a program, but we do not want you to see the plan, if there is one. We are not sure there is one.

Second question: Will, in the process of balancing the budget, the Congress decide to take Social Security trust funds and use them to balance the Federal budget? After all, the Social Security trust funds come from dedicated taxes to be used for only one purpose. They go into the Social Security trust fund to be used for Social Security. It is a contract between those who work and those who are retired.

The question is, yes or no, does someone intend to use receipts from the Social Security trust fund to balance the budget? The Social Security system has not caused one penny of the Federal deficit. This year it is running a surplus of $70 billion. This is not a difficult question. It is easy to understand, and it is even easier to answer—yes, or no.

I think the Senator from Nevada understands, because of the way the constitutional amendment that is on the floor is proposed, the wording says receipts mean all receipts including Social Security receipts. Because it is worded that way, one cannot correct this problem in any other way except to amend the constitutional amendment that is on the floor.

I hope the Senator from Nevada will move as quickly as possible and that when we debate that amendment—I hope that is the next amendment the Senate will consider—we will get an up or down vote. I do not think we should have a ricochet vote on this, I do not think we should bounce around on various procedural motions.

I think the question can be answered simply yes or no, are we going to use the Social Security trust funds to balance the budget? Is it the Senator's intention to offer this as the next amendment if that is in order, and do we hope to get a recorded vote on the question, yes or no?

Mr. REID. Mr. President, my friend from North Dakota asked two questions. Is there a plan? I have to answer that, yes, I think there is a plan, and it is not one that people who are now depending on Social Security would like. I think the plan is to raid the Social Security trust fund.

The second question, do I want to vote on my amendment? The answer is yes, I think we have to have a vote on the amendment. It is the only thing that would be fair to the American public. Is the Social Security trust fund a separate trust fund? The answer to that is yes.

I would also say to my friend from North Dakota that it is interesting that those Members who are pushing so hard for the Social Security exclusion are people who support the balanced budget amendment. The Senator from North Dakota and the Senator from Nevada are not people here trying to deep six the balanced budget amendment. I believe in a balanced budget amendment. And I have heard speeches on this Senate floor by our colleague, who I do see on the floor in front of me, from North Dakota, the senior Senator from North Dakota. He has talked many, many times about the need to balance this budget. Those people that are pushing for the Social Security trust fund to be excluded are people—the most vocal—are people who support the amendment.

Mr. DORGAN. Mr. President, can the Senator think of any reason that someone would want to vote no on an amendment like this, unless one had designs on using the Social Security revenues to balance the budget? I cannot think of any other reason.

I came here this morning and said I do not ask anybody for five reasons or even three if it is hard for somebody. I just ask for one simple, easy-to-understand reason from somebody that would say, ''Here is why we do not want to include this,'' because, I guess, the only reason that is plausible is that we would like to use the Social Security revenues at some point to balance the budget. Is there any other possible reason for someone not wanting to vote for this?

Mr. REID. Mr. President, I say to my friend from North Dakota, as I have said on this floor on another occasion, the answer is, that is where the money is. As Willie Sutton, the famous bank robber said when he was let out of prison, they asked, ''Why do you rob banks?'' And he said, ''That is where the money is.''

The Social Security trust fund is where the money is. That is why there are some who do not want to exclude it.

Mr. DORGAN. I appreciate the Senator's comments. The problem with those of us here is we get confused by labels—what is conservative and what is liberal. You get totally confused, because the conservative approach, it seems to me, is to balance the budget the way it is supposed to be balanced. And the way it is supposed to be balanced is you set the Social Security trust fund aside and balance the budget deficit. That it seems to me is a conservative approach.

Yet, it seems to me that most who call themselves conservatives say, ''Gee, we don't want to do that.'' That position, apparently, is a liberal position. Maybe we ought to all change seats here for a while, because I just do not understand why we are in this quandary.

This ought to be the simplest of questions to answer: Do we want to balance the budget by raiding the Social Security trust fund? The answer is, of course not. Do we want to balance the budget? The answer is, of course.

I take a back seat to nobody on this subject. I have been in charge of waste task forces, identified $80 billion of Federal spending we ought to eliminate, much of which we have not. The fact is that still does not deal with the deficit. We have an abiding deep deficit problem that we have to deal with. That is why I voted for balanced budget amendments in the past. It is why I likely will in the future, but there is a right way and wrong way to do things.

Those who come to the floor say, ''We want to cut taxes and increase defense.'' I want them to come to the floor to say to us, if we intend to do that, cut taxes and increase defense, how do you get to where you want to get to, how do you balance the budget? Do you do it by taking Social Security funds? Not with my consent you do not. That is not honest. That is not an honest approach.

I hope when the Senator from Nevada offers his amendment that we can have an up-or-down vote on the merits of the amendment and we can understand what are the virtues of conservatism here: Pay your bills and treat money the way you promised people you would treat money. These principles hold especially true with Social Security.

We told people, we promise you we will put it in a trust fund, we promise you we will keep it there. That will not be the case, if it is then used sometime later to offset tax cuts, much of which will go to the wealthy, and offset defense spending increases at a time when we are choking on Federal deficits. That is the dilemma. I hope we can clarify this and have a very simple vote after an honest debate.

Mr. President, I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, the reason this debate is so important is because we are talking about issues that have enormous implications for the future, and the implications are a balanced budget amendment to the Constitution of the United States that would have, as its predicate, that we would loot the Social Security trust funds of $636 billion over the next 7 years in order to have the operating budget of the United States balanced.

That is just a fundamentally flawed strategy. It is not right. Any CEO in this country, if they went before their board of directors and said that their

plan for balancing the operating budget of the corporation was to loot the trust funds of their employees, that individual would be on his or her way to a Federal facility and, as I said moments ago in the press gallery, it would not be the U.S. Congress, it would be the Federal facility they would be headed for. They would be headed for a Federal penitentiary because that is fraud. Unfortunately, that is what is occurring with respect to the budget of the United States now.

Social Security trust fund surpluses are being used to fund the operating expenses of the United States. What is fundamentally wrong about that is that we are using a regressive payroll tax to fund not the retirement systems of Americans but instead we are using those funds to understate the real budget deficit we confront in this country. And now we have a constitutional amendment before us that would take that approach and put it in the Constitution of the United States.

Mr. President, that cannot be the result of this balanced budget amendment debate. We should never allow a trust fund to be looted in order to achieve balance, and we should never put that kind of construct into the Constitution of the United States. That is profoundly wrong.

I am just very hopeful that we can get to a vote and a debate on the amendment that Senator REID and others of us will be offering. It is an amendment Senator REID and I offered last year, along with my colleague Senator DORGAN. I understand that there are others who are proposing an alternative mechanism and vehicle for the implementing language. Let me just say, this Senator would never accept that kind of pale imitation. That is not going to suffice.

We are talking about an amendment to the organic law of the United States: The Constitution of the United States. That is the document that each of us swore to uphold when we took the oath of office. We are talking about a Contract With America; that is the contract with America that counts.

I thank the Chair and yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. EXON. Mr. President, I have been listening with interest to the debate on what very likely will be an upcoming amendment with regard to whether or not we are eventually going to get to a vote on the balanced budget amendment.

As the Chair knows, this Senator has been very much involved in all of this because while I think that there are many good reasons for not having a balanced budget amendment as a part of the Constitution, I think after the years that I have served here and on the Budget Committee, I must say that without that discipline that I think we have exhibited in the past by the tendencies that seem to prevail and by the fact that we have not even come close to balancing the Federal budget, I am convinced that with the reservations that are obviously in order, and many of them well taken, this Senator believes that we have to have a constitutional amendment to balance the Federal budget.

I think the arguments that are being made today with regard to Social Security are good ones. Many of my close friends, with whom I have worked for many, many years in this body, are supporting that kind of an amendment.

I guess the question comes down to in this Senator's mind: How are we going to fashion, if we can, 67 votes in this body to pass a constitutional amendment? The more I see and the more I hear, the more fearful I come to the conclusion that maybe it is not possible, maybe some of these votes that were taken pro and con on this issue are going to simply give cover to one group or one party or one Member to vote against the balanced budget amendment.

I say in all candor, Mr. President, one of the big problems we have is that I am not sure a majority of this body understand the difficulty we have once we have passed a constitutional amendment and assume that will be ratified by three-fourths of the States.

Another way of putting it would be that passing the constitutional amendment to balance the budget, as was done with great fervor, with great fanfare, and with great flag waving on the Contract With America, was the easy part. That was not necessarily the time for celebration. That was done in the House of Representatives, I would suggest, without fully informing the Members of the House of Representatives, 435 of them, and certainly not informing the State legislators who are going to have to vote, three-fourths of them, before such a constitutional amendment, if it passes the Senate, would be enforceable.

Certainly last, but far from least, I do not believe the American people have been afforded an opportunity to fully understand what all of this means. In fact, I am very much concerned because I saw a poll the other day that I suspect is accurate. I think it kind of represents what I have heard from various sources. That is, that 72 percent of the American public strongly support a constitutional amendment to balance the budget, but 47 percent of the American public think the budget can be balanced by eliminating waste, fraud and abuse.

I say to the people of the United States that they have been sorely misled, indeed, if they believe the Federal budget can be balanced by the year 2002 with the elimination of waste, fraud and abuse. No one in this body and no one over on the House of Representatives side really believes we should have one dollar or one penny of waste, fraud and abuse. And I can understand how the public has been abused on that because of the time and attention that has been paid to $1,400 toilet seats and $200 hammers and other things of that nature, which is ridiculous on its face.

There was a half an hour program on the prominent show called Nightline a couple of weeks ago, a whole half-hour devoted to whether or not we should dispose of the $268 million we are spending annually to subsidize public radio and public television, and that is a very legitimate debate. There are two sides of discussion on that, and both of them can make a point. But when you talk about that, even if we would eliminate any and all assistance, taxpayer assistance to public radio and public television, that $238 million, although it is an awful lot of money, is such a small, infinitesimal amount of the deficit that if we eliminated that and all such programs it would not even put a minor, thimble-sized dent in the budget deficit.

Another way of putting all of it is that far too much attention is being focused on shortcomings in the budget process and not enough attention is being given to the significant cuts that are going to have to be made to balance the budget in the year 2002 as would be required under a constitutional amendment to balance the budget.

I guess another way of saying this is that I am not sure all of it has been put in proper perspective. I voted earlier today for the amendment offered by the Democratic leader called the right-to-know-amendment. I voted for that amendment not because I was particularly excited, nor did I really feel we should go so far as to incorporate such language as the Daschle amendment, of which I was a cosponsor, into the Constitution of the United States of America.

I would guess that probably, if we would have passed that and it had been included, it would be the first time in the history of the United States of America such language would have been incorporated in with a constitutional amendment. And so I caution with regard to what we should be putting into the Constitution.

I was a cosponsor, and I voted for that amendment, trying to have a better understanding, trying to bring the two sides, the Democrats and the Republicans, together on this issue. And even had it passed, which I suspected that it would not have, we maybe could have taken that out and gotten back to a constitutional amendment at least somewhat in the form of the constitutional amendments that have been passed in the past. Certainly I would be one of those to say we should amend the Constitution with considerable restraint.

Now, back to the matter of Social Security. The Senator has stood at this

desk before, as I stand here today, to say I think many good points have been made by those who do want to protect the Social Security trust fund. And I wish to do that also. I have said that even if the coming constitutional amendment would be passed without such protection, at least this Senator very likely would not ever agree to raid the Social Security trust funds. My only appeal is that possibly there is a way we could sit down and work together to come up with some type of arrangement offering proper guarantees to the logical protection of the Social Security trust fund which I think have been outlined very effectively and precisely by many of my colleagues who have spelled out this matter in this Chamber.

Let me put it another way, if I might, Mr. President. I would be willing to sit down with anyone, any group, any combination of groups to see if we could factor in some type of workable compromise which would get us the 67 votes that are necessary, and I think we should try to get, to proceed to have a constitutional amendment to balance the budget and then refer it to the States.

So I would simply like to ask, Mr. President, if there is any way that we could assure—and under those conditions I might vote with my colleagues who are offering the Social Security amendment, if I could have the assurance of some of those who are proposing the amendment that they then would turn around and be one of the 67 votes we need to pass the constitutional amendment.

Putting together 67 votes in the Senate on this issue is going to be a very difficult task. From the counting that I have done as of now—it is not infallible because I think there is some shifting going on, but it would appear to me very likely, if we had the vote today, the final vote on sending a constitutional amendment to the States by the Senate would fail.

Given that concern of mine, I would simply say to my colleagues on both sides of this issue, and both sides on the many other issues that are likely to be brought forth on this matter: Let us try to work together. I do not think anyone has the wisdom, the knowledge, the intellect to be able to solve all of these problems. As a body of 100 people who are charged to represent their constituents and the people of the United States as a whole, I just hope we can get together. I think there are many of us who share the goal. All of us do not——

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mr. EXON. Mr. President, I ask for 1 additional minute.

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

Mr. EXON. I hope we can maybe come together on some kind of compromise, some kind of understanding that does not so weaken and change the constitutional amendment to balance the budget that it will not work.

Last but not least, whatever we do, I think we must—we have the obligation to go far further than we have as of now, to explain how difficult this will be, and the sacrifices that probably every American is going to have to make to get it accomplished.

I outlined in a speech 10 days ago some of the major concerns in this area, that I would reference as a part of my speech. That might be referred to.

Mr. President, I call for cooperation to get a balanced budget amendment passed by the Senate. That is most important of all.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. I thank the Chair.

(The remarks of Mr. KOHL pertaining to the introduction of S. 274 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT REQUEST

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the original joint resolution to be offered by Senators SIMON, BREAUX, and others regarding Social Security, and that during the consideration of the Senate joint resolution, no amendments be in order and debate be limited to 2 hours to be equally divided in the usual form. I further ask that immediately following the conclusion or yielding back of the time, the Senate proceed to vote on the resolution without any intervening debate or motion.

Finally, I ask unanimous consent that immediately following the disposition of the Senate joint resolution, the Senate resume consideration of House Joint Resolution 1.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, I respectfully object to the leader's request.

The PRESIDING OFFICER. Objection is heard.

The Senator from Nevada.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

AMENDMENT NO. 236

(Purpose: To protect the Social Security system by excluding the receipts and outlays of Social Security from the budget)

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for himself, Mr. DASCHLE, Mr. DORGAN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. FORD, Mr. HARKIN, Mr. HEFLIN, Mr. GRAHAM, Mr. KOHL, Mr. BAUCUS, Mrs. BOXER, Mr. HOLLINGS, Ms. MIKULSKI, and Mr. LEAHY, proposes an amendment numbered 236.

Mr. REID. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, line 8, after ''principal.'' insert ''The receipts (including attributable interest) and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund used to provide old age, survivors, and disabilities benefits shall not be counted as receipts or outlays for purposes of this article.''.

Mr. REID. Mr. President, this amendment is being offered on behalf of the Senator from Nevada, Senator REID, and Senators DASCHLE, DORGAN, CONRAD, FEINSTEIN, FORD, HARKIN, HEFLIN, GRAHAM, KOHL, BAUCUS, BOXER, HOLLINGS, MIKULSKI, and LEAHY.

Mr. President, this is a very simple amendment. It really is. It will take some time during the next few days to talk about this amendment. But it is an amendment to determine what we are going to do about Social Security. In effect, this amendment excludes from the balanced budget amendment the Social Security trust fund as it relates to the old-age pension aspect thereof.

Mr. President, I rise in support of the balanced budget amendment. If Social Security is excluded, I will vote for the balanced budget amendment. As a veteran of a number of debates in this body on this issue, I am fairly well versed on persuasive arguments for the balanced budget amendment. There are people who I have heard—including my friend, the senior Senator from Utah—over the years make very, very persuasive arguments why it is important that this country have a more sound fiscal policy and why it is necessary to have a balanced budget amendment. Some would say in debating this issue—that is, whether we should include Social Security or exclude it from balanced budget amendment—that it is a very painful vote, and it perhaps is. This body would be forced to make a determination as to whether or not the proceeds of Social Security, and the old-age pension aspect thereof, would be excluded from this balanced budget amendment when it would become part of the Constitution.

Mr. President, we have all been called upon as legislators, and those who served as Governor or Lieutenant Governors in States or mayors of cities, to make decisions that are difficult sometimes. I remember one of the most difficult decisions I had to make as a Senator in this body, which I was relating to my friend, the senior

Senator from New Mexico, and my colleague, the junior Senator from New Mexico, regarding whether a stealth wing should be taken out of the State of Nevada. We had spent the taxpayers' money in this country—about one-half billion dollars—building the secret air base in the deserts of Nevada to test this very exclusive weapon, which was the Stealth fighter bomber. There came a time when it was no longer secret, and therefore the Pentagon made the decision that they would move this Stealth fighter wing from Nevada to New Mexico. It was a difficult decision. It involved many, many jobs, several thousand jobs, something that was very important to Nevada. But I made the decision that, if the GAO would tell us that it would save this country money to move that wing and that we would be just as secure, I would not object.

The General Accounting Office came back in a relatively short period of time with the report that it would save money and we would be just as strong as a nation if this wing were moved to New Mexico. I swallowed hard and watched the wing move to New Mexico without raising a hand to stop it.

Yesterday, I received a call from some of my friends in Nevada that the President's budget called for the elimination of a facility we have—the Bureau of Mines—in Reno doing research. There are not as many jobs, but a job is a job.

These are some of the things we have to make decisions on, and it appears to me that it is sound fiscal policy to consolidate. And perhaps that is the best thing for the country to do. We all have to make tough decisions.

This amendment is a tough decision. If we ever are going to balance the budget of the United States, there will have to be a series of very difficult decisions made as to how we will do that. This is different than a simple statute that we are going to amend. It is different because we are talking about not passing a law; we are talking about amending the Constitution of the United States.

Over the years there have been in this and the other body about 4,000 attempts to amend the Constitution. As we know, very, very few have been accomplished. This is not one of those amendments that is done for press releases to be sent home. This is not an attempt made to satisfy a certain constituency. This is a serious attempt to put language in the Constitution of the United States that would force us to balance the budget. We all know that we have the legal authority to balance the budget right now. But over the decades we have not done a very good job doing that, and, therefore, a majority of the people of this body feel that we should amend the Constitution of the United States to include in there a provision mandating a balanced budget. I say a majority. I think we do not know yet that there will be a supermajority; that is, 67 votes to make this a part of the Constitution. I say now as I have said before, if Social Security is excluded, I will be one of the 67. If it is not, I will not.

I emphasize the U.S. Constitution because, Mr. President, it is unlike States balancing their budgets. In the State of Nevada, for example, we just completed the construction of a new State building in Las Vegas. That building cost about $400 million. But, no, that is not a part of the budget that is talked about every year as being a balanced budget in the State of Nevada. The reason that it is not is because they have bonding authority. Many capital expenditures are taken off budget.

This amendment that we have before this body is more stringent than the laws and the constitutions of most all States. Most all States, as I mentioned, do not balance their budgets as they say they do because there are capital expenditures which are off budget.

This amendment has no smoke and mirrors. If this amendment passes, everything will have to be balanced. This will be much different than when most of us handle our personal lives. If we own a home, we make payments on it. Most of us, if we have a car, we make payments on the car, refrigerators, things of that nature. But, if this amendment passes, this will not do that. This is not a smoke and mirrors amendment by any stretch of the imagination.

Mr. President, I think that it is important that we recognize that budgeting decisions, assuming we are working on a balanced budget amendment, will necessarily include all of our operating expenses and all of our capital expenditures. That is the legislation that is now before this body.

So I repeat, with all due respect for States that say they balance their budgets, ours would be honest and truthful budgeting, I think more so than has ever been done at any level of government. Senate Joint Resolution 1 guarantees a balanced budget. It does not spell out how we will get there, and I am disappointed that the amendment that we just voted on a couple of hours ago failed. I think it would have been nice had that passed. I think it would have given the American public a glidepath of how we are going to arrive at the balanced budget by the year 2002. But that is not what happened. We were only able to get 44 votes.

The amendment to the Constitution that is pending before this body is a rule without any exceptions. I believe this balanced budget amendment will ultimately pass because the American people want it to pass. Indeed, Mr. President, according to a recent ABC-Washington Post poll, well over 80 percent of the American public wants a balanced budget amendment to pass. However, when these same people were asked in a subsequent poll, would they want the budget balanced by using Social Security trust funds, the answer was a resounding 90 percent no.

Mr. President, I offered this amendment about a year ago. At that time, I did not know that the American public felt about this the way they did. Had any of us known, there may have been a lot of other people offering the amendment. But we have learned subsequent to last year that the American public feels very strongly about protecting Social Security. I raise this issue not because decisionmaking should or ought to be guided by the polls. I believe it should not be, and I think we in political life—at the Federal, State, and local level—follow the polls too much. As my staff will tell anyone who will listen, I am not a believer in polls. Very, very infrequently do I do polling.

Rather, I raise this issue because much of the rhetoric in the balanced budget debate revolves around carrying out the demands of the American people. How often have we heard someone say that the American people are demanding passage of the balanced budget amendment and Congress ought to pass it? Well, I think in that same breath we should recognize that they are also demanding action to guard against unilateral raiding of the Social Security trust fund to balance the Federal budget. Passage of the amendment that is now pending before this body is the only sure-fire assurance that such action will not occur.

Mr. President, we have heard a lot of promises being thrown around during the balanced budget debate. It should not come as a surprise to anyone that in this Chamber and in the other body individuals have said that they will fight against any cut of Social Security. We have some special interest groups that are saying the same. That is to be expected. There seems to be universal agreement that Social Security should not be used to balance the budget. This agreement, I believe, transcends party lines. Democrats and Republicans alike support protecting Social Security.

I have found it interesting to read the CONGRESSIONAL RECORD, Mr. President, to see what others are saying about Social Security. When this debate transpired in the other body, I believe it was on the 25th of January of this year, a number of people said a number of different things. I had the pleasure of being able to serve in the other body for a couple of terms and found it a most enjoyable experience. I say that the turnover there has been significant, and I do not know a lot of the people that now serve in that body.

However, Mr. President, one of the men that spoke on this issue, one of the Members of Congress that spoke on this issue is the Congressman that replaced the former chairman of the Ways and Means Committee, Congressman Rostenkowski, by the name of FLANAGAN. Here is what he said, among other things:

> The committee shall do nothing to increase Social Security taxes or reduce benefits to achieve that goal.

That is, balancing the budget. That is what he said.

We have another Congressman by the name of FUNDERBURK, who stated:

The balanced budget amendment will protect Social Security because there will be no more borrowing from the trust funds, which truly protect our Nation's retirees.

Mr. Hayworth stated:

One of the previous speakers was quite correct to point out that before there was this contract—

Meaning the Contract With America that we hear so much about.

there was enacted a solemn contract with the American people, and we call that Social Security.

Mr. Wamp indicated:

We can achieve a balance without touching Social Security. Our party and our leadership are on record opposing cuts in Social Security, and so am I.

Mr. CHAMBLISS, from the eighth district of Georgia, said:

Mr. Speaker, let us send a message of assurance to seniors of this great Nation.

He, of course, is referring to Social Security not being touched.

Mr. ENGLISH of Pennsylvania said:

At a time when some are talking about a new covenant, we should signal our intent to protect Social Security for those who participate.

Mr. YOUNG of Florida—and I did not have the pleasure of serving with any of the Members I have mentioned until now. I served with Mr. YOUNG of Florida. He said, on January 25 of this year:

It reaffirms what I have long said and supported, that in reducing the Federal budget deficit we should look to cutting spending in those areas which are driving our Nation deeper into debt. That certainly is not the Social Security trust fund, which actually runs an annual surplus—last year $61 billion.

I could go on with other statements about how Members of the other body talked about the balanced budget amendment. They do not want Social Security to be affected by the balanced budget amendment. They are right. It should not be.

What my amendment does, Mr. President, is put into writing what we have now only as an oral promise. This disagreement that is the subject matter of this debate seems to center on how best to protect those trust funds. I believe that if I were trying this case to a jury of my peers, the jury would return a verdict in favor of this amendment in a matter of minutes. This would not be one where the jury was hung up or one where they deliberated a long period of time. I would suggest that the debate clearly favors, and will favor, the amendment that the Senator from Nevada has offered, along with 14 of his colleagues.

Why, Mr. President, do we need to express exemption? Very simple. Anything less would be insufficient. If we want to take this off budget and exempt it from efforts to balance the budget, it must be done in a binding fashion. I suggest that burying it in implementing legislation, as was suggested last week in another debate, is like passing a sense-of-the-Senate resolution; it has no binding effect. It makes us feel good but, essentially, it is a nonbinding resolution. This language will specifically exclude Social Security.

I also submit, Mr. President, that we will hear some debate here on this amendment that will be offered by the senior Senator from Alabama. He, having been former chief justice of the Alabama Supreme Court, is a person who has had long experience on the Judiciary Committee of the Senate and somebody we look to for legal advice. He is the Judiciary Committee's legal scholar. He is going to tell this body why this amendment is essential. If we do not have this amendment—you will hear from the Senator from Alabama—Social Security must be included in the receipts that will be necessary to balance the budget.

Hiding a Social Security exemption in implementing legislation, as I said, is like playing a shell game with the American people. It is the proverbial smoke and mirrors trickery. It is the fig leaf that we have heard so much about, or whatever other words that you can connote that is a coverup. That is what, in effect, implementing legislation would be.

Some want to have their cake and eat it, too. They want to say, ''Well, we are going to protect Social Security, but we are also going to vote for the balanced budget amendment.'' I am not going to do that.

Some want to be able to go home and tell their constituents that they voted against touching Social Security. And they may even get by with it for a year or two, but it will not be long, because you will have to go after Social Security. And we know that, even if it is more than a sense-of-the-Senate resolution but a statute that says you want Social Security, you have the argument from my friend from Alabama, the senior Senator, but you also have the argument that there is no place to go. You would have to do that.

So, it sounds good, but it is really not what I believe is factual.

So I predict the majority of the American people will see through this what I believe is a charade and recognize this proposal, in fact, in implementing legislation is offered as a real fig leaf.

I want people within the sound of my voice to understand a little bit about the history of Social Security.

Mr. President, I first learned about Social Security as a little boy. I was born and raised in a very small town in the southern tip of the State of Nevada, a place called Searchlight, Nevada. When I grew up, it was a town of less than 250 people. A lot of the Reids lived there. We made up a significant number of the people that lived there. One of the Reids that lived there during that period of time was my grandmother. Her name was Harriet Reid. She was born in England.

My grandmother—I can picture her very clearly in my mind's eye, even though she has been dead for many years—was a very short woman and very, very fat. She had trouble walking, and to do her work was very difficult. She had raised eight or nine children.

Now, Mr. President, I was a little boy in the late 1940's, but my grandmother got, every month, her old age pension check. That is what she called it, ''My old age pension check.'' That check gave my grandmother, Harriet Reid, it gave her dignity, it gave her independence. Even though she had children that would help her, that check was a message to everyone that she could make it on her own. She deserved to make it on her own. She worked hard.

So I see Social Security in the eyes of my grandmother. And I believe that this amendment is offered on behalf of Harriet Reid and other grandmothers and grandfathers to be.

I believe it is important that we understand the reasons for placing this exemption on this balanced budget amendment. My reason, as I have just explained, stems from personal reasons and a deeply held conviction that the integrity of the Social Security system will be violated unless we do this.

(Mrs. HUTCHISON assumed the Chair.)

Mr. REID. In 1935, Social Security passed. It passed, Madam President, because the American people wanted it to pass. It was really at that time, perhaps, an experiment. We did not know if it really worked, but it did work.

I believe we have heard a lot about the Contract With America. I think that most all the items that my friends are talking about with the Contract With America are good and will help the country.

But let us be realistic. The real, valid first contract with America was Social Security. That program has been in existence for 60 years. That is the real contract. And it is a contract that has worked and we should do everything we can to protect the Social Security trust funds.

We should do that, Madam President, not only for the Harriet Reids of the world, but also for those children that are now in their beginning years, because we need to provide security for them in their old age, also.

President Roosevelt and Members of Congress recognized in 1935 that by financing the program by earmarked payroll taxes, we would ensure that a future President and Congress could not morally or politically repeal or mutilate the character of the program.

