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Senate

(Legislative day of Wednesday, February 22, 1995)

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

The PRESIDENT pro tempore. Today we have a guest Chaplain, Father Paul Lavin, pastor of St. Joseph's Catholic Church, Capitol Hill, Washington, DC.

PRAYER

The guest Chaplain, the Reverend Paul Lavin, pastor of St. Joseph's Catholic Church, Capitol Hill, Washington, DC, offered the following prayer:

Let us pray:

Almighty Father, we acknowledge Your goodness and the great gifts You have given to our Nation. Give the Members of the U.S. Senate the grace of Your wisdom and understanding to call our Nation to respond wisely to Your gifts.

With Your help may our Nation be an image of justice, a mirror of sanctity, a protector of the truth, a refuge for the oppressed, a treasure to the poor, a hope to the wretched.

Direct all our actions by Your holy inspiration and carry them on by Your gracious assistance that every work of this Senate may begin from You and with Your grace, be part of Your work to make our world a more just and decent place.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

RESERVATION OF LEADER TIME

Mr. LOTT. Mr. President, this morning the time for the two leaders has been reserved.

SCHEDULE

Mr. LOTT. Mr. President, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak for up to 5 minutes each with the following exceptions: Senator CRAIG, 1 hour; Senator DASCHLE, 30 minutes; Senator LIEBERMAN, 20 minutes; Senator GRAHAM of Florida, 15 minutes; and Senator GRAMS of Minnesota, 5 minutes.

For the information of my colleagues, the majority leader has announced there will be no rollcall votes during today's session. Also, I urge all my Republican colleagues to attend an important press conference this morning at 10:30 in room S–207 of the Capitol for the announcement of our newest Republican Member, Senator BEN NIGHTHORSE CAMPBELL of Colorado.

Mr. President, if I may proceed for 2 minutes at this time?

The PRESIDENT pro tempore. Without objection, it is so ordered.

NEW REPUBLICAN SENATOR BEN NIGHTHORSE CAMPBELL

Mr. LOTT. Mr. President, I am sure our distinguished majority leader will be here later this morning to officially welcome our newest Member on the Republican side of the aisle. But I want to express my appreciation for the courage of this fine Senator, my friend from Colorado, Senator BEN NIGHTHORSE CAMPBELL. This is a Senator with a long history of courage, of humble beginnings, and of having fought for the things he believed in and has risen to election by the people of the State of Colorado to serve as one of their two U.S. Senators.

Again today he shows the principle and the courage that he has exhibited throughout his life. Because of his philosophy, because of his concern for his country, and because of his inability to continue to live under the umbrella of a party that is dominated by a small sliver of liberals in their party, taxers and spenders who won the day against the American people just yesterday, this morning he announced that he will join the Republican Party, the party that welcomes him, the party that reflects the views that he believes in of a reduced size of the Federal Government, responsibility for people at the local level, strong national defense, independence and freedom for people, and private property rights.

He will speak for himself but this announcement this morning is the loudest speech he has ever given in his life. I commend him and welcome him to our party.

I yield the floor.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Under the previous order, the Senator from Idaho [Mr. CRAIG] is recognized to speak for up to 1 hour.

NEW REPUBLICAN SENATOR BEN NIGHTHORSE CAMPBELL

Mr. CRAIG. Mr. President, the whip of our party has just made an exciting announcement, that my friend and a friend of most of ours, Senator BEN NIGHTHORSE CAMPBELL of Colorado, is today announcing that he will become a Republican.

For a good number of years I have had the privilege to work with this Senator, both in the U.S. House of Representatives and now here in the Senate, and I must tell you that he is a man of great integrity. We have worked on a variety of western issues that are common to both our States and a broad base of our constituency,

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

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and it is exciting for me to know that BEN is going to become one of us. I feel very privileged that he has made that choice.

I have asked for a special order this morning to do an analysis following the vote yesterday of the balanced budget amendment and where we stand as a Senate now on the threshold of making a decision as it relates to how we will deal with this issue.

At this time I will yield to the Senator from Oklahoma—whom I know needs to preside in the chair and will in just a few moments—for his comments on this issue. Clearly, while in the House and now here in the Senate, he has been a leader on the issue of the balanced budget amendment, and I yield to the Senator for what time he may use.

Mr. INHOFE. I thank the Senator for yielding. This will be very brief, Mr. President.

The PRESIDENT pro tempore. The distinguished Senator from Oklahoma is recognized.

A PROFILE OF BALANCED BUDGET AMENDMENT SUPPORTERS

Mr. INHOFE. Mr. President, before we hear the analysis from the distinguished Senator from Idaho, I want to give you my own analysis. Yesterday on the floor, yesterday afternoon, I reminded the President, I reminded our fellow Members, and hopefully many in America who might be watching that those individuals who were fighting the balanced budget amendment have a very interesting profile, some things in common. I pointed out and documented that all of those 41 individuals who were the cosponsors of the right-to-know amendment to the budget balancing amendment had a very liberal background. Each one of the 41 had either a D or an F rating by the National Taxpayers Union. Each one of the individuals had voted for the very large spending program called President Clinton's tax stimulus program. And each one had voted for the 1993 tax increase which has been characterized as the largest single tax increase in the history of public finance in America or anywhere in the world.

I announced that I suspected that the 33 Democrats who managed to keep from allowing us to have that one more vote to pass a balanced budget amendment yesterday would fit this same profile. I have analyzed this. I did this personally last night and I will give you the results of that.

Of the 33 Democrats—and it only took one to come over to our side and to free the future generations from the shackles they are going to be bound with—all 33 voted on the cloture vote in favor of the tax stimulus program, which was the big spending program. All 33 have a D or an F rating by the National Taxpayers Union. And 31 of the 33—all but 2 of them—voted for the largest single tax increase in the history of public finance in America or any place in the world.

The bottom line is this. All this talk about Social Security, all this talk about the right to know is bogus. The fact is those individuals did not want to balance the budget. They are big spenders.

Thank you, Mr. President. I yield to the distinguished Senator from Idaho.

The PRESIDENT pro tempore. The distinguished Senator from Idaho is recognized.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

Mr. CRAIG. Mr. President, I thank my colleague from Oklahoma for that analysis. Of course, that was the issue yesterday as we debated and finally voted on House Joint Resolution 1. For over 5 weeks we had debated the issue of a balanced budget and why this Government and why the Congress of the United States ought to be held to the constraints of a constitutional amendment requiring us to balance the Federal budget. While there were many arguments from a variety of perspectives, there was one overriding influence that could not be ignored nor could it be denied, and that was, had this issue passed the Senate yesterday, it would have been sent to our 50 States to begin a ratification process that I believe would have moved very rapidly to gain the necessary 38 States to bring about ratification.

In doing that, of course, the Congress knew that would begin a long and very difficult process to move us to a balanced budget by the year 2002, but one the American people now demand and expect from us, and one we know we can accomplish, if we can bring about the discipline but, more importantly, the pressure and the kind of control that a balanced budget amendment to our Constitution would result in.

There are so many who wrung their hands in the argument that this could never be done. But I argue that those who argue that are the many of the past. They are the ones who still are stuck in the idea or the concept that the Federal Government and its programs must manage and control people and direct an economy of a country outside the marketplace. That, of course, is exactly what the Congress of the United States has done for over 30 years, and we have seen results. We have seen the results of a $34.8 trillion debt that remains totally out of control. We have seen the results of how interest on that debt eroded any ability to spend both in discretionary and entitlement programs and locks us into a straitjacket of program and time and spending.

But something else that is also, I think, reflective of that debate is that those who argue it argue the status quo. They argue government as if it were something static, that it will never change, or that the Senators and the Members of the House who are involved in governing this country will always vote to have exactly the same programs, that we will not eliminate an agency, that we will not reduce or change a priority, and that we will not shift the intent of the governing of this country from one area to another.

That is a very false and phony argument. Certainly it is to the American people because, if there is anything sure about our country, it is change, and it occurs on a constant and daily basis. It is the Government that finds itself incapable of changing. So simply to say we cannot balance the budget because we cannot get there is to clearly argue that it is going to be the same Government and the same kind of budget, and we are going to ramp it up to 3, 4, 5, to 6 percent a year on the average and heading as far as the eye can see in that direction.

Why do I say that? Because that is exactly what President Clinton's budget demonstrated when he presented it here but a few weeks ago. Here is a President who came to town arguing that he must have the largest tax increase in history, and, if we gave it to him, that he would then begin a very progressive approach toward a budget that would bring us to a balanced budget that would bring down the deficit and continue to bring it down. That is what he campaigned on. That is what he promised the American people. That is what he, the President of the United States, promised this Senate and this Congress less than 2 years ago as he argued for and his party gave him the largest tax increase in history. Then in a most cavalier way, as he presented the budget just this year, he not only showed that he would not control the deficit, he said let the Republicans make the cuts. Let us see what they want to do. Let them make the cuts.

Mr. President, that is why we need a balanced budget amendment so that the Executive of this country can be as responsible as the legislative branch of this country, that budgeting becomes a partnership of cooperation where the President, the executive branch, brings about a balanced budget just as much and just as responsibly as the legislative branch of Government must do.

That is, of course, exactly what the constitutional amendment required as we looked at it the other day. That is why five of our colleagues from the other side who had once voted with us turned tail and ran away from their commitment and their pledge to their constituents. I am frustrated by that because they are honorable people. All of us in our pledge to our constituency attempt to honor it, and yet that did not happen yesterday on five very distinct votes. That is too bad.

We hope as we work this issue and continue to work this issue that we can regain the support of those Senators who left us yesterday and left their constituency.

We have several others who want to speak this morning. Before I yield, let me make one other point that I think

is so fundamentally important as we debate a balanced budget amendment and as we continue to work on this issue and as we continue to assure the American people that we will do all within our power to bring down the deficits and to control our debt structure for now and for future generations.

Article V of our Constitution—that is the article that speaks to how we amend the organic document—speaks very clearly about how it gets done. It says that the Congress shall propose an amendment. That is in the first part of article V.

The second part of article V allows the States to petition for the formation of a constitutional convention. Many of us are concerned that a convention is not the right way to go and that the most responsible way is for the Congress of the United States to craft and propose an amendment.

Yesterday, the vote that we cast here was not to pass a balanced budget amendment; it was to propose a balanced budget amendment to our Constitution. And in so doing that, it then would allow the citizens of our country, the State legislatures, or, if they chose, the forming of a convention to debate and ratify the amendment. That action to propose was denied yesterday—not to pass but to propose—to send out to the States, to conform with article V of the Constitution.

In essence, what Senators who opposed that process yesterday did was to say to their citizens, ''We will not give you the right to choose, we will not give you the right to look at this issue, to debate it, to understand the process, and to decide whether you want your Government to live under a constitutional requirement for a federally balanced budget.'' I find that an amazing testimony.

I really would like those Senators to go home and hold a press conference and tell their electorate, ''We did not think you were responsible, we did not think you ought to have the right under the Constitution to decide,'' because that is exactly what they did. That in itself is a tragedy. But more importantly, what this is is a reaffirmation of something with which the American people have known for a long while, and they spoke so clearly about it last November. That was the arrogance of power that resides here on Capitol Hill, this all-knowing knowledge that somehow, if the wisdom does not emanate from Capitol Hill, it is unwise; that somehow the States and those who reside in the States cannot think for themselves, cannot make those judgments. That is absolutely the reverse philosophy from those who founded our country and who wrote the Constitution and who got it ratified. In fact, House Joint Resolution 1 that we voted on yesterday was very much a part of the style and the type of constitutional amendment that a Tom Jefferson would have put in the Constitution because it reflected that attitude of the power and the right of the individual citizen and the power to the States and the ability of the States to control their central government.

Yesterday, the Senators who opposed this said very clearly under all of the smokescreen and all of the excuses that they gave for not voting for it—there were two fundamental things. They did not believe in the rights of the States to control their central government, and they would not give the citizens of those States the right to choose that option. I think that is profound, and it is sad. But that is the reality of what happened yesterday.

It is very important that the American people understand that message in the coming days and weeks as we work to revisit this issue to gain the necessary 67 votes or the two-thirds votes of this body to propose it and to send it to the States for ratification.

At this time, let me yield to my colleague from Georgia, Senator COVERDELL, who has worked so closely with us on this issue, has worked on a team of Senators who met daily over the course of the last 5 weeks to develop the issue and work with Senator ORRIN HATCH here on the floor, to build the debate. I think it was a remarkable task. I say that because for well over 100 hours and for 5 long weeks we debated this issue, and there was very little dead time, as we call it, or quorum calls because there truly was a message that came through loud and clear from this side of the aisle as to the purpose of a balanced budget amendment, and part of that message was crafted by the Senator from Georgia. I am pleased to yield to him at this time for such time as he might consume.

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

THE PRESIDENT IS NOT LISTENING TO THE PEOPLE

Mr. COVERDELL. Thank you, Mr. President. I commend my colleague from Idaho and the Senator from Utah, Senator HATCH, and also Senator SIMON, who is not present this morning, for the effort over the past 5 weeks they have lent to the effort to create a historical change in the governance and the financial discipline of our country. I was talking with my wife last evening, and I wish Senator SIMON from Illinois was here because she had a chance to watch his address to the Nation immediately following the vote. She said it was most eloquent and even recommended that I get a video of it so that I might see it. I missed it as I was in a press conference.

I was so saddened yesterday about the outcome, the narrow defeat of the opportunity to move forward with the debate in the Nation about constructing an amendment to the Constitution requiring a balanced budget. It reminded me a little of when I was a youngster and the battle in Korea had just begun. Each day I would pick up the paper and the perimeter would shrink for U.S. forces trying to hold on against the surge of the enemy. Every day was a little more sad, because that perimeter shrunk and shrunk and shrunk until finally it was a very small piece of that Korean Peninsula surrounding the city of Pusan. Lo and behold, the will of the country, the will of the alliance to put back an evil force that would do great damage to the future of the free world ultimately prevailed. I think the analogy will be so here.

I think over these past 30 to 40 years, the Nation has awakened each morning a little more worried about the state of the Union, a union that has pushed away every evil aggressor across and away from our shores but is perilously close to losing the standing of this great democracy because of a lack of domestic will, a lack of a will to take care of our own affairs and pay attention to our own financial health.

Maybe the beginning is in the press conference that will occur in about 8 minutes. Senator BEN NIGHTHORSE CAMPBELL came to this Senate on the same day I did but 2 years ago. Both of us saw the revolution coming. The Presiding Officer is a product of that revolution. I think his decision—I have not spoken to him, but it has to be some way affected by the realization of what the American people are asking of policymakers in their Capital City and the entrenched view to stand in the way of the change that America is asking for.

I go back to the President's State of the Union Address. In the President's State of the Union, after the election—and no one has received a greater thrashing than the President in that election—it caused great reflection, supposedly, in the White House, an analysis of what happened here. The President went back and read his speeches from 1992, the new Democrat theory. He wanted to revisit. What went wrong? In that speech, he said, ''The American people are not just singing to us, they are shouting at us.'' How right he was. But he has not heard the shouts. Senator CAMPBELL has heard the shouting, and he is doing something about it. The President has not heard the shouting, and he is standing in the way of what America is seeking.

Yesterday was one of the most important votes ever to be cast in the history of the Senate. We were dealing with the core governance of America, the core document by which we live. We were saying that to secure the future of the Nation, we must have sound financial policy. We must live within our means. We must stop spending money we do not have because we impose a debt on future generations. Every child born today will get either a pink or blue wristband and attached to it will be a $22,000 mortgage. Unbelievable. Unbelievable that we would consume everything we have—$5 trillion we do not have, 30 percent of the tax base of the property taxes of the

United States through unfunded mandates, and now we have even taken the practice of spending the livelihood of our children and grandchildren.

The Nation knows this must stop, which is why 80 percent of them said pass a balanced budget amendment, which is why they overturned the Congress last November and sent new majorities here. What did they send them here to do? They sent them here to change the way we do business in Washington. They did their level best to achieve it. Who was in their way? President William Clinton.

The defeat yesterday comes from the White House. There can be no doubt that the amendment would have passed, and it would have passed with 70-plus votes if it had not been for the President's decision to stand in its way. So what we have here is a classic division of the people that sent messengers to Washington to ratify, to honor, to carry out the will of a nation and a President who, in the final analysis, chose to nullify.

Mr. President, as you know, in about 3 minutes a very historic event will occur when Senator BEN NIGHTHORSE CAMPBELL—I will put it in this light—affirms and acknowledges and does honor to what he is hearing the American people say. He will have chosen to leave the ranks of those who would nullify, reject, and subject the view of the American people.

It is hard for me to understand how anybody—particularly if you are in the White House as President of this great democracy—could miss what those people are saying out there. Every piece of data you pick up, it is either 7 out of 10 or 8 out of 10, it is overwhelming. This is almost like the last 2 years replayed. Last year, we were in a historic debate again and we were talking about health care. The President puts on the table a program that you could not even read and you could not even put it on a chart, a Government takeover of medicine.

The American people were telling him, in the loudest voice, they did not want him to do that. They were worried about health care reform, but they did not want the Government to take it over. They did not want to be taxed even more. Heavens, they were already working from January to July for the Government before they kept their first dime for their family's dream, so they could not understand what he was doing. By the end of this debate, 85 percent of the American people were saying, ''Stop this nonsense. Don't do that.'' But the President pressed on as if he knew better, he knew more than this Nation of ours.

I am convinced that it was that battle over that great issue that made it so clear to America what they wanted to do in the midterm elections. And that is why there is a new majority in the Senate and that is why there is a new majority in the House, because the President kept trying to press on the country something that they were telling him in every way they knew how they did not want.

So they picked the elections to tell him. They said, ''All right, if you won't listen to us, we're going to change who the players are in that city,'' and they sent a whole new class of Senators and a whole new class of House Members.

And at the center, at the very epicenter of the message was: Manage the financial affairs of the country. Make our country financially healthy. Pass a balanced budget amendment. The same numbers, another 80 percent of the American public saying, ''Do this. Do this.''

This makes me step back for a minute and talk about a word that was used frequently over the last 2 years by the President called ''gridlock.'' He kept saying, ''Gridlock. We can't get anything done.''

Well, I would say to the President that it is one thing to stand here and try to stop something that the people do not want—which is what the Republican conference was doing on health care—it is another thing to stand in front of something that the whole Nation wants to do. That is the dilemma the President finds himself in on this balanced budget amendment.

America lost yesterday. It was not a win-lose situation here in the Senate. We talked about the 33 that voted against it and all those 66 who voted for it. This is not where the winning and losing took place. The losing took place in Keokuk, IA; in Norman, OK; Atlanta, GA; Miami; and Anchorage. The Nation knows, without any equivocation, that we must change the way we manage our financial affairs.

Mr. President, throughout the whole debate, the other side has brought up one red herring after another, one amendment after the other. It was advertised that the effect of these amendments would be to protect somebody—a veteran, a Social Security recipient, a child. It was almost shameful in the manipulation of the language, because, in effect, any set-aside would have made the whole effort moot.

In other words, if you had a balanced budget amendment, except for—it does not matter what name you put on it—then what would have happened from that date forward is every spending proposal that is more than we have would amend the exception. It would have made a nightmare out of whatever area of the law they tried to protect. They were not protecting it. They were putting it in harm's way. Whether it was veterans' or children's programs or Social Security, to set anything aside would have put it right in front of the pressure to spend and spend and spend with abandon. Every spending bill would have amended the exception. And so the whole exercise would have been absolutely moot. There would have been no reason to even go through the debate in the Nation if it was nothing more than a charade.

To those innocent bystanders who looked at that, it may have appeared as if they were trying to be protected. But I am here to say—and there are many with me—that they were actually being put in harm's way, because it would have been the route by which all spending occurred. It would have made a nightmare of any area of the law that was the set-aside.

Furthermore, I would say this, Mr. President. This Nation—well, let me put it another way, Mr. President, in the form of a rhetorical question. Have any of us ever known an individual or a family or a local community, probably more specifically a business, that was ever able to take care of its employees, its needs, its health, if it was financially crippled? Is Orange County better off today? No. Is a company that is pushed into bankruptcy able to take care of its employees, or are its employees facing a pink slip? Is a family that has spent too much on the credit card, bought a house that was too big, are they going to be able to send their children to college?

Well, obviously the answer is no—no for the individual, no for the family, no for a local community, and no for a business.

It is also true for a nation. No nation—no nation—that is financially destabilized can care for its security, either internationally or domestically. And every citizen of our country who is concerned because they are involved with a Government program, they, more than any other, should ask for and demand a financially healthy country because, without that, we will never be able to take care of the veterans or the children's programs, or an individual on Social Security. First, and foremost, we must be a healthy nation at home.

Mr. President, I yield the floor to the distinguished Senator from Idaho.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank my colleague from Georgia for those extremely valuable words and astute observations to the problems we face as a country today as it relates to the issue of our Federal budget, our debt, and how that gets handled and what we intend to do here as a new Congress, as a new Senate, to try to resolve that issue for the American people.

One of the sets of figures that I think comes to mind to me most often as we try to deal with a balanced budget and a resolution of this phenomenal debt structure that we have created over the last 30 years are figures that go like this: $829,444,000 a day additional debt—additional debt. That is almost the size of my State's entire operating budget for 1 year. We are now just a little over $1 billion in the State of Idaho. And this is one day's debt for the Federal Government.

That is $34,560,000 an hour.

I mean, you and I, Mr. President, cannot envision that.

We really cannot comprehend it. In fact, that is part of the problem we suffer from, that we cannot understand the magnitude of the problem that we are creating here on an hourly, daily, monthly basis.

Now I have asked for this special order for 1 hour, so I know that costs $34 million. But 1 minute is $576,000, and 1 second is $9,600. It truly is beyond the ability of this country and our people to understand.

Mr. President, oftentimes we reduce things that we understand to what we can see or envision. We know that a car costs somewhere in the $20,000 to $30,000 range today for a certain type, and that houses cost so much. You can drive down the street and say, ''Look at that house. That house is about a $200,000 home, or a $300,000 home.'' The average human can comprehend that. They can say, ''Boy, I cannot afford that,'' or ''I can,'' or ''That is within our budget.''

But can the average human comprehend $4.8 trillion, and what it takes to generate that or to pay for it? Or to begin to deal with it in a rational way? We cannot, as a country. Yet, every year here, first showing up on the budget sheets that we call the Federal Government, of $3.2. That is not $3.20, but that is $3.2 billion—but it is just $3.2, just a list of figures. It does not make a lot of sense.

And yesterday, and for the last 5 weeks, we have tried to begin to turn that corner, to bring it under control, to begin to define it, to work with the American people to understand it, and to say to them that this debt structure of over $18,000 per American citizen is going to get under control because it does mean something and it does have impact.

There has been a variety of approaches to control it. But my colleague, who has just joined me on the floor from Arizona, while he has been an outspoken supporter of the balanced budget amendment and has brought about a lot of the energy behind that in the House and now, of course, here in the Senate as one of our leaders with the team that worked to deal with this issue over the last several weeks, has also focused on spending reductions and spending controls, because that is really what it is all about.

If we balance the Federal budget in 7 years, we have to set a course of spending controls. Stay within our limit, stay within the ability to control, and to meet the target 7 years out in 2002.

At this moment, let me turn to the junior Senator from Colorado, or excuse me, from Arizona, for his comments on this issue and others that he might wish to address.

Mr. KYL. I thank you. Mr. President, I thank the Senator from Idaho.

He and I served in the House of Representatives together when he was a leader in the fight for the balanced budget amendment there. He carried that fight right over here to the Senate, and was one of our leaders in attempting to obtain passage of the balanced budget amendment this year. I predict that he will be one of the key figures in securing its passage sooner or later.

It has been a pleasure for me to be of assistance to him and to bring with me from the House of Representatives an idea actually which I brought from my own home State of Arizona to achieve a balanced budget by spending limits rather than by raising taxes. That is what I wish to talk about today.

Mr. President, if I could call time out for a second, the Senator from Idaho mistakenly referred to me as the junior Senator from Colorado for a moment, and I know exactly why. In the background, there was a deafening noise just a moment ago of loud applause for the junior Senator from Colorado, BEN NIGHTHORSE CAMPBELL, for his declaration that as of today, he is a proud member of the Republican Party, and will be a Member of the Republican Senate cadre. We are looking for a place to put his new desk on this side of this Chamber.

Mr. CRAIG. Will the Senator yield with that? We will find a place to put that desk.

Mr. KYL. And I suspect any others who may wish to join RICHARD SHELBY and BEN NIGHTHORSE CAMPBELL in joining us on the Republican side.

Mr. President, we welcome these friends—former Democrats who are now Republicans—not only because they are friends and we need their help, but because their decision to join the Republican Party in both cases, as they said, was, as in Ronald Reagan's old phrase, a decision not to leave the Democratic Party, but because the Democratic Party had really left them.

We have many friends here who proudly serve in the Democratic Party and uphold its traditions. From our point of view, one of those traditions is being willing to spend too much of the taxpayers' money. People like BEN NIGHTHORSE CAMPBELL and RICHARD SHELBY and PAUL SIMON from Illinois and others who remain in the Democratic Party have finally said, ''We do not want to do that anymore. We have to balance the Federal budget.''

It has not been comfortable for a Democrat to support us in that effort. The President of the United States was very much in opposition to the balanced budget amendment, and as the Senator from Georgia said a short while ago, we can probably attribute the defeat of the balanced budget amendment yesterday to the lobbying of the President of the United States. Five or six Democrats who had previously cosponsored and voted for the balanced budget amendment—Democrats—decided this time not to support it.

I think that handful of Democrats in support of the President, obviously, are the ones who will have to answer to the American people when the questions are asked, who defeated the balanced budget amendment.

But today is another day. We have to move on. We are going to move forward as if the balanced budget amendment had passed and as if we are going to balance the budget by the year 2002. We will do it with or without the balanced budget amendment. It will be harder without that constitutional limitation.

Yesterday's defeat of the balanced budget amendment, I suggest, is a call to arms. The ballot was lost, but the war rages on. The balanced budget amendment will ultimately pass—maybe later this year, maybe next year, or perhaps the year after. But it will pass because the American people demand that it pass.

Last fall, a political revolution swept Capitol Hill, a revolution fueled by the American people's anger with the Federal Government out of control, a Federal Government overregulating, overtaxing, and overspending. Although the American people swept new leadership into the Senate and the House of Representatives, yesterday's vote demonstrated that the vestiges of business as usual remain and that another round of housecleaning is yet to come.

I will predict that those who stood in the way of a balanced budget amendment yesterday will not be around when it is brought to a vote in future Congresses. The American people will, as I said, hold them accountable.

Our mission today, with or without the balanced budget amendment, is to immediately begin making the tough choices about what spending to cut and what programs to terminate in order to get the budget to balance by the year 2002. Our responsibility is to put an effective enforcement mechanism into place to force the Congress to begin to prioritize, to separate wants from needs, just like families all across America must do every day.

Mr. President, I thank the Chair.

(The remarks of Mr. KYL pertaining to the introduction of S. 494 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. KYL. Mr. President, I thank the Senator from Idaho for yielding this time and, again, for taking a strong leadership role in the effort to get the balanced budget amendment passed and predict that through his leadership eventually we will pass it.

(Mr. GORTON assumed the chair.)

Mr. CRAIG. Mr. President, I will not make that mistake again of referring to my colleague as the junior Senator from Colorado. I have had the privilege of serving with the Senator from Arizona for a good number of years, both in the House and now in the Senate, and I have always appreciated his leadership and his energy that he puts to the issues that he is dedicated to and certainly the spending limitation program that he has just proposed, of which I am proud to be a cosponsor.

We will work to prove to our colleagues on the other side that there is a way to balance the Federal budget

and do so in a reasonable fashion without the draconian style arguments or comments that oftentimes come from the other side of the aisle when they find that they are threatened with the concept of a balanced budget. We know that can be done, and we know that there will be tough choices to be made, but it must be done.

I would like, Mr. President, to mention another issue that I guess the word disappointment comes to mind when I think of how it was used over the course of the last several weeks by several of my colleagues. And that was the issue of Social Security.

I am disappointed that every time Social Security is brought up on the floor of the U.S. Senate, it is used as a scare tactic, it is used to frighten dedicated American citizens who believe that their Federal Government has an obligation to them to assist them after they have paid into a system of income assistance known as Social Security, and that somehow there is a devious scheme on the part of some politician in Washington to otherwise change that commitment that is clearly written into the Social Security law.

Mr. President, you and I and the American people know there is no devious scheme, not at all; that you and I and others who serve in the U.S. Senate really serve as the board of directors of Social Security, Inc., if you will. We are the ones charged under the law with the responsibility of managing the Social Security system.

Whether you can argue that it has been managed well or not, the bottom line is it has never failed to meet the obligation that it has to the citizens of this country who have paid into it and find themselves then eligible under the law to receive the benefits of it. Yet, somehow over the last several weeks, those who needed to create a smokescreen or a shield to back away from their previous support of a balanced budget amendment because of their President's pressure, or for whatever reason, begin to raise the ugly head and the old argument that somehow the other side was manipulating a way to change or destroy the Social Security system.

For the last 3 years, as we have debated the issue of the balanced budget amendment, Senator PAUL SIMON, of Illinois, who has been one of the leaders and certainly the prime sponsor and then the prime cosponsor this year of the balanced budget amendment, we have worked with a fellow by the name of Robert Myers. Robert Myers for years was the chief actuary of the Social Security system of the Social Security Administration from 1947 to 1970 and then a deputy commissioner from 1981 to 1982 and 1982 to 1983. He served as executive director of the National Commission on Social Security Reform—I mean, this man is Mr. Social Security.

I am quoting from a letter of February of this year that he sent to PAUL SIMON, when in essence he says the Federal debt is the threat to the Social Security system, not the balanced budget amendment. If you do not control the debt, you ruin the Social Security system and what is he saying in essence? He is recognizing the fact that if we bankrupt this country, Social Security checks are not going to go out. There will not be any money, whether it is in a trust fund or whether it is inside the general budget of our country.

The bottom line is if you have a busted government and a busted country, nothing goes out; everybody is equally bankrupt or poor at that moment. The responsibility then of this Congress is to keep a budget under control to move it toward balance, to bring the debt down so we can always honor the commitment of the Social Security system.

Well, it became the trust fund argument: Is it on, is it off? Is it in, is it out? We know from past experience that you manage the system. In 1983, Social Security needed reform and the Congress came together, Democrat and Republican alike, not in the kind of demagoguery that I felt I heard on this floor in the last several weeks, but we came together united as a government to manage and stabilize the system, and we did. Yet day after day, hour after hour, amendment after amendment, it was the ghost of the Social Security system or the mismanagement of it or some devious scheme under a balanced budget amendment to do so, and, Mr. President, that is just false. It is not true and, most importantly, the American people know it is not true.

The Senior Coalition, one of the largest organizations of senior citizens in this country, in a recent national survey—and I ask unanimous consent that this be printed in the RECORD.

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

THE SENIORS COALITION,
Fairfax, VA, March 2, 1995.

Re The American Association of Retired Persons and the Balanced Budget Amendment.

To: All Interested Parties.

From: Kimberly Schuld, Legislative Analyst.

The AARP Commissioned The Wirthlin Group to conduct a survey for them January 25–28, 1995 on a variety of questions pertaining to the BBA. Since then, the AARP and the National Council of Senior Citizens have been twisting the poll's results and methodology to claim that public support for a BBA is low—once Americans are told what the BBA will mean to them.

The key word here is TOLD. The poll utilizes a series of questions designed to lead people to a mis-informed and generally incorrect impression of what the BBA will do. Namely, the line of questioning implies that Social Security and Medicare will face drastic cuts, and state and local taxes will skyrocket as the federal faucet is turned off.

An AARP Press Release announcing the poll results states, "* * * most Americans do not understand the potential impact of the Balanced Budget Amendment and are adamantly opposed to using Social Security and Medicare to reduce the federal deficit."

Quite bluntly, the AARP has effectively provided a political scare campaign for those members of Congress wishing to avoid facing their constituents with the news that they want to vote against the BBA. We all know the arguments against excluding Social Security from the constitutional amendment, but the AARP has electrified the "third rail" to the political benefit (is it really?) of the White House.

ANALYSIS OF THE AARP/WIRTHLIN POLL

The poll consisted of sixteen questions to 1,000 adults, with a 200 oversample to adults 50 and older. The margin of error is ±2.8% at a 95% confidence level. A copy of the questions is attached.

The poll starts off with a question about the direction of the country and then asks:

"Do you favor or oppose a balanced budget amendment to the U.S. Constitution that would require the federal government to balance its budget by the year 2002?"

Favor: 79%

Oppose: 16%

The next question tests how people perceive the budget can be balanced: spending cuts, taxes or both. This is followed by a question on equal percentage across-the-board cuts in every federal program.

The next two questions ask specifically if Social Security and Medicare should be included in across-the-board cuts. As could be expected, the respondents would favor exemptions for both programs. A key element to these two questions (#5 and #6) is the use of the word "exempt". The word "exempt" is not used anywhere in the poll except in relation to Social Security and/or Medicare. This sets up a connection in people's minds that these programs may be in graver danger than other government programs.

Question #7 sets up the respondent for the "truth in budgeting" excuse the Administration has been spinning. When offering people the choice between passing the BBA first, or identifying cuts first, the poll throws in "consequences" associated with cuts. The connotation is that there are going to be dire "consequences" to balancing the budget. This sets up the respondent to answer question #15 (open-ended) with a negative response on how they think the BBA will affect them personally.

Questions #8, #9 and #10 ask about whether respondents think it is necessary to cut Defense, Social Security and Medicare to balance the budget, or whether the budget could be balanced without these programs. As could be expected, the response for cutting Defense is overwhelming compared to SS and Medicare. The group of questions sets up a "good cop/bad cop" scenario in the mind of the respondent whereby they identify Defense as the "bad guy as well as being reminded which parry tends to support Defense. It is also important to remember that at the time this poll was taken, the newspapers and network news broadcasts were full of stories about the Republicans wanting to increase Defense spending in the Contract With America.

Questions #11 and #12 address taxes; their role in the budget balancing process and reform ideas. This also serves to set up negative responses to question #15. In #11, 48% of the people believe there will have to be tax increases to balance the budget. Then in the next question, they are asked to declare a preference for one of a variety of tax cuts. This conflict sets up a negative impression that tax cuts are good and the BBA is bad because there must be tax increases to accomplish its goal.

Question #13 throws together "programs for the poor, foreign aid, and congressional salaries and pensions". Respondents are asked how far these programs COMBINED would go toward balancing the budget if they

were cut. By throwing these widely divergent programs together, the pollsters are setting up the respondent to believe that balancing the budget will mean higher taxes and cuts in taxpayer-financed programs.

Question #14 is the keeper. Respondents are asked if they still support a BBA with the following choices:

Social Security should be kept separate from the rest of the budget and exempted from a BBA because it is self-financed by a payroll tax.

or

Social Security is part of the overall government spending and taxing scenario, thus should be subject to cuts along with the rest of the budget.

The results of this questions dramatically flip the BBA support from question #2:

BBA with SS Exempt: 85%

BBA that cuts SS: 13%

Question #16 now asks:

''Do you favor or oppose the balanced budget amendment, even if it means that your state income taxes and local property taxes would have to be raised to make up for monies the federal government no longer transfers to your state?''

Favor: 38%

Oppose: 60%

This question ends the phone call on a gross mis-interpretation that dire consequences of doom and gloom are on the horizon, all at the voter's expense. This is exactly the type of question that re-reinforces the ''angry voter'' complex of the middle class family.

These anti-BBA results are achieved by planting the seed of doubt slowly but surely that:

1. It is the intention of BBA supporters to cut Social Security and Medicare.

2. It is the intention of BBA supporters to beef up Defense spending at the expense of everything else.

3. Taxes will inevitably go up with a BBA.

4. A BBA will have a negative direct impact on families ''beyond the beltway.''

Any time a Senator, Congressman, reporter or lobbyist starts to talk about poll results showing 85% of Americans oppose a BBA unless it exempts Social Security, bear in mind that the spin-meisters achieved this number by forcing the assumption that draconian Social Security cuts are a foregone conclusion.

Leaders from the Republican party, the Democratic party, the Administration and the President himself have all gone to great lengths to state that social security benefits are off the table.

Any member of congress who contends NOW that the new Republican leadership cannot be trusted to keep their hands off Social Security is also implicating their own party leaders and the President of the same un-trustworthiness.

Mr. CRAIG. Mr. President, in a letter to me and others who fought this issue, they polled their constituents and of them a thousand registered voters. That survey showed a confidence level of 95 percent that the Senate was doing the right thing to pass the balanced budget amendment.

When people were asked if they supported the Senate's passage, 79 percent overwhelmingly said yes, but the confidence level—and this was a Wirthlin poll, this was not just a few phone calls, this was a professionally nationally respected polling company—found out that the seniors of America do support a balanced budget amendment. They know of their future and the future of their grandchildren, and they want it to be bright. While they want their Social Security check, they do not want to bust the future of the country and the future of their children.

Mr. KYL. Will the Senator yield on that?

Mr. CRAIG. I will be happy to yield to my colleague from Arizona.

Mr. KYL. Mr. President, just before the Senator mentioned our children and grandchildren, I was going to make that precise point. I just got through with a statewide campaign. We conducted what we call back yard and living room meetings. In every one of these meetings, the question of the balanced budget amendment came up. Many of them were attended by seniors. I would ask these seniors—frankly, it was a way, Mr. President, of bragging about my two grandchildren.

I would say, ''How many of you have children or grandchildren,'' and most of the hands would go up.

''Well, so do I, I have two beautiful grandchildren,'' and promised not to talk about them.