Interestingly, Madam President, President Roosevelt's fears were realized in the early part of the 1980's, when there were attempts made to make sweeping cuts in Social Security. Those cuts were repulsed by Congress. But Congress came back right away, came back quickly and solved the problems that they were having with Social Security.

It was truly a bipartisan commission—Claude Pepper, the man who was known for protecting Social Security; Tip O'Neill, President Reagan, all these people got together and figured out a way to save the Social Security old age pension. And they did a good job. Social Security was not damaged in any way. It was renovated. It was revamped.

And we are now celebrating the benefits of that, recognizing that last year there was over $60 billion in surplus, this year over $70 billion in surplus, and those surpluses will continue to increase.

So the arguments for defending the Social Security trust funds are rooted in the history of the program and that is what is truly unique about our Social Security system. I believe that, in part, it is because of the structure of the system that Social Security is really like a contract. This is not a giveaway program. This is not welfare that Social Security recipients receive. But, in fact, the employers and the employees pay in about 12.5 percent of their salary to put into a trust fund so that they have some moneys in their later years. So, it is their money. They have earned it. They have paid their dues. They have played by the rules.

And if you want to know why those of us in Government refer to this as the so-called third rail of politics, that is why. People trust that their funds will be there upon their retirement. It is understandable why so many are willing and have fought so hard and so long to maintain the integrity of this trust fund.

As they used to say in an old advertisement—I believe it was Smith–Barney, or one of those companies that sells stocks and bonds—they make their money the old fashioned way, they earn it. That is, in effect, what Social Security recipients do and have done.

So our obligation as Members of Congress is to recognize the contractual nature of the system and take the necessary steps to honor that agreement.

Madam President, our contractual obligation to the people of this country as it relates to Social Security is similar to the obligation—of course, our obligation is on a much larger scale—that I had when I practiced law.

I had to set up a separate trust fund to put my clients' money in. When I did that, I could not draw any of that money out for anything other than my clients' needs. I could not pay my rent, could not pay my car payment, house payment, rent on the office. I could only use those moneys for my clients. I had a fiduciary duty to my clients to protect those moneys.

While lawyers, people who work in banks, and insurance companies recognize the consequences of a fiduciary duty, attorneys are well aware of the consequences they face for breaching this duty.

Any person who violated this fiduciary trust, if they were an attorney, would be disbarred. If they were an insurance agent, they could have their license taken away. A real estate agent, the same thing. Or they could go to prison. They could go to jail. We have an obligation to protect the integrity of the Social Security trust funds. We, too, have fiduciary duty to protect the integrity of these funds, not only as I have mentioned for the seniors of this country, but for all working men and women.

Madam President, what is this word we are throwing around—fiduciary duty? What does it mean? Why does it describe Congress' role in maintaining the Social Security trust fund? I thought it would be educational to me—and it gave me an opportunity to look at one of my old law books—to talk about from a level perspective, what is a fiduciary duty? It means a person holding the character of a trustee with respect to the trust and confidence involved in it and the scrupulous good faith and candor which it requires; a person having a duty created by his undertaking to act primarily for another's benefit in matters connected with such undertaking. This came from Black's Law Dictionary.

It explains that a breach of fiduciary responsibility would make the trustee—and that is what we are—liable to the beneficiaries for any damage caused by such breach.

So, Madam President, what penalties do we face for breaching this duty? I am sorry to say, not much. I will not be disbarred. I will not have a complaint filed against me with the National Bar Association. The only opportunity that someone has to get back at a Member for breaching our fiduciary duty is in the ballot box.

I think they need more protection. I think there needs to be more stringent control of the Social Security trust funds than somebody saying, ''If you violate your fiduciary trust, we will vote against you.''

My amendment expressly exempts the Social Security trust fund from any calculation of Federal deficit. Absent an expressed exemption included in the constitutional balanced budget amendment, we, the guardians of the Social Security trust fund, will be in breach.

Unfortunately, Madam President, for the tens of millions of beneficiaries who have paid into this system most all their working lives, they will have no remedy. They can have recourse at the ballot box. Sometimes that comes too late. That will not compensate them in dollars for their lifelong contribution to the Social Security trust fund if we, in effect, raid this fund to balance the budget. It certainly will not help their retirement. The cold, hard fact of the matter is the beneficiaries have a right, but are without a remedy, to ensure that that right is enforced.

I have said the real contract with America is Social Security. And it is like a contract. There are many good reasons why the protection of the Social Security trust fund is so important to all Americans. Social Security is a unique Government program. The program is not, however, difficult to comprehend. Yet its simplicity, I think, Madam President, masks the strong undercurrents of emotions so often espoused when discussing this Social Security system.

People feel so strongly about this issue. Why? Because it involves a contractual agreement that they know that they have with the Government. The Government and the American people. That is the contract.

How many Members have been at town hall meetings where people stand up and say, ''Are you going to protect Social Security?'' How many times have people stood up at Social Security meetings and they say, ''I am not on welfare. I have worked hard all my life. I want to be able to draw my Social Security. Are you going to protect that?''

Why is it a contract? This is a word that has been thrown around by people in Government and pundits over the last several months. If we stop and think about it, Social Security, I repeat, is best described as the true contract with America. It is a contract, or, in other terms, an agreement, that benefits all Americans.

I have mentioned how we pay into that system. I have mentioned how people who receive that money are not receiving a Government giveaway. They are not collecting money for no reason. I am sure that no one enjoys the Social Security payroll deductions that we suffer through on our paychecks. It is a lot of money. There is an understanding that in many ways this produces a greater good. We are, in effect, building. We are being forced to build a nest egg provided for us in our golden years. That does not seem to be stretching the point at all.

To attack Social Security as another Government giveaway program is a straw man. It is a self-financing, self-sustaining, publicly administered contributory retirement program. This program requires personal sacrifice. Through the Federal Insurance Contributions Act, which we call FICA, workers are required to contribute, as we have talked about, 6.2 percent, which is matched by another 6.2 percent by the employers, for 12.4 percent. That is a lot of your paycheck.

By law, the funds are required to be held by the Federal Government in trust. The key to understanding this system, however, rests in the recognition that all of these dollars that are amassed, the billions and soon to be trillions of dollars do not belong to the Federal Government. They are contributions workers and employers are paying in and the workers expect to get back.

Our role as Members of this august body is to ensure that there be a continued vitality of these funds. I believe, in this respect, our greatest obligation is to ensure that retirees receive their

just compensation. That could apply to people who are 5 or 6 years old. We have to ensure that they receive their moneys, as we do someone that is presently drawing Social Security. I say again that unless we expressly exempt the Social Security trust funds from any calculation of Federal deficit, we may not be able to meet that obligation. Social Security, Madam President, does not contribute to the Federal deficit.

Throughout this debate we have talked about rights and obligations, both present and future. I support a balanced budget amendment to the Constitution of the United States because I believe that we have an obligation to do a better job of balancing the budget than we have been doing. This obligation is owed importantly to future generations of future Americans.

The balanced budget amendment must ultimately provide for a government to act in a more fiscally responsible manner. If we do not handle this amendment properly, and my belief if we do not exclude Social Security, we will be not only violating a fiduciary violation that we have, we will be fiscally irresponsible. We must not, through this amendment, loot the Social Security trust fund in order to eliminate the Federal deficit. This is not fair to the generation which has paid into the system their entire lives, nor is it fair to the generations in the future that will pay into the system their entire lives.

In short, because Social Security does not contribute to the Federal deficit in any way, it should not be used to eliminate the Federal deficit.

Madam President, we have a chart here. I referred to it as the Government looting chart, and we have another entitled the same. There have been some who have suggested that the Social Security trust fund should be referred to as the Social Security slush fund. But without name calling, we will look at this chart. This chart shows the surpluses as they will accumulate until the year 2002, significant amounts of money, over $700 billion.

We can look at this chart in a different way. It will accomplish the same fact and perhaps it is a little more graphic, Madam President, to see the dollar amounts here.

What we would do is show it in this manner. This is how those funds are going and should be allowed to accumulate. If we do not have an exemption—that is, if my amendment does not pass—in 2002 we will pull this chart out and it will be all white because the moneys will have been used to balance the budget. That will be a shame.

There is no question that the Social Security trust fund surpluses are masking the true size of the deficit. In 1995—that is this year—we will take in about $70 billion more than we pay out in benefits out of the Social Security trust fund.

By the year 2003, Social Security will be running surpluses far in excess of $100 billion a year. By not exempting Social Security in the constitutional balanced budget amendment, the smoke and mirror games of Congress would simply hide the true deficit problem. Again, the key here is that to the extent that Social Security does not add to the deficit, it ought not be used to eliminate it.

I, again, refer to this chart that shows what should accumulate, if nothing else happens, in the next 7 years and the amount of money, Madam President, that will accumulate during those 7 years in dollar amounts—over $700 billion, almost a trillion dollars. That should not be used to balance the budget.

I stated an hour ago on this floor, and I will state again, some have said, ''We will have implementing legislation that we are not going to do it,'' and in the House what they did, they had a concurrent resolution saying, ''We won't affect Social Security. Why won't you just accept it as our word?'' I say that every person who voted for that in the House of Representatives, they certainly have no intention, I hope, of raiding the Social Security trust fund, but the resolution they passed is meaningless.

Why am I concerned about Social Security? I am concerned about Social Security because that is where the money is, that is where we have looked before to help balance the budget. I repeat, Willie Sutton, a famous bank robber, got out of jail and they asked him, ''Why did you rob banks?'' And he said, ''That's where the money is.''

Social Security is where the cash cow is for this Government. Funds are running in surplus. We have an obligation to protect that cash cow so when people draw down on the Social Security trust fund, they will be able to have a check rather than an IOU.

If we do not pass this amendment, this really is a case of robbing Peter to pay Paul. Further raiding will certainly occur unless we protect this trust fund.

In the late seventies and early eighties, Congress changed the way Social Security was financed. I mentioned that—Claude Pepper, Tip O'Neill, President Reagan. The change was a result of Congress' recognition of the large demand on the system that would be created.

I should include that the Republican leader was in on that. He was at that time the majority leader of the Senate. This change is the result of Congress' recognition of a large demand on the system that would be created by the retirement of the baby boomer generation. Accordingly, the Social Security system was changed from a pay-as-you-go system to a system that accumulated large surpluses now to prepare for the vast increase in the number of retirees later.

Unfortunately, rather than saving these large surpluses, Congress has used them to finance the deficit. This fiscally irresponsible behavior is putting us on a collision course toward catastrophe.

Madam President, during the Vietnam war, for the first time, the Social Security moneys were used to mask the deficit being developed as a result of that very unpopular war. So we have had experience in Congress of using Social Security moneys to mask the deficit.

In the year 2012, Social Security—maybe a little after that, maybe 2015, maybe 2020—Social Security is going to have to start drawing down. We need to accumulate these huge surpluses now for payout later. I served on the Entitlement Commission, a bipartisan group that was charged to look at entitlements, chaired by Republican Senator Danforth and Democratic Senator KERREY from Nebraska. We all know that Social Security is going to need some adjustment, but let us do it on the basis of Social Security, let us do what we have to do with Social Security, and not have it when we get around to needing to do something and there is no money there.

The problem we are facing is clear. Unless we begin saving Social Security surpluses, unless we begin addressing the needs of the system as it stands on its own, we will be leading, I believe, to financial Armageddon. That is where we are going if we do not exempt Social Security from the balanced budget amendment.

Specifically exempting Social Security does not mean that we are sweeping under the rug, under the carpet, any problem. In fact, we are making the situation very clear. The situation is this: We want to balance the budget; we want to exclude Social Security trust funds. We are saying the reason we need a balanced budget amendment is because we are not strong enough, we do not have the courage to do what we have the right to do under the law presently.

If we are saying that, and that is one of the reasons that is being put forth and has been put forth for a long time as to why we need a balanced budget amendment, it seems to me that that same logic would dictate that, Members of Congress, you had better protect Social Security because otherwise you will not have the courage not to spend those moneys. It would be a lot easier to spend Social Security surpluses than to raise taxes or to cut programs.

So we are not sweeping anything under the rug. In fact, we are making very apparent what our problem is.

There are few people who will deny that Social Security has some problems that we need to take care of in the long run, but it is in the long run not the short run. Including Social Security in a balanced budget amendment may further exacerbate its already identifiable problem. How should we treat Social Security under the Federal budget?

Congress has been struggling with the problems associated with Social

Security for many years. Historically, however, Madam President, there seems to be strong congressional intent to protect Social Security. An example of this is how Social Security is treated in the Federal budget.

In 1990, Congress excluded Social Security from calculations of the budget and largely exempted it from the procedures for developing and controlling the budget. Its removal from the budget has not changed how its funds are handled.

Since Social Security's inception, its taxes have been deposited in a Federal Treasury and expenditures have been paid from the Treasury. The surplus is credited to trust funds.

As I have already mentioned, Social Security has not always been considered off budget. In 1969, Social Security and other programs that operated through trust funds were counted officially in the budget. It was a tax bookkeeping gimmick. This was done administratively and not by an act of Congress because we did not have a budgetmaking process at the time. Today, there is strong speculation that the reason it was placed on budget is the reason I have already stated, that in 1969 when the Vietnam war was escalating and it was costing a lot of money, we needed to mask that deficit.

There were new changes in how Social Security was treated under the budget in 1974. Under the Congressional Budget Impoundment and Control Act, Congress adopted procedures for setting budget goals through passage of an annual budget resolution. Like the budgets prepared by the President—like the one that we received yesterday or the day before—these resolutions were to reflect a unified budget that included trust fund programs such as Social Security.

By the late seventies, Social Security, as we already talked about, faced some new financial problems, and Congress had to deal with the increasing cost to the program. So in 1980, 1981, and ultimately in 1983, there were benefit cutbacks. At the same time, though, the Federal budget deficit remained very large. There was growing concern that the cuts in Social Security were being proposed for budgetary purposes rather than for programs that needed to be maintained.

Congress responded to these concerns by passing a series of measures in 1983, 1985, and 1987. In addition to other things, we made Social Security a more distinct part of the budget. Points of orders were allowed to be raised against budget bills containing Social Security changes. This was a large step forward.

By the end of the eighties, Social Security began realizing surpluses, as we talked about earlier today. As a result, Congress passed the Omnibus Reconciliation Act of 1990. This excluded Social Security from the calculations of the budget and exempted it from procedures for controlling spending.

The 1990 Budget Enforcement Act put an end to abuse of Social Security trust funds by declaring them off budget.

I think it is interesting to note, Madam President, that that legislation to exclude Social Security trust fund calculations from deficit calculations passed by a vote in this body of 98 to 2. That is not a close call. This body went on record in October 1990 to exclude Social Security trust funds from the deficit calculations by a vote of 98 to 2.

Putting Social Security on budget contradicts clearly Congress' intent. It is clear that Social Security's treatment under the Federal budget has been complex; I acknowledge that, and at times confusing; I acknowledge that, but Congress has recognized that it is a misuse of the Social Security trust fund to place it on budget. It is a misuse because it jeopardizes the integrity of the program.

Now, off-budget status of these funds is clearly set forth in the 1990 Budget Act that notwithstanding any other provision of law, the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts or deficit or surplus for purposes of anything we deal with regarding money, in effect. So it is difficult to examine this section plus the 98-to-2 vote and House Joint Resolution 1, the underlying legislation that is before this body, and not conclude that Social Security is being placed back on budget.

Let me tell you why I say that. We are going to have a chart here, Madam President, that will show what House Joint Resolution 1 says. And if you look at that, it says in section 7 and section 8:

> Total outlays for any fiscal year shall not exceed total receipts for that fiscal year.

That is about as clear as it can be, that this should not be exceeded.

Does this not necessarily include Social Security? If so, does this not run against Congress' historical treatment of Social Security off budget? Would it not overturn Congress' recent decision to confirm the off-budget status of Social Security? This overturns the vote we took by 98 to 2 to keep Social Security from any way of determining what the deficit is. I respectfully submit that the underlying legislation will force Congress and the President to include Social Security in balancing the budget. I believe that any court reading this all-inclusive language would have to conclude that Social Security would be on budget and thus fair game for being used to balance the budget.

The only way to guarantee the integrity of the Social Security trust fund is to exempt it from this balanced budget amendment. We would not have to worry about any of these questions if we passed the balanced budget amendment and excluded Social Security. That is the amendment now pending before this body.

I believe this would be consistent with Congress' previous actions including the 98-to-2 vote in October 1990. It would be a reaffirmation of Congress' intent to guarantee the integrity of the trust funds.

Conversely, the absence of an expressed exemption would result in inclusion of the trust funds in the calculation of the deficit. It would yield a radical departure from Congress' longstanding defense of the integrity of the trust funds. I do not want to be a part of that. We must exempt expressly Social Security to ensure that that fund is maintained in its entirety. So that there is no ambiguity, every Member of this body needs to support the specific exemption for Social Security. It is the only way we can ensure that there will not be an injustice perpetrated on the American people.

I also want to preempt something that I know will come up because I have heard some comments on this floor about this, that my amendment will create a loophole in the Constitution.

That is poppycock. That is diversionary. It will do no such thing. This amendment is narrowly drawn. It is an exemption that applies to a readily identifiable program. So do not be fooled by those who scream and shriek and yell and say you are placing the statute in the Constitution. Once it becomes part of the Constitution, it is no longer a statute.

If we are all in agreement that Social Security should not be included for purposes of balancing the budget, then where better to enshrine the commitment than in the amendment itself. The fact is there is no other alternative. If we leave this out of the balanced budget amendment, it will go on budget. That is a fact. It will assuredly be looted, and that is a fact.

Exemption in enabling legislation is insufficient protection. There are some opponents who have stated on this floor previously and who will argue that they, too, oppose balancing the budget by including Social Security trust funds. They believe and they will state that the proper place to address this issue is in implementing legislation. Let us think about that. We have a constitutional amendment that scholars like the senior Senator from Alabama and others say, if it passes as it is written, Social Security will have to be part of the balance. It will not be discretionary with the Congress. It will have to be used to balance the budget.

But let us assume that we are not going to use that, we are not going to present that argument. What we are going to say is that we are going to have a statute that will say you are not going to touch Social Security.

Well, you have two problems. One, it does not supersede what is in the Constitution that says you must include it. And secondly, that statute can be changed any time. We can pass a bill in this body today and we can repeal it tomorrow. We can pass a bill in this

body today and change it next year, the year after. So implementing legislation will not do it.

I respectfully suggest that passing a balanced budget amendment to the Constitution is unprecedented. They are talking about offering my amendment as being unprecedented. All we are dealing with in this body until we dispose of this balanced budget amendment is unprecedented. This is the first time we have put fiscal policy in the Constitution. So we better get it right.

It is unprecedented to place our Nation's fiscal policy in our Constitution. If we are going to do so, we must recognize that Social Security is also part of our Nation's fiscal policy. We are binding ourselves to a commitment that will require drastic changes in the immediate future. As a matter of equity, as a matter of fairness, we cannot bind ourselves to a commitment that puts at great risk a trust fund that millions of Americans have paid into all their working lives.

Advocates of addressing this issue in enabling legislation contend that the trust funds will be adequately protected if we proceed statutorily. This, Madam President—I do not know how to say it any differently—is not true. What about future Congresses?

If my friend who is managing the bill today at this time, the junior Senator from Utah, gave me his word he would not violate Social Security, I would take him at his word. He is a man of integrity. But what about his successors? They are not bound by any statement that he makes or any oath that he takes or any commitment he makes. The fact is this resolution as it is presented in this body presents no protection for Social Security. The only way to give it protection is to vote for this amendment that is presented by the Senator from Nevada and 14 others. Assuming, though, that those who say they are going to protect it follow through on their words, there is nothing to prevent, as I have already indicated, another Congress from coming along and amending the statute that they have already passed to say you cannot use Social Security.

I believe that there are some who are going to go after Social Security. I know it to be the case. I was on a national program yesterday with former Senator Tsongas, and he candidly stated Social Security moneys should be used to balance the budget.

It is unfortunate but true, there are some who believe, to paraphrase our former colleague, Senator Goldwater, that extremism—this is a play on words on something that Senator Goldwater said on one occasion, that: Extremism in defense of balancing the budget is no vice.

I do not believe that. Some do.

As I mentioned, I am in favor of balancing the budget. However, a line in the sand must be drawn on the issue of Social Security. I am willing to go back to the people of the State of Nevada and say I voted against a balanced budget amendment because it did not exclude Social Security. I believe in the integrity of the Social Security System enough to take that chance. I believe if we do not do that, we are taking a chance on Social Security, and that is not a chance I want to take. I believe if we do not separate Social Security, it would put us on a road toward undermining one of the most fundamental agreements we have with the American people. Again, we can only avoid this by passing the amendment before this body.

Advocates of a rigid balanced budget amendment say, ''Trust us. We will take care of Social Security in the implementing legislation.'' I have been through that. It will not happen. You cannot do that in the enabling legislation or in the implementing legislation. What if a challenge is made a few years down the road and the court looks into congressional intent? What will they see?

If my amendment is defeated, a court will probably make the determination that Congress intended Social Security to be kept on budget. Why? Because specific proposals to exempt Social Security were voted down. They would not even have to look at the implementing legislation. Congressional intent would be evidenced by these votes. That is why it is even more important that this amendment pass. A vote against it sends the courts a message that congressional intent was to allow Social Security to be included in the budget.

It would appear we all agree, I hope—I should say the vast majority agree. We know over 90 percent of the American public agree that Social Security should be exempt from the balanced budget amendment. There are a few, including Republican strategist William Kristol, who conceded the other day on Fox Morning News that there should be an inclusion of Social Security to balance the budget. But the record of support for protecting Social Security is overwhelmingly bipartisan in spite of Mr. Kristol and in spite of Mr. Tsongas.

Again, I think this may well be due to the recognition that Social Security represents an unbreakable contract with the American people. This also explains why the issue is considered to be the third rail of politics.

I do not wish to impugn the statements of those who publicly state they oppose touching Social Security but are unwilling to support an express exemption. They are Members of the freshman class in the other body, and I read the names of some of them, who are literally trampling over themselves to announce their opposition to including Social Security in the budget. The strong rhetoric emanating from the mouths of many should be matched, I believe, by unconditional support for legislation that expresses their concern.

The only thing we have had that will exempt Social Security from this balanced budget amendment is the amendment that is being offered by the Senator from Nevada with 14 others.

Those who are watching this debate should not be under any illusions. There is a significant difference between exempting Social Security in the balanced budget amendment and exempting it in the enabling legislation. The former means you get a new car, fully loaded with all the warranties. The latter is like buying a used car without even looking under the hood.

My point, then, is that this is not some arcane legal distinction. Exempting Social Security in the enabling legislation is not without merits. What it offers is protection of a political kind, and I can understand that. It is a fig leaf for those who wish to publicly defend Social Security, and I understand that. They know as far as perceptions are concerned, supporting this fig leaf allows them, perhaps, to have their cake and eat it, too.

My friend, the senior Senator from Utah, mentioned on this floor last week that he supported this because placing an exemption in the amendment itself would result in the creation of an enormous loophole. He suggested if my amendment were included, the balanced budget amendment would not be worth the paper it is printed on. Senator HATCH, the senior Senator from Utah, I know what a fine trial lawyer he was. I know, in trying cases, sometimes the best defense is a good offense. I recognize that is probably what my friend from Utah was doing.

I disagree with his statement. I disagree with this, and respectfully suggest it is just the opposite. The real loophole would be created unless this issue is addressed in the amendment. It is a loophole that will allow future Congresses to loot the Social Security trust funds. The only thing that will not be worth the paper it is written on is the Social Security cards that American workers carry around with them. The real Contract With America, the Social Security agreement we all participate in throughout our working lifetimes, will be worth very little. If you really want to close the loopholes, if you really want to ensure the continued viability and value of the Social Security System, then you will support the amendment expressly exempting Social Security.

To accept anything less is an attempt to pull the wool over the eyes of the American public.

I do not think many people will be hoodwinked by these types of maneuvers. I am confident they will recognize this enabling legislation for what it really is, and that is something to cover, a fig leaf. The stakes are very high here for people who are involved in these programs. To understand the importance of this debate, we have to move forward beyond all our talk of the Constitution and all the legal arguments associated with this debate. I

am referring now to senior citizens and the groups that represent them.

I have here a number of letters from various groups, advocating on behalf of senior citizens. I have here a letter from the National Alliance of Senior Citizens. This letter states, among other things: ''On behalf of the National Alliance of Senior Citizens, this letter is to express our strong support for the Reid balanced budget amendment.''

This was written last year. I have here a letter from the American Association of Retired Persons. They, too, Madam President, state their support. The American Association of Retired Persons believes the amendment I am offering is a step in the right direction. They are opposed to the balanced budget amendment. But they recognize that a step in the right direction is my amendment.

We also have the Committee to Preserve Social Security, which strongly supports legislation that is now before this body.

The American Association of Retired People states that, ''We applaud your commitment to protecting Social Security.'' This letter is addressed to me.

We also have a statement from the National Committee to Preserve Social Security, and they state without reservation or hesitation that this amendment should be passed.

These three letters that I have referred to from these interest groups represent millions of senior citizens. I respectfully suggest that we should listen to what they are saying in behalf of their constituents. These people who are receiving these benefits are playing by the rules. Their lifetime of labors went into making this Nation the envy of the world not only for today but for generations past. They have contributed to the Social Security System throughout their lives, and they do not deserve to have the rug, in effect, pulled out from under their feet.

For many of our Nation's seniors, Social Security is the sole source of their income. For some it is supplemental, but for many it is all they have. We have all had instances where seniors are depending on Social Security, and literally every penny is of importance to them. We have been through the debates where we have had seniors who are depending on Social Security who are eating cat food, who are really desperate for money. We must protect this Social Security trust fund. The contribution made by employers and employees is something that we must protect.

Madam President, I am not going to go into a lot of detail. I have already told my friend, the senior Senator from Utah, that I spread on the RECORD on a previous occasion my remarks about the seniors' coalition. If in fact the seniors' coalition gets involved in this debate, I will refer in more detail to the seniors' coalition, and I will reserve the right at some subsequent time to seek the floor to talk about them, if necessary, in some detail, a group that does not truly represent the seniors of this country.

Madam President, I voted in favor of the amendment that was just defeated because I would like to have known where these cuts are going to come from. I, in fact, cosponsored the amendment that was put forward by the Democratic leader.

I am concerned, however, for a balanced budget. As of today we have not seen the hard numbers of evidence of a working formula for getting us into balance. But I am willing to accept that. It was an up-or-down vote, and we lost. But I am not willing to accept a defeat of this amendment unless I can certainly spread on the RECORD of this body that I cannot, in good conscience, support a balanced budget amendment that includes Social Security moneys to balance the budget. Without a detailed formula, I have no idea what is going to happen to Social Security. So why not just exclude it?

Without a detailed formula, there is no guarantee that a restricted enforcement of the balanced budget amendment will not result in the wholesale looting of the Social Security trust funds. I believe there will be no choice but to lose the trust funds. In the absence of the details, I suggest emphatically that it is even more imperative that we expressly exempt Social Security from the balanced budget amendment. Without truth in budgeting, we are placing at risk the entire Social Security program. Promises are not sufficient. We are talking about amending the U.S. Constitution. Promises will always be preempted by the Constitution, and that is why my amendment ought to be supported.

I repeat that 1935 was the beginning of this Contract With America, the original contract with America. We have established in the Social Security legislation a trust fund that must be protected. We have a fiduciary relationship. We have an obligation of trust to make sure that those moneys are collected and that they are disbursed for the purposes for which they were collected. Social Security does not contribute one iota to the Federal deficit.

Mr. President, I ask unanimous consent to include Senator FEINGOLD as a sponsor of this amendment.

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

Mr. REID. Mr. President, there are these huge surpluses that are building up in the Social Security trust fund that I believe we must protect. Failure to save the surplus could undermine Social Security. We must be concerned how Social Security is treated in the budget. We know that just a few years ago we, by a vote of 98 to 2, said we are not going to put Social Security in any of the problems we have with deficit spending. We cannot reverse that now. That would be unfaithful on our behalf. We would be unfaithful. Social Security will be treated very stringently in this budget. That is why it is important that Social Security be excluded.