But the point I am making is that these seniors love their children and grandchildren more than anything else in the world. And when they talked about the balanced budget amendment and they talked about their needs for Medicare and other expenses that they would have to bear in their remaining years, they always came back to the point that they wanted to leave a better future for their children and grandchildren, and the last thing that they wanted to do was to leave a mountain of debt for these young kids to have to pay, because they instinctively knew that the future for these children and grandchildren will be a lower standard of living than we have enjoyed unless we get the Federal fiscal house in order. And so these senior citizens, consistent with the statistics that the Senator from Idaho has just quoted, to a person, were very much in favor of the Federal Government getting its fiscal house in order. They understood it was not only good for them but it was essential for the people they love most, their children and grandchildren.

Mr. CRAIG. I thank the Senator from Arizona for making those observations because those are the facts. That is the truth that is shown in survey after survey. The seniors of this country among any socioeconomic group understand the value of balancing budgets. They came through the Great Depression. They know how tough things can be out there when a country and a government is in trouble and an economy has collapsed, and they know that the future of their children and their grandchildren is at stake here. They do not want to see their offspring go through what many of them had to go through, on literally nothing through the course of a good many years because of a country that was in deep financial trouble as a result of a Great Depression.

Now, I am not suggesting that a Great Depression is at hand, but I am telling you that a $4.8 trillion debt uncontrolled and continuing to mount moves us toward the edge of a day when there will be a phenomenal financial reckoning in our country that could spell difficulties like the kinds that we had in the thirties if we do not resolve the issue now.

Let me yield to my colleague from Georgia.

Mr. COVERDELL. Will the Senator yield for just an observation?

Mr. CRAIG. Yes.

Mr. COVERDELL. I just came from the press conference where Senator BEN CAMPBELL announced officially that he had joined the ranks of the Republican Party. In his address, he spoke of the financial dismay. One of the key centers of it was the peril that he feared unless something is done, and soon. But as he was leaving—and I wanted to leave this with the Senator—one in the mass of reporters leaned over and said, ''Was there any particular event that crystallized your decision?'' And he turned to the reporter and he said, ''Yes, the balanced budget amendment'' result. And so, again, I think we see an American responding to the dilemma that the Senator has characterized this morning. I wanted to pass on that observation.

Mr. CRAIG. I thank the Senator from Georgia for those observations. I have had the privilege of knowing Senator CAMPBELL all of his public life here in Washington. He is a man of tremendous principle, and that kind of comment just does not surprise me at all. He is tremendously dedicated to the issue of a balanced budget amendment, and I know he was terribly frustrated when he saw a good many of his former Democrat colleagues back away from their strong support over the past few years for this issue, and we had discussed this over the last good number of days as he continued in his strong support for a balanced budget amendment.

Mr. President, this is an issue that now rests at the desk of the Senate, I am sure to be revisited again over the course of the next several months as we struggle to try to find a way, absent a balanced budget amendment, to resolve our spending difficulties and establish a course for the Congress in working with the executive branch of Government to bring down our deficits and move us toward a balanced budget.

My guess is that if we do not do that and we do not demonstrate to the American people that we are capable of doing that, we are but a year away or months away from revisiting the balanced budget amendment and passing it and causing the States and the citizens of this country the opportunity to force us to do what we should have done yesterday, and that is to have the will and the resolve to allow the American people to choose whether they wanted a balanced budget amendment to become a part of the organic law of

the land, to become a part of the Constitution.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time assigned to the Senator from Idaho has expired.

Under the previous order, the Senator from Connecticut [Mr. LIEBERMAN] is recognized for up to 20 minutes.

Mr. LIEBERMAN. I thank the Chair.

PRIVILEGE OF THE FLOOR

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that Dr. Laura Philips, who is an American Institute of Physics Fellow, be allowed floor privileges during morning business on this day.

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

Mr. LIEBERMAN. I thank the Chair.

THE DEFENSE TECHNOLOGY GAP

Mr. LIEBERMAN. Mr. President, I rise today to sound an alarm for my colleagues and my country about a clear and present danger to America's ability to defend itself against foreign enemies in the future.

But first, a look back: throughout history, the time between major changes in the weaponry of war was measured in centuries. Then came the industrial revolution, and ever since the weapons of war have evolved with exponential speed. Now we are in the technology revolution and the pace is so furious that we would fight the gulf war today differently than we did just 4 years ago, simply because weapons—and related tactics—have changed so much.

Nations that first perfect new weapons of war are best-equipped to win wars. Those left behind the curve of change must scramble mightily to catch up—to close the gap—or else their vulnerability will be exploited.

At the beginning of this century there was the dreadnought gap. In 1906, Britain's First Sea Lord, John Fisher, commissioned the H.M.S. *Dreadnought*. It was a technological marvel in its time; bigger, faster, more powerful than any other warship of its kind on the planet.

The Germans, recognizing their vulnerability, built their own dreadnoughts. The English, fearing a dreadnought gap because of Germany's industrial prowess, sped up production and built a total of 15 over the next 6 years. Winston Churchill objected at first, believing there was no dreadnought gap. Indeed, such a gap never materialized. However, Britain's bigger navy provided a key margin for victory in World War I and Churchill, writing in 1928, acknowledged that he ''was absolutely wrong in relation to the deep tides of destiny.'' He learned a lesson that served him and his nation well when the time came to fight the Germans again.

In the middle of this century was the atomic bomb gap. At the end of World War II we were the only nation to have the atomic bomb. Russia scrambled to catch up, and that led to the so-called missile gap of the late 1950's and early 1960's. Just as Germany and England rushed to build dreadnoughts after 1906, the United States and Russia rushed to build intercontinental ballistic missiles after 1957.

As we approach the end of the century, there is a new gap—a defense technology gap—and it is the gap between the technological capabilities of our military forces and those of any other nation on Earth. The clear and present danger I foresee is the narrowing of that gap in the next 10 to 20 years by virtue of decisions being made under the dome of this great Capitol building today.

The technology gap allowed us to defeat Saddam Hussein handily and deters other despots from acting rashly against us today. Given the threats we are likely to face tomorrow, I believe we must maintain and increase that gap, not let it shrink.

But the closing of the gap began last week when the House of Representatives voted to cut the heart out of crucial new programs designed to advance American technology. Five hundred million dollars were taken out of the Defense Department's technology reinvestment project [TRP] and $100 million were removed from the related civilian Advanced Technology Program [ATP]. The money is being shifted to pay for military operations in Somalia, Haiti, Iraq, and Bosnia. Additional cuts in the Advanced Research Projects Agency [ARPA], which runs the TRP and other technology programs, are being considered for the 1996 budget.

And just yesterday, a committee of the U.S. Senate cut more than $300 million from TRP and ATP and millions more from other technology programs in the current 1995 budget.

Some in Congress are cutting military technology to pay for military readiness. What they are really doing is shrinking a real technology margin of victory to close an illusory readiness gap—a gap readiness experts say does not exist.

Closing the defense technology gap is a tragic error we must avert. Disinvestment in military technology is the historical equivalent of Great Britain scuttling its dreadnoughts before World War I or America choosing not to build missiles after Sputnik. Cutting military technology programs is, quite frankly, one of the most thoughtless and harmful courses I have seen Congress contemplate in my 6 years in the Senate.

THE NATURE OF THE FUTURE THREAT

Defense spending must meet not only current needs; it must take into account the national security threats of our future. That future is less predictable than it was during the cold war, when we knew who, where, and how capable our enemy was at all times.

The end of the cold war has given us all hope that democracy and free markets will spread around the globe. And there have been tremendous success stories to celebrate. But the absence of a single superpower rivalry has also unleashed a stream of aggression and hostility and countless thousands have died in this post-cold-war world at the altar of nationalism, ethnicity, race, religion, and plain, old anarchic terrorism.

Over the short term—5 to 10 years—the United States faces potential threats in the Persian Gulf and the Korean Peninsula. Known and unknowable challengers loom more ominously on a 10-, 15-, and 20-year time horizon. The danger of a revived, nationalistic Russia is clearly a possibility.

Russia is still armed to the teeth, and the latest intelligence tells us it is moving ahead with major modernization programs in its most advanced weapons systems—submarines and aircraft. It is resource rich with a highly educated population. In the hands of a dictatorial government, it could resume a threatening world role once again. That is America's worst nightmare and, as unlikely as it seems to us today, consider how many unlikely changes have occurred in world history in just the last 5 years.

China is taking Russia seriously with a major modernization program for its military forces—a program that could make China a superpower in the next century. In response to the buildup in China, India is quickly developing its military. And Japan, in the next century, may well be forced to do the same. Other nations in the Asian rim have growing economies, are technologically advanced, and thus are capable of emerging as a threat to the stability of that region and to our interests there.

Add terrorist groups, the proliferation of ballistic missile technology, radical fundamentalist movements, despotic regimes, and the potential proliferation of nuclear, chemical, and biological weapons to the list, and it is easy to see that the future is fraught with perils for our Nation.

THE TECHNOLOGY DETERRENT

Given those dangers, and given the fact that the United States is the biggest target in sight, how can we best protect ourselves?

Thanks to the lessons of the gulf war, we know a big part of the answer lies in our advanced military technology, which can deter or, if necessary, defeat any challenger, whether it be a superpower, a rogue nation, or a terrorist group.

But we cannot rest on our gulf war laurels, content that today's weapons are enough to protect us for decades to come. Our next adversary, for example, may have access to detailed satellite photographs, making a tactic like General Schwarzkopf's ''Hail Mary'' movement of troops around Iraqi forces much more difficult. Or the enemy may possess missiles more capable than the Scud. The next gulf war will be far different than the last.

Those Members of Congress bent on cutting technology programs are repeating the error of so many former great powers: with their emphasis on readiness to the detriment of technological research and development, they are preparing to fight the last war all over again, not preparing for the enemies and wars of the future.

Our best defense is to stay as far ahead of any possible challenger as possible. The vice chairman of the Joint Chiefs of Staff, Adm. William Owens, says we need a high technology umbrella to protect us from the enemies of our future just as the nuclear umbrella protected us in the recent past. The nuclear umbrella deters other nuclear powers, like Russia, from attacking us. But because we are unlikely to use nuclear weapons against a nonnuclear nation, it is the high technology weapons in our arsenal that can keep them at bay, or defeat them if they strike.

THE BATTLEFIELD OF THE FUTURE

And if they strike, we can defeat them with our technologically advanced forces because we are changing the fundamental concept of the battlefield. The struggle for information is supplanting the fight for geographical position as the key goal on the battlefield, and that is where we can enjoy a huge advantage. Army Chief of Staff Sullivan says that the new battlefield will be a digitalized battlefield, one that can lift the fog of war for commanders and infantry alike.

Joint Chiefs of Staff Chairman Shalikashvili and Admiral Owens are contemplating the development of an electronic integrated system-of-systems to give us dominant battlefield awareness where real-time intelligence will lead to virtually instantaneous response. No more lengthy Scud hunts. No more service computers that cannot talk to each other.

The digitalized battlefield will also allow for decentralization of command, giving officers on the scene much greater ability to make the right decisions in response to the rapidly changing events of battle.

And that is just one of a hundred different technology avenues we must pursue. We are on the verge of a revolution in defense technology that will dwarf the impact of the dreadnought, the airplane, the tank, and the missile—a revolution that will not occur to our advantage if we fail to invest in military technology today. For innovation cannot occur on demand. It is a long-term process—yet a rapidly changing process as well. That means even a 1- or 2-year interruption in research and development funding will have terrible consequences down the road. A year is a lifetime in the field of high technology.

ARPA AND DUAL USE

Our current technological superiority has not evolved accidentally or overnight. The Department of Defense's secretive Advanced Research Projects Agency [ARPA], one of the least known, yet most important offices in the Pentagon, has been successfully promoting new technology for the military for the 37 years since President Eisenhower set it up.

In retrospect, it was a truly visionary Presidential accomplishment, and it is probably no accident that Eisenhower, like Churchill, approached this issue of military technology as a man who knew what it was like to order other men into battle. He knew this investment in technology would one day save lives—and it has.

What has ARPA done? Most of its efforts are classified, and it has purposely never recorded its history. But, by carefully investing in the private sector like a high-technology Johnny Appleseed, ARPA has helped bring about supercomputing, desktop computers, the internet—formerly ARPAnet—stealth technology, composites, a global positioning system, laser technology, high resolution imaging, advanced acoustics, smart weapons, and even the ubiquitous computer mouse, which has burrowed its way into millions of American homes and offices.

What is most obvious about this list is the multitude of ways in which military technology has been adapted for civilian use. In fact, technology developed for the military has revolutionized the lives of all Americans—the way we work, the vehicles we drive, the homes we live in. Technology that was designed to protect our way of life has evolved to transform our way of life. That is what the term ''dual use'' is all about—the use of technology for military and civilian purposes.

But times are changing—tables are about to be turned. President Eisenhower founded ARPA, but also warned that a military industrial base could swallow our economy. The opposite is now occurring. The defense technology base that was spawned by defense investment is now being swallowed by our civilian technology base.

For example, the computer was invented to help the military design a better way to mount an artillery attack, and it was improved when we needed to target our missiles. The military funded the development of computers and became the biggest market for computers. But today the Department of Defense has but a fraction of the computer market.

For the first time in human history advances in technology are occurring far more rapidly in the civilian sector than in the military. In a sense, we have gone from beating swords into plowshares to creating the plowshares first. Part of the reason is the widespread dissemination of technology among the population. The demand for new and better appliances, cars, and entertainment systems is enormous compared to the demand for better jets, tanks, and ships. The existence of that demand opens the door for cooperation between government and industry when a technology is of interest to the military and civilian markets.

Government dollars can be leveraged by private investment to produce more than could otherwise be accomplished under the auspices of the defense spending alone. In other words, potential civilian applications for military technology creates a multiplier effect on every Federal dollar we invest. Economies of scale then drive down the cost of the product and the contributing technology. The bottom line is this: Dual use literally gives us more bang for our buck. It is a genuine win-win situation—a win for our economy and for the defense of our country.

Perhaps most important: if our Government fails to use some of its defense spending to promote private sector technological development, the momentum of change in the design of the tools of war stalls and shifts elsewhere, and we risk losing new advances to the defense establishments of other nations, nations whose interests might be inimical to our own.

For the question is never, ''Will we be able to invent new weapons of war?'' The question is, ''Who will invent the new weapons of war?'' If we cut back on technological investment, such as is happening in Congress today, we will not always be able to answer that question with the words, ''Made in the U.S.A.''

This state of affairs can be summarized in three points:

First, the Defense Department must be involved in the exploding civilian technology world to meet its military technology needs.

Second, the United States, for military and economic reasons, must have the goal of maintaining the American advantage in civilian technology markets.

Third, collaboration between the civilian and military technology sectors can work because the applications for civilian and military use are easily transferable.

THE TECHNOLOGY PROGRAMS AT ISSUE: TRP

The technology reinvestment project [TRP] has been the first victim of the technology disarmament now underway in the House and the Senate. Developed by ARPA during the Bush administration, TRP investments are cost shared at least 50–50 with industry, competitively selected, industry-led and aimed at meeting civilian and military needs.

A brief review of current TRP investments gives us a clear idea of how important they are to our national security:

Head mounted displays: Infantrymen cannot walk around with desktop computers. With lightweight, head-mounted displays they can retain full mobility but have a full computer display of the battlefield and realtime intelligence and targeting data before their eyes. If you saw the movie ''Aliens,'' you know what I am talking about. But this is an alien concept only if we cut

off funding and allow another nation to pick up the ball we drop.

Uncooled infrared sensors: Desert Storm was launched as a night attack using infrared sensors as the basis for high-speed-attack operations. Our military needs to own the night and a new generation of cheaper, much more portable uncooled infrared sensors are an enabling technology being developed by a TRP team that will give us even greater control of the nighttime battlefield than ever before.

Item: Advanced information flow: Military command and control must process an exploding amount of intelligence data immediately to the battlefield for response. But limited communications capacity now clogs our ability to transmit, process, and act on that data. A TRP team is developing digital communications command and control equipment to burst massive new amounts of data through the interpretation and response pipeline at 10 gigabits per second, a 400-percent improvement over today's best equipment. That could mean the difference between life and death, victory and defeat on the battlefield.

Item: Single chip motion detectors: By reducing motion detection to a single chip accelerometer which can withstand accelerations up to 30,000 times the force of gravity, weapons guidance and navigation systems can be made significantly lighter and more sensitive. This will lead us, for example, to newer, more advanced versions of the cruise missiles and smart weapons that were so important to us in the gulf war.

Item: Autonomous all-weather aircraft landing: The efficiency of military aircraft is still limited by night and weather conditions. Operations at secondary fields are curtailed in these conditions if a full ground control system is absent, or if these facilities are disrupted or damaged. Basing aircraft at a small number of primary bases is not a good alternative because our command of the air becomes more vulnerable. A TRP team is working on placing all-weather air traffic and landing control systems into every cockpit, making aircraft independent of ground control availability and weather conditions.

Item: Turboalternator: Army gas-guzzling battle vehicles require a vast and vulnerable logistics chain and limit battlefield operations. The next war may not be fought next to Saudi oil refineries. A TRP team is developing a turboalternator so main engines can be switched off but all equipment and sensors can continue to operate during silent watch modes. This multiplies fuel efficiency and also makes detection through infrared emissions and engine noise much more difficult.

Item: Composite bridging: Military operations continue to be controlled by terrain: every stream or ravine that must be crossed creates a potential strong point for enemy defenders and disrupts the mobility that gives U.S. forces much of their edge. Every time our engineer forces have to bring up cumbersome, heavy bridging equipment for a crossing, enemy defenders can rally and our mobility is disrupted. A TRP team is developing superlight, superstrong composites for portable bridges to multiply the mobility of our battlefield forces.

Item: Precision laser manufacturing: Precision laser machining technology, by making aircraft parts microscopically precise, can make aircraft engines much more efficient. A TRP team, working with higher power density, more focused laser beams, and variable pulse formats, aims to double the life of military aircraft engines and sharply improve fuel efficiency and therefore range. Other beneficiaries include shipbuilders, airframe makers, engine makers, and a wide range of manufacturing technologies.

These are some of the new technologies we need for future battlefield dominance. And with a little imagination, we can envision even more revolutionary developments. Imagine a tiny helicopterlike device equipped with video cameras, flown by the dozens behind enemy lines, stealthily hovering throughout enemy territory, identifying the specific location of artillery, sniper nests, tanks, and serve as a guide for smart bombs launched from far away.

Imagine a sublaunched, fast-moving robot that can find and neutralize enemy mines at sea, safeguarding and speeding up the movement of our Navy.

Imagine lightweight, full body armor to make soldiers virtually invulnerable to small arms fire, dramatically improving our ability to control urban environments.

Such is the stuff of science fiction today, but like Leonardo Da Vinci and H.G. Wells, we need to realize that what is today's fiction can be tomorrow's fact. In fact, some Defense Department programs are looking into aspects of the exotic technologies I just described.

We must admit to ourselves we are no longer in the age of the backyard tinkerer when it comes to high technology weapons of war. No more Wright Brothers working out of a garage. The new weapons will come only after substantial investment by the Government and private industry, working together to safeguard the economy and security of our Nation's future.

That is why the drastic cuts in or cancellation of TRP, ATP, and other technology programs is akin to marching onto a field of battle and stripping our soldiers of their weapons. The survival of the soldiers of our future—soldiers to be drawn from the ranks of our children and grandchildren—depends on the development of technologies to help them control the battlefields of our future.

Failure to develop those technologies can only provide comfort to future enemies.

CONCLUSION

The movement to slash defense technology is being led by the ''techno-nothings.'' When it comes to the complex interaction between Government and the private sector in technological research and development, the techno-nothings do not understand the lessons of history and they do not see the perils and opportunities in our future.

They cannot see or touch a weapon of the future and so they cannot justify spending money to develop it. They say they do not like Government picking winners and losers, but they do not understand that we need to have Government and business work together, sharing costs and talent, to bring about the defense and civilian technologies our citizens will want and need in the future.

It is a good thing that our predecessors in this Capitol building did not have to see a jet fighter before investing in its development, and did not decide to wait until the private sector invented it on its own.

They did not have to see or even understand the atomic bomb before spending millions on its creation, and did not decide to wait until scientists built one on their own.

They did not have to see and touch cruise missiles, Patriot missiles, stealth fighters, radar, lasers, and the whole panoply of weapons we now possess before allocating resources to their research and development.

We owe our survival to their foresight. Will we lose our liberty to myopia?

There is, I admit, not much of a constituency fighting for these programs, because we are dealing with the future, not the present. That makes investment in military technology a hard sell; not to the private sector, which wants the partnership, but to those political forces that cannot see much beyond the next election.

We need to go about the business of creating technological change the way some of our ancestors created the great pyramids, cathedrals, and other monumental architectural triumphs of the past: They started those works knowing they would not survive to see them finished, but pressed on with the knowledge that generations yet to come would appreciate what they did.

We must press on with such knowledge ourselves, lest we be, as Churchill said, ''absolutely wrong in relation to the deep tides of destiny.'' Those tides are now tides of technological change and it is our destiny—our duty—to recognize there can be no turning back.

I thank the Chair. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The distinguished Democratic leader is recognized under the previous order.

Mr. DASCHLE. I thank the President.

THE BALANCED BUDGET AMENDMENT

Mr. DASCHLE. Mr. President, let me begin this morning by going back to the debate yesterday and making a couple of remarks with regard to those who spent the better part of an entire month on the floor debating this issue.

The manager on the Republican side, the distinguished Senator from Utah, was a gentleman. He did an outstanding job and gave everyone the opportunity to be heard, and to discuss the issue, in a way that I think fits the Senate. It was, as the distinguished Senator from West Virginia said yesterday, a very good debate, a rigorous debate, a bruising debate in many cases but, certainly, one that afforded everyone the opportunity to be heard, to present their case, to make their positions well known. That was due in no small measure to the manner in which the distinguished Senator from Utah managed the legislation the entire time that it was pending on the floor.

Let me also commend the distinguished senior Senator from Illinois for his tenacious approach to the debate, and also for conducting himself in a very admirable way. I know that often, as take our positions, we sometimes allow our own personal views to mask what in other ways would be a very legitimate discussion of issues. Certainly, the Senator from Illinois, as he conducted himself throughout this debate, did not allow whatever personal views he may hold with regard to the positions taken by other Senators to distract him from conducting himself in a way that I thought was extraordinary.

Certainly, the Senator from Idaho [Mr. CRAIG], and his leadership on this issue was also extraordinarily commendable.

I hope that as we take on these issues, as difficult and as fractious as they become sometimes, we can maintain civility, and that we can find ways with which to disagree without being disagreeable. I know there are a lot of strongly held views and a lot of temptation sometimes to get personal, to be negative. But I think that the course of this debate was one of our better moments. It was an opportunity for us to debate the issues in a meaningful way, without getting personal, being negative, and without distracting from what is our real purpose in being here.

Mr. President, the vote we took yesterday may not be the last on the constitutional amendment. The majority leader has indicated, as is his right, he is going to raise the issue again at some later date. Regardless of when that time may come, I think the real question now is: Can we as Democrats and Republicans work together? Can we find a way with which to put aside our differences on an amendment itself and commit ourselves to doing what we say we must do? We need to recognize that the clock is ticking, and to recognize that without some determination to take responsibility, to set forth a glidepath, we will be right back where we were a month ago, with no real progress, with no real substantive demonstration of our determination to resolve this matter 1 year from now, 2 years from now, or 3 years from now.

So, Mr. President, I think it is very important that we recognize that the clock is ticking. We have 43 days, by law—43 days by law—to produce a budget resolution. We did that last year. We hope very much that we can do it again this year. It is tough. And for those who say we do not need a constitutional amendment to do the job, I think it is all the more important that we demonstrate that we can; that we are up to the task; that we can meet our responsibilities to make it happen correctly, to make it happen in the way that was foreseen when we passed the laws setting up this budget process.

So within the next 43 days, we hope that a majority will come forth, and that we can work together to produce what we have called for on many occasions, a glidepath to a date certain, a time within which we will reduce the deficit to zero, a time within which we can be assured that indeed we are going to take the reins of responsibility and produce a balanced budget.

When that happens, we can look back with some pride at the way in which this whole effort was undertaken. I hope also that we will abide by the law passed some time ago that stipulates that we do so without the Social Security trust funds. That is the law. We are required already to keep Social Security off-budget. So that ought to be our task. That ought to be the responsibility that we all grasp now as Republicans and Democrats. Pro-balanced-budget amendment supporters and those who oppose it must recognize that we have a timeframe within which we must produce, a timeframe that is a little more than a month long, which requires us, by law, to set out a budget resolution that provides the glidepath that we all say we want.

Let us make it a time certain. I am not wedded to a specific date today. But I would agree to a time certain, a time within which we can, with some confidence, look to a decline of the deficit to the point where we can say with authority that we have taken Social Security out of the calculation, as the law requires; we have reduced the deficit annually, building on the 3-year record we have set out now, and we have done it within the timeframe that the law requires.

I think the American people would look at this Congress in a very different way. I think they would look at us with a great deal of admiration if we said we are going to do what we all say we want to do. Certainly, this is the time to prove it. This is an opportunity for us to demonstrate real responsibility. It is an opportunity for us to demonstrate real bipartisanship. It is an opportunity for us to set politics aside and say this is our task, and there can be no more important responsibility. We are going to do it and do it in a way that we all can feel proud.

So I sincerely hope, Mr. President, that everyone will accept that task, and that everyone will take this responsibility seriously. I think the majority is going to live up to their commitment. I am sure they will produce a resolution. I hope they will produce that resolution in the time the law requires.

So our purpose in coming to the floor this morning is to say that the balanced budget amendment debate, for now, is behind us. It is over. Let us get on with the real work of doing the job, doing what we say we are going to do. Let us get on with making sure that we do not miss this opportunity. Let us get on with trying to do what we all have professed is the most important thing we can do, and that is set out the glidepath to a balanced Federal budget at a time certain. That time certain is in the next 43 days.

Mr. President, I know of several of my colleagues that have come to the floor also to express themselves on this issue. I will yield whatever time he may require to the Senator from Nevada.

BALANCED BUDGET AMENDMENT

Mr. REID. Mr. President, last year, I offered a balanced budget amendment which excluded Social Security from the budget. When this body again considered a balanced budget amendment 4 or 5 weeks ago I offered an amendment that excluded Social Security. After it was defeated, I worked with others to ensure the Social Security trust funds would not be looted to reduce the deficit. Of course, we know the result of the vote yesterday. But, Mr. President, I feel no jubilation. I do not feel a sense of victory as a result of having my amendment being one of the principal—if not the principal—reason the balanced budget amendment failed.

But, in fact, the day after the vote, I feel a sense of hope, perhaps even anticipation, that the debate that has taken place in this body over the past several weeks has established at least two things in my mind. No. 1 is that the accumulating debt this country has is serious. No. 2, the American people recognize the seriousness of that debt, but they do not want to balance the budget using Social Security trust fund moneys.

We have heard several times on this floor that 80 percent of the American people support a balanced budget amendment. That is true. If you ask that same group of people, ''Do you support a balanced budget amendment using Social Security to achieve a balanced budget?'' only about 32 percent of those people say yes. In fact, most of the polls show a number slightly lower than that.

Mr. President, what was the debate on this floor about as relating to Social Security? Well, we established quite clearly that Social Security has not contributed one penny to the huge

deficits that this country is accumulating—not a penny. We further established, without any refutation, that Social Security is not a welfare program. Social Security, quite to the contrary, is a self-financing program where a person's employer pays 6.2 percent of their wages into a fund—we call it a trust fund—and the individual, the employee, pays 6.2 percent of their wages into a fund. That is to be accumulated during their working life, so that when they retire, they will have a retirement income. The average around the country is $640 a month. That is not a lot, but certainly, for an individual, it is a difference between despair and the ability to live a decent life.

Mr. President, the issue now before us is to continue on a path of deficit reduction until we get to balance. I want to show this body the fact that while we have not done a wonderful job, we have done a pretty good job, and we have to do a lot better, recognizing that this will be the third year in a row that we have had a decline in the deficit, the first time in 50 years.

We also recognize, Mr. President, that we have also had the lowest unemployment and the lowest inflation in 50 years, the highest economic growth since LBJ. And we have 120,000 fewer Federal employees than we had 2 years and 2 months ago. We can do a lot better. But what if we had not adopted the Democratic deficit-reduction plan? What would we have had we not done that?

Well, Mr. President, this chart shows clearly what would have happened. As a result of the deficit-reduction plan that worked, we have had a declining deficit. It has not declined nearly enough, but a declining deficit. It levels off and this is, as seen on these lines at the bottom of this chart, what happened as a result of the hard choices we made.

Mr. President, I do not think it is wrong to mention to the American public that we did not receive a single Republican vote to bring this deficit down.

In fact, had we not adopted the tough program that we did, the deficit would have been huge. This is what would have happened had the Republicans prevailed, had the Republicans' deficit-reduction plan been adopted. It would not have been a deficit-reduction plan, it would have been a deficit increase. This red line shows what would have happened. And beginning next year, the budget we are adopting now, you can see where it would have skyrocketed.

So, Mr. President, we have not completely dropped the ball. We have done some good things and the economy now is in good shape. The question is: Can we learn from our experiences? Can we learn from the debate that has taken place on the Senate floor these past few weeks? I hope so.

I know, speaking from my perspective, I think the debate has been constructive. I join in what the minority leader, the Democratic leader, has said. I think the majority has allowed us to have a full debate on this issue. I commend and I applaud the senior Senator from Kansas, the majority leader of the Senate. I think he has really done a good job of moving this legislation through this body. I believe it has been a good debate. It is one that I hope we can learn from as we look to the future.

I look forward to seeing what budget is going to come from the leadership of Senator DOMENICI and Senator EXON. These are two experienced legislators. I have not had the opportunity—I know that the senior Senator from New Mexico has had a death in his family and I know he has a lot on his mind. But I know that his experience, together with Senator EXON, to whom I have spoken, is going to bring out a budget, that will take into consideration what has been debated on this floor; namely, that we need to bring the deficit down and we cannot and we should not use Social Security to bring the deficit down.

Mr. President, I am willing to work with my colleagues on the other side of the aisle. I agree with my colleagues, we should have a balanced budget. But, Mr. President, we can do that. Even though the balanced budget amendment did not pass, we can still do that.

Section 13301 of the Budget Enforcement Act says that you are not supposed to use Social Security. We should follow this law. Our numbers may not look as good as we would like them in the newspapers, but we could and we should have a balanced budget amendment. So, Mr. President, I repeat, our deficit is too big, but we also should not raid Social Security and try to justify using those moneys. I see my friend from North Dakota. My understanding is that the leader wanted to yield time to the Senator from North Dakota under the leader's time.

The PRESIDING OFFICER. Does the Senator yield time to the Senator from North Dakota?

Mr. DASCHLE. Mr. President, I yield such time as he may consume to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, how much time is available?

The PRESIDING OFFICER. There are 13 minutes 36 seconds.

Mr. DORGAN. Mr. President I thank the minority leader.

CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

Mr. DORGAN. Mr. President, yesterday, of course, we voted on a major proposed constitutional amendment to balance the budget. That was a vote that was difficult for a number of Members of the Senate. Most understood it was a very significant, serious issue, and a great deal of emotion existed on both sides. It was not an easy vote, I expect, for virtually anyone. And I suppose there are some ruptured feelings and relationships, at least momentarily, about some of these issues.

But I was thinking about it last evening. In the middle of the debate that we had for some weeks over the question of whether we should amend the Constitution, a news item appeared one morning about America's trade deficit. That news item disclosed that in the last year, when figures for December were released and we had a full year's picture of America's trade deficit, that we had the largest merchandise trade deficit in the history of the world. The United States was running the largest trade deficit in the history of humankind. We had gone, in a few years—15 years—from being the largest creditor or the biggest banker as a country to now the largest debtor in the world.

I thought about that in the context of the fractious debate on the issue of balancing the budget by a constitutional amendment. Because, with respect to international trade and the question of how we as a country do, we are a team, all of us. The entire country's future is at stake. Our jobs are at stake, opportunities for our children are at stake. And it is an international competition that we must win. There ought not be anyone in the congressional branch of Government that does not understand that we are on this team together and that we need policies that allow this team to win.

Well, then we come to domestic policies, including provisions that would require a change in the Constitution. And what is a team, or what should be a team, because we are all on the same side, in international competition in who will have the jobs, who will have the expansion, where will be the opportunity and that then breaks down into a debate in our Chamber. And, of course, what happens in the process of trying to make decisions about this, emotions run high and sometimes we have very fractious debates. There are, it seems to me, no winners and no losers in these kinds of debates. Certainly, when you are dealing with a question of whether or how to change the U.S. Constitution one would expect people to feel very strongly about their points of view.

I want to add to the comments by the Senator from South Dakota and Senator REID and others that I have the greatest respect for Senator HATCH and Senator SIMON. I think both of them did an extraordinary job. I have great respect for their point of view.

My own view is that there is a right way and a wrong way to change the Constitution. I feel very strongly that the question of how you count receipts in the Constitution is very important to the future of the Social Security system. Because the future of the Social Security system will not be a future that guarantees benefits to Americans who deserve them and who are entitled to them unless we preserve the funds in the trust funds. And that

would not have been the case under this amendment.

If that had been changed, it would have passed yesterday with 75 votes. So there is no joy in that vote. And the message in that vote is not that the U.S. Senate does not want a balanced budget amendment. If that amendment had been changed, the message would have been 75—probably more, maybe 80 votes—in favor of a constitutional amendment to balance the budget provided there was a guarantee that trust funds of Social Security be protected.

I noted that in the Washington Post this morning they editorialized about this Social Security issue and said it is not an issue, because the fact is Social Security is now one-fourth of all spending for other than interest on the debt and that the deficit cannot be reduced without it.

I do not agree with that. If someone believes we should reduce the Federal deficit by cutting Social Security benefits, they would have a responsibility to cut Social Security taxes because the only purpose for which that tax is collected is to put it in a trust fund to be used for only one program, and that is Social Security.

I think the Washington Post is all wet. I am surprised to see the editorial. Everybody has a right to think as they think. I just disagree with them.

Now, the question of Social Security that we have discussed at some length I hope could still be resolved. If we could resolve that, that constitutional amendment can be brought back and will pass by a very significant margin.

I was probably 14 years old when I got a driver's license to drive my father's pickup truck, and my way of making some money during high school was to haul garbage. I would pick up the 50-gallon drums that had been opened at the top, used oil drums that the widows in my hometown of 300 people used to put their trash in and burn their trash.

At the end of a week or two, their 50-gallon drums would be full of burnt trash, and somebody would have to haul it to the dump ground in my small town. I borrowed my dad's pickup truck. When I was 14, I had a garbage route. I picked up the drums and hauled the trash to the dump ground for half a dozen widows in my hometown. That is the way I earned a few dollars and got along in high school.

All of those widows in my hometown whom I was doing a little work for—virtually all of them—lived on Social Security. That is about all they had. The difference between them, then, and those who preceded them 30 or 40 years prior to that, was that they reached that stage in life where they were in their seventies or eighties, some in their early nineties, and they had Social Security checks.

It was the difference between being impoverished at age 80 with nothing to live on, or having a little something to give you a decent life and give you an opportunity. That is what Social Security meant to them.

I saw it when I was a kid. That is why the Social Security system is still important to me. I think it is the crown jewel of achievement in the last 60 or 70 years in this country for us to have constructed something that works the way this works, to give an opportunity during one's retirement years to draw on a stream of income that one contributed to during one's working years.

We face challenges with Social Security, but the wrong way to approach those challenges is to say to somebody, ''You can take what is built up in the trust fund or what we intend to build up in the trust fund to save for the future, and use it to balance the Federal deficit.'' It is the wrong thing to do. I know the amendment might be popular, but there is a difference between right and wrong.

It seems to me here, notwithstanding the strong winds, you need to be prepared to stand and fight for what is right. I respect everyone's views. Those who oppose me on this or dozens of other issues will not hear me denigrating the way they do business or the way they think. There is great room for disagreement. I have enormous respect for those who do disagree, but I also hope they will accord similar respect to the kind of debate that we have had.

I think that we have a country in which people look at the congressional branch of Government these days and they say, ''You know, I kind of wish they could just make progress and get things done.'' And they probably know that there are many Members inside the institution who feel the same way. We understand what the problems are.

Let Members find a way to coalesce to solve the problems. There is no reason that on the issue of a balanced budget, we cannot follow on from what we did in 1993. Yes, I voted for the Deficit Reduction Act of 1993. That was enormously controversial. But I am glad I voted for it. It was the right thing, and it is still the right thing to have done, because It reduced the Federal budget deficit. I am glad I did that. I am prepared to do more.

I hope there are many people on both sides of the aisle during the budget and appropriations process who will join hands together in a bipartisan way. We are prepared to march up the hill. We do not need a constitutional amendment to do that. No one needs a constitutional amendment to build the steps to a balanced budget. Those are decisions of taxing and spending that are made individually, day after day, on appropriations bills and on the budget bill.

I guess my point today is to say there were conditions under which I was fully prepared to vote for this, and I described what those conditions were. They were not able to be met, I guess. I was not able to vote for it. That does not mean that we should not march together toward a balanced budget. Of course, we should. And we ought to start immediately. Some of us started in 1993. And we are pleased we did. Some who decided to vote for that paid a very heavy price for it. But it was a vote well worth taking as far as I was concerned.

Now, the next question for all Members is, what are the subsequent votes by which we can, together, begin to climb those stairs and make progress toward balancing this country's budget, and not just balancing the budget, but starting at some point to pay off the debt.