I see in this Chamber the junior Senator from South Carolina, a man with a wide range of experience, who was Governor of a State. He understands budgeting. If our side had seniority, he could be chairman of the Budget Committee as we speak; a man who I remember when running for President talked about budget deficit problems, many years ago. He is someone who has a lot of wisdom about numbers. But I would bet, although I am not certain, the great southern State of South Carolina would have the ability when they balance their budgets to have some things off budget. They can have some capital expenditures that are done through bonding at the State level.

Mr. President, this budget, if it passes, likely will not have a capital budget in it. It is, therefore, all the more important that we protect Social Security because this balanced budget amendment that is before this body is the strictest I have ever seen. It is a lot stricter than most everyone treats their own budget because in your own budget you have your house off budget. You make payments on that. You have your car off budget. You make payments on that, and the refrigerator and other large items. They now have programs where you can have your children's education off budget. You can make payments on that.

So this balanced budget amendment that is now pending before this body—and I accept it—is going to be very stringent and tough. But let us exclude Social Security because putting Social Security on budget contradicts congressional intent. Expressed exemption is the only guarantee. Exemption in the enabling legislation simply is insufficient.

We must do this to protect the integrity of the Social Security trust fund. We have heard a great deal about our responsibilities, Mr. President, to future generations. All of us are aware of our moral obligation to provide our children and our grandchildren with a healthy economy free of debts, especially which they did not incur.

This, in part, is why I support the idea of amending the Constitution to balance the budget. Another obligation we all share, however, is to ensure that we provide for the younger generation of yesterday, or, more accurately, today's senior citizens. We must ensure that they too be treated in an equitable manner. We honor their lifelong sacrifices of honoring the Social Security agreement we made, the original contract with America. We honor their sacrifices by ensuring that the trust funds they paid into all their working lives are not used for other purposes. We must honor their sacrifices by exempting the Social Security trust fund from the balanced budget amendment.

I plead with my colleagues to listen to the debate that will ensue in the

next couple of days, and to have this vote take place not only with your heart, but with your head. The Social Security trust fund should be exempted from the balanced budget amendment.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I have listened to my colleague from Nevada give his statement, and tell us again and again and powerfully of his commitments to protect the Social Security trust fund.

As I have listened to him, I have come to the conclusion that there could be nothing more devastating to the stability and the future of the Social Security trust fund than the amendment offered by the Senator from Nevada. I will share that reasoning with you.

I know that is not his intent. I know he is acting out of the purest of motives. But I must say as strongly as I can in response to what he has said that the route he is suggesting that we go in an effort to support the Social Security trust fund is indeed the most dangerous way we could possibly go, if we in fact want to preserve that trust fund.

Before I give that detail, let me make this comment about the overall debate. I remember last Congress the then-majority leader, the Senator from Maine, Mr. Mitchell, made one of his typically well-reasoned and eloquent statements in defense of the purity of the Constitution. He reminded us all that we were taking an oath to uphold and defend the Constitution when we entered this body, and he said in a pleading voice: Do not do anything that would jeopardize the Constitution. You are writing into the Constitution—I am paraphrasing rather than a direct quote—you are writing into the Constitution matters that should be left to policy, that should be left to legislation, and you are changing the nature of the Constitution, which is our basic law, by proposing this amendment. He pled with us not to do that, on the basis of sound constitutional theory.

Frankly, Mr. President, I was somewhat moved by the majority leader in that case, and I found myself questioning whether or not we really did need to amend the Constitution to get this taken care of. I have talked about how I resolved those differences at another time on the floor, so I will not repeat them here. But I find it very interesting that when we had, as the principal reason why we should defeat this amendment last year, the plea to keep policy matters out of the Constitution, we now have before us, as the principal thing that we must do in order to make this amendment viable, an amendment that writes policy matters into the Constitution, that flies right in the face of the advice of the former Senator from Maine, Mr. Mitchell, when he was opposing this 2 years ago.

We are going to write statutory language into the Constitution if we adopt the Reid amendment and it gets ratified by the States. I think that is foolish. I think that changes the nature of the Constitution tremendously and, as I say, I think it is tremendously dangerous to Social Security. Why? Well, I have before me the language of the Reid amendment, and let us read it. It is very simple, very straightforward. It says:

> The receipts and outlays of the Federal old age and survivors insurance trust fund and the Federal disabilities insurance trust fund used to provide old age survivors and disability benefits shall not be counted as receipts or outlays for the purpose of this article.

My colleague, the senior Senator from Utah, has already talked about the inappropriateness of writing into the Constitution titles of existing legislation. Let us assume for just a moment, however, that that is an appropriate thing to do. I do not believe for a moment that it is, but let us assume that it is. Then we say, all right, ''the funds used to provide old age survivors and disabilities benefits shall not be counted for the purposes of this article.''

Mr. President, what is a survivor? The answer to that is very clear. A survivor is whatever Congress says it is. So if we want to, in the language of the senior Senator from Nevada, use the implementing language of statutes to change the system, Congress can change the definition of survivor and be within the Constitution and loot the trust funds. Suppose Congress says a survivor, for the purpose of this amendment, is anyone who is alive. You have survived and, by definition, therefore, we can give you any benefit we want out of this fund and we are not violating the Constitution, we are not violating the Reid amendment to the balanced budget amendment. Congress can define a survivor as anyone who is over 21. Congress can define as a survivor anyone who has a driver's license and who has lived for 6 months after having driven. Having driven with some teenagers, I can accept that definition. Maybe you are a survivor if you stay alive for 6 months after receiving your license.

Disability benefits. Mr. President, what is a disability? The answer is very clear. A disability is whatever Congress decides a disability would be. So Congress could decide, as indeed some groups in our society already have, that to be a woman is a disability in our society. Therefore, the money that is in this fund which under the Constitution is to be used for disability benefits can be spent on behalf of women and not men. There are others who will then say, oh, no, it is not a disability to be a woman, it is a disability to be overweight. So we are going to use the money to take care of everybody who is fat. No, it is a disability if you are too short. It is a disability if you are too tall. We have the American With Disabilities Act that outlines a whole bunch of disabilities, none of which are currently covered under Social Security or the disability insurance trust fund. If you are in a wheelchair, we are going to use the funds out of this fund to take care of you. We are going to use these funds to buy you a wheelchair or build you a ramp in your house, or whatever it is Congress decides to do.

Mr. President, obviously, the examples I am giving are outlandish; I realize that. I make the point to show that there is, in fact, no restriction whatsoever on future Congresses to make whatever outlandish definitions they may choose. The one we think we all know is old age. What is old age? Old age is whatever Congress says it is. Right now, Congress says old age is 65—unless you happen to be a Federal employee with a sufficient amount of service to your credit, and then you can retire at age 50. Suppose some future Congress says that old age, to keep it all straight, is 50. We can go into the Federal disability insurance trust fund and the old age and survivors insurance trust fund and we can take that money to do things for anybody who is 50.

The Senator from Nevada has said implementing legislation will not do it, we can pass a bill to change it. Yes, we can pass a bill to change the definitions that are under this proposed amendment, and we can, if we want to, gut the Social Security trust fund any time we want to. To hold out to somebody the promise that passage of the Reid amendment will guarantee that Social Security will never change and will never be in jeopardy is to hold out a promise that is false. To hold out that idea, which is well-intentioned, Mr. President, frankly, is misleading.

The Senator from Nevada tells us that this is narrowly drawn and says that it will preserve the Social Security trust fund because it is narrowly drawn. I have not gone to law school, so I suppose I cannot argue with him in legal terms. But I do understand the English language, and I do believe that which I have said demonstrates that it is not narrowly drawn; indeed to the contrary, it leaves the door wide open for future Congresses to do all of the things that the Senator from Nevada suggested that some future Congress might do. He said if we just leave it as it is, future Congresses could raid the fund. That is true. Future Congresses could also abolish it. That is true. Future Congresses could, under his amendment, say that there will be no taxes connected with and no outlays made from the Federal old age and survivors insurance trust fund and cut it off at that point and leave these lines a dead letter in the Constitution. Future Congresses could do all of these things. There is simply no assurance in the Reid amendment that future Congresses will behave as he believes they will.

Now he has said to us—and I accept it in the spirit in which it is offered—that

those of us who say we do not want to attack Social Security in the present circumstance are acting in good faith and have good motives. And I am grateful to him for his willingness to accept our good faith. I accept his good faith.

But he raises the specter of future Congresses acting irresponsibly. And I suggest to you, Mr. President—indeed, I am convinced, Mr. President—that if future Congresses do decide to act irresponsibly, they can do so just as easily under his amendment as they can now. And, indeed, in the matters I have pointed out, they have a greater temptation to do so if the Reid amendment is adopted, because all they need to do, as I have said, is change the definition of a disability, change the definition of a survivor, change the definition of old age, and they have those funds then available to them to do with whatever they see fit.

Mr. President, I would like to return to the basic issue that I raised in the beginning before I got that specific about the Reid amendment. I wanted to be specific about the Reid amendment because of the time and care with which he took to address his argument and I wanted to respond as quickly as I could.

Let us go back to the comments that I recall being made by the then majority leader, George Mitchell, when he pleaded with us not to fool around with the Constitution on this matter, when he told us, in effect: We can do this by statute. If we had the political will, we could balance the budget without changing the Constitution. Why do we want to put a policy matter, a normal legislative issue, into constitutional language?

Well, Mr. President, I have been troubled by that argument, as I have said. I was moved by Senator Mitchell and his comments in that regard. I have such tremendous regard and respect for the Constitution that I think it should be amended only rarely and only in extremis.

I agree with the argument that we could do this without a constitutional amendment requiring it. Why am I, therefore, standing here as a convert to the balanced budget amendment and defending it?

I have resolved this issue in my mind from this analogy.

As you know, Mr. President, and as Members of this body probably get tired of hearing me say, I am a businessman and I come out of the business environment. That is where I get most of my analogies.

When a business is established, the first thing that is required, at least under the laws of the States where I have established businesses, is the filing with the State authorities of the bylaws. The bylaws lay out in clear pattern the constitutional authority, if you will, of the business. It says what management can do and cannot do. It lays out the structure. Just as the Constitution of the United States says there will be two Houses of Congress and how many Members there will be in each House, two from each State for the Senate, by population for the House, and so on, the bylaws of the business say how many members there will be on the board of directors, what the power of the board of directors shall be, and so on and so forth.

It is never contemplated in the bylaws that the organizers of the business will lay out a specific business plan. That is left up to management. The idea is always that annual projections will be made by management. Management will be held accountable. Management will have to file appropriate accounting reports. Management will have to file tax returns and do all of the other things. The bylaws of the business say how management is to operate, but never get into the specifics of the business plan.

What we are talking about here is an amendment to the bylaws. And, once again, we find a disconnect, we find an interesting paradox. We are being told, on the one hand, we cannot adopt this particular bylaw—this particular amendment to the Constitution—unless it is accompanied by a detailed business plan, stretching out for 7 years, giving to the last dollar everything that will be done.

If you were to say that to an organizer of business, ''We are going to require you, before you amend the bylaws of the corporation, to give us a 7-year business plan showing how you will operate under this new amendment,'' management would resign. It would say, ''Under no circumstances can we live with that kind of a requirement.''

Now, what is this bylaw saying? Is it indeed a policy statement that belongs in the area of management that should be kept out of the Constitution?

We are hearing a lot of concern over the three-fifths requirement; over the requirement that Congress has to vote three-fifths if it is going to have a budget that is not in balance. And we are being told, indeed, I have been told in hearings before the Joint Economic Committee by Members who are opposed to this amendment, ''No business in the world would ever adopt anything like the balanced budget amendment. No business would ever put its management in that kind of a straitjacket where a minority could block the business plan.''

Well, I said in the Joint Economic Committee, and I repeat here, I think I know something about business, and I can identify plenty of businesses who do indeed put themselves into this kind of circumstance.

Again, the analogy, Mr. President: Suppose you had a business and it adopted as one of its bylaws that the business could not go into long-term debt without the approval of 60 percent of the members of the board of directors. That would not be an unusual kind of circumstance. The shareholders would feel they would be more protected if the members of the board had to come up with not just a majority to put the corporation into debt but a supermajority to put the corporation into debt. That would be an appropriate bylaw. If it were adopted, eyebrows would not go up.

Indeed, I have served in circumstances where the board of directors did not require a supermajority before going into an area of long-term debt, they required unanimity. That is unusual, but it exists. We are not asking for that here.

We are simply saying the board of directors—in this case, the two Houses of Congress—must have a sufficient level of support to gain 60 percent of both Houses before that board of directors will allow the corporation to increase its long-term debt, a very reasonable requirement in a set of corporate bylaws.

So, once again, the arguments come in and they do not connect with each other, the first one saying, ''You shouldn't be putting anything like this in the Constitution at all.''

''Why?''

''Because this is something that is taken care of through legislation.''

And then there is the other argument, saying, ''Oh, no; you should not adopt this amendment unless it has legislation in it.'' The two simply do not match.

Then the statement, ''Oh, you cannot adopt this balanced budget amendment until you give us all of the details.'' And then, back on the first amendment, ''But the Constitution is not the place where you talk about details.''

What comes through to me, Mr. President, is that these arguments that are being raised against it have the flavor of an old story that I remember where two neighbors in a frontier circumstance were meeting. The first neighbor said to the second: ''I have some work to do around my place. I have dropped my ax on a rock and it cut a chip out of the blade of the ax and it is worthless to me. I would like to borrow your ax to help me break up some wood.''

The second neighbor thought for a minute and said, ''I am sorry, I can't loan you my ax. I need it to shave with.'' The first fellow went away. After he was gone, the wife of the second fellow said, ''What did you tell him that for? That is a silly excuse. You do not shave with your ax.'' And he said ''Well, I didn't want to loan it to him because I was afraid I wouldn't get it back. But I didn't want to offend him so I did the next best thing.''

I think many of the arguments that are being raised are, in fact, being raised because some of the people raising them really do not want to put the Government in a circumstance where it is forced to confront the reality of a balanced budget discipline. But rather than offend their voters by being upfront about it, they are looking around for excuses like, ''I'm going to use the ax to shave with.''

Now, I do not suggest that that is the case with my friend from Nevada. I think he genuinely and with good intentions supports this amendment and believes that it would, indeed, help save the Social Security system. I hope I have made it clear that it would not save the Social Security system from the things that he has suggested.

Now, Mr. President, we will address the basic question of whether or not balancing the budget makes sense. There are those who say this is one of those mirages that is always in the future and no matter how far you move toward it, you never get to it. The balanced budget will always be in the future; we will never, ever, want to do it.

I have spoken about this before, but I return to it because it is the fundamental question underlying this whole debate. As I have said, I am a reluctant convert to this debate. I am very reluctant to make changes in the Constitution. I look back on our history and say we have gone for over 200 years without a balanced budget amendment. We have done just fine. Why do we need it now?

Further, I accept the idea that it does come close to introducing legislative and policy issues into the Constitution rather than dealing strictly with fundamental law. I hear all those arguments. I am sympathetic to many of them. I come to the conclusion that we must have a statement in our basic bylaws—in our case, in our Constitution—that says we will resist the historic destabilizing influence in all democracies. The Senator from Arizona [Mr. KYL] quoted the historian who said that democracies ultimately disintegrate when the people discover that they can vote themselves largess. That is, when people discover that they can use their power in a democracy to use Government power to pay themselves more than is really there, they ultimately destroy their country.

We are not at that point yet. But we are beginning to get so far down that road that I am getting nervous. We need a statement in the Constitution that says we will not do that. Thomas Jefferson was afraid of that. That is why he raised the balanced budget amendment as an idea back in the beginning. They shied away from it. As I say, we have gone for 200 years without needing it. But we are getting there and we are getting there more and more as we go down this slippery slope to entitlements.

Mr. President, I suggest that we can have entitlements and we can have a balanced budget. The two can coexist. But it will take a redefinition of the word ''entitlement'' in order to get America there.

Let me share this observation that comes out of my personal experience. I hesitate to raise it, lest some misunderstand its source, but I raise it nonetheless because commentators outside of Utah who have had no religious backing to their point of view have raised it. I think, therefore, it is appropriate.

I want to talk briefly about the welfare program of the Church of Jesus Christ of Latter-day Saints, of which I am a member. We have an entitlement as members of the church under the welfare program. Any member of the church who falls in need is entitled to receive help from the church. As an official of the church, I have been involved in dispensing that help. I have seen how it works. I have given vouchers to members of my congregation who turned those vouchers into food and clothing. I have signed checks to members of my congregation who have turned those checks into rent payments or money for their children or other vital necessities in their lives.

If anything should ever happen to me, I am entitled to go before my church leaders and say, ''I want some food. I want some clothing. I want some cash to take care of my shelter.'' I am entitled to that as a member of the church if I need it. That is the qualifying phrase to that—entitled. I am entitled to it if I need it.

Where does the entitlement come from? The same place that the Senator from Nevada spoke of—the people who pay into Social Security. I am entitled to that from my church because I have gone down to the cannery on my own, without being paid for it. I have canned peaches. I have cut up pears. I have peeled tomatoes. Frankly, I did not do it very expertly, to be sure, but I have done it, and my family has done it. I have gone to the farm out here in Maryland and I have worked on the farm and I have shoveled hay and I have shoveled what was politely called ''used hay.''

I have participated in the programs, and that has created for me a sense that I am entitled. I would walk in and face my Mormon bishop without a moment's hesitation and say to him, this is what has happened to me. I am in need. I am entitled to help. And I would walk out with my head held high. If I received that help I would not consider it charity. I have paid into that. I have contributed to it. I am entitled to receive it.

The difference between that attitude and what we have going on in the Government is this. What is happening to the entitlement programs in the Government is we are saying, ''You are entitled to it whether you need it or not.''

We are in the midst of a baseball strike. We see baseball players whose average salary is $1 million a year. One of those baseball players could receive disability insurance even if his contract continued to pay him $1 million a year, because under our program he is entitled to it. And because we provide it for him, we cannot provide it in the degree, perhaps, that we should to other people who need it far more.

We have reached the point where we have said, ''You are going to be paid back out of your own funds in the name of entitlement programs, Government largess, if you just vote for us.'' This is the pattern that has been established years ago. No one Congress is solely responsible. No one Member of Congress is solely responsible. It has built up over the years. It has gone forward over the years.

Eventually we get into a circumstance where people are saying, ''I want mine. I want it now.'' You look at them and say, ''Wait a minute, you do not need it. Why do we not save that for someone who does?'' And they say, ''I want it because I am entitled to it whether I need it or not.''

That, Mr. President, I think, is the key to getting the budget under control. Yes, we have to cut defense. Yes, we have to get rid of the waste, fraud, and abuse in the Government. Yes, we have to have leaner and tighter departments. Yes, we have to do a whole number of things to get the Government smaller.

But if we learned nothing from the entitlement commission—and Senator KERREY of Nebraska has courageously and honestly and forthrightly portrayed this in his statements that have been reported clearly in the press—we have learned that if we do not get the overall entitlement monster under control, we will succumb to the fate that was outlined for us by that historian. Democracy fails when people discover they can vote themselves largess, and when we get in that context and in that circumstance, we are going to be in trouble.

How do we deal with it? As I say, I have come to the conclusion, after thinking it through, that the way we deal with it is to put into our basic bylaws—in our case, our Constitution—a statement that says we will not go down that road. I am not sure that if I were acting alone I would have drafted the balanced budget amendment as it is currently worded. The democratic process requires that we all get together and we get a consensus or we at least get a majority as to how it is done.

I might argue with this phrase or that phrase, but I cannot, finally, argue with the notion that it does, indeed, belong in the Constitution.

Indeed, I have come to the conviction that it belongs nowhere else, because if the Constitution is going to lay down the fundamental concepts of our country and what we believe, it is going to lay down our fundamental rights as individuals in this country and the fundamental structure of our Government in this context; it is flawed and diminished if it does not have in that list of fundamental structural patterns and fundamental rights a statement that says we will not allow the Government to spend ourselves into bankruptcy.

I can think of nothing more fundamental. I can think, as I say, of no place more logical for that statement to be than in the Constitution.

So, Mr. President, I have wandered from responding to the senior Senator

from Nevada and his amendment, which is before us, to an overall statement of the underlying resolution that is before us and given you my reasons as to why I am in support of that.

I conclude by returning to the issue that is directly before us and summarizing, once again, my conviction that adoption of the Reid amendment would create the temptation on the part of future Congresses to do the very thing that the senior Senator from Nevada is concerned about: That it would create the temptation for future Congresses to give us legislation that would raid the Social Security trust funds.

He said our successors are not bound. Absolutely our successors are not bound. Our successors might easily decide to redefine what is a survivor, redefine what is a disability benefit, redefine what is old age in such ways as to use those trust funds for virtually any purposes.

My colleague, the senior Senator from Utah, Senator HATCH, calls this a giant loophole. The senior Senator from Nevada refers to that as poppycock. I will let the two senior Senators argue that one back and forth on a semantic level, but I find myself persuaded that the language in the Reid amendment does, indeed, provide such wide latitude for future Congresses that I would come down in agreement with my senior colleague from Utah that it would, indeed, be a huge loophole through which future Congresses could drive gigantic appropriations if they were so inclined.

So, Mr. President, I leave the issue with these observations and trust that they will have contributed something to this particular debate. I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. MOYNIHAN] is recognized.

Mr. MOYNIHAN. Mr. President, I would like to speak briefly to the amendment that has been offered by my good friend and colleague, the Senator from Nevada, Senator REID, which states that receipts, including attributable interest and outlays of the Federal old age and survivors insurance trust fund and the Federal disability insurance fund, shall not be counted as receipts or outlays for the purposes of this article—that being the proposed amendment to the Constitution.

In what I hope will not be the outcome of this debate, which is to say the Senate approving such an amendment to the Constitution, at the very least, the Reid provision provides hope for the Social Security system. It is a slim prospect, given the extraordinary fiscal turmoil and tumult, that will follow the adoption of this proposed amendment to the Constitution. But it does declare the interest of the Congress and then of the States in the preservation of Social Security, an issue which becomes—in my time in the Senate, I have seen one fully-agreed-upon, solidly financed, well-administered program, the most successful social program in the 20th century go from being a given to being a problem and to being problematic. We refer to it as an entitlement.

I make the point that the very able majority leader of the House, Mr. ARMEY, corrects us all when he says it is a ''fiduciary responsibility'' of the Federal Government, which is to say these funds are not ours to dispose of as we will. We hold them in trust. They are called trust funds.

The revenue stream will continue in surplus—cash surplus—until the year 2012, as we now expect. We can add a year, plus or minus; there is that possibility. Social Security began as a pay-as-you-go system in the depth of the 1930 depression. That you take more out of the economy than you put in seemed to be unwise and it would have been, and we had difficult consequences even so.

The 1937 recession was probably, in part, triggered by the 1935 payroll tax. But in any event, near a half-century goes by and the Social Security amendments of 1937. Seeing the peculiar demography of the baby boomers and their eventual retirement, that great increase in births that followed the long, slow level of the 1930's and the Second World War, we put in place a partially funded system. I was a member of the Finance Committee. I was a member of the committee on conference.

We put in place, Mr. President, a cash surplus which, over the period, would extend—to give you a sense of the proportion, it would buy the New York Stock Exchange. It still flows in cash surplus and will for the better part of 15 to 20 years, in prospect. So great praise and thanks to the Senator from Nevada for his effort in this regard—reserving always the point that I would like to make at some time that the amendment itself is a huge mistake that I hope we will not make.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me compliment our distinguished colleague from Utah. He certainly attracted my attention when he spoke of the Mormon Church. I had the distinct pleasure, with a group of Senators, of visiting with his revered father, former Senator Wallace Bennett, to the Mormon Temple here in Washington, DC.

Various members of my staff have been members of the Mormon Church. Their dedication and hard work have been a tremendous inspiration to me. A female staffer of mine was making good money, but left to fulfill her 2-year commitment to the church by going overseas. She paid for her own transportation and, at a very young age, solicited membership for the church for 2 years. I would have hesitated allowing my daughter to do that, but she did and did it with courage and commitment.

So I have the greatest respect for the comments of the Senator from Utah, but I do find them in some measure strange.

For example, when he claims that the Reid amendment creates a loophole by allowing Congress to redefine the word ''survivor.'' If that is true, can't we change what is an ''outlay,'' what is a ''receipt,'' what is an ''estimate,'' what is ''appropriate legislation''? These phrases are already in House Joint Resolution 1, the joint resolution proposing a balanced budget amendment to the Constitution of the United States. All of the terms in the underlying joint resolution can be changed. There is no question about that.

The balanced budget amendment to the Constitution is really proposed as a sort of gun to the head of the Congress to bring about discipline. As experience has told me and much to my dismay, Mr. President, it brings about creativity.

This morning at the Budget Committee I had the pleasure of questioning the distinguished Director of the Office of Management and Budget, Dr. Alice Rivlin. I noted that Dr. Rivlin, as the Director of our Congressional Budget Office, had been the one individual who more than any other gave integrity and credibility to the budget process. She did an outstanding job then, and I think she is doing an outstanding job in the Clinton administration. But I noted that even with her watchful eye, there is a penchant in budget process for creativity.

For example, in the President's budget, the majority of proposed tax cuts are paid for by cuts in discretionary spending. Under existing budget law, tax cuts can only be offset either by tax increases or by entitlement cuts. Thus, the President's budget would cause OMB to initiate a sequester.

Additionally, the President's budget counts the sale of assets as receipts. Under procedures that the Congress uses in scoring, using assets sales to comply with pay-as-you-go laws subjects a budget resolution to another point of order.

Third, the President's budget artificially adjusts the discretionary caps upward for inflation and then claims savings by lowering the caps to their existing levels. In contrast, the Congressional Budget Office in the past has not interpreted the law in this way and may not recognize these savings.

Lastly, the reestimation of Medicare and Medicaid outlays in the President's budget seems overly optimistic. In fact, their estimate by 2000 is $54 billion less than the level projected by CBO. In raising these issues, I am not trying to criticize the President's budget, I am merely trying to talk about the slippery game of budget estimates from a standpoint of experience.

When the distinguished Senator from Utah cites Jefferson, it brings to mind another quote by James Madison in The Federalist Papers. He said:

But what is government itself but the greatest of all reflections on human nature? If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place oblige it to control itself.

Thus, 207 years ago, Madison saw the very evil that brings us to the floor of the Senate today. We are out of control. I congratulate my distinguished colleague, the Senator from Nevada, Senator HARRY REID. He brings up an important and absolutely necessary amendment to this joint resolution.

As Governor of South Carolina, I had to struggle to balance the budget. I knew in the early days that industry was not going to come from New York and invest in Podunk unless our fiscal house was in order. We had to pay the bills. I put in a device which was the forerunner of Gramm-Rudman-Hollings whereby expenditures had to be within receipts with quarterly reports to the Governor. If we failed to meet these targets, we would cut straight across the board. With this discipline, I got the first AAA credit rating of any State, from Texas right on up to Maryland.

Since then I have continued to work in the vineyards. In 1984, I ran for President on the ''FRITZ freeze,'' as many called it. My colleague, Senator Alan Cranston, ran on the nuclear freeze. We had to tell him that down home in South Carolina, they thought that the nuclear freeze was a dessert.

The people of America know what is needed in our land. If you talk to your pollster, they scream:

''Oh, don't bring up deficits. The people don't want to hear about it. It is confusing. There's no story. They're not interested.''

Thus, we have tax increases that no one wants to speak about—a tax increase of $1 billion a day on automatic pilot. The debt has gone up to $4.804 trillion. Before long, it will be $5 trillion. The gross interest cost for 1995 will be $339 billion and by next year will surpass $1 billion for every day.

There are two things you cannot avoid. One is death and the other is taxes. As far as this Congress and this Senate and this Government goes, you cannot avoid those interest costs. They are the first thing off the table that we spend.

Incidentally, I might well mention that the gross interest cost in 1981, when President Ronald Reagan was elected, pledging to balance the budget and put us in the black in 1 year, was $95 billion. As I said earlier, it is now in excess of $339 billion. If you subtract it, you have $244 billion added to the interest costs. The deficit this year has been scheduled for $244 billion. Thus, without this tremendous overhang of debt, the Federal budget would be in balance.