We need to create investment in this country. We need to create investment and growth opportunity. I started by talking about the trade deficit, because ultimately we are involved in world competition for the future. There will be winners and losers. I do not want this country to be a loser in the international competition. I want this country to win, because winners will be assigned new jobs, expansion opportunities, and hope, and losers will have the British disease of long, slow economic decay because they believe what is important is consumption, not production. That is another discussion for another time.

I fervently hope that all Members can understand we wear the same jersey. We are on the same team. In international competition, we are fighting the same fight for the future of this country. The answer—should we balance this budget and should we start paying off the debt—is clearly yes, notwithstanding what constitutional amendment might or might not be debated or discussed now or at any time in the future. The answer is yes, that is our job. The sooner that we get that job done, the better it is for the American people and for our children.

The PRESIDING OFFICER. The Senator from Florida is entitled, under the previous order, to 15 minutes.

Mr. DORGAN. Mr. President, how much time is remaining on Senator DASCHLE's time?

The PRESIDING OFFICER. One minute and thirty-two seconds.

A HAPPY DAY FOR FLORIDA

Mr. GRAHAM. Mr. President, this is a happy day for my State of Florida. One hundred and fifty years ago today, March 3, 1845, President John Tyler signed legislation which this Senate had passed 2 days earlier making Florida the 27th State to join the Union.

I am pleased to stand on the Senate floor today and express my appreciation to America for having accepted our State as a member of the United States and for the benefits that Florida has gained by that membership.

Florida has a long history that predates its period of statehood. In fact, Florida was the first point in North America to be discovered by Europeans when Ponce de Leon came upon the coast of Florida near what is now St.

Augustine at Easter time in 1513. He spent a brief period of time in the State, enough to declare it the fountain of youth. In Florida, he looked for a place where one could bathe himself and receive eternal youth.

Not much longer, 1565, another Spaniard, Pedro Menendez de Aviles, established the first European city in North America in the location that is currently St. Augustine.

Florida had a tumultuous history during its prestatehood/preterritorial days. In the 18th century, Florida was peripherally involved in what was called the French and Indian War in North America. Florida was also involved in the Seven Years' War in Europe, at the conclusion of which, in 1763, the British Navy occupied Havana Harbor.

At the Treaty of Paris in 1763, the Spanish were given a choice. They could either have the British remove their navy from Havana or they could retain ownership of east Florida and west Florida—west Florida being the extension of the State from the Apalachicola River to the Mississippi River.

The majority whip, who joins me on the floor today, should take pride in this discussion of Florida. For almost 300 years, the southern part of Mississippi was part of the territory of Florida.

The Spanish decided that they would prefer to keep Havana. So the Floridas were transferred to Great Britain.

Florida stayed a British territory throughout the period of the American Revolution. At the end of the American Revolution in 1784, the Spanish had occupied Nassau, and the British received the same type of offer that they had made 21 years earlier: Would they prefer to have Nassau or the Floridas?

The British decided they would prefer to have Nassau, and the Floridas reverted back to Spanish control. Floridians had to have a fairly high threshold to deal with rejection in the 18th century.

But by 1819, the citizens of Florida had decided that their future was not with a European colonial power but was with the United States. That decision was sealed in 1819. In 1821 Florida became a territory of the United States of America and the two parts of Florida were combined into a single territory. Tallahassee was selected by its first territorial Governor, Gen. Andrew Jackson, to be the capital of the territory of Florida.

In 1845, Florida's territory had matured, and the United States was prepared to extend full statehood to Florida. Today, we celebrate the 150th anniversary of that statehood.

Mr. President, I would like to briefly comment on some of the changes that have occurred in the 150 years since Florida joined the Union. It is said that the one constant in Florida is change. If you do not like something about the State today, just wait a while because it will certainly be different tomorrow. That has certainly characterized our State during the last 150 years.

Maybe the most dramatic statement of that change is the sheer demographic size of Florida. When Florida entered the Union 150 years ago today, it was the smallest State in the Union with a population of approximately 55,000. Today, it is the fourth largest State with a population that now exceeds 14 million. Florida is projected to have a population of over 19 million by the year 2020 and by the middle of the next century to have a population approaching 40 million.

Florida in 1845 was a State very much on the periphery of the United States of America. It was a long way from almost anyplace in the country to Florida. And it was a long way from any one point in Florida to another. Legislators who represented the Florida Keys, in order to get to Tallahassee, had to take a boat to Philadelphia and then a train back to Thomasville, GA, from which they would take a carriage drive to get to Tallahassee.

Florida was remote. It was largely cut off from the mainstream of American life in 1845. Today, Florida has become, in many ways, the linchpin of our emerging relationships within the hemisphere. Florida has become a central point for trade and commerce and cultural exchange, not only within the United States but particularly between North America, the Caribbean, and Latin America.

Florida has become a State which is living in the future that will be all America's in the 21st century. The population of our citizens now, particularly the almost 19 percent over the age of 65, reflects what the rest of America's population will be by the end of the first quarter of the 21st century.

Florida is leading in technology and arts and culture. It has become a predictor of national trends. In 1845, Florida was a very homogeneous State. Most of our citizens had very similar backgrounds. Today Florida is one of the most diverse States in the Nation.

The list of countries from which schoolchildren and the largest public systems in Florida is virtually a list of the nations of the world. Florida is a State which has become, as some describe it, the ''big paella'' of America. It is the place in which people from all around the world now live in large numbers. They are becoming contributing members to our State and our Nation, but also with a fierce pride in their native culture.

Florida is becoming a model of the kind of cultural diversity that benefits America. It was with great pride in December of last year that Florida had the privilege of hosting the Summit of the Americas, the first gathering in a quarter of a century of the heads of government of the Western Hemisphere. The summit was the first time in which all of those present were democratically elected heads of government. The summit is illustrative of the centrality of Florida in the new relationship within our hemisphere.

Mr. President, Florida is helping the United States in establishing this relationship with the other Americas, but maybe Florida's greatest role for the 21st century will be as a model of how persons from different cultural backgrounds, different ethnic, racial, and religious backgrounds can live together in peace.

It has been suggested that the challenge of the 21st century will be the challenge of whether Bosnia is our collective future. Will we live in a world in which people who are different than their neighbors will find it impossible to live a life of dignity, respect, and peace?

While our State has not been immune from some of the abrasions of cultural diversity, we are proud of the degree to which we are building a society from a diverse community.

So, Mr. President, this is a happy and celebratory day for our State of Florida. It comes, I hope, as an event which might serve to assuage some of the contention that was felt here yesterday and maybe reverberates today. One hundred fifty years is a short time in the history of the planet but a long time in the political history of this Nation. It illustrates the good decisions that were made in this Chamber on March 1, 1845, when the Senate of the 54th Congress had the wisdom to enact the legislation that would create the 27th State of the Nation. Our challenge today is to create a record that Americans will look back on 150 years from now with pride.

So we thank America for allowing us to join the United States of America. We are proud of what we have contributed. We are pleased to be a full member of this greatest Nation in the history of the world. Thank you.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the Senator from Mississippi.

Mr. LOTT. Mr. President, I ask unanimous consent that in addition to the previously agreed to 5 minutes, that I have an additional 2 minutes without interruption, for a total of 7 minutes.

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

WELCOME, SENATOR BEN NIGHTHORSE CAMPBELL

Mr. LOTT. Mr. President, I had the honor earlier this morning of announcing that Senator BEN NIGHTHORSE CAMPBELL, of Colorado, would be joining the Republican ranks in the Senate. And, again, I want to extend a welcome to him and say how proud I am of him for his conviction and his courage.

I am satisfied that his voting pattern will remain the same. He has things he feels very strongly about. He does worry about where we are headed with deficit spending in this country. He is

concerned about the Federal Government's abuse of public lands. He is concerned about private property rights. He has an outstanding record, one that I have observed for, I guess, 10 years now, having served in the House of Representatives with him back in the midsixties and now having watched him in the Senate for the past 2 years. He is going to be an outstanding addition to the party. It is an honor to the Republican Party to have him join us.

I ask unanimous consent that his résumé be printed in the RECORD.

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

Ben Nighthorse Campbell, Democrat, of Ignacio, CO; born in Auburn, CA, on April 13, 1933; attended New England Mills Grammar School, Weimar, CA; attended Placer High School, Auburn, CA, 1951; quit high school to join Air Force (where he got his GED); in 1991 attended Placer High School's graduation exercises and received a diploma; B.A., San Jose State, 1957; attended Meiji University in Toyko, Japan, as special research student, 1960–64; served in U.S. Air Force in Korea, airman second class, 1951–53; jewelry designer who has won more than 200 first-place and best-of-show awards; rancher who raised, trained, and showed horses; All-American in judo, captained the U.S. Olympic Judo Team, 1965; won the gold medal in the Pan-American Games of 1963; elected to Colorado State Legislature in 1982, serving 1983–86 on the agriculture and Natural Affairs and Business and Labor Committees; appointed adviser to the Colorado Commission on International Trade and Colorado Commission on the Arts and Humanities; voted by colleagues one of ''Ten Best Legislators'' in the Denver Post-News Center 4 survey, 1984; ''1984 Outstanding Legislator'' award from Colorado Bankers Association; inducted into the Council of 44 Chiefs, Northern Cheyenne Indian Tribe; member of Durango Chamber of Commerce, American Quarter Horse Association, American Paint Horse Association, American Brangus Association, American Indian Education Association, Colorado Pilots Association, Aircraft Owners and Pilot Association, senior technical adviser, U.S. Judo Association; married July 23, 1966, to Linda Price; two children: Colin, and Shanan; elected to the 100th Congress, November 4, 1986; reelected to each succeeding Congress; appointed to Committees on Agriculture, Interior and Insular Affairs, and Small Business; elected to the Senate on November 3, 1992 for the 6-year term beginning January 3, 1993.

Mr. LOTT. Mr. President, just to make a couple observations about BEN NIGHTHORSE CAMPBELL as an individual, he was born in California, but moved to Colorado at an early age. He served in the Air Force during the Korean war. He is a rancher who raises and trains show horses. He was All-American in judo. He captained the U.S. Olympic team in 1964 and won the gold medal in the Pan-American games in 1963. He was elected to the Colorado State Legislature in 1982, where he received numerous awards, including being voted one of the 10 best legislators in the Denver Post-News Center 4 survey. In 1984, he was selected as the Outstanding Legislator by the Colorado Bankers Association. He has been inducted into the Council of 44 Chiefs, of the Northern Cheyenne Indian Tribe. He is a member of the American Indian Education Association and the Colorado Pilots Association. He is married to the former Linda Price, and they have two children.

He is a typical example of the American success story, starting with very humble beginnings, overcoming lots of difficulty and adversity. But by hard work and energy and education and training, he has become an outstanding U.S. Senator, and we are truly pleased to have him in our ranks here today.

BALANCED BUDGET AMENDMENT

Mr. LOTT. Mr. President, if I could move on to another subject, I listened with a great deal of interest this morning to the distinguished minority leader, Senator DASCHLE, of South Dakota, and I think maybe his remarks will help to begin to get things back on the right track. The past few days have been very difficult here in the Senate. Some things, perhaps harsh things, have been said here on the floor of the Senate and in the public arena, and I think we have to stop and take stock of how much damage was done by the debate and all that went on during the discussion on the balanced budget amendment to the Constitution.

I agree that we need a bipartisan effort to achieve a balanced budget, and in fact if we had the will, we could achieve a balanced budget without a constitutional amendment. But I have been in this city for 26 years, as a staff member, as a House Member, and as a Senator, and it has not been happening. I do not believe it will happen without a constitutional amendment requiring a balanced budget. I think we need the additional leverage.

However, we took the vote. We were one vote shy. Any one of 34 Senators could have passed that constitutional amendment to balance the budget and send it to the American people for their legislatures to vote on that amendment. It did not happen. But we should go forward. We should set a process in motion that would lead to deficit reduction this year and next year. We cannot have a situation where for every year as far as the eye can see President Clinton's budget would call for $200 billion deficits.

So we need to make the tough decisions for the process to get there, and then we need to have the budget itself. So we will see what happens when we get to the tough votes on amendments and on the balanced budget resolution later on this year. We will have disagreements on both sides of the aisle. Every one of us will find that there is something we feel very strongly about, and we will fight for it. That is the way it works. But I have also watched over the years Members of Congress in both bodies stand up and say, why, we want a balanced budget but not here, not there, not in my State—in your State, somewhere else, some other day, some other time.

When we had the Gramm-Rudman process, when we got up to the lick log, so to speak, we moved the dates or we exempted this group and that group. When it started off, it was 3 or 4, and it was 21 the next thing you know. So we will see if we can have a bipartisan effort to achieve a balanced budget. And once again, I heard the minority leader say we should exempt Social Security.

Republicans will have a budget resolution, a 5-year plan, that will move us toward a balanced budget by the year 2002 without touching Social Security. The leader said that. I have said it. Republicans have said it. Democrats have said it.

That is where we started getting in trouble this past week. We started showing evidence we did not trust each other. Our word is not good enough anymore. When the leader stands here and says we are not going to touch Social Security benefits or raise taxes, that is not good enough anymore. We had people making speeches about, oh, we have to do this to protect Social Security. Where were they last year when we voted on the same, identical balanced budget amendment? Why were they not worried then? Why is it now, all of a sudden, after all these years with Social Security being in the unified budget, we had to take it off at that particular moment? Where were they last year when we had relevant votes—actually, it was in 1993—when we had relevant votes on Social Security?

I ask unanimous consent to have printed in the RECORD at this point the votes that I refer to, a vote to table the McCain-Brown amendment. And I think there are six or seven of those.

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

The relevant votes are:

A vote to table the McCain/Brown amendment to the Omnibus Budget and Reconciliation Act of 1993 (OBRA 93), which would have required that revenues from the increased tax on Social Security benefits be credited to the OASDI trust funds (Vote No. 184, June 25, 1993).

Mr. LOTT. I really do believe that was just a cover to use as a reason not to vote for the balanced budget amendment. But again, if we can work together in a bipartisan way to get a glidepath toward a balanced budget, certainly we should try to do that.

PROGRESS IN THE SENATE

Mr. LOTT. Mr. President, I also want to take this occasion to say that I do not think the Senate has looked very good this year. I do not think the length of the debate necessarily improves the quality of the legislation. I think you need to have reasonable debate, adequate debate, understand what is in legislation, but I think debate just for debate's sake is not good legislating.

When I look at what we have done this year, we have been in session now for the most part for 2 months, and

what do we have to show for it for the American people? We got off, I thought, to a pretty fast start, although it took longer than it should have. On the congressional coverage, we did say, oh, we are going to make the laws apply to us, and the vote was 98 to 1—98 to 1. We got that one passed, and it went to the President.

That is the only bill—I believe this is correct—the only major bill, and maybe the only bill, that we have sent to the President for his signature this year, in 2 months.

Now, we went then to unfunded mandates, a process to try to stop the cavalcade of unfunded Federal mandates we are putting on States—overwhelming support for it, but here in the Senate we spent 58 hours and 34 minutes discussing this legislation.

The PRESIDING OFFICER. The Chair advises the Senator from Mississippi he has exhausted his 7 minutes.

Mr. LOTT. Mr. President, I ask unanimous consent I may proceed for 2 more minutes.

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

Mr. LOTT. For 58 hours and 34 minutes we talked about unfunded mandates. You would have thought this was really a controversial issue. Now, we needed time to look at the bill and, yes, to look at the report to make sure we fully understood it, but 58 hours and 34 minutes? And then we got to a vote on final passage and it passed 86 to 10—86 to 10. That is good. You would think, great, now we are on the move.

The bill has not gone to the President yet. It is still languishing in conference.

And then, of course, there was the balanced budget amendment —116 hours of debate. We covered a lot of territory in that debate. It ranged far and wide, quite often far from the subject at hand—116 hours. And then we voted, and the vote was, in the final analysis, really 66 to 34, although the majority leader changed his vote in order to offer the motion to reconsider—65 to 35.

I do not think the American people want the Senate to just react or act on what the House has done. But I think they have a right to expect that the Senate would get the message of the election in 1994 as well as the House. I think the American people want us to act in an affirmative way. And sometimes they want us to act to stop and reverse some of the policies of the past 20 to 40 years that have gotten us into the difficulty we are in with our Federal debt. We do not seem to be doing a very good job of moving forward that agenda, or any agenda. And when I say it that way I am assuming some of the blame on this side of the aisle, too.

So I guess my conclusion here today, as we run out of time, is yes, I hope we can run in a bipartisan way. There have been ruptures. I had looked forward to working with the new leadership on the other side of the aisle. I have known Senator DASCHLE, Senator DORGAN, Senator BREAUX and Senator KERREY for years and have a lot of respect for them. I thought we could cut out some of the acrimony and some of the partisanship, that we could talk and communicate and understand each other and have a schedule that the Members could rely on that would make sense. I hope we can still do that. But we lost a little bit of that opportunity in the past few days in my opinion.

I think the Senate needs to take stock of itself. Maybe this is the way it has always been done. I do not believe that. I have gone back and looked at history and I do not think necessarily what we have done in the last 2 months is the way it has always been done. But I have an answer to that. If it has, so what? If it needs to be changed, if we can do a better job, let us do it. Yes, I am a former House Member. No, I do not want to make the Senate a replica of the House. But can we make the Senate a better legislative body, if we make some changes or we work together in a way that provides—yes, more efficiency? I think it is worthy of effort. And I hope we will begin it next week.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. MACK. Mr. President, I ask unanimous consent to address the Senate as in morning business.

The PRESIDING OFFICER. That is the regular order, Senator.

THE DEFEAT OF THE BALANCED BUDGET AMENDMENT, HYPOCRISY ON THE RECORD

Mr. MACK. Mr. President, during the past several weeks there has been significant debate on one of the most fundamental issues facing America today. One which, frankly, divides the two parties in this country. At times the debate was heated. At times the debate appeared to indicate the balanced budget amendment would pass. But, in the last days, it became clear that would not be the case and the balanced budget amendment was defeated.

This morning, while Republicans were trying to recover from that defeat, we were buoyed by the announcement that Senator BEN NIGHTHORSE CAMPBELL was switching parties, changing from Democrat to Republican.

During the press conference this morning making that announcement, a question was raised by one of the reporters regarding a comment attributed to the minority leader of the Senate, suggesting of Senator CAMPBELL, ''perhaps he should resign and run for reelection. * * *''

I assume the minority leader made that statement because Senator CAMPBELL had changed parties. I would like to suggest that perhaps the minority leader, Senator DASCHLE, should resign and run for reelection himself, because clearly he changed his position on an incredibly fundamental issue which he not only voted for in the past, but made as a central theme of his campaign in 1986.

Let me quote from one of his commercials:

> The national debt. America is awash in red ink. But in 1979, Tom Daschle saw the damage these deficits could do to our country. His first official act was to sponsor a constitutional amendment to balance the budget. For seven years, Tom Daschle battled party leaders and special interests to cut waste and close loopholes.

Mr. President, using the same line of reasoning and logic that was employed this morning by the Senate minority leader, Senator DASCHLE, perhaps he should follow his own advice. Perhaps he should resign and run for reelection.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

THE BALANCED BUDGET AMENDMENT

Mr. GRAMS. Mr. President, I rise today to remind my colleagues of the words of Benjamin Franklin, when he urged, ''Never leave that till tomorrow which you can do today.''

Good advice. But when is this Congress going to listen?

For too long, Congress has used the word ''tomorrow'' to repeatedly avoid the responsibilities and obligations of today.

We will stop spending more than we take in—tomorrow.

We will safeguard our children's future by paying our own bills—tomorrow.

We will make the tough choices to get our fiscal house in order—tomorrow.

We will balance the budget—tomorrow.

The problem with tomorrow, of course, is that it never, ever gets here—there is always another one waiting in the wings. Responsibilities are never met. Obligations are never fulfilled.

And yesterday's vote on the balanced budget amendment demonstrates once again that—despite all the talk on Capitol Hill about change—Congress still operates under the notion that you should never do today what you can put off until tomorrow.

Mr. President, I am deeply disappointed that this body put politics ahead of promises in rejecting the balanced budget amendment.

Passage hinged on the votes of six Democrats who, just 1 year ago—March 1, 1994—voted for the balanced budget amendment. Yesterday, those same six Senators voted ''no'' on a bill that was virtually identical to the one they supported last year.

The balanced budget amendment is a beautifully simple piece of legislation that makes so much sense to the voters

that 8 out of 10 of them asked us to make it law. What do we go back home and tell them this weekend—sorry? Try again tomorrow?

No. Beginning today, with or without a balanced budget amendment, we need to start laying out the glidepath that will lead us to a balanced budget by the year 2002.

To my colleagues who said we can straigthen out the fiscal mess in Washington without meddling with the Constitution, it is time to stop making promises and start delivering on them.

The only way we will ever clean up the Federal books is to start today, not tomorrow, not next month, not next year, but today.

We have said again and again that balancing the budget will not be easy. But those who elected us do not care if we have a tough job. They expect us to do that job.

Unlike the ancient plunderers who would pillage a town, then set it afire as they headed off toward their next conquest, we are not going to slash and burn the budget and leave it in shambles behind us.

The needs of this country will continue to be met. But if we are serious about bringing the budget into balance, the wants of this country will have to be closely scrutinized. Some will have to be put on hold.

We need a balanced budget for another reason as well, Mr. President—so that we can begin to pay back our massive national debt.

We didn't accumulate this $4.8 trillion burden overnight, and we will not pay it off overnight, either. But whether it takes 20 years or 40 years, we have to start now.

The debt we are piling up and passing along to the next generation of Americans is not just fiscally wrong—it is morally wrong.

George Washington could not have known the problems we would face in 1995, but he cautioned us—198 years ago—about amassing a national debt.

It was expected, he wrote in his Farewell Address, that in times of crisis, the Federal Government would occasionally be required to spend beyond its means. But in times of peace and prosperity the Government must repay its debt, and not push its burdens onto the next generation.

We have been at peace and enjoying prosperity for 40 years. With the recklessness of the past behind us, the burden that Congress bears today is ensuring the strength of this Nation tomorrow.

In conclusion, a balanced budget can be achieved by the year 2002 if we begin laying out the path today. We will have to do it without a balanced budget amendment, but make no mistake—this Congress must do it.

Mr. LOTT. 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.

Mr. DOLE. Mr. President, is leader time reserved?

The PRESIDING OFFICER. It has been reserved.

THE BALANCED BUDGET AMENDMENT

Mr. DOLE. Mr. President, let me indicate that round one of the balanced budget effort has been disposed of. But there will be other rounds. Our new Republican colleague, Senator CAMPBELL, when he was talking to some of the reporters, was saying the thing that really made the decision for him was the balanced budget amendment and the games that are being played with the balanced budget amendment and those who one year vote one way and the next year vote another way on the balanced budget amendment.

As I said in my remarks yesterday, it seems to me that this issue should not and will not go away. We will proceed on the basis that the balanced budget amendment will be passed. We will see how many are willing to make the tough votes—we hope a majority on both sides of the aisle—and we will see about Social Security and some of the other smokescreens that were talked about during the debate.

But I would just assure my colleagues that this issue—and it is an issue and will continue to be an issue because 80 percent of the American people have told us that they want a balanced budget amendment. We have told them we do not care what you want, we know what is best. A minority of 34 knows what is best, even though a majority of 80 percent have a different view.

So I am excited about the prospects of taking this case to the American people for the next 3 months, 4 months, 6 months, 8 months, 10 months, a year, 16 months, whatever it takes because it is that important. Again, it is not a matter of partisanship, because I congratulate the 14 Democrats who withstood the pressure from the White House and the leadership on the other side to vote consistently and to vote their convictions. This was a bipartisan effort, as it should have been. And I read the obituaries in the morning's paper about what it means for A or X or Y or Z. It is what it means to the American people that makes the difference. And what it means to the American people is that the U.S. Senate by one vote, one vote, has said wait. You have to wait. We will make these judgments for you. You do not understand. We understand all these complex issues.

But I must say traveling around the country when you make speeches and you talk about unfunded mandates, people say ''Well, I do not think I have had that.'' They do not really focus on unfunded mandates. You talk about covering Congress like we cover everybody else. Most people say that is a good idea. But I find the thing that the American people understand without any further explanation is when you say ''balanced budget.'' They are doing it in their business. They are doing it in their homes. They are doing it in their offices, and they understand the balanced budget. They also understand regulatory reform, which is another issue that will be on this floor very soon.

So I do not know when this reconsideration will take place, but hopefully very soon. But if not, there is time to take the case to the American people. I do not suggest that many of my colleagues were not properly motivated. But I think in some cases it was a lot of politics, and that is not without precedent on either side of the aisle either, I would say, because this is a political institution in a sense. But this issue is larger than any one Senator or larger than this institution. As I have said, we do not amend the Constitution lightly around here. We certainly had adequate debate.

I conclude by saying to all of my colleagues that we are going to have to change our operating rules in the Senate because we are now starting to report out some of the legislation.

So I just alert my colleagues to be prepared to be here almost every night until 10 or 11 o'clock. There will not be any recesses in the Senate this year that I can see after the Easter recess. We have tried to accommodate our colleagues who want to spend 10 days on this, 3 weeks on this, 3 or 4 weeks on this. And I do not know of any other way to finish our work. But I think every Senator will accept that because, if we want to have these extended debates and we want to have this full discussion, then certainly we understand that it is going to take more time. I do not have any objection to that except to say that we are going to try to complete our work this year. I do not see any other way unless there is some way that the Democratic leader and I could come together and figure out some way to do it. But if you look at what has happened so far this year, we have had about 2 months now on three pieces of legislation. And we have been in session almost every day. Maybe that is the way it is. On that basis, you would pass about 15 pieces of legislation.

I alert my colleagues that we are going to meet with the Democratic leader next week to try to outline a program for the next couple of months. I know that after legislation comes from the House it properly goes to committees here and we have hearings and markups. The line-item veto will be on this floor by the end of next week, and we will stay on the line-item veto and we will be here nights. We are not going to spend 30 days on the line-item veto. We will find out where the votes are when the President says he supports a line-item veto. We will see if

he really believes in it. If you are really going to work for the line-item veto. We hope he does.

So I alert my colleagues that though many of us would like to have a little more time off these next few months, I do not believe it is possible. If it is, I will try to accommodate all my colleagues.

I yield the floor.

THE BALANCED BUDGET AMENDMENT

Mr. CONRAD. Mr. President, we have heard speeches this morning that suggest because the balanced budget amendment has been defeated, we somehow have to wait to balance the budget. I simply say that there is no need to wait. There is nothing that prevents us from moving to write budgets that balance the budget. We can do that in the normal process of the Congress—and we should.

Mr. President, no one should use as an excuse that the balanced budget amendment failed. Mr. President, we have an obligation—all of us, Democrats and Republicans—to now go to work to move this country toward balance. And there is no time to spare, because we face a demographic time bomb in this country; that is, when the baby boomers start to retire and the number of people who are eligible for Medicare and Social Security doubles. That requires that we go to work and write balanced budgets.

Mr. President, I want to just put in some perspective why some of us felt so keenly that the balanced budget amendment that was before us was flawed. I come from a financial background. I was a tax commissioner of my State before I came to this body. In that position, I fought the looting of trust funds at the State level. We were faced with it consistently because we had large energy trust funds and, repeatedly, there were attempts by people in the legislature to raid those funds. I thought it was wrong then. I thought it was wrong when I came to this Chamber that we were doing the same thing with respect to trust funds.

Mr. President, I think when people talk about a balanced budget amendment, we ought to ask: What budget was being balanced? What budget was being balanced with that amendment that we considered yesterday?

I remind my colleagues of the language of section 7, which defined what budget was being balanced. It said:

> Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

Mr. President, this definition includes all Social Security revenue and all Social Security outlays. And the problem is, Social Security is not contributing to the deficit; it is in surplus. So, by definition, the amendment we were considering yesterday would have taken Social Security surpluses and applied them to other operating expenses of the Federal Government. That is what was wrong with the amendment we considered yesterday. In principle, that is what was wrong.

Mr. President, I understand fully that when you do not use Social Security surpluses, when you do not use trust fund moneys, that makes the task more difficult. That makes the challenge greater. But I do not think we should say to the American people we are balancing the budget when we are really looting and raiding trust funds in order to balance the budget. That is a fraud. That should not be enshrined in the Constitution of the United States, because that would make it virtually impossible to fix. And if we fail to fix it, the economic implications for the future are far more severe. We will never be able to keep the promise to those who have paid the taxes on the promise that they will receive retirement benefits, if we do not treat the Social Security surpluses that are supposed to be treated as a trust fund in that way.

During the discussions, a number of the leaders who were proponents of the amendment came to me in an attempt to secure my vote and said they would agree to stop using the Social Security trust fund surpluses by the year 2012.

Mr. President, this chart shows what they were suggesting. This chart shows the flow of funds in the Social Security trust fund. The year 2012 is about here on the chart. So when they are saying they would use the Social Security trust fund surpluses until the year 2012, they were saying they would use most of the trust fund moneys, because you can see that is about the high-water mark of the buildup of the trust fund. Then it starts to decline as the baby boom generation starts to retire. I said, no, I would not accept a proposal that would use trust fund moneys until the year 2012. That is about $2 trillion that would have been used. They came back to me several moments later and said, ''How about if we stopped using the Social Security trust fund money by the year 2008?''

Mr. President, I said no to 2008 because after consulting on the flow of funds that moved through the trust funds or the projections of the flow of funds, my staff reported to me that it would be $1.3 trillion. Mr. President, I think those exchanges confirm that those who were proponents of the amendment fully intended to use Social Security trust fund moneys to offset other Government operating expenses. I think that is wrong as a principle, just wrong. I do not think we should do that. I think it would be a mistake to do that. I understand that it makes the job tougher.

Mr. President, if we are going to tell the American people we are balancing the budget, then I think we ought to do it honestly. We ought to be really balancing the budget, not taking trust fund moneys to help balance the budget. If that means we have to stretch out the time period so that we set an honest goal, then we should do that. And the reason I feel this so acutely is when we look at what the flow of funds will be, or are projected to be, if we do not save that money, when we reach out here in 2025 and when we reach 2029, all of the money is gone. It is all gone by 2029. And that assumes that we allow the trust funds to be built up. So I think it is imperative that we treat the trust funds separately from the other operating accounts of the Government.

Mr. President, let me just go back to this final chart because it speaks to the need for all of us to come together.

We have had high levels of partisanship in the last days, and perhaps that was inevitable. I think some of the things that have been said that question each other's motives are unfortunate. I think when Members of Congress start name calling, that is uncalled for. None of us should engage in that. That demeans this institution.

Mr. President, we now do have an obligation to try to address what is a serious crisis facing this country.

This chart shows why current trends are not sustainable. The green line here shows the revenues anticipated for the United States. It shows the history from 1970 to today and a projection out to the year 2030. Revenue is pretty constant. The colored bars here show the expenses. And we can all see what is going to happen because of this demographic time bomb, the tremendous number of baby boomers who are going to retire and what that does to Medicare and Medicaid and Social Security. It explodes the costs. That has to be addressed. And nothing precludes us from doing that.

Mr. President, it is time for us to work together, to put aside partisanship to get the job done.

I thank the Chair and yield the floor.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania.

Mr. SANTORUM. Thank you, Mr. President.

SOCIAL SECURITY AND BALANCING THE BUDGET

Mr. SANTORUM. Mr. President, I just want to make a couple of comments about the arguments that are being made with respect to Social Security, not just by the Senator from North Dakota but many others, not just today but for the last several days.

First, we should not use the Social Security trust fund for balancing the budget. What does that mean? We should not use the Social Security trust fund to balance the budget. Are we taking money out of the Social Security trust fund and spending it directly on other programs? No. No, we do not take money out of the Social Security trust fund to spend it on other programs.

Money in the Social Security trust fund is borrowed, for which we pay interest on the money back to the Social

Security Administration, as we would with any fund that runs a surplus in the Federal Government.

We have surpluses in the highway trust fund. What do we do with the highway trust fund money? Do we spend it on other programs? No, that money is in there. It is earning interest. We are investing it in Government bonds, just like we do the Social Security trust fund, just like we do the aviation trust fund, just like we do with any other trust fund that we have in the Federal Government that happens for a period of time to be running a surplus.

So to use the argument that we are using the Social Security trust fund to balance the budget is as fallacious an argument as it is to say we are using the highway trust fund to balance the budget. The highway trust fund has a couple billion dollars surplus in it. I did not see anybody run to the floor to protect our roads and bridges. They did not come to the floor and say, ''We can't use the highway trust fund. That is not fair. It hid the deficit.''

It is not true. Let us be honest. Let us not hide it from the people.

Where were the highway trust fund advocates? Where were the aviation trust fund advocates?

We were saying let us be truthful and honest in not hiding this from the American people.

What is going on is in the fine spirit of hiding behind the apron of Social Security when you cannot define your program in other ways. That is what is going on here. I had it happened to me in my election. Many of us have had it happen to us in our elections. When you are losing, when you know you cannot defend your record, when you know you cannot defend your vote, you bring up the old red herring: Let us run behind Social Security. Let us scare the public that we are going to get Social Security and we will be OK. They will believe it.

We will never change this place, we will never change this place, until the American public has enough realization to know that there is not any program that could ever compete in popularity and support—not one program that can compete in popularity and support—with the Social Security program. If the Federal Government continues on its way and we continue to have to eliminate programs as the debt gets to be a bigger and bigger and bigger part of our Federal Government, the only program, if we have one program left, I will assure you, will be the Social Security program. Everything else will be gone. That will win. That will always be maintained.

The American public has to stop being afraid that someone is going to come in and raid their Social Security plan. It is not going to happen. We promised it was not going to happen. Unfortunately, I guess the promise of the majority leader of the U.S. Senate is not enough; the promise of the Speaker of the House that we are not going to touch Social Security is not enough. A vote of something like 90 to 10 in this body that we will not cut Social Security or touch Social Security over the next 7 years is not enough. Because people are always afraid.

Is it not sad? Is it not sad what we have done to the people of this country? We have gotten them so addicted to Government that every time we talk about changing it, they run. They get scared. They get scared. We have made them dependent. We have succeeded here in Washington in the first step to really control what goes on in America by having people dependent upon us.

No one in this Chamber is going to take $1 of benefits away from any Social Security recipients in this country to balance the budget. And everyone in this Chamber knows it. Everyone in this Chamber knows it.

This was partisanship. This was political. It is a lot of things. The reason six Members who voted for this exact amendment voted the other way and hid behind Social Security was one reason, and it was not Social Security—partisan advantage. Stop the Contract With America, let us not move things too fast now, let us not change the status quo in Washington.

We have a great opportunity before us in Washington today. We have a House of Representatives that continues to crank out and pass legislation that was called for in their Contract With America that has the support of the American public. And it is sitting over here in the Senate and it will continue to pile up and pile up until the people of America send a message to their Senators that they want something done.

If you want something done in Washington, if you want a leaner, more efficient, smaller Government, if you want that power and freedom back to you, the American public, not centered here in Washington where we can threaten you by pulling the rug out from under a program that you like, but in fact to enable you and empower you to take those challenges and responsibilities yourselves, when you believe that can happen, you have to communicate that to the people here in the Senate. Because if you communicate that, this place will change. And if it is not in the next 2½ years, the 1996 election will make that change.

The opportunity is here. It is up to the American public as to whether that is going to happen or not. It is up to you as to whether we are going to succeed as a body in the Senate.

The rules are structured here—boy, I never knew—but the rules are structured here so we pretty much cannot get anything done. That is the way they sort of crafted this place, so things slow down, so we do not do a lot here.

Now, as Senator LOTT said earlier, I do not want, as a former House Member, I do not want the Senate to be like the House. We need more deliberation. We need to put the brakes on things and cool things off a little bit. I understand that. But, at the same time, we should not be obstructionists for the sake of being obstructionists.

I have here a table, which I ask unanimous consent to have printed in the RECORD.

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

FIRST SESSIONS—STATISTICAL COMPARISONS

Year/Congress	Days in session through February	Time in session	Record/votes
1995/104th	36	316′03″	97
1993/103d	19	91′51″	20
1991/102d	29	145′56″	20
1989/101st	16	43′10″	15
1987/100th	22	89′58″	29
1985/99th	22	105′36″	17
1983/98th	17	53′55″	2
1981/97th	24	71′18″	25

Prepared by the Senate Daily Digest/Office of the Secretary.

The PRESIDING OFFICER. The Chair advises the Senator that his time has expired.

Mr. SANTORUM. I ask unanimous consent for 2 additional minutes.

Mr. EXON. Reserving the right to object, as long as it would not be extended longer than the 2-minute period. We have a problem. The Senator from Michigan has to assume the chair, people have to catch airplanes.

In deference to the Senator, I will not object.

Mr. SANTORUM. I will take 1 additional minute.

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

Mr. SANTORUM. I just wanted to include this in the RECORD and comment that in the 104th Congress, the Congress we are in right now, we have been in 36 days, 316 hours and 3 minutes of debate, 97 votes.

It is unprecedented the amount of time we have spent here in this body to try to move things forward. We have cooled it off, we have debated it, and we got two bills passed. Only one has been signed into law.

If you look at other Congresses through February, in the last Congress they were in 19 days, compared to 36, and only had 91 hours of debate. In 1991, 29 days in session, 145 hours of debate; 1989, 16 days in session, 43 hours of debate.

The fact of the matter is we are working hard, we are debating long, and we are not accomplishing a whole heck of a lot. Cooling off is one thing; stonewalling is another.

What we need to do, I implore my colleagues and the American public, is to rally to the defense of what the voters in November asked for, and move some things forward.

I yield the floor.

Mr. EXON. Mr. President, I ask if I may yield to my colleague from Michigan for a statement, and I ask unanimous consent that I might yield for whatever short period he might need to my friend from Michigan.