The Republicans talk about promises. If the distinguished former President had carried through on his promise, we would not be in this pickle. He came to town and said: ''Whoops, I never realized it was as bad as this. I cannot do it in a year. It is going to take 2 or 3 years.'' that is how we moved from 1-year to 3-year budgeting. Gramm-Rudman-Hollings pushed us out to 5-year budgets. And now, you ought to talk about creativity. Now, in the balanced budget amendment we are talking about 7 years. The next Congress will talk about 10 years.

Mister President, HARRY REID, the Senator from Nevada, has a very, very important provision here—one that sheds some light on the enormous challenges we face in balancing the budget. I started down this road of a balanced budget amendment with the distinguished Senators from Texas and New Hampshire in Gramm-Rudman-Hollings. That was a balanced budget amendment. We got a majority of the Democrats on 14 up-and-down votes to go along with the Republican leadership at that time in 1985. We reduced the deficit in the first full year of Gramm-Rudman-Hollings from $221 billion down to $150 billion. We were supposed to reduce the deficit further by increments of $36 billion. But then, we began to stray from the targets until in 1990 we did away with fixed targets.

Likewise, a balanced budget amendment to the Constitution does not give discipline; it gives creativity. That is the hard experience of this gentleman.

Now, I wish to yield. I wish to hasten along because really the authority on the subject of Social Security, none other than our senior Senator for New York, Senator MOYNIHAN knows the subject intimately. He has a tremendous sense of history, which I admire.

He and I realized that many were tempted by the tremendous surpluses in the Social Security trust fund. So the distinguished Senator from New York authored, even though I offered it as an amendment, in the Budget Committee and in later in the Chamber, what we called a Social Security Preservation Act—take it off budget. In 1990, we had a vote in the Budget Committee, and the vote was 20 to 1, the 1 being my leader under Gramm-Rudman-Hollings, Senator GRAMM from Texas.

I can say advisedly I was not surprised, because I went to Senator GRAMM in the initial stages of Gramm-Rudman-Hollings when his initial proposal was to cut all entitlements including Social Security.

I said, wait a minute. No. 1, you are cutting the program that we just voted the taxes to pay for. It is paid for and is in the black. No. 2, it breaches the trust that we created in 1935 and that we have represented to the senior citizens of America. I am not going to breach that trust, and furthermore, you will not get a single Democratic vote to sequester Social Security.

We got him to change his tune on that point. But when he voted against my amendment in the Budget Committee, and when he introduced his own legislation to balance the budget, he went back to his former position. On February 16, 1993, he introduced legislation which, in one pertinent section, read:

Exclusion From Budget, Section 13301 of the Budget Enforcement Act of 1990, as amended, by adding at the end thereof the following: ''This subsection shall not apply to fiscal years beginning with fiscal year 2001.''

He had taken the section that I enacted into statutory law by a vote of 98 to 2 and attempted to change it in order to use the trust funds to lessen the chore of balancing the budget.

We act like we are not the Government. It is like the San Francisco 49ers coming into Miami, running up into the grandstand, and hollering, ''We want a touchdown, we want a touchdown.''

It is incumbent upon them to get down on the field and score the touchdown. It is incumbent on Members of Congress to stop the charades.

So, when the distinguished majority whip, the distinguished Senator from Mississippi, just 2 days ago says, and I quote, ''Nobody—Republican, Democrat, conservative, liberal, moderate—is even thinking about using Social Security to balance the budget.''—I say, respectfully: False.

The experience of this Senator is Members of Congress will try to find a way to use these funds. If you do not include this amendment in the balanced budget amendment, you have effectively voided the Hollings statute. That is the statute on books this minute. But I have found out the hard way now, after 5 years, that it is sometimes easier to get a statute on the books than to get people to follow it. It is like old John Mitchell, the Attorney General, used to say, ''Watch what we do, not what we say.'' That is the situation we are in.

So I would say to my colleagues that I strongly support the Reid amendment. It is very simple. It is very clear. We have a contract, as of 1935. It is an original contract predating Speaker GINGRICH's Contract With America. We have one of Roosevelt's contracts for America, back since 1935, that we must honor.

Before I close, Mr. President, I ask unanimous consent to have printed in the RECORD this document, including the different cuts, spending cuts and receipts and all for the 7-year budget.

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

SENATOR HOLLINGS ON TRUTH IN BUDGETING

Reality No. 1: $1.2 trillion in spending cuts necessary.

Reality No. 2: Not enough savings in entitlements. Yes, welfare reform but job program will cost; savings questionable. Yes, health reform can and should save some, but slowing 10 percent growth to 5 percent—not

enough savings. No, none on social security; off-budget again.

Reality No. 3: Hold the line budget on Defense—no savings.

Reality No. 4: Savings must come from freezes, cuts in domestic discretionary—not enough to stop hemorrhaging interest costs.

Reality No. 5: Taxes necessary to stop hemorrhage in interest costs.

	1996	1997	1998	1999	2000	2001	2002
Deficit CBO Jan. 1995 (using trust funds)	207	224	225	253	284	297	322
Freeze discretionary outlays after 1998	0	0	0	−19	−38	−58	−78
Spending cuts	−37	−74	−111	−128	−146	−163	−180
Interest savings	−1	−5	−11	−20	−32	−46	−64
Total savings ($1.2 trillion)	−38	−79	−122	−167	−216	−267	−322
Remaining deficit using trust funds	169	145	103	86	68	30	0
Remaining deficit excluding trust funds	287	264	222	202	185	149	121
5 percent VAT	96	155	172	184	190	196	200
Net deficit excluding trust funds	187	97	27	(17)	(54)	(111)	(159)
Gross debt	5,142	5,257	5,300	5,305	5,272	5,200	5,091
Average interest rate on the debt (percent)	7.0	7.1	6.9	6.8	6.7	6.7	6.7
Interest cost on the debt	367	370	368	368	366	360	354

Note.—Does not include billions necessary for middle class tax cut.

Here is a list of the kinds of nondefense discretionary spending cuts that would be necessary now as a first step to get $37 billion of savings and put the country on the road to a balanced budget:

Nondefense discretionary spending cuts	1996	1997
Cut space station	2.1	2.1
Eliminate CDBG	2.0	2.0
Eliminate low-income home energy assistance	1.4	1.5
Eliminate arts funding	1.0	1.0
Eliminate funding for campus based aid	1.4	1.4
Eliminate funding for impact aid	1.0	1.0
Reduce law enforcement funding to control drugs	1.5	1.8
Eliminate Federal wastewater grants	0.8	1.6
Eliminate SBA loans	0.21	0.282
Reduce Federal aid for mass transit	0.5	1.0
Eliminate EDA	0.02	0.1
Reduce Federal rent subsidies	0.1	0.2
Reduce overhead for university research	0.2	0.3
Repeal Davis-Bacon	0.2	0.5
Reduce State Dept. funding and end misc. activities	0.1	0.2
End P.L. 480 title I and III sales	0.4	0.6
Eliminate overseas broadcasting	0.458	0.570
Eliminate the Bureau of Mines	0.1	0.2
Eliminate expansion of rural housing assistance	0.1	0.2
Eliminate USTTA	0.012	0.16
Eliminate ATP	0.1	0.2
Eliminate airport grant in aids	0.3	1.0
Eliminate Federal highway demonstration projects	0.1	0.3
Eliminate Amtrak subsidies	0.4	0.4
Eliminate RDA loan guarantees	0.0	0.1
Eliminate Appalachian Regional Commission	0.0	0.1
Eliminate untargeted funds for math and science	0.1	0.2
Cut Federal salaries by 4 percent	4.0	4.0
Charge Federal employees commercial rates for parking	0.1	0.1
Reduce agricultural research extension activities	0.2	0.2
Cancel advanced solid rocket motor	0.3	0.4
Eliminate legal services	0.4	0.4
Reduce Federal travel by 30 percent	0.4	0.4
Reduce energy funding for Energy Technology Develop	0.2	0.5
Reduce Superfund cleanup costs	0.2	0.4
Reduce REA subsidies	0.1	0.1
Eliminate postal subsidies for nonprofits	0.1	0.1
Reduce NIH funding	0.5	1.1
Eliminate Federal Crop Insurance Program	0.3	0.3
Reduce Justice State-local assistance grants	0.1	0.2
Reduce Export-Import direct loans	0.1	0.2
Eliminate library programs	0.1	0.1
Modify Service Contract Act	0.2	0.2
Eliminate HUD special purpose grants	0.2	0.3
Reduce housing programs	0.4	1.0
Eliminate Community Investment Program	0.1	0.4
Reduce Strategic Petroleum Program	0.1	0.1
Eliminate Senior Community Service Program	0.1	0.4
Reduce USDA spending for export marketing	0.02	0.02
Reduce maternal and child health grants	0.2	0.4
Close veterans hospitals	0.1	0.2
Reduce number of political employees	0.1	0.1
Reduce management costs for VA health care	0.2	0.4
Reduce PMA subsidy	0.0	1.2
Reduce below cost timber sales	0.0	0.1
Reduce the legislative branch 15 percent	0.3	0.3
Eliminate Small Business Development Centers	0.056	0.074
Eliminate minority assistance, score, Small Business Institute and other technical assistance programs, women's business assistance, international trade assistance, empowerment zones	0.033	0.046
Eliminate new State Department construction projects	0.010	0.023
Eliminate Int'l Boundaries and Water Commission	0.013	0.02
Eliminate Asia Foundation	0.013	0.015
Eliminate International Fisheries Commission	0.015	0.015
Eliminate Arms Control Disarmament Agency	0.041	0.054
Eliminate NED	0.014	0.034
Eliminate Fulbright and other international exchanges	0.119	0.207
Eliminate North-South Center	0.002	0.004
Eliminate U.S. contribution to WHO, OAS, and other international organizations including the U.N.	0.873	0.873
Eliminate participation in U.N. peacekeeping	0.533	0.533
Eliminate Byrne grant	0.112	0.306
Eliminate Community Policing Program	0.286	0.780
Moratorium on new Federal prison construction	0.028	0.140
Reduce Coast Guard 10 percent	0.208	0.260
Eliminate Manufacturing Extension Program	0.03	0.06
Eliminate Coastal Zone Management	0.03	0.06
Eliminate National Marine Sanctuaries	0.007	0.012
Eliminate climate and global change research	0.047	0.078
Eliminate national sea grant	0.032	0.054
Eliminate state weather modification grant	0.002	0.003
Cut Weather Service operations 10 percent	0.031	0.051
Eliminate regional climate centers	0.002	0.003
Eliminate Minority Business Development Agency	0.022	0.044
Eliminate public telecommunications facilities, program grant	0.003	0.016
Eliminate children's educational television	0.0	0.002
Eliminate National Information Infrastructure grant	0.001	0.032
Cut Pell grants 20 percent	0.250	1.24
Eliminate education research	0.042	0.283
Cut Head Start 50 percent	0.840	1.8
Eliminate meals and services for the elderly	0.335	0.473
Eliminate title II social service block grant	2.7	2.8
Eliminate community services block grant	0.317	0.470
Eliminate rehabilitation services	1.85	2.30
Eliminate vocational education	0.176	1.2
Reduce chapter 1, 20 percent	0.173	1.16
Reduce special education, 20 percent	0.072	0.480
Eliminate bilingual education	0.029	0.196
Eliminate JTPA	0.250	4.5
Eliminate child welfare services	0.240	0.289
Eliminate CDC Breast Cancer Program	0.048	0.089
Eliminate CDC AIDS Control Program	0.283	0.525
Eliminate Ryan White AIDS Program	0.228	0.468
Eliminate maternal and child health	0.246	0.506
Eliminate Family Planning Program	0.069	0.143
Eliminate CDC Immunization Program	0.168	0.345
Eliminate Tuberculosis Program	0.042	0.087
Eliminate Agricultural Research Service	0.546	0.656
Reduce WIC, 50 percent	1.579	1.735
Eliminate TEFAP—Administrative	0.024	0.040
Commodities	0.025	0.025
Reduce Cooperative State Research Service 20 percent	0.044	0.070
Reduce Animal Plant Health Inspection Service 10 percent	0.036	0.044
Reduce Food Safety Inspection Service 10 percent	0.047	0.052
Total	36.941	58.402

Note.—Figures are in billions of dollars.

Mr. HOLLINGS. Mr. President, I ask the Senator from Utah to come forward, or any Senator to come forward with a 1-year budget that puts us on a glide path to zero. Earlier today, Republicans were berating Dr. Rivlin, the Director of the Office of Management and Budget for her lack of budget cuts in the President's 1996 budget. But back on December 18, when they were feeling real bullish, Mr. KASICH, the distinguished chairman of the House Budget Committee now, said: ''In January we will really spell this out. In January I am going to bring to the floor a revised budget resolution.'' Further down he says: ''We will provide spending savings. You already have outlined them. In the menu list we already have two or three budgets.''

They did not care about President Clinton or what the Director of the Office of Management and Budget was even thinking about. And then he continues:

When that is done * * * at the same time we are going to move on the glidepath to zero * * * We will take the savings by cutting spending first and we are going to put them in the bank so nobody across the country, nobody on Main Street, no one on Wall Street is going to think we are going to do is we're going to give out the goodies without cutting government first.

So I look in the bank, in the lock box. And there is one thing I find, Mr. President. I have the lock box that the chairman of the Budget Committee referred to. But the only thing it contains so far are a pile of Social Security IOU's.

Mr. President, let us do like Madison admonished, let us begin to control ourselves. We can begin.

As President Reagan said: If not us, who? If not now, when?

I yield the floor.

Several Senators addressed the Chair.

Mr. D'AMATO. Mr. President, I know my distinguished colleague, the senior Senator from New York, is waiting to speak. I think he is going to yield me up to 10 minutes?

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I know my distinguished friend, the chairman of the Committee on Banking and Urban Affairs, has an important statement he wishes to make. I know it is not directly on our subject, but I know it is important. I want to hear him. I am sure the Senate will as well.

I am happy to yield my place to him at this point.

The PRESIDING OFFICER. The Senator from New York has the floor.

MEXICO

Mr. D'AMATO. Mr. President, last week, the President of the United States went around the will of the people to bail out a mismanaged Mexican Government and global currency speculators. That was wrong.

I am outraged that American taxpayers are being forced to do something they did not want to do. The President went around the people knowing that Congress would not approve a $40 billion bailout of Mexico.

Never before has a president used $20 billion from our exchange stabilization fund to bail out a foreign country. The ESF is not the President's personal piggy bank. This fund is supposed to be used to stabilize the dollar, not the peso. The President was wrong, and I am outraged.

The President has used scare tactics to justify going around Congress to bail out Mexico. The President claimed that world stock markets would crash and floods of illegal immigrants would cross our borders. The President was wrong, and I am outraged.

As former FDIC Chairman Bill Seidman testified last week, Mexico's credit crunch can be solved by letting the market work. Mexico and its creditors should be forced to renegotiate its debt. That's the capitalist way. Investors in Mexico might get 50 or 60 or even 70 cents on the dollar. That is fair. Investors in Mexico took a gamble. If they wanted a United States-guaranteed investment, they should have put their money into a 6-percent C.D., not a 20-percent Mexican pesobono.

The President has given in to economic blackmail. Will American taxpayers have to send Mexico $40 billion next time to protect our borders from illegal immigration? I am outraged that the President has used our exchange stabilization fund to pay blackmail to Mexico.

The President has set a terrible precedent. What happens next time the peso collapses? What happens when some other country's currency collapses? The American taxpayer cannot afford to be the world's banker. We cannot afford to bail out global currency speculators every time a foreign currency collapses.

The President should not be sending $20 billion to Mexico when Congress must cut United States domestic programs to put our own economic house in order. The Governor of my home State has to cut $5 billion from the state budget. We should send $20 billion to New York or Florida or California or other States that are in need before we send it to Mexico.

Make no mistake about it. Two years from now. Five years from now. I predict that this bailout will go down as one of the President's biggest blunders.

I predict that this bailout will not work. It is a quick fix and will come back to haunt American taxpayers. They will wind up paying.

Let us look at the facts.

Mexican political bosses got into this mess to win the August 1994 election. They printed pesos at an outrageous rate. They created the illusion that the Mexican economy was still thriving, and then they devalued the peso. That was wrong. It hurt poor and middle-class Mexicans. We should not bail out mismanaged foreign governments.

The President's plan will not force Mexico's ruling party to make needed economic or political reforms. Once our money is shipped to Mexico, we will have no leverage.

Let us look at some of the promises Mexico has made for the $20 billion of American taxpayers' money—promises Mexico cannot keep.

Mexico has promised to keep inflation low. But they cannot do that. The peso's devaluation has set off 20 to 30 percent inflation, and the Mexican Government will have to keep printing pesos to prevent more unrest in Chiapas.

Mexico has promised to cut spending and to maintain a budget surplus. But that is impossible. Mexico must pay sky-high interest on more than $160 billion in debt and faces a recession.

Mr. President, let me ask the question. If we cannot balance our budget here, here we are promising $20 billion to Mexico, not a loan guarantee. We are going to give it to them. We say as one of the conditions we expect you to have a budget surplus. I ask, is that realistic? We cannot balance a budget here. We are not saying Mexico is going to have a budget surplus. That is ridiculous. It is ludicrous. And no one could promise you that would take place.

Mexico has promised to raise $12 to $14 billion through privatizations. But who is going to invest in Mexico now? How are they going to bring about privatization?

I am outraged that the President's bailout of Mexico will leave American taxpayers holding the bag. Now, when we have to make painful cuts in the Federal budget, is not the time to be risking American taxpayers' money.

The administration assumes that Mexico will pay off its debt. But Mexico could not pay back United States banks in 1982.

The President claims that assured sources of repayment exist. But if assured sources of repayment really existed, banks and private investors would provide money to support Mexico's debt.

The President has not obtained real collateral. Mexico has already pledged its oil reserves as collateral for its existing debt.

The President relies solely on a security mechanism involving the New York Fed. But this security mechanism is a mirage. It goes into effect only after a default. Mexico can sell oil only to customers who do not pay through the New York Fed.

When Congress provided $1.5 billion in loan guarantees to New York City and Chrysler, Congress demanded much more collateral. I am shocked and outraged that the President has not demanded more collateral from Mexico for $20 billion.

What will the President do if Mexico refuses to pay us back? Will the President send in the 82d Airborne to seize the oilfields? Of course not. It is preposterous. Will he try to raise U.S. taxes to replenish our exchange stabilization fund?

The President's bailout will not win us friends south of the border. Already the Mexican people resent the fact that we are making those moneys available on conditions that they speak about. Most Mexicans oppose the $40 billion bailout.

The administration says that it was taken totally by surprise when Mexico set off this crisis by devaluating the peso on December 20. But the signs of serious trouble in Mexico were present months ago. Congress must determine what the administration knew about Mexico and when.

The New York Times, January 24, 1995, reports that the CIA advised the administration in July 1994—6 months before the peso's devaluation in December—that Mexico's ruling party was borrowing and spending at a furious pace.

We have an obligation to investigate whether the administration's inaction or silence caused this crisis. We must find out if the administration advised Mexico to devaluate the peso. Devaluation was a terrible mistake. We all admit that now. But who was there and when? What advice did this administration give, if any, to the Mexican Government?

On January 26, Senators DOLE, LOTT, MACK, and ABRAHAM asked for documents concerning the administration's advice to Mexico on currency devaluation. Twelve days later, we still have not received this critical documents.

Why have we not received these documents? When will we get them? What is the administration hiding? The American people have a right to know.

The Banking Committee will hold oversight hearings on the administration's use of the ESF to bail out Mexico.

Senator MACK and I will introduce a sense-of-the-Senate resolution that the Treasury should, in conjunction with the minority reports required by the ESF statute, provide the Banking Committee with monthly information on: First, economic conditions in Mexico,

and second, how Mexico is spending the $20 billion.

American taxpayers have the right to know whether their money is being wasted in Mexico. They have the right to know if the Mexican Central Bank has slowed the peso printing press. They have a right to know if Mexico has stopped spending and balanced its budget.

We must hold the administration's feet to the fire. We must blow the whistle if the administration does not make Mexico live up to its commitments—to stop the peso press, to balance its budget and to privatize. We must fight for middle-class American taxpayers, not for mismanaged foreign governments and global currency speculators.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Massachusetts.

Mr. KENNEDY. I thank the Chair.

(The remarks of Mr. KENNEDY pertaining to the introduction of S. 376 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

Mr. HATCH. Mr. President, opponents of the balanced budget amendment have raised the specter that the balanced budget amendment may somehow endanger Social Security. This simply is wrong.

First, the balanced budget amendment does not write any particular mix of spending cuts or tax increases into the Constitution. It merely forces Congress to come up with a plan to balance the budget by a date certain and to continue to balance the budget yearly in the future.

Why do we need to do that? Because if you look at the Balanced Budget Amendment Debt Tracker—this chart right here—just look at what has happened during these 10 days we have been on the amendment. We have gone from $4.8 trillion of national debt with an increase the first day of $829 million and each day thereafter right up to where we are now up to $8,294,400,000 additional debt from when we started on day 10. While we are debating this amendment, the debt is going up almost $1 billion a day.

(Ms. SNOWE assumed the chair)

Mr. HATCH. Madam President, I have to tell you if we keep doing that, Social Security is going to be very, very badly harmed.

I have always maintained that I would personally oppose Social Security benefit cuts. I believe we have made an obligation to our retirees that we must keep.

What the balanced budget amendment does is to force Congress to choose between spending options constrained by the amount of available funds. This means Congress will have to set priorities in a way it does not now do. I have no doubt that Social Security is well protected in today's political world and would compete well against all other spending.

But the balanced budget amendment does not require any particular cuts. Suggestions that it would result in Social Security cuts are simply scare tactics by those who wish to defeat the balanced budget amendment by any means.

Second, those worried about the security of the Social Security trust fund should support the balanced budget amendment. Robert J. Myers, who has worked in many capacities for the Social Security Administration for nearly four decades, including Chief Actuary and Deputy Commissioner said, ''the most serious threat to Social Security is the government's fiscal irresponsibility.'' Mr. Myers suggests our current profligacy will result either in the Government raiding the trust fund or printing money, either of which will reduce the real value of the trust funds.

The real threat to Social Security, our mounting national debt, is the problem we have to face. Although the trust fund is running a surplus now, it will not for long. Under current projections, the trust fund will grow until the year 2019, at which point it will begin to deplete its savings. At that point the fund begins living on the principal and interest built on past principal. In the year 2029, the trust fund will be completely insolvent, having used up all capital and interest earned. At that point Social Security will worsen the national deficit picture substantially and seniors will either have to receive benefits from increased payroll taxes or from general Treasury funds, or simply go without. If Congress continues to borrow at current rates, it is not clear how able it would be able to borrow or tax enough more to cover Social Security deficits.

Furthermore, seniors or others living on fixed incomes would be hardest hit if the predictions of many noted economists result from our huge national debt. If the country should ever decide to monetize the debt, that is, simply print more money to cover its interest payments, the resulting inflation would hit hardest those living on fixed incomes. The Federal Reserve Board would probably avoid that, but if we should ever go down that path, seniors would bear a large part of that burden. If inflation returns in any other form because of our debt burden, seniors would again be hit very hard.

Third, the money in Social Security trust funds is invested in Government bonds. What this means is the trust fund is simply full of IOU's from Congress's increasing debt. In other words, the Government is using Social Security taxes to fund our growing deficits, and leaving the IOU's in the trust fund. The trust fund reserves are in large degree only a claim on the general Treasury funds, with no capital backing up that claim. If the country ever gets to the point of defaulting on its debts, the Social Security trust fund would be one of the hardest hit.

The country will not be able to pay off that stack of paper that builds up every day and every month as we borrow from the trust funds to pay for the daily running of Government programs. For this reason alone Social Security recipients, both current and future, and those who are concerned about them, should strongly support this balanced budget amendment—the only opportunity we have, and frankly the only real opportunity in history to really do something about these budgetary deficits that are running us into bankruptcy.

We must get our entire fiscal house in order and keep it that way for seniors, for their children, and for their grandchildren.

Mr. President, I would now like to address the exemption proposed by the Senator from Nevada. As politically attractive as this exemption amendment may be—I am talking about the Reid amendment—it will harm, rather than help, senior citizens and thwart the balanced budget amendment. So I urge its defeat for five reasons.

First, the Constitution is not the place to set budget priorities. A constitutional amendment should be timeless and reflect a broad consensus, not make narrow policy decisions. We should not place technical language or insert statutory programs into the Constitution and undercut the simplicity and universality of the amendment.

Second, exempting Social Security would open up a loophole in the amendment, which could avoid the purpose of the amendment or endanger Social Security. What do I mean by that? Congress could pass legislation to fund any number of programs off-budget through the Social Security trust fund. The budget could be balanced simply by shifting enough programs into the Social Security trust fund. Moreover, if this amendment succeeded in exempting Social Security from the balanced budget rule, as the trust funds begin running deficits, as they are projected to do, there would be no requirement that the trust fund remain solvent and no incentive to make it solvent. Under a balanced budget requirement, however, the trust funds would be protected because the Government would be required to have enough revenues to meet its obligations, including those who rely on the trust funds.

Third, exempting Social Security would tempt Congress and the President to take irresponsible actions that threaten the integrity of Social Security. If Social Security is off-budget, Congress would be tempted to slash Social Security taxes to trade off other taxes hikes or shift the cost of other programs into the Social Security Program to avoid a three-fifths vote to unbalance the budget. Exempting the Social Security trust fund would create an incentive for Congress to use the trust fund as an instrument of countercyclical stimulus or social policy or other uses other than as a retirement program, threatening the ability of the trust fund to fulfill its obligations to retirees.

Fourth, Exempting Social Security from the amendment is unnecessary because it preserves the ability of Congress to protect Social Security, which is politically well-protected.

Does anybody doubt that Social Security would compete with any and all other Federal programs? I do not think anybody doubts that.

The current statutory protections for Social Security would not be eliminated by the amendment. Congress would be able to further protect Social Security in implementing legislation. Given political realities, Congress almost certainly would choose to protect Social Security.

The fifth reason why we should not go this route is that the concerns underlying this exemption are misplaced. The motivation for exemptions like this is to ensure that Social Security benefits will not be cut. This concern is misplaced for two reasons. First, passage of the balanced budget amendment does not in any way mean Social Security benefits will be reduced. It only requires Congress to choose among competing programs, and Social Security will compete very well. Second, the biggest threat to Social Security is our growing debt and concomitant interest payments, both because the effects of debt-related inflation hurt those on fixed incomes and because the Government's use of capital to fund debt slows productivity and income growth. They way to protect Social Security benefits is to support the balanced budget amendment and balance the budget so that the economy will grow, thereby fostering growth in Social Security tax revenues, and by requiring that the government have revenues to meet its obligations, including obligations to retirees.

For these reasons I urge the amendment be defeated.

Mr. MOYNIHAN. Mr. President, on Monday I spoke to the Senate at some length describing the economic policies of the Kennedy, Johnson, and Nixon administrations which were directed to the problems associated with persistent budget surpluses. It will no doubt surprise many persons now proposing to amend the Constitution so as to deal with the problem of persistent budget deficits to learn that only a few decades ago our tendencies appeared to be just the opposite of those of the last decade or so.

On Monday, I spoke to the long tradition that democracies were inherently disposed to vote themselves largess, a majority would abuse its responsibilities in one way or the other. But, in fact, two centuries of the American experience has not produced that, save for this particular time. It happened that, this morning, our hugely gifted Secretary of the Treasury, Mr. Robert Rubin, came before the Finance Committee with the President's budget and he showed the effect of the deficit reduction program which we put in place in this floor in moments of high drama in July, 1993, when we provided $500 billion in deficit reductions which, in turn, brought about a lowering of the deficit premium that had been riding on top of interest rates, such that in the end we had a cumulative effect of about $625 billion in deficit reduction.

That effect could be shown right here. This is Secretary Rubin's chart. It says, ''Spending on Government programs is less than taxes for the first time since the 1960's.'' A large event.

Now, when he says spending on Government programs, that is all Government programs excepting payment on the debt, which is not a program but a requirement.

With that provision, in 1994 to 1995, we will have a budget surplus of a little less than 1 percent, six-tenths of 1 percent, but a surplus for the period.

Now, that is in blue, as the distinguished Presiding Officer can see, as are these two blue bars over on the left side of the chart, which is the surplus of 1962 to 1965 under Presidents Kennedy and Johnson; 1966 to 1969, and that is President Johnson; and there was a slight surplus and then a slight deficit in the period 1970 to 1973 under President Nixon.

Our Government then ran surpluses, which its principal financial officer considered to be a major problem to the economy, that being an obstacle to full employment, which, under the Employment Act of 1946, was to be the largest economic goal of the country.

On Monday, I cited the Office of Management and Budget's explanation of the budget for fiscal 1973. This was written by George P. Schultz, then director of the newly established OMB, George Shultz, who was later a most eminent Secretary of the Treasury and Secretary of State. He stated as such:

> Budget policy. The full-employment budget concept is central to the budget policy of this Administration. Except in emergency conditions, expenditures should not exceed the level at which the budget would be balanced under conditions of full employment.

Which is to say he had built a deficit into the budget which was the difference between outlays and that would equal revenues at full employment and the actual revenues which came in from less than full employment. We were coping with surpluses, a lag in the revenues that come into the Government in the upward slope of the business cycle, and our disposition to spend, if you will, those revenues here in the Congress.

And once again this surplus in revenues as against programs has appeared. It comes miraculously, if you will, but not accidentally. That seems an oxymoron. But I do now know how many really believe that what we did in 1993 would have this result. But it has done, and there it is.

And my purpose in all this has been plain enough. I make the point that there is nothing inherent in American democracy that suggests we amend our basic and abiding law to deal with the fugitive tendencies of a given moment.

These are the tendencies, Mr. President. And, again, by sheer happenstance, I prepared these remarks to be given this afternoon. This morning the Secretary of the Treasury presented us this chart which shows us these tendencies. Right here goes the deficit of the period from the late 1970's to the early 1990's.

I rise today to provide documentation as to how a series of one-time events of the 1980's led to our present fiscal disorders even as events in the 1990's point to a way out of them; and, again, to state I prepared these remarks before I saw this chart. And, indeed, there you see that emergent surplus.

On January 26, at the request of Chairman BOB PACKWOOD, the Congressional Budget Office, in the person of Director Robert D. Reischauer, presented the Finance Committee with data comparing current economic forecast and budget projections with those made by CBO before the enactment of the Economic Recovery Tax Act of 1981, ERTA as it is generally known. Here is Dr. Reischauer's testimony.

> Unlike the current ''Economic and Budget Outlook'', CBO's budget reports issued before enactment of the 1981 tax cuts routinely projected that a continuation of current tax and spending laws would lead to large budget surpluses. CBO also warned that such levels of taxes and spending would act as a drag on the economy.

Mr. President, that is a direct continuation, that view, of the view that went from Walter Heller, as chairman of the Council of Economic Advisers in 1961 under President Kennedy, to Arthur Okun, as chairman under President Johnson, to Herbert Stein, as chairman under President Nixon, and budget directors such as Kermit Gordon and George Shultz. They saw the problems of the American Government very much in terms of persisting surpluses that depressed economic growth.

I continue Dr. Reischauer's testimony:

> The primary reason for those projections was that high inflation was expected to drive up revenues dramatically. Because key features of the Federal individual income tax were not automatically adjusted for inflation, periods of high inflation—such as the late 1970s and early 1980s—pushed individuals into higher tax rate brackets and caused revenues to increase rapidly. In response, policymakers cut taxes every few years on an ad hoc basis—five times in the 1970s, for instance.

Again, to try to reach back to a period which we seem to have forgot—and, in fairness, probably no more than a fifth of the Members of the House right now and somewhat more of the Senate were here in the 1970's who could remember that—but we cut taxes five times in the 1970's just to keep the surplus from growing too large.

Note the continuity of the problems faced by our analysts at the outset of

the 1980's with those faced at the outset of the 1960's. The Federal Government was running an unacceptable surplus; a sure remedy was to cut taxes. Dr. Reischauer continued:

Illustrating this dilemma, in its February 1980 report Five-Year Budget Projections: Fiscal Years 1981–1985, CBO projected that revenues collected under current tax law would climb from about 21 percent of GNP in 1981 to 24 percent by 1985. Simple arithmetic pointed to enormous surpluses in the outyears. For example, current-law revenues exceeded outlays by a projected $98 billion for 1984 and $178 billion for 1985. Similarly, in its July 1981 report Baseline Budget Projections: Fiscal Years 1982–1986, CBO projected budget surpluses of between $148 billion and $209 billion for 1986, depending on the economic assumptions used.

In the same report, CBO estimated that the 1981 tax cuts and other policies that were called for in May 1981 budget resolution would generate a balanced budget or a small deficit, roughly $50 billion by 1984—again, depending on the economic assumptions employed.

That budget background led to the 1981 tax cuts. Given the best information available at that time, the Congress and the Administration reasonably thought that significant budget surpluses loomed under current law. Analysts differed, however, on whether the 1981 tax cuts would put the government on a balanced-budget footing or would lead to small budget deficits.

The Economic Recovery Tax Act of 1981 passed the Senate by an overwhelming 67-to-8 vote. I voted for it with the same measure of confidence that had led me to support earlier tax cuts. This was a familiar situation; well enough understood.

So I and others thought. We were ruinously wrong. At a hearing of the Finance Committee on January 31, Dale Jorgenson, professor of economics at Harvard University, called the 1981 tax cut a fiscal disaster because the Federal Government stopped raising the revenue it needed.

In an instant, deficits, not surpluses, because our problem.

For certain, two things happened—beyond the bidding war that accompanied the enactment of ERTA, with Democratic Members of Congress seeking to outdo the new Republican administration. The first is the action of the Federal Reserve designed to bring down the double-digit inflation of the late 1970's. In a not unfamiliar sequence, the Fed brought down the economy with it. A deep, deep recession commenced. In 1982, the unemployment rate reached 9.7 percent, the highest rate recorded since the Employment Act of 1946. Revenues fell off precipitously, largely the result of recession, but more steeply owing to the 1981 rate cut.

Now to a second, and to my view, more important event. Beginning in the 1970's a body of opinion developed, principally within the Republican Party, which held that Government at the Federal level had become so large as to be unacceptably intrusive, even oppressive. There is a continuity here. All those years trying to spend down surpluses had indeed brought about a great increase in the size of Government. Of a sudden, deficits, if sizeable enough, gained a new utility. They could be used to reduce the size of Government.

This was a powerful idea. Indeed, in July 1980, I contributed an article to the New York Times which argued that, the Republicans had become the party of ideas and thus that ''could be the onset of the transformation of American politics.'' I argued:

Not by chance, but by dint of sustained and often complex argument there is a movement to turn Republicans into Populists, a party of the People arrayed against a Democratic party of the State.

This is the clue to the across-the-board Republican tax-cut proposal now being offered more or less daily in the Senate by Dole of Kansas, Armstrong of Colorado and their increasingly confident cohorts.

* * * * *

The Republicans' dominant idea, at least for the moment, seems to be that the social controls of modern government have become tyrannical or, at the very least, exorbitantly expensive. This oppression—so the strategic analysis goes—is made possible by taxation, such that cutting taxes becomes an objective in its own right, business cycles notwithstanding.

Similarly, ''supply-side'' economics speaks to the people as producers, as against the Government as consumer.

Within the Republican Party this is put forth as populism and argued for as such * * *. Asked by a commentator whether an across-the-board tax could rally lead to the needed increase in savings, a Republican Senator replied that he took for granted that the people would know what to do with their own money.

Then came the revolution.

Some 4 months after I wrote that article, a new Republican President was elected, himself much committed to this view, and his White House staff fair to obsessed with it. They welcomed deficits for reasons wholly at odds with their Democratic, or for that matter, Republican predecessors.

From the early 1980's, I found myself often on this Senate floor, and on several occasions in print, making the point that in the Reagan White House and Office of Management and Budget, a huge gamble was being made. A crisis was being created by bringing about deficits intended to force the Congress to cut back certain programs.

I encountered great difficulty getting this idea across. No one believed what I was saying. The intentional nature of the Reagan deficits was not understood or admitted at the time, nor has it been very widely acknowledged since. Yet it did happen, and it has been well documented.

In a television speech 16 days after his inauguration, President Reagan clearly stated it:

There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cut their extravagance by simply reducing their allowance.

The person principally involved, Mr. David Stockman, who was President Reagan's Director of the Office of Management and Budget, wrote a memoir of his time in Washington entitled, ''The Triumph of Politics.'' He described in detail what happened and how it went wrong: how the Reagan Revolution—as based on the immutability of the Laffer curve—had failed. According to Stockman, President Reagan's top economic advisers knew from the very beginning that supply-side economics would not and could not work.

That superb journalist and historian, Haynes Johnson, wrote of this in his wonderful book, ''Sleepwalking Through History: America Through the Reagan Years,'' published in 1991. Johnson writes that the Reagan team saw:

* * * the implicit failure of supply-side theory as an opportunity, not a problem * * *. [The] secret solution was to let the federal budget deficits rise, thus leaving Congress no alternative but to cut domestic programs.

I will simply quote a footnote on page 111, where Johnson says of this Senator:

[Stockman's] former mentor Moynihan was the first to charge that the Reagan Administration ''consciously and deliberately brought about'' higher deficits to force congressional domestic cuts. Moynihan was denounced and then proven correct, except that the cuts to achieve balanced budgets were never made and the deficits ballooned even higher.

David Stockman writes in his book, ''If I had to pinpoint the moment when I ceased to believe that the Reagan Revolution was possible, September 11, 1981 * * * would be it.'' It was then that Stockman realized that no huge spending cuts would ever come. He pleaded with the President and his colleagues in the Cabinet to do something. But nothing was done. The President had claimed he would use his pen to veto big spending appropriations bills. But of the reality, Stockman wrote:

* * * the President's pen remained in his pocket. He did not veto a single appropriations bill * * *. Come to think of it, he did use his pen—to sign them * * *. The 1983 deficit had * * * already come in at $208 billion. The case for a major tax increase was overwhelming, unassailable, inescapable, and self-evident. Not to raise taxes when all other avenues were closed was a willful act of ignorance and grotesque irresponsibility. In the entire twentieth-century fiscal history of the Nation, there has been nothing to rival it.

And so, President Reagan became the biggest spender of them all.

By the mid-1980's the Reagan transportation budget in constant dollars topped Jimmy Carter's best year by 15 percent, Johnson's by about 40 percent, and Kennedy's by 50 percent. Big Government? That was something for the speechwriters to fight as long as they didn't mention any names * * *. Spending continued largely unabated in all cases.

I recall George Will speaking to a group of businessmen at breakfast in about 1984 and saying, ''I have a door prize of a toaster for anyone who can name one program that President Reagan promised to cut during his 1984

Presidential campaign.'' Everyone in the room started looking around at his or her neighbor, clearly wondering, ''Why can't I remember one?'' Whereupon Mr. Will came to their rescue, ''Don't feel bad about your memory. There was none.''

They created a crisis. We indulged ourselves, in the early 1980's, in a fantasy of young men who perhaps had too much power and too little experience in the real world. They thought they could play with fire, create a crisis. Well, the fire spread, and the numbers—the damages—are well known to all of us. On January 20, 1981, the Federal debt stood at $940.5 billion, which was no great cause for concern. Eight years later, it was $2.86 trillion. What had taken our Nation nearly two centuries to amass had been tripled in just 8 years. By the end of 1992, it was just over $4 trillion.

On December 31, 1983, I published an article in the New Republic entitled, ''Reagan's Bankrupt Budget,'' in which I noted, ''The projected 8-year growth is $1.64 trillion, bringing us to a total debt, by 1989, of $2.58 trillion.'' As it turned out, the total debt in 1989 was $2.86 trillion. Not bad shooting. Four years later it was a little over $4 trillion.

I have spoken of two events of the 1980's. First, the tax cuts of 1981 followed by the severe recession of 1982. Next, the development within the incumbent administration of a grand strategy of using deficits to bring about a reduction in the size of Government, followed by a disinclination to cut specific programs. Mr. Stockman's memoirs provide graphic examples of this latter development, including the celebrated counsel he gave the President on how much to cut them. Let me in passing mention a possible third event which led in part to the great increase in debt during the 1980's. This was recently alluded to by Lawrence J. Korb in an article in the Washington Post. Mr. Korb, now at the Brookings Institution, contends that ''the Reagan buildup'' of the military was part of a deliberate strategy of engaging the Soviet Union in an arms race that would leave them bankrupt. The buildup, Mr. Korb continues:

> * * * was based not on military need but upon a strategy of bankrupting the Soviet Union. If the Reagan administration had budgeted only for military purposes, the 1985 budget would have been some $80 billion less. The 1995 defense budget is still at about 85 percent of its average Cold War level, and actually higher [even in inflation adjusted dollars] than it was in 1955 [under Eisenhower] and in 1975 [under Nixon], when the Soviet Empire and Soviet Union were alive and well.

It is difficult to have been in Washington in those times and not to have been aware of such thinking in the environs of the White House. For the first 4 years of the Reagan administration, I was vice chairman of the Senate Select Committee on Intelligence, and one heard such thoughts. By this time, I was convinced that the Soviet Union would soon break up along ethnic lines and largely in consequence of ethnic conflict, and so was perhaps more attentive than some. Certainly, Raymond L. Garthoff, in his study, ''The Great Transition, American-Soviet Relations and the End of the Cold War'' [Brookings, 1994] holds to the view that something of this sort took place.

He writes:

> A final element in President Reagan's personal view was that not only was the Soviet system ideologically bankrupt and therefore vulnerable, but that it was also stretched to the utmost by Soviet military efforts and therefore unable to compete in an intensified arms race. As he put it in a talk with some editors, ''They cannot vastly increase their military productivity because they've already got their people on a starvation diet . . . if we show them [we have] the will and determination to go forward with a military buildup . . . they then have to weigh, do they want to meet us realistically on a program of disarmament or do they want to face a legitimate arms race in which we're racing. But up until now, we've been making unilateral concessions, allowing ours to deteriorate, and they've been building the greatest military machine the world has ever seen. But now they're going to be faced with [the fact] that we could go forward with an arms race and they can't keep up.'' The Soviet system was indeed under growing strain, as would become increasingly evident throughout the 1980s. But most of the premises underlying Reagan's viewpoint were highly questionable: that the United States had not also been active in the arms competition and had been making unilateral concessions, that the Soviet Union was unable to match adequately a further American buildup, and that the Soviet Union would respond to such a buildup by accepting disarmament proposals that the United States would regard as ''realistic'' (that is, would favor the United States more than the SALT II Treaty that had been produced under the strategic arms limitations talks [SALT] conducted by the three preceding administrations but not ratified). But whatever their merit, they represented the thinking of the new president and his administration.

Just how much this thinking deepened the deficits of the 1980's is difficult to assess. It is now more a matter for historians. But it can hardly have helped. And so we come to a compound irony. The great struggles over the nature of the American economic system that dated from the Progressive Era to the New Deal ended in a quiet acceptance of the private enterprise economy so long as government could pursue policies that produced relatively full employment. Hardly a revolutionary notion, but surely an honorable undertaking. Even so, for the first time, it disposed American government toward deficit financing. Nothing huge; nothing unmanageable; but real.

In 1965, in the first article in the first issue of The Public Interest entitled, ''The Professionalization of Reform,'' I set forth the now somewhat embarrassing proposition that Keynesian economics in combination with the statistical feats such as those of the National Bureau of Economic Research, founded by Wesley C. Mitchell at Columbia University, invested us with unimagined powers for social good. I was not entirely wrong.

> Governments promise full employment—and then produce it. (in 1964 unemployment, adjusted to conform more or less to United States' definitions, was 2.9 percent in Italy, 2.5 percent in France and Britain, and 0.4 percent in Germany. Consider the contrast with post-World War I.) Governments undertake to expand their economy at a steady rate—and do so. (In 1961 the members of the Organization for Economic Cooperation and Development, which grew out of the Marshall Plan, undertook to increase their output by 50 percent during the decade of the 1960's. The United States at all events is right on schedule.)
>
> The ability to predict events, as against controlling them, has developed even more impressively—the Council of Economic Advisers' forecast of GNP for 1964 was off by only $400 million in a total of $623 billion; the unemployment forecast was on the nose.

And yet I did not entirely see—did not at all see—the serpent lurking in that lovely garden.

> The singular nature of the new situation in which the Federal government finds itself is that the immediate supply of resources available for social purposes might actually outrun the immediate demand of established programs. Federal expenditures under existing programs rise at a fairly predictable rate. But, under conditions of economic growth, revenues rise faster. This has given birth to the phenomenon of the ''fiscal drag''—the idea that unless the Federal Government disposes of this annual increment, either by cutting taxes or adding programs, the money taken out of circulation by taxes will slow down economic growth, and could, of course, at a certain point stop it altogether.

Which is to say, deficit spending as public policy. How that would have troubled FDR. On election night of 1936, he was at Hyde Park surrounded by friends and overwhelmed by the electoral returns. The New Deal was triumphant. And so, as Alan Brinkley notes in his forthcoming study, ''The End of Reform: New Deal Liberalism in Recession and War,'' a few days later, boarding a train to return to Washington, he told well-wishers, ''Now I'm going back * * * to do what they call balance the budget and fulfill the first promise of the campaign,'' which in 1932 had been to balance the budget.

In much this manner, the great struggle with the Marxist-Leninist vision of the future, and its concrete embodiment in the Soviet Union, ended with the most assertively conservative administration of the post-New Deal, assertively opposed to deficit spending of any kind, more or less clandestinely pursuing just the opposite course.

And yet, may we not agree that both these tendencies are now abated, if not altogether spent? A post-Keynesian economics is no longer as confident of fiscal policy as was an earlier generation. A post-cold-war foreign policy has no need to concern itself with bankrupting the Soviet Union: the region is quite bankrupt enough, and indeed, receives American aid. Can we not then look upon our present debt much as the Truman and Eisenhower administrations looked upon the debt incurred

during World War II. Pay it off and get on with the affairs of the Nation. World War II, and the cold war were fought, in a legitimate sense, to defend the Constitution of the United States against all enemies, foreign and domestic. It would be awful if in this moment of victory we should choose to mutilate the basic law of the land for which so much was sacrificed.

Mr. HATCH. I have much more to say. But I am prepared, if the majority leader is willing, to bring the Senate today to a close.

So I will suggest the absence of a quorum and see if we can get that done.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Madam 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. HATCH. Madam President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak therein for not to exceed 5 minutes each.

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

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY WITH IRAQ—MESSAGE FROM THE PRESIDENT—PM 12

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of August 2, 1994, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq), then or thereafter located in the United States or within the possession or control of a United States person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. United States persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

Executive Order No. 12817 was issued on October 21, 1992, to implement in the United States measures adopted in United Nations Security Council Resolution 778 of October 2, 1992. Resolution No. 778 requires U.N. Member States temporarily to transfer to a U.N. escrow account up to $200 million apiece in Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq, to finance Iraqi's obligations for U.N. activities with respect to Iraq, such as expenses to verify Iraqi weapons destruction, and to provide humanitarian assistance in Iraq on a nonpartisan basis. A portion of the escrowed funds will also fund the activities of the U.N. Compensation Commission in Geneva, which will handle claims from victims of the Iraqi invasion of Kuwait. Member States also may make voluntary contributions to the account. The funds placed in the escrow account are to be returned, with interest, to the Member States that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the U.N. Security Council. No Member State is required to fund more than half of the total transfers or contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders Nos. 12724 and 12817 (the ''Executive orders''). The report covers events from August 2, 1994, through February 1, 1995.

1. There has been one action affecting the Iraqi Sanctions Regulations, 31 C.F.R. Part 575 (the ''Regulations''), administered by the Office of Foreign Assets Control (FAC) of the Department of the Treasury, since my last report on August 2, 1994. On February 1, 1995 (60 Fed. Reg. 6376), FAC amended the Regulations by adding to the list of Specially Designated Nationals (SDNs) of Iraq set forth in Appendices A (''entities and individuals'') and B (''merchant vessels''), the names of 24 cabinet ministers and 6 other senior officials of the Iraqi government, as well as 4 Iraqi state-owned banks, not previously identified as SDNs. Also added to the Appendices were the names of 15 entities, 11 individuals, and 1 vessel that were newly identified as Iraqi SDNs in the comprehensive list of SDNs for all sanctions programs administered by FAC that was published in the Federal Register (59 Fed. Reg. 59460) on November 17, 1994. In the same document, FAC also provided additional addresses and aliases for 6 previously identified Iraqi SDNs. This Federal Register publication brings the total number of listed Iraqi SDNs to 66 entities, 82 individuals, and 161 vessels.

Pursuant to section 575.306 of the Regulations, FAC has determined that these entities and individuals designated as SDNs are owned or controlled by, or are acting or purporting to act directly or indirectly on behalf of, the Government of Iraq, or are agencies, instrumentalities or entities of that government. By virtue of this determination, all property and interests in property of these entities or persons that are in the United States or in the possession or control of United States persons are blocked. Further, United States persons are prohibited from engaging in transactions with these individuals or entities unless the transactions are licensed by FAC. The designations were made in consultation with the Department of State. A copy of the amendment is attached to this report.

2. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. The FAC continues its involvement in lawsuits, seeking to prevent the unauthorized transfer of blocked Iraqi assets. There are currently 38 enforcement actions pending, including nine cases referred by FAC to the U.S. Customs Service for joint investigation. Additional FAC civil penalty notices were prepared during the reporting period for violations of the International Emergency Economic Powers Act and the Regulations with respect to transactions involving Iraq. Four penalties totaling $26,043 were collected from two banks, one company, and one individual for violations of the prohibitions against transactions involving Iraq.

3. Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to FAC's listing of individuals and organizations determined to be SDNs of the Government of Iraq.

4. Pursuant to Executive Order No. 12817 implementing United Nations Security Council Resolution No. 778, on October 26, 1992, FAC directed the Federal Reserve Bank of New York to establish a blocked account for receipt of certain post August 6, 1990, Iraqi oil sales proceeds, and to hold, invest, and transfer these funds as required by the order. On October 5, 1994, following payments by the Governments of Canada ($677,756.99), the United Kingdom ($1,740,152.44), and the European Community ($697,055.93), respectively, to the special United Nations-controlled account, entitled ''United Nations Security Council Resolution 778 Escrow Account,'' the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $3,114,965.36 from the blocked account it holds to the United Nations-controlled account. Similarly, on December 16, 1994, following the payment of $721,217.97 by the Government of the Netherlands, $3,000,891.06 by the European Community, $4,936,808.84 by the Government of the United Kingdom, $190,476.19 by the Government of France, and $5,565,913.29 by the Government of Sweden, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $14,415,307.35 to the United Nations-controlled account. Again, on December 28, 1994, following the payment of $853,372.95 by the Government of Denmark, $1,049,719.82 by the European Community, $70,716.52 by the Government of France, $625,390.86 by the Government of Germany, $1,151,742.01 by the Government of the Netherlands, and $1,062,500.00 by the Government of the United Kingdom, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $4,813,442.16 to the United Nations controlled account. Finally, on January 13, 1995, following the payment of $796,167.00 by the Government of the Netherlands, $810,949.24 by the Government of Denmark, $613,030.61 by the Government of Finland, and $2,049,600.12 by the European Community, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $4,269,746.97 to the United Nations-controlled account. Cumulative transfers from the blocked Federal Reserve Bank of New York account since issuance of Executive Order No. 12817 have amounted to $157,542,187.88 of the up to $200 million that the United States is obligated to match from blocked Iraqi oil payments, pursuant to United Nations Security Council Resolution 778.

5. The Office of Foreign Assets Control has issued a total of 533 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Since my last report, 37 specific licenses have been issued. Licenses were issued for transactions such as the filing of legal actions against Iraqi governmental entities, legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, food intended for humanitarian relief purposes, the execution of powers of attorney relating to the administration of personal assets and decedents' estates in Iraq, and the protection of preexistent intellectual property rights in Iraq.

6. The expenses incurred by the Federal Government in the 6-month period from August 2, 1994, through February 1, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national, emergency with respect to Iraq are reported to be about $2.25 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near East Affairs, the Bureau of Organization Affairs, and the Office of the Legal Adviser), and the Department of Transportation (particularly the U.S. Coast Guard).

7. The United States imposed economic sanctions on Iraq in response to Iraq's illegal invasion and occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with United Nations Security Council resolutions. Security Council resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. More than 4 years after the invasion, a pattern of defiance persists: a refusal to account for missing Kuwaiti detainees; failure to return Kuwaiti property worth millions of dollars, including weapons used by Iraq in its movement of troops to the Kuwaiti border in October 1994; sponsorship of assassinations in Lebanon and in northern Iraq; incomplete declarations to weapons inspectors; and ongoing widespread human rights violations. As a result, the U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continues to violate basic human rights of its own citizens through systematic repression of minorities and denial of humanitarian assistance. The Government of Iraq has repeatedly said it will not be bound by United Nations Security Council Resolution 688. For more than 3 years, Baghdad has maintained a blockade of food, medicine, and other humanitarian supplies against northern Iraq. The Iraqi military routinely harasses residents of the north, and has attempted to ''Arabize'' the Kurdish, Turcomen, and Assyrian areas in the north. Iraq has not relented in its artillery attacks against civilian population centers in the south, or in its burning and draining operations in the southern marshes, which have forced thousands to flee to neighboring States.

In 1991, the United Nations Security Council adopted Resolutions 706 and 712, which would permit Iraq to sell up to $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. The resolutions also provide for the payment of compensation to victims of Iraqi aggression and other U.N. activities with respect to Iraq. The equitable distribution within Iraq of this humanitarian assistance would be supervised and monitored by the United Nations. The Iraqi regime so far has refused to accept these resolutions and has thereby chosen to perpetuate the suffering of its civilian population. More than a year ago, the Iraqi government informed the United Nations that it would not implement Resolutions 706 and 712.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The U.N. resolutions require that the Security Council be assured of Iraq's peaceful intentions in judging its compliance with sanctions. Because of Iraq's failure to comply fully with these resolutions, the United States will continue to apply economic sanctions to deter it from threatening peace and stability in the region.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 8, 1995.*

REPORT ON THE OPERATION OF THE ANDEAN TRADE PREFERENCE ACT—MESSAGE FROM THE PRESIDENT—PM 13

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Finance.

To the Congress of the United States:

I hereby submit the first report on the Operation of the Andean Trade Preference Act. This report is prepared pursuant to the requirements of section 203 of the Andean Trade Preference Act of 1991.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 8, 1995.*

MESSAGES FROM THE HOUSE

At 11:43 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 665. An act to control crime by mandatory victim restitution.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 665. An act to control crime by mandatory victim restitution; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

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

EC–391. A communication from the chief of Legislative Affairs, Department of the Navy, transmitting, pursuant to law, notice relative to a lease with the Government of Brazil; to the Committee on Armed Services.

EC–392. A communication from the Deputy Assistant Secretary of Defense (Installations), transmitting, pursuant to law, a report entitled ''The Performance of Department of Defense Commercial Activities''; to the Committee on Armed Services.

EC–393. A communication from the Secretary of Housing and Urban Development's Designee to the Federal Housing Finance Board, transmitting, pursuant to law, the annual report on enforcement for calendar year 1994; to the Committee on Banking, Housing, and Urban Affairs.

EC–394. A communication from Secretary of Transportation, transmitting, pursuant to law, the report of recommendations from the National Transportation Safety Board; to the Committee on Commerce, Science, and Transportation.

EC–395. A communication from the Administrator of the Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report entitled ''Train Dispatchers Follow-up Review''; to the Committee on Commerce, Science, and Transportation.

EC–396. A communication from the Chief of the Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of the official boundary for the Clarks Fork Wild and Scenic River; to the Committee on Energy and Natural Resources.

EC–397. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–398. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the annual report of activities under the requirements of the Architectural Barriers Act; to the Committee on Environment and Public Works.

EC–399. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report on implementation of the Support for East European Democracy Act for fiscal year 1994; to the Committee on Foreign Relations.