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

IN MEMORY OF ED PRINCE

Mr. ABRAHAM. Mr. President, it is with great sadness and a deep sense of personal loss that I note the passing yesterday of a close friend, Mr. Ed Prince of Holland, MI, a successful businessman, family man, and philanthropist.

I had the privilege of knowing Ed Prince and his family for a number of years. Ed was a self-made businessman who took seriously his Christian duty to help his neighbors and others less fortunate than himself.

After quitting his job as chief engineer at the local machine works in Holland, MI, Ed started his own automotive components company. Now that company employs 4,500 people and is the Nation's largest producer of die cast machinery.

But Ed did not let concern with the bottom line take him away from his Calvinist roots and family values. He devoted time and money to family causes on a local, State, and national scale. He was a major contributor to his church, local charitable organizations, and such national organizations as the Family Research Council and Focus on the Family.

Perhaps Ed's greatest accomplishment, other than serving as an exemplary husband and father, is his commitment to his hometown of Holland. When downtown Holland began struggling financially, Ed and his wife Elsa came to the rescue. They bought a number of downtown buildings, refurbished them, and sold or leased them back to small businesses. They even put heaters under the sidewalks so folks could come downtown during Holland's severe winters without fear of slipping and falling or being disinclined because of the winter.

I also know the residents at the Evergreen Commons Senior Center a facility which I have visited, will miss Edgar and his support. He gave $1 million to that organization so that Holland's senior citizens could maintain their dignity while being helped in their old age. He also has been a major contributor to colleges in his area—both Calvin and Hope colleges owe him a great debt of gratitude. As his pastor, David Guerrin, remarked, ''He used all of his resoruces—both personal and financial—not as an end in themselves, but always as a means of glorifying God.''

Those words constitute a fine tribute to a great man, a man to whom I also owe a great debt of gratitude for the example he provided through his generosity, strength of character, and spirit of fellowship toward his community.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. EXON. Will the Chair explain to the Senator, are we in morning business, and are there time restraints on the amount of time that we are allowed to speak under the order?

The PRESIDING OFFICER. That is the order of business, and the time limit is 5 minutes.

Mr. EXON. Mr. President, I will try to stay within that timeframe. I might request an additional minute or 2 if I run out of time.

I want to start out, Mr. President, and briefly compliment my great friend and colleague from West Virginia. There is no Member that I have served more proudly with in the U.S. Senate than ROBERT BYRD. He is a very learned individual, and I listened and I have listened before to his great and persuasive arguments as to why the constitutional amendment should not be placed in the Constitution. And he has made some excellent points.

He did not change my mind, but he made me quiver a few times. I simply say that I thought the statements, the way Senator BYRD, as usual, handled himself in a very professional, gentlemanly manner, made his points very, very well, and I am proud to serve with him. I am proud to serve with all of the Members of this body, even those who of course did not agree with my vote yesterday in support of the constitutional amendment.

Nevertheless, I think it has been a very healthy debate. Basically, the reason this debate has been kept on track is because it has been the herding, keeping the locomotive of straight talk on track, by the Senator from West Virginia.

Let me address some of the concerns I have. The main concern that I have—and I would like to say despite the fact that the balanced budget amendment did not pass yesterday, the world has not come to an end—I hope the comity and the understanding of Members on both sides of the aisle and on both sides of this important and contentious issue is such that we can move ahead in some kind of a proposition to bring our spiraling deficit and skyrocketing national debt under control.

We can lament the fact that the balanced budget amendment failed by one vote yesterday. I think it is safe to assume that those Members who supported the balanced budget amendment think little is served by whipping or arguing at great length about maybe calling it up again tomorrow and turning it around. That is not going to happen. I will simply say that I hope we can leave politics as much as possible out of this debate.

Having said that, I simply say, as a person who has always voted for a balanced budget amendment, I think that even with the great talents and arguments—many of them sound—that Senator BYRD and others advanced, we probably would have carried the day on the balanced budget amendment had it not been that politics got involved in this matter very early.

Not long ago, the Republican National Committee, with their vast resources, decided they were going to put some pressure on Democratic Senators in certain States of the Union, and they went into those States and in some cases enlisted the Republican Governor of those States to attack publicly, at the expense of the Republican hierarchy, to bring pressure to bear.

The facts of the matter are that that backfired. The facts of the matter are—and I am a pretty good vote counter in this body—I think that that activity, as much as anything else, was a prelude to the defeat of the balanced budget amendment yesterday.

There were some talks today, unfortunately, on the floor of the Senate about people resigning because they changed parties and all of these kind of things, which brought a retort, of course, that possibly others who had voted for this previously and did not vote for it this time should resign.

I do not think that kind of debate contributes much to the basic understanding, to advise the people on what the situation is. Let me say in the first place that I believe that there were mistakes made on both sides. I have cited what I think was a critical mistake when obviously the hierarchy of the Republican Party decided to politicize this debate, and if we look at the States where they advertised, we will see what I think is proof positive that their actions were ill advised, bad politics, and certainly bad strategy from the standpoint of passing the constitutional amendment.

Everywhere they tried, they failed. In fact, I happen to feel, in conversations I have had with several of my colleagues that were caught in that attack, that it probably caused them to swing against the amendment, among other reasons. So it was counterproductive.

I will also say that one of the problems I had with the constitutional amendment that I voted for was the fact that the hope was held out—in fact, it was almost a promise—that if we passed the constitutional amendment to balance the budget, we would do so by the year 2002. Well, the facts of the matter are that had we passed that constitutional amendment yesterday, and had we not had a war between now and the year 2002, or a serious downturn in the economy, if everything went according to schedule, we still would not have balanced the budget the way most people think the balanced budget would have worked.

I simply say it would have been far better, it seems to me, had my friends on the other side of the aisle, with whom I worked closely on this, been more upfront and said, ''Yes, we would not have actually balanced the budget by the year 2002 because we intend to use the amount of money that we protect and are going to continue to protect that is called the Social Security trust fund.''

So, therefore, it should have been said up front that if this constitutional amendment passes, we will balance the budget of the Federal Government by the year 2002, except for counting

the surplus in the Social Security trust fund. I think that is evident, and it is evident by the fact that it came up in discussion but has not been, I think, fully understood.

Having said that, I do not agree. I did not agree and I disagree with those on this side of the aisle who, I think, made some very good political points by talking about the looting and the raiding of Social Security. Certainly, I think that was not the intent of all but one of the Members on that side of the aisle who voted for the amendment. It certainly was not the intent of this Senator. But I recognize that it was a good political argument to make.

I do not believe that any of us who were supporting a constitutional amendment—I can only speak for myself, but I have some knowledge of the thinking that went on of others who were supporting this—that we were simply saying we were not raiding anything. We were simply recognizing the fact that some people do not understand; and that is that the Social Security trust fund is presently invested in T bills, securities of the United States of America fully backed with the faith and credit of the United States of America, and there is no way that we could or should raid those funds to balance a budget.

Another way of saying that is a bookkeeping procedure, because clearly the law says that we cannot invest trust funds, especially Social Security trust funds, but all trust funds, we cannot invest them in the stock market or other speculative propositions, only in Government securities, basically T bills. So there was no raid on Social Security in the actual sense of the word.

Let me simply ask, where do we go from here? It seems to me, although the balanced budget amendment would have given us the discipline that I think is necessary—it is not there for many and varied reasons—therefore, that we should press on very aggressively to begin to balance a budget now without the constitutional amendment, as most of us said we hope we could do.

I probably think the best way out of this is simply pass a resolution that the Budget Committee should report out, according to present law, by April 1, a budget that will balance the budget by the year 2002, or whenever. I will simply point out that the present law clearly states that you cannot use the Social Security trust fund to balance a budget. So I hope that possibly we could pass a resolution directing the Budget Committee to come out with a balanced budget amendment, notwithstanding the fact at least of now we are not going to put it in the Constitution, there is no reason why we should not press forward.

I simply say I think people of good will should put politics aside now and try to work toward balancing the budget the only way we have available to us at the present time, and that is the will, the good fellowship and support of the men and women who serve on the Budget Committee; direct them to come forth with a balanced budget amendment by some period of year, hopefully 2002, that could balance a budget the way we have to balance a budget in the absence of a constitutional amendment to do so.

I thank the Chair, and I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Alaska.

EXTENSION OF MORNING BUSINESS

Mr. MURKOWSKI. Mr. President, I believe morning business was to expire at 1. I ask unanimous consent that morning business be extended until 2 p.m., under the same arrangement that was initiated for the previous morning business schedule.

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

MANDATE OF SELF-DISCIPLINE

Mr. MURKOWSKI. Mr. President, I would like to reflect on what I consider a reality. It seems to me that we have managed to do it again. We have put off taking the medicine necessary to correct the accumulated deficits that we have been running because we have again refused to impose a balanced budget mandate in our Constitution. Let me just reflect a little bit on how this body seems to work with unsolvable problems.

We all remember the extended debate on base closures, the fact that we could never agree whose base would be closed. So we finally consented to bring about the creation of a commission staffed by knowledgeable people who would independently evaluate priorities of base closures. The Commission would examine all relevant evidence presented by the individual military services and then make specific recommendations on a package. Congress would then be given the opportunity to vote up or down on that package.

We saw what happened to that Commission yesterday. We voted unanimously to extend the Commission because it has worked. It worked simply because the other alternatives did not work.

I am kind of a bottom-line person, Mr. President. It seems to me that we have attempted to address our deficits by statute in the past. You remember back in 1985, we had Gramm-Rudman I. And it was our conviction that this would bring about control of runaway spending and it would bring about an end to the continued deficits.

Under Gramm-Rudman I, we were going to have a zero deficit by 1991, at least we were supposed to. Then we had Gramm-Rudman II in 1987. That was supposed to bring about a zero deficit by 1993. It did not work. Then we had the 1990 budget agreement and that was supposed to bring about the decline of the deficits. Under that agreement, the deficit was supposed to be $83 billion. In reality, the deficit for 1995 is more than 100 percent higher—$205 billion.

If we look at our short history relative to trying to correct this matter since 1985, one has to come to the conclusion that statutes do not worked.

I was somewhat amused by the editorial in the Washington Post this morning which suggested that amending the Constitution was the wrong way to do it; we have the capability to do it and, therefore, we should do it. But the fact remains, Mr. President, we did not do it then and we have not done it now. It simply is not going to be addressed. I think the attitude of the American people is that we simply do not have the self-discipline to reduce spending, we do not have the self-discipline to reduce the rate of growth of entitlements, we have simply left the entitlements on automatic pilot.

I reached the conclusion some time ago—and this is the basis for my support of the balanced budget amendment—that since nothing else has worked, this obviously would bring about a mandate to the Congress, and that mandate would be self-discipline.

There is one other factor that I think is important, and that is how the American people are going to view this. Social Security has been mentioned, but it would seem to me that the people of retirement age that are dependent on Social Security, and those who are about to be, have a conscious awareness of the realities associated with the monetary system of this country. We can look at Mexico and see what happened—too much debt.

I do not know, Mr. President, if you have observed what is happening in Canada, but 29.6 percent—29.6 percent—of the Canadian budget is interest on their debt. That is nearly one-third.

We are running deficits each year, Mr. President, but the difficulty with it is that the interest on the accumulated debt now is more than the deficit. So the reality of this action, or lack of action taken by this body is really one that has to be addressed.

Mr. President, I think we have a situation where we have to recognize we do not have the self-discipline to eliminate the deficit. Our monetary system, as we know it, is very much at stake. We should have given the American people, through their State legislatures, the opportunity to decide whether the Constitution should be amended. It takes 38 States to amend the Constitution. There would have been a great debate.

I think by not giving the American people the opportunity to be heard on this matter, we have done a great disservice to them and to ourselves, and we have not corrected the problem that has been addressed in this body over the last several weeks. I think that is, indeed, unfortunate.

I thank the Chair.

(The remarks of Mr. WARNER pertaining to the introduction of S. 496 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

THE MEXICAN PESO

Mr. BENNETT. Mr. President, I rise to discuss a situation that has been before us in the Chamber previously.

We were all caught with some surprise earlier this year when the Secretary of the Treasury and the Chairman of the Federal Reserve Board came before a group of Members of Congress, House and Senate combined, to tell us of the crisis in Mexico and to ask for our support for a proposal to extend $40 billion in loan guarantees to the Mexicans.

My initial reaction to that proposal was one of support, as were the reactions of the leadership of both parties in both Houses. Mexico is enormously important to the United States, economically and culturally. In addition, if we want to become crass about it, there are some 750,000 American jobs that are in jeopardy if the Mexican economy should collapse. It made sense for the United States to do what it could to reach out to the Mexicans and try to support their economy, and I supported the administration's request.

As we got into the details of the deal, however, it became clear to me, as it did to a number of other Members of Congress, that the $40 billion loan guarantee was not a good deal, and we advised the Treasury of that. We urged them to come up with some alternative proposals, and they did. To their credit, they listened to the Congress and they proposed the second deal which I stood on this floor and endorsed in principle. It involved $15 billion from the Exchange Stabilization Fund and $5 billion under control of the Federal Reserve for a total of $20 billion in American money and the rest from international sources.

I praised that deal because it increased the participation to include other governments besides our own, and it injected the expertise of the Federal Reserve Board into this circumstance which was not directly the situation previously.

I was forced to come to the floor to express some reservations in a later speech about how this deal was being put together. When it was finally announced and the specifics were signed in the White House, I was shocked, and quoted as being shocked in the national press, by the statement by the Mexican Minister of Finance, Mr. Ortiz, who said we will use this money to shore up our banks, to put more capital into the Mexican banks. That was not what I had understood the deal was going to be. I said I hope it works, but I still think the thing we should do is to get the Federal Reserve Board involved in extinguishing pesos.

Well, Mr. President, Mexico is back in the headlines with the news of the arrest of President Salinas' brother, the accusation being that he profited improperly and enormously from the privatization program that went on under President Salinas, and then the occasion of his arrest on the accusation that he had a hand in the political assassinations that took place in Mexico that helped upset the stability of that nation.

I had dinner just the other evening of this week with people who are doing business in Mexico who say that the economic conditions there are worse than they were in 1981. For those who may not remember the 1981 devaluation, the peso prior to that devaluation was trading at 3 to the dollar. By the time they finally eliminated that peso and replaced it with the new pesos, it was 3,000 to the dollar. And again I say, people doing business in Mexico now are saying it is worse than it was in 1981.

The Mexican Government is still printing pesos as if they had not learned the lessons of 1981 and the lessons of the recent devaluation. I see no action on our part by the Federal Reserve Board to try to extinguish pesos. Perhaps that is logical. If the Mexicans are going to continue to print them, the Federal Reserve Board obviously should not be involved in trying to soak them up.

More in sorrow than anger, I come to the floor now to say it is my opinion that this attempt, well meaning and one which I supported, to aid the Mexicans in their hour of great distress is failing. I stand ready, if the Treasury is interested, to make continued recommendations as to what might be done. But I hear these stories about the assassinations, the breakdown of Mexican political institutions, and the information that the central bank and the Mexican Government are continuing to print pesos, and I find myself distressed and discouraged at the prospect. It is not a pleasant one. If our neighbors immediately to the south go back into the abyss of the economic disasters that they went through in 1981, it is not just they who will suffer; we in this country will suffer, and I am filled, as I say, with distress and anguish that the American attempt to help them for whatever reason has failed.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I ask that I be permitted 2 or 3 minutes to say to my distinguished colleague from Utah that I wish to associate myself with the remarks he has just completed. I have been counseling with him some several weeks now on this subject, and I would like the Senate to know how much time the distinguished Senator from Utah has devoted to independent analysis and research of this subject. I, too, from the very beginning was deeply concerned with the propriety and the manner in which the United States addressed this issue. To date, I have not been able to ascertain enough facts to enable this Senator to reach a final conclusion. However, I am concerned that the actions that our Government has taken will benefit many people who were involved in this transaction from the beginning for purpose of making unusual profits as a consequence of the high interest rates involved.

I also regret that Congress did not become more involved, that time was not permitted to allow hearings so that we could have had a better understanding of the facts. I firmly believe that Congress should have participated in making the decision on this important matter.

I will continue to work with my distinguished colleague from Utah and others to assess this situation in hopes that someday we can provide for the American people and others a complete set of facts as to how this crisis occurred, how it was addressed, and who was to profit and who was to lose.

We have all expressed our compassion and concern about the people of Mexico. Indeed, there is no one who does not feel a desire to help them. That was expressed by the recent action of the Congress, and indeed the President, in certain trade agreements. However, this particular situation still has a large element of mystery that must be resolved in a manner that the American people fully understand.

I thank my colleague.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak out of order and that I may speak for not to exceed 30 minutes.

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

THE SENATE AND THE CONSTITUTION

Mr. BYRD. Mr. President, I have come to the floor and waited because other Senators wanted to speak, and they were conforming themselves to the order providing that Senators may be permitted to speak for not to exceed 5 minutes. I did not want to attempt to go ahead of anyone who had been waiting. I believe the time has come, now, when I will not be imposing on other Senators who have wished to speak.

I was also told that the distinguished majority leader wanted to come to the floor. I talked with the assistant majority leader and he indicated that he felt Senators would soon have completed speaking so that I would have more time.

Mr. President, Kipling was a great British poet. One of his great pieces of poetry is ''The Heritage.'' If I may at this moment just recall a couple of verses of ''The Heritage.''

Our fathers in a wondrous age,
Ere yet the Earth was small,
Ensured to us an heritage,
And doubted not at all

That we, the children of their heart,
Which then did beat so high,
In later time should play like part
For our posterity.

* * * * *

Then fretful murmur not they gave
So great a charge to keep,
Nor dream that awestruck time shall save
Their labour while we sleep.

Dear-bought and clear, a thousand year
Our fathers' title runs.
Make we likewise their sacrifice,
Defrauding not our sons.

Mr. President, I feel very deeply that on yesterday the Senate rose to meet the test that was before it and, in doing that, it had in mind our posterity. I think it was a truly great moment in the history of the Senate. I have, from time to time, seen the Senate rise to meet such an occasion, when the occasion demanded courage and perhaps some sacrifice.

We had a thorough debate on the balanced budget amendment to the Constitution. It was not overly long. In terms of lengthy debates, my mind goes back to the 1964 Civil Rights Act. That measure was before the Senate 103 days—from March 9, when the motion to proceed was first offered—by Mr. Mansfield, I believe—until June 19, when the rollcall on the last vote was completed. The motion to proceed took 2 weeks, and then the bill itself was before the Senate for a total of 77 days, with actual debate thereon consuming 57 days, including 6 Saturdays.

I hear, from time to time, the tabulation of the number of hours that we have spent in this Senate on this bill or that bill—100 hours, or 115 hours and 43 minutes, or whatever it may be. I am somewhat—perhaps not amused, but perhaps I regret that we view the role of this Senate and our responsibility as Senators in the context of how many hours we may spend on a matter that is so vital to the Nation as is a constitutional amendment, and especially the constitutional amendment that we have been discussing over the past 33 days.