EC–400. A communication from Director of the Office of Personnel Management, transmitting, pursuant to law, the report on locality pay for officers of the Secret Service Uniformed Division; to the Committee on Governmental Affairs.

EC–401. A communication from the Special Assistant to the President for Management and Administration, Director of the Office of Administration, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1994; to the Committee on Governmental Affairs.

EC–402. A communication from the Executive Director of the National Capital Planning Commission, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1994; to the Committee on Governmental Affairs.

EC–403. A communication from the Vice Chairman and Chief Financial Officer of the Potomac Power Company, transmitting, pursuant to law, the report of the uniform system of accounts for calendar year 1994; to the Committee on Governmental Affairs.

EC–404. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1994; to the Committee on Governmental Affairs.

EC–405. A communication from the Secretary of Labor, transmitting, pursuant to law, the report on the administration and enforcement of the Job Training Partnership Act for the period July 1, 1993 through June 30, 1994; to the Committee on Labor and Human Resources.

EC–406. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting, pursuant to law, the report on the American Red Cross for the period July 1, 1993 through June 30, 1994; to the Committee on Labor and Human Resources.

EC–407. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a report of proposed regulations; to the Committee on Rules and Administration.

EC–408. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a report of recommendations for legislative action; to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. HEFLIN:

S. 369. A bill to designate the Federal Courthouse in Decatur, Alabama, as the ''Seybourn H. Lynne Federal Courthouse'', and for other purposes; to the Committee on Environment and Public Works.

S. 370. A bill to provide guidelines for the membership of committees making recommendations on the rules of procedure appointed by the Judicial Conference, and for other purposes; to the Committee on the Judiciary.

S. 371. A bill to make administrative and jurisdictional amendments pertaining to the United States Court of Federal Claims and the judges thereof in order to promote efficiency and fairness, and for other purposes; to the Committee on the Judiciary.

S. 372. A bill to provide for making a temporary judgeship for the northern district of Alabama permanent, and creating a new judgeship for the middle district of Alabama; to the Committee on the Judiciary.

By Mr. BREAUX:

S. 373. A bill to amend the Solid Waste Disposal Act to provide for State management of solid waste, to reduce and regulate the interstate transportation of solid wastes, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KOHL:

S. 374. A bill to amend chapter 111 of title 28, United States Code, relating to protective orders, sealing of cases, disclosures of discovery information in civil actions, and for other purposes; to the Committee on the Judiciary.

By Mr. ABRAHAM:

S. 375. A bill to impose a moratorium on sanctions under the Clean Air Act with respect to marginal and moderate ozone nonattainment areas and with respect to enhanced vehicle inspection and maintenance programs, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KENNEDY:

S. 376. A bill to resolve the current labor dispute involving major league baseball, and for other purposes; read the first time.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEFLIN:

S. 369. A bill to designate the Federal Courthouse in Decatur, AL, as the ''Seybourn H. Lynne Federal Courthouse,'' and for other purposes; to the Committee on Environment and Public Works.

SEYBOURN H. LYNNE FEDERAL COURTHOUSE

Mr. HEFLIN. Mr. President, I rise today to introduce legislation designating the Federal courthouse in Decatur, AL, as the ''Seybourn H. Lynne Federal Courthouse.'' Judge Seybourn Harris Lynne was appointed to the Federal bench by President Harry S. Truman in 1946, and he is the most senior judge in the Federal court system. He has dedicated over 53 years of distinguished service to the judicial system, with 46 of those years spent on the U.S. District Court for the Northern District of Alabama.

Judge Lynne is a native of Decatur, AL, and Auburn University—at that time known as the Alabama Polytechnic Institute—where he graduated with highest distinction. He earned his law degree from the University of Alabama in 1930. While in law school, he served as track coach and assistant football coach at the university. Upon graduation from law school, Judge Lynne practiced law in a partnership formed with his father, Mr. Seybourn Arthur Lynne.

In 1934, Seybourn Lynne was elected judge of Morgan County court. He remained in that position until January 1941, when he took over the duties of judge of the Eighth Judicial Circuit of Alabama. In December 1942, he resigned from the bench to voluntarily enter the military. After earning the rank of lieutenant colonel, he was relieved of active duty in November 1945 and

awarded the Bronze Star Medal for gallant service against the enemy.

When an opening occurred on the Federal bench, Alabama Senators Lister Hill and John Bankhead were called up to recommend an appropriate individual to be considered by the White House for judgeship. In January 1946, President Truman appointed Judge Lynne to the U.S. District Court for the Northern District of Alabama. In 1953, he became the chief judge, and in 1973, the senior judge.

As chief judge for the northern district of Alabama, Judge Lynne has been known as an outstanding leader. His knowledge and management skills ensured a solid, working relationship between the Federal bench and the bar. The northern district has not been burdened with a stale and over-ripe docket, and the court's caseload was kept timely and current, thanks to the Judge Lynne's leadership.

In addition to his leadership responsibilities, Judge Lynne worked hard and carried a full caseload. In fact, even in senior status, he continues to work long hours and keeps a complete docket of cases. Over the years, Judge Lynne has been recognized as an outstanding mediator who often was able to reconcile competing interests in order to forge a thoughtful compromise. A number of businesses and individuals in Alabama are growing and thriving today due to his abilities as an arbiter who was able to settle complex and difficult disputes.

The judge has also been a notable community leader, serving in church, civic, and professional activities. He is a lifetime deacon, Bible class teacher, and a trustee of Southside Baptist Church. He has served both the crippled children's clinic of Birmingham and the Eye Foundation Hospital of Birmingham as trustee. In 1967, he served as the president of the University of Alabama's Alumni Association.

Mr. President, it is indeed fitting to honor Judge Lynne for his many years of tireless work on behalf of the State and Federal benches. He shines as a living example of the late President Truman's rich legacy, and designating the Federal courthouse in Decatur, AL in his honor will remain generations to come of his service to our country.

By Mr. HEFLIN:

S. 370. A bill to provide guidelines for the membership of committees making recommendations on the rules of procedure appointed by the Judicial Conference, and for other purposes; to the Committee on the Judiciary.

U.S. JUDICIAL CONFERENCE LEGISLATION

Mr. HEFLIN. Mr. President, sections 2071 through 2077 of title 28 of the United States Code are the cluster of statutory provisions authorizing the Supreme Court to issue the rules under which the various Federal courts function. While there have been many amendments to these sections over the years, the group is commonly referred to as the Rules Enabling Act. The original act, adopted in 1934, did not provide for committees to aid the Supreme Court in exercising this responsibility, but Chief Justice Hughes decided to appoint an advisory committee, whose original membership consisted of 13 members. Former Attorney General William Mitchell chaired the committee, which contained four law professors and eight very distinguished lawyers, including the president of the American Bar Association and the president of the American Law Institute. Between 1935 and the final promulgation of the rules in 1938, there were some changes in the personnel. Four practicing lawyers, two professors, and one district court judge became members of the committee. For the stupendous impact on the legal system of America, no subsequent rules have had the dynamic quality of those original rules.

Over time, Congress has refined the system. The assistance of the committees is now regularized by statute—see 28 U.S.C. section 2073(a)(2)—and this section of the statute provides that the various committees, like the early committee, ''shall consist of members of the bench and the professional bar and trial and appellate judges.'' The members are appointed by the Chief Justice of the United States.

The rulemaking system, as spread over the various branches of the court system with rules of civil, criminal, appeals, evidence, bankruptcy, and so forth, has on the whole worked fairly well. Suffice it to say that today the rules pass from advisory committees to a central standing committee, and from there go to the Judicial Conference of the United States, which does in fact exercise a meaningful supervisory function. For example, last year the conference deleted a rule which had been recommended to it by the committee structure in the civil field. After the conference approves a rule, it then passes to the Supreme Court of the United States, whose members have somewhat differing views as to what function they can be expected actually to perform; there is some sentiment for letting the process stop with the Judicial Conference. Next, the rules pass to Congress, and if it does not disapprove them within 180 days, they become effective.

I turn now to the exact matter at issue. I can most easily do so by quoting from a statement by the American Bar Association, dated March 28, 1994, to the relevant committee of the Judicial Conference:

> In 1935, when work was begun on the Federal rules, the advisory committee that did the drafting was comprised of nine lawyers and four academics; there were no judges involved. In 1960, when the advisory committee was reconstituted, a majority of its members were practicing lawyers. As late as 1981, 40 percent of the advisory committee were practitioners. Today, no more than 4 members of the key panel of 13 civil rules drafters are trial lawyers. While the inclusion of judges in the process has had undoubted benefit, the near-total exclusion of practicing trial lawyers has skewed the process and its product. We are not confident, as a consequence, that the process has produced rules that respond to the concerns of litigants and the lawyers who represent them in court. This trend must be reversed and lawyers restored to a position of real responsibility in the rules drafting process. In order to do this most effectively, and to benefit from the positive and valuable contributions of practicing lawyers to the rules process, the membership on all the advisory committees should be expanded to include more bar representation.

I believe this position is well taken. Clearly a gulf has arisen between the rulemakers and the bar, which must live under those rules. In connection with the civil rules of last year, the Judiciary Subcommittee on Courts and Administrative Practice, which I chair, held hearings on the proposed rules changes, and we were overwhelmed by representatives of the bar strenuously objecting to several of the proposed rule changes. Both the House and Senate relevant committees concluded that the bar protests should be honored and that the rules should be changed; however, tangles in our own procedures prevented the more objectionable proposals from being deleted and all of the proposed changes went into effect on December 1, 1993.

The bill I offer today will restore the composition of these committees which existed from the original rules in 1935 until approximately 1980 and which have been altered only in very recent times.

This bill provides that a majority of all the rules committees shall be drawn from the practicing bar. It by no means diminishes the valuable role of academics and of judges, but it would restore to the bar a voice of responsibility.

At the present time, under our statutes, the rules committees conduct extensive hearings. These become so crowded that individual presentations are necessarily brief, but they are balanced in the sense of giving broad scope to those who may participate. What is presented at those hearings, what is developed by the committee reporters and staff, and what is proposed by the various committee members themselves are all put into a mix which must be finally shaped by the committee itself. In my judgment, those committees are seriously lacking in balance. Their work product goes to the Judicial Conference, by definition composed entirely of judges; and assuming that the Supreme Court stays in the process, then to that body which is of course composed entirely of judges. Somewhere in the process, making rules under which the courts shall function and the bar of the country shall do its business, there should be more room for the effective voice of the bar itself.

My proposal does not limit the broad discretion of the Chief Justice of the United States, who will continue to select the membership of the various

committees subject only to the restriction that a majority should be members of the bar. I comfortably leave it to his good judgment as to how to achieve balanced committees.

I offer this bill, to provide that the majority of the various committees shall be composed of practicing lawyers, in order to restore that balance, and I urge its consideration by my colleagues in the Senate. Mr. President, I request unanimous consent that the text of the bill be included in the RECORD.

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

S. 370

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

SECTION 1. MEMBERSHIP OF COMMITTEES MAKING RECOMMENDATIONS ON RULES OF PROCEDURE.

Section 2073(a)(2) of title 28, United States Code, is amended by striking out the second sentence and inserting in lieu thereof ''Each such committee shall have a majority of members of the practicing bar, and also shall have members of the bench (including trial and appellate judges) and academics.''.

By Mr. HEFLIN:

S. 371. A bill to make administrative and jurisdictional amendments pertaining to the United States Court of Federal Claims and the judges thereof in order to promote efficiency and fairness, and for other purposes; to the Committee on the Judiciary.

FEDERAL CLAIMS ADMINISTRATION ACT

Mr. HEFLIN. Mr. President, I rise today to introduce legislation to amend title 28 of the United States Code to improve the Federal Claims litigation process before the United States Court of Federal Claims and to assist the court in providing complete justice in cases that come before it. This legislation will also insure fair treatment for the regular and senior judges of the court by providing certain benefits equivalent to those available to other Federal trial judges. Enactment of this bill will provide the citizens of the United States with a more fair and complete remedy and the United States with a more effective forum for the resolution of claims against the Government.

The Court of Federal Claims is the Nation's primary forum for monetary claims against the Federal Government. The court has jurisdiction to entertain suits for money against the United States that are founded upon the Constitution, an act of Congress, an Executive order, a regulation of an executive department, or contract with the United States and that do not sound in tort. The court hears major patent cases, Government contract suits, tax refund suits, fifth amendment takings cases and Indian claims, among other types of lawsuits. This national court and its judges hear cases in every State and territory of the United States for the convenience of the litigants, the witnesses and the Government. This benefits our judicial system and Nation by making the promise of fair dealing a reality.

The legislation that I am introducing today will make administrative and jurisdictional changes with the result that the court's resources are preserved and utilized to the maximum extent and the jurisdiction of the court is clarified for the benefit of all. The ultimate result will be a more user-friendly forum which gets to the merits of controversies faster. In a moment, I will comment on all of the various sections of the bill, but first I would like to take this opportunity to comment on the need for the jurisdictional provisions of the bill.

A potential litigant should be able to examine chapter 91 of title 28, United States Code, which commences with the Tucker Act, section 1491, and to determine whether the court has jurisdiction of his claim and what relief is available. Of course, there are miscellaneous other provisions extending jurisdiction to the Court of Federal Claims, for example, 28 U.S.C. section 1346(a)(1), tax refund suits; 42 U.S.C. section 300aa–11, Vaccine-injury compensation cases; and 50 U.S.C. app. section 1989b-4(h), Japanese internment compensation appeals.

Chapter 91 of title 28 should be sufficiently clear so that even lawyers throughout the country who rarely handle claims against the Government could consult the code and find reliable answers. Regrettably, this is not the current situation. Instead, a typical claimant is met with a barrage of assertions that the court lacks jurisdiction to address the claim and/or lacks power to award relief requested even in those cases where jurisdiction is conceded.

The amendments relating to jurisdiction in section 8 of the bill will result in clarity that will make access to the courts less costly by permitting the court to get to the real merits of the cases, rather than waste resources dealing with preliminary and peripheral issues, and these changes will result in real civil justice reform.

The legislation that I am introducing today will repeal 28 U.S.C. 1500, which has heretofore denied Court of Federal Claims jurisdiction over any claim with respect to which the plaintiff has pending a suit in any other court. Although, on its face, section 1500 may appear to prevent wasteful duplication, in practice it has had precisely the opposite effect. Elimination of this jurisdictional bar to suits related to cases in other courts will eliminate much wasteful litigation over nonmerits issues and will leave the court free to deal with potential duplication through the discretionary means of staying arguable duplicative litigation, if the matter is being addressed in another forum, or of proceeding with the case, if the matter appears to be stalled in the other forum.

As currently construed section 1500 does not permit duplication of suits even if the Court of Federal Claims action was filed first and has received concentrated attention over a number of years. This situation can result in a major waste of resources by litigants and the court. Repeal of section 1500 will also allow the plaintiff to protect itself against the running of the statue of limitations by the wrong initial choice in this confusing area.

In this day of electronic communication, computer tracking of cases and centralized docket control by the justice department, the Government will always know if a related claim is pending in two different courts and can request exercise of discretion by one or both courts to prevent duplicative litigation. Repeal of section 1500 would save untold wasted effort litigating over such marginal issues as whether a claim in the district court really is the same as one in the Court of Federal Claims.

Further, in cases which constitute review of administrative agency action, the potential litigant should be able to know with absolute certainty what standard of review will be applied. In the proposed bill, the standard of review in the Administrative Procedure Act of 1946 will be made explicitly applicable. Although one would naturally assume from the face of 5 U.S.C. section 706 that these standards already apply in the Court of Federal Claims, there is some doubt and confusion over precisely which standards apply and the source of such standards. The proposed bill will end this confusion so that potential and actual litigants can know with certainty which standards will apply and where to find them.

No legitimate interests are served by having the parties guess and litigate about the extent of the court's jurisdiction and powers or over the standard of review applicable in agency-review cases. Enactment of this bill will end such waste and keep everyone's focus on the merits of a given case and effective steps toward resolution of controversy. It will instill confidence that in the Court of Federal Claims, and every litigant, including the Government, will receive prompt and efficient justice.

Let me provide a brief summary of my bill:

Section 1 states that this act shall be cited as the ''Court of Federal Claims Administration Act.''

Section 2 will provide that in the event a judge is not reappointed, the judge will nonetheless remain in regular active status until his or her successor is appointed and takes office, thus insuring that the court will always have a full compliment of regular active judges.

Section 3 will provide that judges of the Court of Federal Claims shall have authority to serve on the territorial courts when, and only when, their services are needed and are requested by or on behalf of such courts.

Section 4 will simply clarify what is already assumed by all concerning the official duty station of retired judges on senior status. It will provide that the place where a retired judge of the Court of Federal Claims maintains his or her actual residence shall be deemed to be his or her official duty station. This is consistent with the current provision applicable to other Federal trial courts.

Section 5 will provide for Court of Federal Claims membership on the Judicial Conference of the United States. Currently, there is no Court of Federal Claims representation on the judicial conference, even though the court is within the jurisdiction of the conference and derives its funding and administrative support from the administrative office of the U.S. courts which in turn operates under the supervision and direction of the judicial conference.

Section 6 will provide that the chief judge of the Court of Federal Claims may call periodic judicial conferences, which will include active participation of the bar, to consider the business of the court and improvements in the administration of justice in the court. This will make explicit the authority which has traditionally been assumed and exercised by the court in conducting its business.

Section 7 will amend section 797 of title 28 to provide that the chief judge of the Court of Federal Claims is authorized to recall a formerly disabled judge who retires under the disability provisions of court's judicial retirement system if there is adequate demonstration of recovery from disability. This provision will match one currently applicable to formerly disabled judges of other Federal courts and will ensure maximum use of all available resources to deal with the court's caseload.

Section 8 makes several modifications to statutory provisions pertaining to Court of Federal Claims jurisdiction in order to save recurring litigation regarding where claims should be filed, to define what judicial powers the court may exercise, and to specify what standards of review will apply in certain cases. Together, these changes will save untold resources of litigants and the court, and will make the court a more efficient forum for lawyers and parties to litigate their monetary claims against the Government.

In addition, this section would extend to the court ancillary jurisdiction under the Federal Tort Claims Act when such a claim is directly related to one otherwise plainly within the subject-matter jurisdiction of the court. This will avoid wasteful and duplicative litigation by authorizing the Federal Claims Court to address and dispose of the entire controversy in cases within its jurisdiction when a related claim, although sounding in tort, may fairly be deemed to arise from the same operative facts as the primary claim within the court's jurisdiction.

Section 9 will ensure that Court of Federal Claims judges over age 65 who are on senior status will receive the same treatment as other Federal trial judges on senior status insofar as Social Security taxes and payments are concerned.

Section 10 amends title 28 to clarify that the judges of the Court of Federal Claims are judicial officers eligible for coverage under annuity, insurance, and other programs available under title 5 of the United States Code and will extend to those judges the opportunity to continue Federal life insurance coverage after retirement in the same manner as all other Federal trial judges in the judicial branch.

In summary, this bill will make the Court of Federal Claims more efficient and productive, resulting in benefits to the litigating public, the Government and the country as a whole. The United States Court of Federal Claims is an important part of the Federal court system. The creation of this court by the Congress responds to a very basic democratic imperative—fair dealing by the Government in disputes between the Government and the private citizen. As Abraham Lincoln noted: ''It is as much the duty of the Government to render prompt justice against itself, in favor of citizens, as it is to administer the same, between private individuals.'' These amendments will allow it to better comply with its mandate and assist it in providing improved service to litigants and to the entire country.

I urge my colleagues to support this legislation.

Mr. President, I request unanimous consent that the text of the bill be included in the RECORD.

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

S. 371

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Court of Federal Claims Administration Act of 1995''.

SEC. 2. EXTENDED SERVICE.

Section 172(a) of title 28, United States Code, is amended by adding at the end thereof the following new sentence: ''If a judge is not reappointed, such judge may continue in office until a successor is appointed and takes office.''.

SEC. 3. SERVICE ON TERRITORIAL COURTS.

Section 174 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

''(c) Upon request by or on behalf of a territorial court and with the concurrence of the chief judge of the Court of Federal Claims and the chief judge of the judicial circuit involved based upon a finding of need, judges of the Court of Federal Claims shall have authority to conduct proceedings in the district courts of territories to the same extent as duly appointed judges of those courts.''.

SEC. 4. RESIDENCE OF RETIRED JUDGES.

Section 175 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

''(c) Retired judges of the Court of Federal Claims are not subject to restrictions as to residence. The place where a retired judge maintains the actual abode in which such judge customarily lives shall be deemed to be the judge's official duty station for the purposes of section 456 of this title.''.

SEC. 5. JUDICIAL CONFERENCE PARTICIPATION.

Section 331 of title 28, United States Code, is amended—

(1) by inserting in the first sentence of the first undesignated paragraph ''the chief judge of the United States Court of Federal Claims,'' after ''Court of International Trade,'';

(2) by inserting in the first sentence of the third undesignated paragraph ''the chief judge of the United States Court of Federal Claims,'' after ''the chief judge of the Court of International Trade,''; and

(3) by inserting in the first sentence of the third undesignated paragraph ''or United States Court of Federal Claims,'' after ''any other judge of the Court of International Trade,''.

SEC. 6. COURT OF FEDERAL CLAIMS JUDICIAL CONFERENCE.

(a) IN GENERAL.—Chapter 15 of title 28, United States Code, is amended by adding at the end thereof the following new section:

''§ 336. Judicial Conference of the Court of Federal Claims

''(a) The chief judge of the Court of Federal Claims is authorized to summon annually the judges of such court to a judicial conference, at a time and place that such chief judge designates, for the purpose of considering the business of such court and improvements in the administration of justice in such court.

''(b) The Court of Federal Claims shall provide by its rules or by general order for representation and active participation at such conference by members of the bar.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The table of sections of chapter 15 is amended by adding the following new item:

''336. Judicial Conference of the Court of Federal Claims.''.

SEC. 7. RECALL OF JUDGES ON DISABILITY STATUS.

Section 797(a) of title 28, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a)''; and

(2) by adding at the end thereof the following new paragraph:

''(2) Any judge of the Court of Federal Claims receiving an annuity pursuant to section 178(c) of this title (relating to disability) who, in the estimation of the chief judge, has recovered sufficiently to render judicial service, shall be known and designated as a senior judge and may perform duties as a judge when recalled pursuant to subsection (b) of this section.''.

SEC. 8. JURISDICTION.

(a) CLAIMS AGAINST THE UNITED STATES GENERALLY.—Section 1491(a) of title 28, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting ''for monetary relief'' after ''any claim against the United States''; and

(B) by striking out ''or for liquidated or unliquidated damages'';

(2) in paragraph (2)—

(A) by inserting ''(A) In any case within its jurisdiction, the Court of Federal Claims shall have the power to grant injunctive and declaratory relief when appropriate.'' after ''(2)'';

(B) by striking out the last sentence; and

(C) by adding at the end thereof the following new subparagraph:

''(B) The Court of Federal Claims shall have jurisdiction to render judgment upon any claim by or against, or dispute with, a contractor arising under section 10(a)(1) of

the Contract Disputes Act of 1978 (41 U.S.C. 609(a)(1)), including a dispute concerning termination of a contract, rights in tangible or intangible property, compliance with cost accounting standards, and other nonmonetary disputes on which a decision of the contracting officer has been issued under section 6 of that Act (41 U.S.C. 605).''; and

(3) by adding at the end thereof the following new paragraphs:

''(4) In cases otherwise within its jurisdiction, the Court of Federal Claims shall also have ancillary jurisdiction, concurrent with the courts designated in section 1346(b) of this title, to render judgment upon any related tort claim authorized by section 2674 of this title.

''(5) In cases within the jurisdiction of the Court of Federal Claims which constitute judicial review of agency action, the provisions of section 706 of title 5 shall apply.''.

(b) PENDING CLAIMS.—(1) Section 1500 of title 28, United States Code, is repealed.

(2) The table of sections for chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1500.

SEC. 9. SENIOR STATUS PROVISION.

Section 178 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

''(m) For the purposes of applying section 3121(i)(5) of the Internal Revenue Code of 1986 and section 209(h) of the Social Security Act (42 U.S.C. 409(h)), the annuity of a Court of Federal Claims judge on senior status after age 65 shall be deemed to be an amount paid under section 371(b) of this title for performing services under the provisions of section 294 of this title.''.

SEC. 10. MISCELLANEOUS PROVISION.

(a) IN GENERAL.—Chapter 7 of title 28, United States Code, is amended by adding after section 178 the following new section:

''§ 179. Court of Federal Claims judges as officers of the United States

''(a) For the purpose of applying the provisions of title 5, a judge of the United States Court of Federal Claims shall be deemed to be an ''officer'' as defined under section 2104(a) of title 5.

''(b) For the purpose of applying chapter 87 of title 5, a judge of the United States Court of Federal Claims who is retired under section 178 of this title shall be deemed to be a judge of the United States as defined under section 8701(a)(5)(ii) of title 5.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 7 of title 28, United States Code, is amended by adding at the end thereof the following new item:

''179. Court of Federal Claims judges as officers of the United States.''.

SEC. 11. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

By Mr. HEFLIN:

S. 372. A bill to provide for making a temporary judgeship for the northern district of Alabama permanent, and creating a new judgeship for the middle district of Alabama; to the Committee on the Judiciary.

JUDGESHIPS FOR U.S. DISTRICT COURTS LEGISLATION

Mr. HEFLIN. Mr. President, I rise today to offer a bill to provide for making a temporary judgeship for the northern district of Alabama permanent, and creating a new judgeship for the middle district of Alabama. The need for these judgeships has arisen pursuant to an increase in cases filed in both of these districts, as well as the filings as projected in the future. Further, the need is intensified by the judges, who are currently in a senior status in these districts, reducing their caseloads as they move toward full retirement.

Currently the 2 districts are served by 10 permanent district judges; 7 in the northern district and 3 in the middle district. The bill I am introducing would make permanent a temporary judgeship, authorized in 1990, in the northern district. This conversion from a temporary judgeship to a permanent position was approved by the Judicial Conference in September 1994. The addition of one more permanent position to the middle district of Alabama's district court is warranted, among other factors, due to the increased case filings which have been experienced in that district over the past several years.

In the past few years the increasing case filings and caseloads of all of the district court judges has been managed well by the courts using their available judicial resources. As the senior judges take on less cases, the remaining judges find themselves in situations in which they find it more and more difficult to manage their growing dockets in a timely manner. This not only affects the day-to-day operations of the court, but it also will inevitably affect litigants, by lengthening the time for disposition of a case, from what is now one of the fastest disposition periods in the Nation to a significantly slower pace.

I would like to identify several factors which are similar in both districts and will result in loss of judicial expediency unless addressed. First, the reduced role of senior judges has increased the actual volume of cases which each district judge must handle; each district judge will have less time available to spend on each assigned case. Second, the increasing number of case filings will further reduce the capacity of the judges to devote time and attention to each case. And finally, both districts forecast an increase in the total number of criminal felony cases as well as the number of multidefendant criminal felony cases. To maintain the outstanding case management that litigants have come to expect in these courts, and rightly deserve in the all Federal courts, the factors stated above can be dealt with by making permanent the position in the northern district and by creating one new position for the middle district.

Although these two districts have many concerns which are similar, they also are facing problems unique to each respective court. In the northern district of Alabama, we are asking that the temporary judgeship, authorized in 1990, be made permanent. This district had the highest pending cases per judge, according to the latest official data. Furthermore, it had the highest civil filings in the Nation for the 12-month period ending in September 1993. This high number of case filings along with the previous caseloads, actually support a request for a ninth judgeship, but we believe that the conversion of the temporary judgeship to the eight permanent judgeships will enable the district to competently handle its caseload.

The middle district faces substantial problems in caseloads per judge. For the year ending June 30, 1994, the weighted case filing per judge had increased to 556, representing a 12.5-percent increase over a 5-year period. Weighted case filings of 556 cases per judge places that court second within the eleventh circuit and ninth in the Nation. During the statistical year ending June 30, 1994, the judges of the middle district averaged 650 case terminations per judge, which places that court first in the circuit and first in the Nation. With only three full-time judges and the near full retirement of the two senior judges the middle district may soon face dire consequences.

The judges in both the middle and northern districts of Alabama have proven, that even with what some court would consider impossible caseloads, they have had the ability to dispose of cases in periods equal or better than the national average. To allow these district courts to continue their work and avoid substantial impairment in their ability to deliver justice we need to be assured that they have the necessary judicial resources. My bill, which provides for a fourth judgeship in the middle district and conversion of the northern district's temporary judgeship to a permanent position, supplies these resources.

By Mr. BREAUX:

S. 373. A bill to amend the Solid Waste Disposal Act to provide for State management of solid waste, to reduce and regulate the interstate transportation of solid wastes, and for other purposes; to the Committee on Environment and Public Works.

THE STATE REGULATION AND MANAGEMENT OF SOLID WASTE ACT OF 1995

• Mr. BREAUX. Mr. President, I am today introducing—for the fourth Congress in a row—legislation that would grant States the authority to regulate the flow of solid waste across their borders and meet the environmental objectives of increased recycling and waste reduction.

In 1978, the U.S. Supreme Court ruled that the shipment of garbage across State lines for the purposes of disposal is a form of commerce and thus entitled to protection under the commerce clause of the Constitution. Due to the fact that States cannot control shipments of imported garbage, the States have no ability to plan for the disposal of solid waste generated within their own borders or to preserve landfill capacity for their own future needs. The only way for States to regulate the flow of garbage is for Congress to explicitly grant them that authority.

That is what the legislation I am introducing today would do.

For years now, the United States overall landfill capacity has been shrinking. From 1988 to 1991 the number of operating landfills dropped from 8,000 to 5,812, a 27-percent decrease. At the same time, the amount of solid waste that is shipped across State borders for disposal has grown. The more heavily populated regions of the country produce more solid waste and have less capacity for additional landfill sties. These States have been shipping solid wastes out of their own jurisdictions and into landfills in States, like my State of Louisiana, which, for the moment, have some capacity to receive it. However, this capacity will continue to disappear so long as States have no ability to control the amount of waste that comes into their territory for disposal.

My State of Louisiana has had some experiences of its own related to the interstate shipment of municipal wastes. The most infamous incident was that of the so-called poo poo choo choo that brought 63 carloads of municipal waste—in this case stinking sewage sludge—from Baltimore to railroad sidings near Shriever, Labadieville, and Donaldsonville, LA in 1989. These 63 open cars full of rehydrated sludge were to be disposed of in a landfill. Instead, they sat on sidings near these towns for weeks. Finally, the private landfill operator in question found an alternative disposal site and the train cars headed out of town.

The legislation I am introducing today would provide States with the authority they need to regulate incoming shipments of garbage in return for a commitment by the States to plan for the disposal of their own wastes and a commitment to increased recycling and waste reduction efforts. Each State would be required to develop a solid waste management plan that would include a 20-year projection of how solid wastes generated within their own borders would be managed. The plan must demonstrate that solid waste will be managed in accordance with the following priorities; First, States must take steps to reduce the amount of waste generated within their own borders; second, States must encourage recycling, energy and resource recovery. Only as a third and final option should States consider landfills, incinerators and other options of disposal.

Each State will be required to demonstrate that is complies with this waste management hierarchy and has issued all appropriate permits for capacity sufficient to manage their own solid wastes for a rolling period of 5 years.

The Federal Government, working with the States, will be required to provide technical and financial assistance to local communities to meet the requirements of the plan. Any out-of-State wastes must be managed in accordance with State plans and may not impede the ability of States to manage their own solid waste.

Only after a State has an approved plan in place, will it be granted the authority to refuse to accept waste from out-of-State sources and to charge higher disposal fees for a load of garbage based on its State of origin. Half of the proceeds from high out-of-State fees will go the locality where the garbage is being disposed of and may only be used for solid waste management activities.

Mr. President, a number of similar bills have been introduced on this same subject over the last several years. Most of these measures did not adequately address all of the issues surrounding the disposal of solid waste and shipments across State borders. I strongly believe that a planning process and the priorization of waste reduction, recycling and disposal options on a State-by-State basis should be a part of the solution to the ongoing controversy over interstate garbage shipments.

I hope that we will be able to finally dispose of this issue this year. I encourage my colleagues to address it in the comprehensive manner outlined in this legislation. I ask unanimous consent that a copy of the bill appear in the RECORD.

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

S. 373

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''State Regulation and Management of Solid Waste Act of 1995''.

TITLE I—GENERAL AMENDMENTS

SEC. 101. FINDINGS.

(a) SOLID WASTE.—Section 1002(a)(4) of the Solid Waste Disposal Act (42 U.S.C. 6901(a)) is amended to read as follows:

''(4) that while the collection and disposal of solid waste should continue to be primarily the function of State, regional, and local agencies, the problems of waste disposal described in this subsection have become a matter national in scope and in concern and necessitate Federal action by—

''(A) requiring that each State develop a program for the management and disposal of solid waste generated within each State by the year 2015;

''(B) authorizing each State to restrict the importation of solid waste from a State of origin for purposes of solid waste management other than transportation; and

''(C) providing financial and technical assistance and leadership in the development, demonstration, and application of new and improved methods and processes to reduce the quantity of waste and unsalvageable materials and to provide for proper and economical solid waste disposal practices.''.

(b) ENVIRONMENT AND HEALTH.—Section 1002(b) of the Solid Waste Disposal Act (42 U.S.C. 6901(b)) is amended—

(1) by striking ''and'' at the end of paragraph (7);

(2) by striking paragraph (8) and inserting the following:

''(8) alternatives to existing methods of land disposal must be developed, because it is estimated that 80 percent of all permitted landfills will close by the year 2015; and'';

and

(3) by adding at the end the following new paragraph:

''(9) the transportation of solid waste long distances across country for purposes of solid waste management and, in some cases, in the same vehicles that carry consumer goods is harmful to the public health and measures should be adopted to ensure public health is protected when the goods are transported in the same vehicles as solid waste is transported.''.

SEC. 102. OBJECTIVES AND NATIONAL POLICY.

(a) OBJECTIVES.—Section 1003(a) of the Solid Waste Disposal Act (42 U.S.C. 6902(a)) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) ensuring that each State has a program to manage solid waste generated within its borders and providing technical and financial assistance to State and local governments and interstate agencies for the development of solid waste management plans (including recycling, resource recovery, and resource conservation systems) that will promote improved solid waste management techniques (including more effective organization arrangements), new and improved methods of collection, separation, and recovery of solid waste, and the environmentally safe disposal of nonrecoverable residues;'';

(2) by striking ''and'' at the end of paragraph (10);

(3) by striking the period at the end of paragraph (11) and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

''(12) promoting the use of regional and interstate agreements for economically efficient and environmentally sound solid waste management practices, and for construction and operation of solid waste recycling and resource recovery facilities; and

''(13) promoting recycling and resource recovery of solid waste through the development of markets for recycled products and recovered resources.''.

SEC. 103. DEFINITIONS.

Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903) is amended—

(1) by striking paragraph (12) and inserting the following:

''(12) The term 'manifest' means the form used for identifying the quantity, composition, and the origin, routing, and destination of solid and hazardous waste during its transportation from the point of generation to the point of disposal, treatment, storage, recycling, and resource recovery.'';

(2) in paragraph (28), by inserting ''recycling, resource recovery,'' before ''treatment,'';

(3) in paragraph (29)(C), by inserting ''recycling,'' before ''treatment'';

(4) in paragraph (32)—

(A) by striking ''means any'' and inserting ''means—

''(A) any'';

(B) by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(B) refuse (or refuse-derived fuel) collected from the general public more than 30 percent of which consists of paper, wood, yard wastes, food waste, plastics, leather, rubber, and other combustible materials and noncombustible materials such as glass and metal including household wastes, sludge and waste from institutional, commercial, and industrial sources, but does not include industrial process waste, medical waste, hazardous waste, or 'hazardous substance', as those terms are defined in section 1004 or in section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 6901).''; and

(5) by adding at the end the following new paragraphs:

''(42) The term 'recycling' means any use, reuse or reclamation of a solid waste.

''(43) The term 'State of final destination' means a State that authorizes a person to transport solid waste from a State of origin into the State for purposes of solid waste management other than transportation.

''(44) The term 'State of origin' means a State that authorizes a person to transport solid waste generated within its borders to a State of final destination for purposes of solid waste management other than transportation.''.

TITLE II—STATE SOLID WASTE MANAGEMENT PLANS

SEC. 201. OBJECTIVES OF SUBTITLE D.

Section 4001 of the Solid Waste Disposal Act (42 U.S.C. 6941) is amended to read as follows:

''SEC. 4001. OBJECTIVES OF SUBTITLE.

''(a) IN GENERAL.—The objectives of this subtitle are to reduce to the maximum extent practicable the quantity of solid waste generated and disposed of prior to the year 2015 by requiring each State to develop a program that—

''(1) meets the objectives set out in section 102;

''(2) reduces the quantity of solid waste generated in the State and encourages resource conservation; and

''(3) facilitates the recycling of solid waste and the utilization of valuable resources, including energy and materials that are recoverable from solid waste.

''(b) MEANS.—The objectives stated in subsection (a) are to be accomplished through—

''(1) Federal guidelines and technical and financial assistance to States;

''(2) encouragement of cooperation among Federal, State, and local governments and private individuals and industry;

''(3) encouragement of States to enter into interstate or regional agreements to facilitate environmentally sound and efficient solid waste management; and

''(4) approval and oversight of the implementation of solid waste management plans.''.

SEC. 202. STATE SOLID WASTE MANAGEMENT PLANS.

(a) MINIMUM REQUIREMENTS.—Section 4003 of the Solid Waste Disposal Act (42 U.S.C. 6943) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''each State plan must comply with the following minimum requirements—'' and inserting ''each State Solid Waste Management Plan must comply with the following minimum requirements:'';

(B) by striking paragraphs (5) and (6) and inserting the following:

''(5) The plan shall identify the quantities, types, sources, and characteristics of solid wastes that are reasonably expected to be generated within the State or transported to the State from a State of origin during each of the 20 years following the year 1995 and that are reasonably expected to be managed within the State during each of those years.

''(6) The plan shall provide that the State acting directly, through authorized persons, or through interstate or regional agreements, will ensure the availability of solid waste management capacity to manage the solid waste described in paragraph (5) in a manner that is environmentally sound and that meets the objectives of this subtitle.''; and

(C) by adding at the end the following new paragraphs:

''(7) When identifying the quantity of solid waste management capacity necessary to manage the solid waste described in paragraph (5), the State shall take into account solid waste management agreements in effect upon the date of enactment of this paragraph that exist between a person operating within the State and any person in a State or States contiguous with the State.

''(8) The plan shall provide for the identification and annual certification to the Administrator concerning—

''(A) how the State has met the objectives of this subtitle;

''(B) whether the State has issued permits consistent with all the requirements of this Act for capacity sufficient to manage the solid waste described in paragraph (5) for an ensuing 5-year period; and

''(C) identification and approval by the State of the sites for capacity described in paragraph (5) for an ensuing 8-year period.

''(9) The plan shall provide that all solid waste management facilities located in the State meet all applicable Federal and State laws and for the enactment of such State and local laws as may be necessary to fulfill the purposes of this Act.

''(10)(A) The plan shall provide for a program that requires all solid waste management facilities located or operating in the State to register with the State and that only registered facilities may manage solid waste described in paragraph (5).

''(B) Registration of facilities for the purpose of subparagraph (A) shall at a minimum include—

''(i) the name and address of the owner and operator of the facility;

''(ii) the address of the solid waste management facility;

''(iii) the type of solid waste management used at the facility; and

''(iv) the quantities, types, and sources of waste to be managed by the facility.

''(11) The plan shall provide for technical and financial assistance to local communities to meet the requirement of the plan.

''(12) The plan shall—

''(A) specify the conditions under which the State will authorize a person to accept solid waste from a State of origin for purposes of solid waste management other than transportation; and

''(B) ensure that the waste is managed in accordance with the plan and that acceptance of the waste will not impede the ability of the State of final destination to manage solid waste generated within its borders.''; and

(2) by adding at the end the following new subsection:

''(e) PROHIBITION.—Upon the expiration of 180 days after the date of approval of a State's Solid Waste Management Plan required by this section or on the date on which a State plan becomes effective pursuant to section 4007(d), it shall be unlawful for a person to manage solid waste within that State, to transport solid waste generated in that State to a State of final destination, and to accept solid waste from a State of origin for purposes of solid waste management other than transportation unless the activities are authorized and conducted pursuant to the approved plan.''.

(b) PROCEDURE.—Section 4006 of the Solid Waste Disposal Act (42 U.S.C. 6946) is amended by adding at the end the following new subsection:

''(d) SUBMISSION OF PLANS.—Not later than 4 years after the date of enactment of this subsection, each State shall, after consultation with the public, other interested parties, and local governments, submit to the Administrator for approval a plan that complies with the requirements of section 4003(a).''.

(c) APPROVAL.—Section 4007 of the Solid Waste Disposal Act (42 U.S.C. 6947) is amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting the following:

''(1) it meets the requirements of section 4003(a);''.

(B) by striking the period at the end of paragraph (2) and inserting ''; and'';

(C) by inserting after paragraph (2) the following new paragraph:

''(3) it furthers the objectives of section 4001.''; and

(D) by striking the third sentence and inserting the following: ''Upon receipt of each State's certification required by section 4003(a)(8), the Administrator shall determine whether the approved plan is in compliance with section 4003, and if the Administrator determines that revision or corrections are necessary to bring the plan into compliance with the minimum requirements promulgated under section 4003 (including new or revised requirements), the Administrator shall, after notice and opportunity for public hearing, withhold approval of the plan.''; and

(2) by adding at the end the following new subsection:

''(d) FAILURE OF THE ADMINISTRATOR TO ACT ON A STATE PLAN.—If the Administrator fails to approve or disapprove a plan within 18 months after a State plan has been submitted for approval, the State plan as submitted shall go into effect at the expiration of 18 months after the plan was submitted, subject to review by the Administrator and revision in accordance with section 4007(a).''.

TITLE III—INTERSTATE TRANSPORT OF WASTE

SEC. 301. AUTHORITY OF STATES TO CONTROL INTERSTATE SHIPMENT OF SOLID WASTE.

Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new sections:

''SEC. 4011. AUTHORITY TO RESTRICT INTERSTATE TRANSPORT OF SOLID WASTE.

(a) IN GENERAL.—Upon the expiration of 180 days after the date on which the Administrator approves a Solid Waste Management Plan required by section 4003 or after the date a State plan becomes effective in accordance with section 4007(d), a State with an approved or effective State plan may prohibit or restrict a person from importing solid waste from a State of origin for purposes of solid waste management (other than transportation).

''(b) LIMITATION.—A State may authorize a person to import solid waste from a State of origin for purposes of solid waste management (other than transportation) only in accordance with section 4003(a)(12).

''SEC. 4012. FEES.

''(a) IN GENERAL.—A State may levy fees on solid waste that differentiate rates or other aspects of payment on the basis of solid waste origin.

''(b) ALLOCATION.—At least 50 percent of the revenues received from the fees collected shall be allocated by the State to the local government of the jurisdictions in which the solid waste will be managed. The fees shall be used by local governments for the purpose of carrying out an approved plan.''.

TITLE IV—FINANCIAL ASSISTANCE

SEC. 401. FEDERAL ASSISTANCE.

Section 4008(a) of the Solid Waste Disposal Act (42 U.S.C. 6948) is amended—

(1) in paragraph (1), by striking ''appropriated'' and all that follows through ''1988'' and inserting ''appropriated $100,000,000 for each of fiscal years 1996, 1997, and 1998''; and

(2) by adding at the end of paragraph (2) the following new subparagraph:

''(E) There are authorized to be appropriated $25,000,000 for each of fiscal years 1996

through 1998 for the purposes of providing grants to States for the encouragement of recycling, resource recovery, and resource conservation activities. The activities shall include licensing and construction of recycling, resource recovery, and resource conservation facilities within the State and the development of markets for recycled products.''.

SEC. 402. RURAL COMMUNITIES ASSISTANCE.

Section 4009(d) of the Solid Waste Disposal Act (42 U.S.C. 6949) is amended—

(1) in subsection (a), by striking ''section 4005'' and inserting ''sections 4004 and 4005''; and

(2) by striking subsection (d) and inserting the following:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 1996, 1997, and 1998.''.●

By Mr. KOHL:

S. 374. A bill to amend chapter 111 of title 28, United States Code, relating to protective orders, sealing of cases, disclosures of discovery information in civil actions, and for other purposes; to the Committee on the Judiciary.

THE COURT SECRECY ACT OF 1995

Mr. KOHL. Mr. President, I rise to introduce legislation that I first presented in the last Congress, legislation that addresses the troubling use of secrecy in our courts, which we have been studying in the Judiciary Committee since 1990.

Far too often, the court system allows vital information that is discovered in litigation, and which directly bears on public health and safety, to be covered up: to be shielded from mothers, fathers, and children whose lives are potentially at stake, and from the public officials we have appointed to protect our health and safety.

This happens because of the use of so-called protective orders—really gag orders issued by courts—that are designed to keep information discovered in the course of litigation secret and undisclosed.

Mr. President, these secrecy arrangements are far from benign. Last year, the manufacturers of silicon breast implants agreed to a record $4 billion settlement of product liability claims. Most Americans do not know that studies indicating the hazards of breast implants were uncovered as early as 1984 in litigation. But the sad truth is that because of a protective order that was issued when that case was settled, in the mid 1980's this critical knowledge remained buried, hidden from public view, and from the FDA.

Ultimately, it wasn't until 1992—more than 7 years and literally tens of thousands of victims later—that the real story about silicon implants came out. How can anyone tell the countless thousands of breast implant victims that court secrecy isn't a real problem that demands our attention?

And there are other unfortunate examples of court secrecy. For over a decade, Miracle Recreation, A U.S. playground equipment company, marketed a merry-go-round that caused serious injuries to scores of small children, including severed fingers and feet.

Lawsuits brought against the manufacturer were confidentially settled, preventing the public and the Consumer Products Safety Commission from learning about the hazard. It took more than a decade for regulators to discover the defeat, and for the company to recall the merry-go-round.

There are yet more cases which we have detailed in past hearings. But perhaps the more troubling question is, What other secrets, currently held under lock and key, could be saving lives if they were made public?

Having said all this, we must in fairness recognize that there is another side to this problem. Privacy is a cherished possession, and business information is an important commodity. For this reason, the courts must, in some cases, keep trade secrets and other business information confidential.

But, in my opinion, today's balance of these interests is entirely inadequate. Our legislation will ensure that courts do not carelessly and automatically sanction secrecy when the health and safety of the American public is at stake. At the same time, the bill will allow defendants to obtain secrecy orders when the need for privacy is significant and substantial.

The thrust of our legislation is straightforward. In cases affecting public health and safety, courts would be required to apply a balancing test: They could permit secrecy only if the need for privacy outweighs the public need to know about potential health or safety hazards.

Moreover, courts could not, under the measure, issue protective orders that would prevent disclosures to regulatory agencies. In this way, our bill will bring crucial information out of the darkness and into the light.

I should note that we have made progress in this issue in the past year. A majority of members of the Judiciary Committee voted last year for a court secrecy proposal that was essentially identical to the bill we introduce today. And even the Federal judiciary has attempted to tackle the problem, through the proposal they are now advancing is, in my view, an incomplete solution.

To attack the problem of excessive court secrecy is not to attack the business community. Most of the time, businesses seek protective orders for legitimate reasons. And although some critics may dispute that businesses care about public health and safety, as a former businessman, I know that they do.

In closing, Mr. President, let me note that we in the country take pride in our judicial system for many good reasons. Our courts are among the finest, and the fairest in the world. But the time has come for us to ask: Fair to whom?

Yes, the courts must be fair to defendants, and that is why I support product liability reform. But because the courts as public institutions, and because justice is a public good, our court system must also do its part to help protect the public when appropriate, and not just individual plaintiffs and defendants.

The bill we introduce today helps achieve this important goal; it helps ensure that the public and regulators will learn about hazardous and defective products.

So I look forward to the support of my colleagues—on both sides of the aisle—who believe, as I do, that when health and safety are at stake, there must be reasonable limit to the use of secrecy in our courts.

By Mr. ABRAHAM:

S. 375. A bill to impose a moratorium on sanctions under the Clean Air Act with respect to marginal and moderate ozone nonattainment areas and with respect to enhanced vehicle inspection and maintenance programs, and for other purposes; to the Committee on Environment and Public Works.

CLEAN AIR ACT SANCTIONS MORATORIUM LEGISLATION

Mr. ABRAHAM. Mr. President, today I am introducing a bill that provides a much needed respite for the States from the onerous and inappropriate sanctions of the Clean Air Act. In its bureaucratic fervor to implement regulations and administrative procedures, the EPA has shown a near complete disregard of the States' interests or the actual facts of the situation at hand. This bill prohibits the implementation of these draconian sanctions and will give us time to analyze more fully the Clean Air Act and the method of its implementation.

The Clean Air Act is a well-intentioned attempt to resolve the competing interests of ecological preservation and economic growth. But as is usually the case with complex and patronizing Federal attempts to solve local problems from Washington, it misses the mark. Throughout this country communities are revolting against the EPA's enforcement of the Clean Air Act and their edicts that States and localities must implement a series of centralized automobile tailpipe testing procedures. Unfortunately, the EPA has allowed its enforcement bureaucrats concentrate solely on the means of this act rather than the ends.

A particularly egregious example of this lock of regulatory good sense occurred in my State of Michigan. Three western Michigan counties were previously found by EPA to exceed the national ambient air quality standards for ozone, which is a product of chemical reactions between volatile organic compounds such as petroleum vapors, and oxygenated nitrogen, with summer sun and heat acting as the catalyst. Now I am heartened by EPA Administrator Browner's decision last night to redesignate these counties as in attainment. But I believe it was only the threat of legislative action like this

that forced the EPA to revisit its strategy of enforcement.

Because of these ozone levels, the EPA previously directed Michigan to implement by July 1995 an ozone reduction plan that would reduce by at least 15 percent the ozone producing volatile organic compound emissions. As part of this reduction plan, the EPA determined that only centralized automobile tailpipe exhaust inspection and maintenance procedures—otherwise known as IM240 tests, because the test takes 240 seconds to administer—are 100 percent effective in reducing emissions. These tests require the local citizens to travel as far as 50 miles to testing facilities, then to another facility to repair the exhaust system determined by this test to be defective, and then back to the first testing facility for another test, possibly to start the whole process again.

The EPA unilaterally decided that any State's testing procedure that allows for testing and repair at the same facility is only 50 percent as effective as test-only facility procedures. Their decision was based upon the idea that test-and-repair facilities are rife with corruption and therefore pass automobiles which have defective exhaust systems. But the evidence shows otherwise. In Georgia, where both test-and-repair and test-only facilities operate, the two procedures were shown to have nearly identical rates of properly identifying vehicles with faulty exhaust systems, tampered exhaust systems, and that the test-and-repair facilities effectively discovered tampered vehicles. Furthermore, the General Accounting Office reported in 1992 that 25 percent of the vehicles tested by EPA using the IM240 procedures failed an initial emissions test but passed a second, even though no repairs were made to the vehicles. This phenomenon of flipper vehicles, where the same vehicle can have radically differing emission levels at different times, contributes as much as 20 percent of overall tailpipe emissions. As Douglas Lawson of the Desert Research Institute has determined through exhaustive analysis of I&M procedures, ''As long as there are vehicles with emissions variability on the road, an I/M program that relies upon scheduled testing is likely not be very effective.'' Which brings me to the critical point of analysis which EPA consistently missed: how much do test-only facility procedures actually reduce emissions over test-and-repair facility procedures?

The answer is ''not much.'' In fact, Mr. Lawson's previous comment is consistently supported by the evidence at hand, including a very comprehensive policy analysis by the Rand Corp. It states:

> Existing national data, limited as it is, suggest little difference in measures of effectiveness between centralized and decentralized I/M programs. There is no empirical basis to choose between different program types. And, no single component, be it centralized IM240 or remote sensing technology is likely to be the ''silver bullet'' that lowers emission levels for a significant faction of gross polluting vehicles.

It goes on to point out: ''The centralized/decentralized debate is less significant than a serious effort to rethink the entire Smog Check system and more generally, all programs to enhance Inspection and Maintenance.'' It is not an issue of test-and-repair facilities versus test-only facilities, but rather an issue of the whole inspection and maintenance process mentality.

The EPA nevertheless stuck doggedly by its centralized test-only procedures. When my staff requested a summary of EPA's analysis of this issue, EPA sent 28 pages of data analyzing the differing rates of tampering detection and testing efficiency between centralized and decentralized programs. Only one-half page, however, examined the crucial issue of whether test-only procedures reduced overall emissions. EPA's analysis compared Arizona's emission levels under test-only procedures to Indiana's emission levels with no I&M procedures at all. From the data that Arizona has lower emission levels, the EPA concludes test-only is superior to test-and-repair. These leaps of logic, although convenient for pressing forth undesirable regulations, make for poor public policy.

Such serious breaks in logic highlight the EPA's inability to view this issue in its totality. It is apparently paralyzed in its analysis by an overwhelming desire to implement centralized I&M procedures. Assistant EPA Administrator for Air Mary Nichols said as much before my senior Michigan colleague's hearing on this issue last fall. She stated:

> . . . anybody who has bothered to buy a car that meets current emissions standards is owed an opportunity to have a good inspection test done to make sure that car is maintaining the emissions that it was designed to meet, because if it is not, it should be getting repaired, and if it is repaired, they are likely to experience better performance and better fuel economy.

To the EPA, the only way to create such an opportunity is for the Federal Government to force all car owners to have their cars tested and repaired, so that they can rest assured their cars are operating properly. Once again, members of the Clinton administration are out of touch and are missing the point. We must protect our constituencies and take the action necessary to stop this patronizing and intrusive behavior in the future.

As a result of this convoluted logic, States are forced to adopt centralized test-only programs because the EPA halves the emission reduction credits for decentralized test-and-repair programs within the State's emission reduction programs. If they do not adopt these centralized procedures, the EPA will reject their emission reduction plan and place sanctions on the State. These sanctions include the withholding of millions in Federal highway funds and Federal pollution reduction program grants, Federal takeovers of State emission reduction plans, and two-for-one emission offset requirements where no new emission producing facilities can be constructed unless the expected new emissions are offset by two times that level of emissions at other facilities in the area. I assume no facility operates and produces emissions unless it does so at a profit, so I seriously doubt any facility will be shut down to make way for new facilities. These offsets would have effectively halted industrial growth in the area, and all because EPA wrongly wanted cars tested and repaired at separate facilities.

This situation may even have seemed reasonable, given the existing law, if these areas were at fault for their allegedly high levels of ozone, but that was not the case. Because the emissions that chemically react to create ozone can travel in the air stream, the ozone levels experienced in one area may be the result of emissions from hundreds of miles away. Such was the case with the three counties in western Michigan. The three western Michigan counties of Kent, Ottawa, and Muskegon were all found by EPA to have ozone levels above the national ambient air quality standard of 120 parts per billion. The ozone contributions from the northern Indiana, northern Illinois, and Wisconsin, however, provided over 98 percent of the ozone that resulted in nonattainment. In fact, even if these three counties were to reduce their emission levels to zero, the ozone levels would actually increase as the overwhelming ozone transport from the West drifted into the region. Furthermore, even though the EPA claimed reducing western Michigan emissions would reduce ozone levels in northern Indiana during that four per cent of the year when winds are from the northeast, such emissions are irrelevant to that area. The Lake Michigan Air Directors Consortium executive director Stephen Gerritson told my colleague Senator LEVIN in hearings last fall that western Michigan emissions did not cause ozone nonattainment in northern Indiana. In fact, the area impacted by these very infrequent western Michigan transported emissions is currently in attainment. The regulatory actions of the EPA, in their misguided attempt to solve western Michigan's supposed ozone problem, would have actually made it worse.

In light of this action, the Governor of Michigan halted the further implementation of such an unnecessary program last month. In the face of similarly bold exercises of States' rights, the EPA's Administrator reached out to the Governors in what I believe was an attempt to save the Clean Air Act from full congressional review. The EPA knows it is in trouble. When our loyal opposition held control of the Congress, the EPA would brook no complaints from the States that the EPA's tyrannical regulatory measures were unnecessary or ineffective. Instead, the EPA marched forward with

an agenda to impinge States' rights, halt economic growth and force the citizenry to abide by their ideas as to what was in the citizenry's collective best interest.

We must review the Clean Air Act in it totality. It is based upon bad science, bad procedures, and focuses on the wrong issues. The technology of emission detection, control, and abatement advances exponentially, and any legislation that attempts to protect our environment through invasive command and control techniques favored by anti-industrialist, anti-growth, anti-business forces in the EPA is bound to fail. Such a review, however, will not be quick. The Clean Air Act is the longest, most complex piece of legislation ever passed, and took years to develop. It will take time to develop feasible replacements. Furthermore, as I have stated on this floor before, environmental legislation such as the Clean Air Act is one of the most notorious examples of an unfunded mandate. We must establish a window in which we can review this act and know that our constituents will be safe from egregious EPA action.

This bill establishes such a window. Upon its enactment, the EPA will be prohibited, for 2 years, from imposing sanctions under sections 110(m) or 179 of the Clean Air Act, withhold pollution abatement grants section 105, or federalize a State's program under section 110(c). I explained the sanctions and enforcement actions before, but quickly, the section 100(m) and 179 sanctions include the loss of Federal highway funds and two-for-one emission offsets. These moratoria will apply to actions taken in response to a State's failure to submit or implement a pollution reduction plan in response to marginal or moderate ozone nonattainment. It will also prohibit both the EPA and the Highway Administration from taking similarly adverse action, such as withholding Federal highway funds, for failure to implement enhanced automobile inspection and maintenance procedures. The moratoria would exist for 2 years from enactment but would not apply to sanctions already applied. While these moratoria are in effect, we will have the time and liberty to analyze closely the Clean Air Act, and secure the assurances that our States will not be subject to these outrageous sanctions and actions. Last month, a bipartisan group of 33 State environmental directors, working through the National Association of Governors, called for such a moratorium while the States work with the EPA to define a more workable solution. Governor Engler of Michigan has fully supported such a moratorium.

Although the EPA rectified the problem for my constituents last night, it still remains for other areas, such as in Virginia, Texas, and Rhode Island. Furthermore, there is no assurance that the EPA could not just as easily reverse this decision and put my constituents back in exactly the same quandary as before. I recommend that my colleagues join with me in preventing such a thing from happening.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 376

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

SECTION 1. OZONE NONATTAINMENT AREAS.

(a) IN GENERAL.—During the 2-year period beginning on the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall take no enforcement action with respect to an area designated nonattainment for ozone that is classified as a Marginal Area or Moderate Area under section 181 of the Clean Air Act (42 U.S.C. 7511).

(b) DEFINITION.—In this section, the term ''enforcement action'' means—

(1) the withholding of a grant under section 105 of the Clean Air Act (42 U.S.C. 7405);

(2) the promulgation of a Federal implementation plan under section 110(c) of the Clean Air Act (42 U.S.C. 7410); and

(3) the imposition of a sanction under section 110(m) or 179 of the Clean Air Act (42 U.S.C. 7410(m), 7509).

(c) APPLICABILITY.—Subsection (a) does not preclude the continued application of a sanction that was imposed prior to the date of enactment of this Act.

SEC. 2. ENHANCED VEHICLE INSPECTION AND MAINTENANCE PROGRAMS.

During the 2-year period beginning on the date of enactment of this Act, the Administrator of the Environmental Protection Agency and the Administrator of the Federal Highway Administration of the Department of Transportation may not take any adverse action, against a State with respect to a failure of an enhanced vehicle inspection and maintenance program under section 182(c)(3) of the Clean Air Act (42 U.S.C. 7511a(c)(3)), under—

(1) section 176 of the Clean Air Act (42 U.S.C. 7506);

(2) chapter 53 of title 49, United States Code;

(3) subpart T of part 51, or subpart A of part 93, of title 40, Code of Federal Regulations (commonly known as the ''transportation conformity rule''); or

(4) part 6, 51, or 93 of title 40, Code of Federal Regulations (commonly known as the ''general conformity rule'').

By Mr. KENNEDY:

S. 376. A bill to resolve the current labor dispute involving major league baseball, and for other purposes; read the first time.

BASEBALL STRIKE LEGISLATION

Mr. KENNEDY. Mr. President, President Clinton has submitted legislation to Congress to resolve the baseball strike by establishing a fair and equitable procedure for binding arbitration of the dispute.

The legislation would establish a National Baseball Dispute Resolution Panel composed of three impartial individuals, appointed by the President, with expertise in the resolution of labor-management disputes. The panel would be empowered to take testimony, conduct hearings and compel the production of relevant financial information from all parties. At the conclusion of that process, the panel would issue a decision setting forth the terms of an agreement that would be binding on both sides of this dispute.

Under the terms of the proposed legislation, the panel would be required, in making its decision, to take into account a number of factors, including the history of collective bargaining agreements between the parties, the owners' ability to pay, the impact on communities that benefit from major league baseball, the unique status of major league baseball, and the best interests of the game.

President Clinton and his special baseball mediator, William J. Usery, deserve great credit for the efforts they have made in recent months, and especially in recent days, to achieve a satisfactory resolution of this long and bitter controversy.

Clearly, at this moment in time, Members of Congress are divided about whether legislation is appropriate. A great deal will turn on developments in coming days, especially whether baseball fans across the country feel that action by Congress is needed.

All of us hope that a way can still be found for the parties to resolve this controversy themselves. It is too early to tell whether the events of recent days have given enough new impetus to the parties to reach such a resolution.

If not, then I believe Congress should act, and I look forward to working with others in the Senate and House to achieve the goal that all of us share—to save the 1995 baseball season, to do so in a way that is fair to owners and players alike, and do so in time for opening day—on schedule. Red Sox fans want baseball to begin on opening day as fans do all around the country. We should do all we can to make sure America's pastime goes on as scheduled.

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. BREAUX, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 12, a bill to amend the Internal Revenue Code of 1986 to encourage savings and investment through individual retirement accounts, and for other purposes.

S. 104

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 104, a bill to establish the position of Coordinator for Counter-Terrorism within the office of the Secretary of State.

S. 198

At the request of Mr. CHAFEE, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 198, a bill to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes.

S. 241

At the request of Mr. D'AMATO, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 241, a bill to increase the penalties for sexual exploitation of children, and for other purposes.

S. 275

At the request of Mr. GRASSLEY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 275, a bill to establish a temporary moratorium on the Interagency Memorandum of Agreement Concerning Wetlands Determinations until enactment of a law that is the successor to the Food, Agriculture, Conservation, and Trade Act of 1990, and for other purposes.

S. 281

At the request of Mr. D'AMATO, the names of the Senator from Alaska [Mr. STEVENS], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 281, a bill to amend title 38, United States Code, to change the date for the beginning of the Vietnam era for the purpose of veterans benefits from August 5, 1964, to December 22, 1961.

SENATE JOINT RESOLUTION 18

At the request of Mr. HOLLINGS, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Joint Resolution 18, a joint resolution proposing an amendment to the Constitution relative to contributions and expenditures intended to affect elections for Federal, State, and local office.

AMENDMENTS SUBMITTED

BALANCED BUDGET AMENDMENT

REID (AND OTHERS) AMENDMENT NO. 236

Mr. REID (for himself, Mr. DASCHLE, Mr. DORGAN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. FORD, Mr. HARKIN, Mr. HEFLIN, Mr. GRAHAM, Mr. KOHL, Mr. BAUCUS, Mrs. BOXER, Mr. HOLLINGS, Ms. MIKULSKI, Mr. FEINGOLD, and Mr. LEAHY) proposed an amendment to the joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States; as follows:

On page 3, line 8, after ''principal.'' insert ''The receipts (including attributable interest) and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund used to provide old age, survivors, and disabilities benefits shall not be counted as receipts or outlays for purposes of this article.''.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding an oversight hearing on Thursday, February 9, 1995, beginning at 10 a.m., in room G–50 of the Dirksen Senate Office Building on challenges facing Indian youth.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Finance Committee be permitted to meet Wednesday, February 8, 1995, beginning at 9:30 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing on the President's tax proposals in the fiscal year 1996 budget and the administration's views on the Contract With America.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent, on behalf of the Governmental Affairs Committee, to meet on Wednesday, February 8, 1995, at 9:30 a.m. for a hearing on the subject of regulatory reform.

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

COMMITTEE ON THE JUDICIARY

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, February 8, 1995, at 2 p.m. to hold a nominations hearing.

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

MEASURE READ THE FIRST TIME—S. 376

Mr. REID. Madam President, I understand that S. 376, Major League Baseball Restoration Act, introduced earlier in the day by Senator KENNEDY, is at the desk.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The legislative clerk read the bill for the first time.

Mr. REID. Madam President, I now ask for its second reading.

Mr. HATCH. I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be read on the next legislative day.

ORDERS FOR TOMORROW

Mr. HATCH. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:15 a.m. on Thursday, February 9, 1995; that following the prayer, the Journal of the proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day; that there then be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak for not to exceed 5 minutes each, with Senator HATFIELD to be recognized for up to 10 minutes and Senator BIDEN to be recognized for up to 30 minutes; further, that at the hour of 10 a.m., the Senate resume consideration of the House Joint Resolution 1, the balanced budget constitutional amendment.

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

RECESS UNTIL THURSDAY, FEBRUARY 9, 1995, AT 9:15 A.M.

Mr. HATCH. If there is no further business to come before the Senate and no other Senator is seeking recognition, I now ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:22 p.m., recessed until Thursday, February 9, 1995, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate February 8, 1995:

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

ALTON W. CORNELLA, OF SOUTH DAKOTA, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS, VICE PETER B. BOWMAN, TERM EXPIRED.

REBECCA G. COX, OF CALIFORNIA, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS. (REAPPOINTMENT.)

GEN. JAMES B. DAVIS, U.S. AIR FORCE, RETIRED, OF FLORIDA, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS, VICE BEVERLY BUTCHER BRYON, TERM EXPIRED.

S. LEE KLING, OF MARYLAND, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS, VICE HANSFORD T. JOHNSON, TERM EXPIRED.

BENJAMIN F. MONTOYA, OF NEW MEXICO, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS, VICE ARTHUR LEVITT, JR., TERM EXPIRED.

WENDI LOUISE STEELE, OF TEXAS, TO BE A MEMBER OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION FOR A TERM EXPIRING AT THE END OF THE FIRST SESSION OF THE 104TH CONGRESS, VICE HARRY C. MC PHERSON, JR., TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

RONALD W. YATES, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

HENRY VICCELLIO, JR., 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

BILLY J. BOLES, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

BILLY J. BOLES, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

EUGENE E. HABIGER, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LAWRENCE P. FARRELL, JR., 000–00–0000

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

DONALD F. HAGEN, 000–00–0000

THE FOLLOWING-NAMED CAPTAINS IN THE STAFF CORPS OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

MEDICAL CORPS

To be rear admiral (lower half)

MICHAEL LYNN COWAN, 000–00–0000

SUPPLY CORPS

To be rear admiral

RAYMOND AUBREY ARCHER III, 000–00–0000
JUSTIN DANIEL MC CARTHY, 000–00–0000
PAUL OSCAR SODERBERG, 000–00–0000

CIVIL ENGINEER CORPS

To be rear admiral (lower half)

ROBERT LEWIS MOELLER, 000–00–0000
MICHAEL WILLIAM SHELTON, 000–00–0000

MEDICAL SERVICE CORPS

To be rear admiral (lower half)

HAROLD EDWARD PHILLIPS, 000–00–0000

IN THE AIR FORCE

THE FOLLOWING-NAMED AIR NATIONAL GUARD OFFICERS FOR APPOINTMENT AS RESERVE OF THE AIR FORCE IN THE GRADE INDICATED UNDER THE PROVISIONS OF SECTIONS 12203 AND 12212, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES AS INDICATED.

MEDICAL CORPS

To be lieutenant colonel

THOMAS A. WORK, 000–00–0000
QUAY C. SNYDER, JR., 000–00–0000

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER).

LINE OF THE AIR FORCE

To be lieutenant colonel

LAWRENCE R. DOWLING, 000–00–0000, 9/21/94
DEBBIE L. HENSON, 000–00–0000, 9/10/94
DAVID C. MOREAU, 000–00–0000, 9/14/94
PHILIP B. SANSONE, 000–00–0000, 9/30/94

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

JOAN A. LAWRENCE, 000–00–0000, 9/24/94
STEPHIE K. WALSH, 000–00–0000, 9/15/94

CHAPLAIN CORPS

To be lieutenant colonel

RICHARD C. BEAULIEU, 000–00–0000, 9/9/94
WILLIAM F. EVANS, 000–00–0000, 9/11/94

NURSE CORPS

To be lieutenant colonel

SHARON L. HINKINS, 000–00–0000, 9/18/94
JASPER R. JONES, 000–00–0000, 9/11/94
ELLEN N. THOMAS, 000–00–0000, 9/10/94

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER).

LINE OF THE AIR FORCE

To be lieutenant colonel

MICHAEL M. ADKINSON, 000–00–0000, 10/19/94
ARNOLD W. BALTHAZAR, 000–00–0000, 10/14/94
ARCHIE D. CUMBEE, 000–00–0000, 10/1/94
NEIL A. CURRIE, 000–00–0000, 9/10/94
ALAN T. GRANGER, 000–00–0000, 10/26/94
RICHARD W. GUNGEL, 000–00–0000, 10/1/94
TERRY K. HARDY, 000–00–0000, 10/15/94
ARTHUR S. HARRISON, 000–00–0000, 10/1/94
HAROLD J. HUDEN, 000–00–0000, 10/21/94
RONALD F. JONES, 000–00–0000, 9/15/94
ROBERT T. KARSLAKE, 000–00–0000, 10/1/94
RICHARD L. MARSH, 000–00–0000, 10/5/94
JOHN M. MURRAY, 000–00–0000, 10/17/94
WILLIAM S. O'KEEFE, 000–00–0000, 10/26/94
PAUL N. PAQUETTE, 000–00–0000, 10/1/94
RICHARD J. RACOSKY, 000–00–0000, 9/24/94
MARTHA V. SMYTH, 000–00–0000, 10/1/94
DANIEL P. SWIFT, 000–00–0000, 9/15/94
STEVEN M. WEDE, 000–00–0000, 10/1/94
ARTHUR N. WERTS, 000–00–0000, 9/10/94
WILLIAM D. WILEY, 000–00–0000, 10/1/94

BIOMEDICAL SERVICES CORPS

To be lieutenant colonel

JEFFREY E. SAWYER, 000–00–0000, 8/17/94

MEDICAL CORPS

To be lieutenant colonel

RICHARD H. WHITE, 000–00–0000, 10/23/94

NURSE CORPS

To be lieutenant colonel

TERESA A. WALLACE, 000–00–0000, 9/29/94
SANDRA J. HIGGINS, 000–00–0000, 9/29/94

DENTAL CORPS

To be lieutenant colonel

SHELDON R. OMI, 000–00–0000, 10/2/94

THE FOLLOWING OFFICERS, U.S. AIR FORCE OFFICER TRAINING SCHOOL, FOR APPOINTMENT AS SECOND LIEUTENANTS IN THE REGULAR AIR FORCE, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE OF THE AIR FORCE

NORMAN W. ANDERSON, 000–00–0000
BRADFORD C. BABINSKI, 000–00–0000
WILLIAM C. BAILEY, 000–00–0000
DIANE L. BROWN, 000–00–0000
WAYNE A. CHALK, 000–00–0000
JEFFREY P. DEJOANNIS, 000–00–0000
LAMAR A. EIKMAN, 000–00–0000
PETER V. ELLUM, 000–00–0000
JOHN F. GILLESPIE, JR., 000–00–0000
JEFFRY W. GLENN, 000–00–0000
JUAN M. HIDALGO, 000–00–0000
GRANT L. IZZI, 000–00–0000
GARY L. JACKSON, 000–00–0000
JAMES C. JONES, 000–00–0000
LAURIE D. JURASZEK, 000–00–0000
DAVID D. KELLEY, 000–00–0000
DAVID D. KRETZ, 000–00–0000
KELLY A. LITVIAK, 000–00–0000
JAMES L. MATNEY, 000–00–0000
DOUGLAS E. MC CLAIN, 000–00–0000
BRETT L. MERS, 000–00–0000
CARLOS R. MESSER, JR., 000–00–0000
RODNEY H. NICHOLS, 000–00–0000
MICHAEL J. RICHMAN, 000–00–0000
CHAD A. RIDEN, 000–00–0000
STEVEN M. ROARK, 000–00–0000
ALAN B. SANDERS, 000–00–0000
ROBERT D. SANDOVAL, 000–00–0000
LAWRENCE J. SCHUH, 000–00–0000
LONES B. SEIBER III, 000–00–0000
MARCIA C. SMITH, 000–00–0000
PAUL P. SMITH, JR., 000–00–0000
JENNIFER M. STOCK, 000–00–0000
PHILLIP A. SUYDAM, 000–00–0000
PAUL R. TAYLOR, JR., 000–00–0000
KEVIN V. THOMPSON, 000–00–0000
MICHAEL C. WALTERS, 000–00–0000
DARIN L. WILLIAMS, 000–00–0000

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE OF THE AIR FORCE

To be colonel

JAMES M. CORRIGAN, 000–00–0000
LELAND D. COX, 000–00–0000
CYNTHIA A. DEESE, 000–00–0000
JOSEPH D. YOUNT, 000–00–0000

To be lieutenant colonel

GREGORY A. BROWN, 000–00–0000
ERIC H. CAPPEL, 000–00–0000
STEVEN A. COHEN, 000–00–0000
JEFFREY G. HOOPER, 000–00–0000
DAVID P. KAHLE, 000–00–0000
RICHARD J. LAVELLE, 000–00–0000
FRANK R. LITAKER, 000–00–0000
EUGENE P. SCHEMPP, 000–00–0000
ROBERT A. STRINI, 000–00–0000
THOMAS H. UDALL, 000–00–0000

To be major

VIVIAN C. EDWARDS III, 000–00–0000
GAIL A. FISHER, 000–00–0000
THOMAS G. GAGES, 000–00–0000
DARRELL A. LIVINGSTON, 000–00–0000
JESSE G. MONTALVO, 000–00–0000
MICHAEL W. PELTZER, 000–00–0000
BRUCE D. TOWNSEND, 000–00–0000
KEITH A. VRAA, 000–00–0000
MONICA A. WILSON, 000–00–0000

MEDICAL SERVICE CORPS

To be major

KATHRYN S. MANCHESTER, 000–00–0000

NURSE CORPS

To be lieutenant colonel

JANA L. CAMPBELL, 000–00–0000
DENISE A. MOORE, 000–00–0000

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE OFFICERS BE APPOINTED IN A GRADE HIGHER THAN THAT INDICATED.

LINE OF THE AIR FORCE

To be captain

BRUCE D. GREENWALD, 000–00–0000
JAMES P. HENDRICKS, 000–00–0000
CHARLES D. HOWLAND, 000–00–0000
BENJAMIN WHAM II, 000–00–0000

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE OFFICERS BE APPOINTED IN A HIGHER GRADE THAN THAT INDICATED.

NURSE CORPS

To be captain

ILENE ANDERSON, 000–00–0000
JUANITA ANDREWS, 000–00–0000
PATRICIA C. BLAKE, 000–00–0000
MARK J. BROWN, 000–00–0000
MARK J. GRENIER, 000–00–0000
CHRISTINE L. HALE, 000–00–0000
SUSAN L. HEGLAR, 000–00–0000
BILLYE G. HUTCHISON, 000–00–0000
SARAH E. IDDINS, 000–00–0000
KAREN M. KINNE, 000–00–0000
DEBORAH J. MARSHALL, 000–00–0000
KIRK MARTIN, 000–00–0000
DEBORAH K. MILANO, 000–00–0000
DONNA L. MILLER, 000–00–0000
CORINNE MARTIN OMEARA, 000–00–0000
CHERYL A. REILLY, 000–00–0000
PAULA R. RICK, 000–00–0000
DAVID T. SAYLE, 000–00–0000
BONNIE A. SAYLOR, 000–00–0000
LIZANNE SLAYTON, 000–00–0000
ALISON L. SOLBERG, 000–00–0000

BIOMEDICAL SCIENCES CORPS

To be captain

KATHERINE A. ADAMSON, 000–00–0000
STANLEY D. BRUNTZ, 000–00–0000
BERNADETTE M. BYLINA, 000–00–0000
GORDON H. CAMPBELL, JR., 000–00–0000
JACKIE H. CLARK, 000–00–0000
DANNY L. DAVIS, 000–00–0000
MICHAEL L. EARL, 000–00–0000
DEBORAH L. ELLIOTT, 000–00–0000
DAVID A. KULESH, 000–00–0000
LESLIE G. LOVE, 000–00–0000
LUCIA E. MORE, 000–00–0000
STEVEN P. NIEHOFF, 000–00–0000
BRIAN V. ORTMAN, 000–00–0000
GEORGE M. PRASCSAK, JR., 000–00–0000
ORAZIO F. SANTULLO, JR., 000–00–0000
WILLIAM K. SKORDOS, 000–00–0000
BETTY M. SMITH, 000–00–0000
LESLIE A. SPANGLER, 000–00–0000
JOHN M. SPILKER, 000–00–0000
JOHN A. STAHL, 000–00–0000

IN THE ARMY

THE FOLLOWING-NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 12203 AND 3385:

ARMY PROMOTION LIST

To be colonel

RICHARD G. AUSTIN, 000–00–0000

DAVID L. CAIN, 000–00–0000
CLIFFORD L. CHILDERS, 000–00–0000
ROBERT N. CLEMENT, 000–00–0000
DENNIS L. GEORGE, 000–00–0000
WILLIAM J. GREINER, 000–00–0000
CHARLES V. GUY, JR., 000–00–0000
TERRY L. HALES, 000–00–0000
DENNIS J. MANNING, 000–00–0000
CHARLES F. MARTIN, 000–00–0000
LARRY E. MATCHETT, 000–00–0000
JULIUS E. MATHIS, 000–00–0000
RAYMOND L. MC BRIDE, 000–00–0000
GERVIS A. PARKERSON, JR., 000–00–0000
FRANK J. SHARR, 000–00–0000
PAUL D. VIOLA, 000–00–0000

THE JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

RICHARD D. EDWARDS, 000–00–0000

DENTAL CORPS

To be colonel

JOHN B. THORNTON, JR., 000–00–0000

MEDICAL SERVICE CORPS

To be colonel

BILLY A. GARNER, 000–00–0000
ERNEST J. REINERT, 000–00–0000
ANNA R. WEST, 000–00–0000

CHAPLAIN CORPS

To be colonel

DEAN E. BAER, 000–00–0000
ARIEL R. MATIENZO-LOPEZ, 000–00–0000
WILLIAM D. MC GOWIN, JR., 000–00–0000

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 12203 AND 3385:

ARMY PROMOTION LIST

To be lieutenant colonel

GARY D. BRAY, 000–00–0000
NELSON J. CANNON, 000–00–0000
TIMOTHY D. DONOVAN, 000–00–0000
GARY J. DUNN, 000–00–0000
RICHARD W. FOX, 000–00–0000
ALVIE L. KEASTER, 000–00–0000
IVAN S. KUNKEL, 000–00–0000
JOSEPH A. MATCZAK, 000–00–0000
TIMOTHY R. MEYER, 000–00–0000
JOHN B. MILLER, 000–00–0000
MICHAEL J. MURPHY, 000–00–0000
KENNETH E. MUSSER, 000–00–0000
ROBERT D. O'BARR, 000–00–0000
DONALD J. ODERMANN, 000–00–0000
ROBERT J. O'NEILL, 000–00–0000
PATRICK P. PNACEK, 000–00–0000
MICHAEL A. QUARTANA, 000–00–0000
DONNA L. RIX, 000–00–0000
CHARLES M. SINES, 000–00–0000
DONALD C. STORM, 000–00–0000
CAREY G. THOMPSON, 000–00–0000
VERLYN E. TUCKER, 000–00–0000
MELVIN D. TWITTY, 000–00–0000
KINGSLEY R. VAN DUZER, 000–00–0000
CHARLES M. WAGNER, 000–00–0000
GERARD W. WEISS, 000–00–0000
CHESTER L. WHITE, 000–00–0000

THE JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

DONALD W. FETT, 000–00–0000

MEDICAL SERVICE CORPS

To be lieutenant colonel

KATHLEEN S. CARLSON, 000–00–0000

MEDICAL CORPS

To be lieutenant colonel

STEVEN R. ANDERSON, 000–00–0000

CHAPLAIN CORPS

To be lieutenant colonel

ROBERT D. ALSTON, 000–00–0000
WILLIAM T. SHERER III, 000–00–0000

IN THE NAVY

THE FOLLOWING-NAMED LIEUTENANT COMMANDERS AND LIEUTENANTS IN THE LINE AND STAFF CORPS OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADES OF COMMANDER AND LIEUTENANT COMMANDER, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 628, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

CHAPLAIN CORPS

To be commander

KERBY E. RICH, 000–00–0000

MEDICAL CORPS

To be commander

MARTIN L. SNYDER, 000–00–0000

UNRESTRICTED LINE

To be lieutenant commander

JOSEPH G. O'BRIEN, 000–00–0000
JOSEPH B. WIEGAND, 000–00–0000

MEDICAL SERVICE CORPS

To be lieutenant commander

JUNIUS L. BAUGH, 000–00–0000
JOHN C. DRAGON, 000–00–0000
LAWRENCE W. WIGGINS, 000–00–0000

THE FOLLOWING-NAMED NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531.

ERIC R. VICTORY, 000–00–0000

THE FOLLOWING-NAMED NAVY ENLISTED COMMISSIONING PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

KELLY V. AHLM, 000–00–0000
MICHAEL ANSLEY, 000–00–0000
JAMES R. BRYAN, 000–00–0000
TY G. CHRISTIE, 000–00–0000
MARVIN W. CUNNINGHAM, 000–00–0000
JAMES A. DUTTON, 000–00–0000
KEVIN L. ETZKORN, 000–00–0000
DAVID C. GARCIA, 000–00–0000
JOSEPH T. HANSEN, 000–00–0000
JOHN W. HAYES, 000–00–0000
RYAN J. HEILMAN, 000–00–0000
TRENTON D. HESSLINK, 000–00–0000
CLARENCE J. KIMM, 000–00–0000
STEPHEN D. MOSER, 000–00–0000
MICHAEL R. SOWA, 000–00–0000
LANCE E. THOMPSON, 000–00–0000
STEVEN R. VONHEEDER, 000–00–0000
WAYNE C. WALL, 000–00–0000
BRYAN D. WATERMAN, 000–00–0000

THE FOLLOWING-NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

JEFFREY D. BLAKE, 000–00–0000
CARTER H. GRIFFIN, 000–00–0000
KEITH T. HURLEY, 000–00–0000
MARK A. JONES, 000–00–0000
RICHARD W. MEYER, 000–00–0000
WILLIAM A. SPRAUER, 000–00–0000

THE FOLLOWING-NAMED FORMER U.S. NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

RICHARD A. COULON, 000–00–0000

THE FOLLOWING-NAMED FORMER U.S. NAVY OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

STEPHEN S. FROST, 000–00–0000

THE FOLLOWING-NAMED U.S. NAVY OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

MARILYN BOITANO, 000–00–0000

THE FOLLOWING-NAMED MEDICAL COLLEGE GRADUATES TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

STEPHEN I. DEUTSCH, 000–00–0000
GREGORY DOWBACK, 000–00–0000
RICHARD J. MULLINS, 000–00–0000
ROBERT L. STEWART, 000–00–0000

IN THE MARINE CORPS

THE FOLLOWING-NAMED AIR FORCE ACADEMY GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U.S. CODE, SECTION 541:

MARINE CORPS

To be second lieutenant

BRANDON D. BROWN, 000–00–0000
BRIAN E. CARBAUGH, 000–00–0000
CHRISTOPHER KOELZER, 000–00–0000
JASON D. LEIGHTON, 000–00–0000
STEVEN M. WOLF, 000–00–0000