I have risen to express appreciation to the distinguished majority leader during these days, and to the distinguished manager of the bill on the majority side, Mr. HATCH. I thought we had a good debate, and I have no complaint concerning the time spent. I thought we had spent enough time, to inform ourselves and the American people, and it was, therefore, time to vote. We had reached a point where minds and intentions were pretty much solidified and it was time for a vote. That time was well spent, Mr. President. I do not think it is the role of the Senate to move legislation through this body expeditiously for the mere sake of expedition. We got started early in the year, as I have previously praised the majority leader for that. And we have not had any recesses. I have previously commended the majority leader for that. We have had too many recesses in recent years; too much accommodation of Members. We do have to accommodate one another here. But we have had too much accommodation, often at the expense of thoroughness of debate.

I have been a Member of the Senate for a long time. Only one other Member of the body has been here longer. I have been here when there were all-night sessions, long sessions, Saturday sessions. At times, these are necessary. If it is necessary that we have lengthy sessions, without recesses, to get our work done, then I do not quarrel about that. I feel it is my duty as a Senator to be at my post of duty, whether it is 10 o'clock on Monday morning or 10 o'clock on Saturday night. Duty calls, and I shall be at my post of duty.

Therefore, I am not overwhelmed by references to the number of hours or the number of minutes that we have spent on this or that bill. I think we sometimes are prone to overlook the purpose of the Senate and of its being. I, too, came from the House of Representatives. I came from both houses of the West Virginia Legislature. Forty-nine years ago, I first ran for office. So, my life—most of it—has been spent in various legislative bodies. The House of Representatives plays an important role. But the Senate was not meant to be a second House of Representatives. It was not meant to be a body in which speed in legislating was the overriding standard by which we measure our actions.

I praise the Senate. The debate was a thorough one. We have had thorough debates too infrequently in recent years. Everything seems to have been measured for the purpose of accommodating Senators' schedules. Unanimous-consent agreements have been entered into so much—I probably have arranged more unanimous-consent agreements than any other Senator in the history of the Senate, because for 22 years I was in the leadership in this Senate in one position or another. Even under my predecessor, Mr. Mansfield, who was a very fine Senator, and a fine leader, who served longer as majority leader than any other Senator has served, but he was perfectly happy to have me do the floor work. And I did it. I stayed on the floor. If anyone wanted to know where ROBERT BYRD could be found at a given time, they could go to the floor of the Senate. They would find him there.

Therefore, I for many years studied the rules and precedents of the Senate and its history. My reverence for the Senate grew as time went by. I do not claim that I walked into the Senate with it. The reverence that I have, came as the years have come and gone. I revere the Senate. My reverence was reinforced in this recent debate.

Let me read what Daniel Webster had to say about the Senate on March 7, 1850.

Mr. President, I wish to speak today, not as a Massachusetts man, nor as a northern man, but as an American, and a Member of the Senate of the United States. It is fortunate that there is a Senate of the United States; a body not yet moved from its propriety, not lost to a just sense of its own dignity, and its own high responsibilities, and a body to which the country looks with confidence, for wise, moderate, patriotic, and healing counsels.

I think that the Senate rose to its full measure of duty in the course of the recent debate. I can understand the emotions of different Members in the Senate and their purposes for voting for or against the constitutional amendment to balance the budget. There are those who felt deeply that by the amendment, the Social Security trust fund would have been raided. I share that view to some extent. But, Mr. President, I hope that we do not lose sight of the fact that, at least in the opinion of some of us here, what was about to be raided, was the Constitution of the United States.

I have voted for constitutional amendments before, as I say. But on this occasion, we were about to adopt a constitutional amendment that would go to the very heart of our structure of republican government, with its mixed powers, its checks and balances. Additionally, we were about to write into that Constitution a fiscal theory or fiscal policy which, in the minds of many who are far more expert than I, with respect to the economy and with respect to fiscal matters, would have been very destructive of this Nation's economy and would have resulted in economic chaos.

To me—to me—the greatest disaster that we in this body could bring down upon our Nation and its republican form of government, would be to adopt a constitutional amendment such as was rejected on yesterday. And I hope now that we will get a little bit above and beyond talking about additional efforts to write such an amendment into the Constitution—a Constitution that has served our Nation so well for 206 years and that was created by men with great intellect, great wisdom, great experience, great vision. I trust that we will not let politics govern us in our judgments here with respect to tampering with the Constitution of the United States.

We are all politically partisan to some extent. I do not envy the job of the majority leader or the job of the minority leader. Theirs is a tough job. When I became majority leader, I probably lost 10 points in West Virginia. I had been accustomed to winning by 89 percent, or at least very high percentages. When I became majority leader, and majority whip before that, and even secretary of the Democratic conference before that, as I moved on and took over the main party leadership duties, I realized that I also had a constituency here in the Senate whose ideologies ran the entire spectrum, from one end to the other. Consequently, the duty of party leadership impacts on one's votes and his way of seeing various issues and what his duties are. A leader has to remember that he has duties to his constituents who send him here, duties to the Nation,

duties to his State, and duties to his constituent colleagues here in the Senate who elect him to the party leadership position which he has sought. I know the pressures that build on both leaders.

I do not envy those who carry such pressures. I worked with Mr. DOLE for a good many years in different capacities—as minority leader and as majority leader. I always worked well with him, and he with me.

As I look at our new leader on this side of the aisle, I admire him. I think he demonstrated true statesmanship in his leadership on the amendment. It was difficult for him. But he rose to the needs of that critical hour of yesterday, and he helped all of us to come together and to reach a decision. There were other profiles in courage—Senator HATFIELD, as I have previously mentioned, and others whose names I laid into the RECORD on yesterday.

Mr. President, I hope we will put away the seductive attraction of a constitutional amendment to balance the budget as we try to deal with this very serious problem that confronts our country. A constitutional amendment to balance the budget, I suppose, would be, to some proponents, a political cover for serious actions that they very well know are going to have to be taken if we are ever going to effectively reduce the deficits. They seek such a political cover to which they can point when their votes are needed to raise taxes or to cut programs. They can then point to a constitutional amendment that has been welded into that organic law and say, well, that made me do it.

Mr. President, that is a terrible price to pay. We ought not seek that cover, because it is purely a political cover and it comes at the price of the Constitution. We ought not do that to our children and grandchildren. We do owe it to our children and grandchildren to come to grips with this problem—the debt, the deficits, the interest on the debt. And we have operated on a national credit card for the last dozen to 15 years.

There is going to have to be some pain involved in any deficit reduction plan, if it is to be truly effective. I deplore the current talk of tax cuts. Having been a legislator now for almost half a century, I know how easy it is to vote for tax cuts. I know how hard it is to vote for tax increases. I have voted for some of both. But, Mr. President, we cannot face this terrible debt—it is almost $5 trillion—this terrible deficit and the interest on the debt, and talk glibly about cutting taxes and balancing the budget, while keeping defense and other programs off the table. It is a joke. We ought to go to the mirror and look ourselves in the face, look ourselves in the eye and ask, ''Do you really believe that we can get a handle on these terrible deficits and continue to cut domestic programs that are for the well-being, security and happiness of our people, and, at the same time, cut taxes when the economy is good and unemployment is down?'' I just cannot believe we are living in a real world. If anything, we are going to have to increase taxes. If we really mean business about getting the deficits under control and balancing the budget by the year 2002 or 2010, whatever, we have to understand that we are going to have to pay a price, and it is going to be painful.

I have heard the gauntlet thrown down today. We will see how many Senators will vote for tough proposals, it is said. But I note always that nobody includes in those tough decisions the possibility or the probability that we may even have to vote to increase taxes. If we really mean to be serious about balancing the budget, we ought not leave possible tax increases off the table. It is certainly foolish to talk about going in the other direction and cutting taxes in the present climate.

I hope, Mr. President, that we will put yesterday behind us. I have always tried to be magnanimous in defeat as well as in victory. It is easy to be magnanimous in victory. The test is, can one be magnanimous in defeat? We ought not look back. Lot's wife looked back and she became a pillar of salt. We ought not look back to yesterday. We ought not rake over the old ashes of yesterday. I hope that the American people will not perceive us as being Senators who put politics ahead of the good of the Nation. Political party is important, but George Washington warned us against party and factions.

I am a Democrat. I grew up in a coal miner's home. They were Democrats who raised me. I have never read a political party platform, State or national. I do not have any intention of ever reading a party platform. Party is not first, last, and always with this Senator.

It is not the alpha and the omega, the beginning and the end. There is life beyond political party. Party ranks with this Senator somewhere down about here (pointing)—not up here. We will, of course, have political parties as long as the Republic stands, I am sure.

But I fear that the people must be discouraged, perplexed, and saddened when they listen to some of the things that are being said here about what happened yesterday. It is sad. The people must surely believe that party is everything to us politicians. Party is important, but the people must not get the impression that some of us see the Senate as merely a crucible in which to mould the party's fortunes over the next 50 to 100 years. Mr. President, that is a sad impression to convey.

We hear a great deal about the so-called Contract With America. Mr. President, I, too, ran in the last election. The primary criticism that my opponent used on me was that I had defeated a balanced budget amendment to the Constitution. ''Vote ROBERT C. BYRD out of office and we will get a balanced budget amendment to the Constitution,'' he urged. So that vote was used against me.

But I carried all 55 counties in my State. I am grateful for the faith of Democrats and Republicans and Independents in West Virginia. They gave me every county for the first time in the State's history. I have carried every county in primaries before, but no candidate for office in a statewide, contested general election in West Virginia has ever carried all 55 counties. I carried them all. I am not bragging. I am simply saying that this issue was used on me in the last election.

I voted for a constitutional amendment to balance the budget back in 1982. I voted against a constitutional amendment to balance the budget in 1986. I voted against a constitutional amendment to balance the budget in 1994.

So why did I change? I began to look at this issue and to study it. I came to the conclusion that I had voted the wrong way in 1982. I have changed my viewpoint and I will never—never, never—again vote for a constitutional amendment to balance the budget.

I do not think such an amendment has any business being in the Constitution. Our Framers did not believe that fiscal policy or fiscal theory should be written into the Constitution of the United States. They believed, and rightly, that fiscal policy should be left to the elected representatives of the people, because, when one considers the vicissitudes of time and the vast vacillations in the economy, the changing circumstances from month to month or year to year, then one should surely perceive that fiscal policy is something that should remain flexible and outside the verbiage of the Constitution. It should not be welded into the Constitution, where it would be inflexible and rigid and would result in chaos.

One cannot but conclude that this business about a constitutional amendment to balance the budget has become the Holy Grail in the minds of many politicians. But we do the people of this country a great disservice, in my judgment, when we lead them to believe that a constitutional amendment to balance the budget will correct the fiscal ills that confront us. Sooner or later, we will rue the day that we did it. It will be regretted.

Moving toward the goal of a balanced budget is a job that has to be done. And sometimes, one may have to be willing to sacrifice his political career to achieve that goal.

One may say, ''Well, look at him. He's 77 years old. Perhaps he doesn't have much of a political career left.''

But let us not be too quick to judge. I have taken difficult positions before in this body that have cost me votes.

Yet, when one stands on a principle in which he believes, and, concerning which he has given the most serious study and reflection over a period of many years, then, he may say,

come one, come all! this rock shall fly
From its firm base as soon as I!

as did Fitz-James to Sir Roderick in Scott's ''The Lady of the Lake.''

One may so stand if he stands solidly on principle. Even those who disagree with him will say, ''Well, I don't agree with him, but he says what he believes and that is what we want. He takes his stand.''

I do not hold myself to be a paragon of principle. But having been in politics 49 years and having lived 77 years, I have learned a few things along the way. One cannot compromise principle and expect to be able to defend his position with passion and with conviction.

Winning the White House is important. Winning control of the Senate is important. Winning control of the House is important. Winning reelection is important. But all this shall pass. In the final conclusion, when one walks out of this Chamber forever, he has to look in the mirror and he will say, ''Old boy, you stood the test.'' Or he has to look at himself and in his own conscience know that, on the great national issues of the day, he failed to stand the test.

Conclusions on great national issues should always be reached by much study. And people sometimes reach different conclusions after much reflection. I say that this amendment is not worth the price—it is not worth the price—of shooting an arrow into the heart of the charter of the people's liberties.

This amendment, in my judgment, would have brought about the destruction of the constitutional system of mixed powers and checks and balances. And that is the central pillar of the charter of our liberties.

That was the genius of the Framers of the Constitution. They were men of great experience. They knew about the history of Englishmen, who had shed blood for the liberties of Englishmen and for the right of the people to elect their representatives to Parliament. The people of England, sometimes with the sword, found their way to what became the great British Constitution. It is not written, except in the form of certain documents, certain statutes, the Petition of Right, confirmation of the charters, the Magna Carta, court decisions, custom, and so on.

Our forebears knew about that great British Constitution. They knew the history of the struggle of our forebears in the motherland. James Wilson was born in Scotland. Robert Morris, who was the financier of the revolution, was born in England. Their roots to the motherland were very close to them. They also knew about classical Rome.

I have read that a certain Senator spoke derisively about my yen for Roman history and for taking up the time of the Senate to talk about my little dog Billy. Well, I only have this to say. If one does not study history, he is not likely to be remembered by history. As far as my little dog Billy is concerned, during my long life I have at times thought that the more I learn about dogs the less I think of some people. There is no deceit in Billy. No deceit in a dog. No devious ways in a dog. But I accept those criticisms and laugh about them.

Mr. President, the Senate did the right thing yesterday, and I make no apology for my part. We all at times get carried away and perhaps say things, perhaps a little untactfully, but one cannot expect always to be absolutely perfect in his approach to things. I look at yesterday's passing as something that is gone. I hope other Senators will look at things of the past in the same way.

We all have a job to do here. We ought to recognize that the American people have reposed their confidence in us. This is an honor, Mr. President, that should weigh heavily upon every Senator. The American people did not have to send me here. The people of West Virginia did not have to send me here. They did not have to return me when I sought to be returned. They demonstrated the same faith in each of us, and they expect us to carry out our responsibilities.

What the American people would like to hear from their representatives is the truth. We do the people of this country a great disservice when we play upon their emotions and when we play pure politics with the vital concerns of a nation that confront us here.

Surely we must know that in our hearts. I hope we will turn our backs on yesterday and that we will seek to come together, because achieving a balanced budget will require bipartisanship. We can keep on pointing the fingers and bickering and trying to jockey around and get the upper hand in a political squabble, looking to the next election. We can point the fingers at those who voted this way or that way or some other way, but each time I point my finger at you, Mr. President, I point three fingers at myself. I point three fingers at myself.

For God's sake, can we not forget politics once in a while? Does politics mean everything? Does politics mean that we have to scramble and scratch and crawl over the bodies of other people to achieve victory for a political party? The Framers did not know anything about the Democratic Party or the Republican Party when they wrote that Constitution. It saddens me.

We are all politically partisan sometimes, but, Mr. President, we should not pay just any price for political victory. Not just any price. Every day that goes by, I feel a greater appreciation for this Constitution. I have read all of the 85 Federalist Papers. Five by John Jay: the second, third, fourth, fifth, and 64th Federalist Papers; two-thirds of the papers, approximately, were written by Hamilton; and the remainder by Madison.

If one really wants to get a true understanding of this political system, and if one really wants to marvel at the genius of the men who wrote this Constitution, let him or her read the Federalist Papers. The Framers were well-acquainted with Plutarch, and Polybius, Tacitus, Livius, Suetonius, and other great ancient historians. They also knew the history of England. They were familiar with Montesquieu, Locke, Plato, Aristotle, Cicero—they were men who counseled with history.

Yet, here we are, tinkering with their handiwork as though it were a platform in some so-called Contract With America. I have not read the Contract With America. I do not owe it any allegiance. None! I try to remind those who may feel a little perturbed by that, that I also do not read any Democratic or Republican platforms. But I do read the Constitution. And it is too magnificent a piece of handiwork—by the most illustrious gathering of men that ever met anywhere at a given time in history—to risk destruction by an amendment to balance the budget. Here we are, with our little feeble perceptions, attempting to tinker with that great document. Not only to tinker with it but to tinker in a way that would destroy the fundamental pillars of its structural design.

There was never anything like it—never—in the history of the world, and we Pygmies, 206 years later, would assault, by way of a political amendment—a political amendment to give ourselves cover—assault that Constitution. This was not a proposed statute yesterday we were talking about. A statute can be changed, as we all know, by the same Congress that enacted it, but not so with a constitutional amendment. Not a constitutional amendment.

Men have died and shed their blood to keep in place this fundamental charter of liberties, unblemished, untarnished, and unstained. And here, we go about glibly talking about a constitutional amendment to that great document—a document so great that we refer to it from time to time as being immortal.

We should not look back on yesterday as a defeat. It was a victory for the American people. They may not realize it, but it was a victory for the American people. There were courageous men and women here who stood firmly against the amendment.

I do not denigrate those who voted the other way. A lot of those men and women have courage, too, and they have good intentions. But study that Constitution! Study the Federalist Papers! Study the history of the United States of America, study the history of England, study the history of Rome, study the history of the ancients, and then match the wisdom you have acquired with that of those who know little about history, who care even less, who know little about the Constitution, apparently, and who put party—political party—ahead of everything.

There are many things above party—one's family, his duty to his Maker. That is first, and his duty to his oath to support and defend the Constitution of the United States.

Mr. President, I think we ought to try to bind up our wounds. We all ought to look ahead and work together with the goal in mind and in heart that we are going to reduce the budget deficits, even though it hurts. I do not like to vote to increase taxes, and it is not because I am 77. Who knows, Abraham lived to be 175. I may be around awhile yet. No man knows how long he will be around, whether he will be around for the next election or not.

Boast not thyself of tomorrow; for thou knowest not what a day may bring forth.

While we are here, let us be true to our oath, and let us be able to look in that mirror when the last day comes and say, ''Old boy, you didn't bend.''

So I hope we will move away from this talk that, well, I want to vote for a constitutional amendment to balance the budget, but this is just not the right amendment. Mr. President, in my view, there is not any amendment that is the ''right amendment'' to the Constitution when it goes to the heart of the constitutional system of mixed powers and checks and balances and when it comes to writing fiscal policy into that great document. It has no place in the Constitution. Forget about it.

Let us move away from that plateau. That is a low plateau. Now that the amendment has been rejected, let us get down to business and work on the problem. Let us all be willing to take a little skin off the finger or off the back of the head, or wherever. If it means cutting some of my programs that I am interested in, well, we will just have to cut them. I took a cut yesterday in the Appropriations Committee, several million dollars in respect to something that is very vital to my State, coal research. I said somebody has to give.

Now, let us take that attitude. I do not want to give on everything, but we all have to give up something. Let us not challenge other Senators' courage by saying, ''We'll see if you vote for the tough decisions'' unless we are also willing to lay on that table another tough option—the option of tax increases. Then the American people will understand we mean business.

Mr. President, as I conclude, I have been in the minority and I have been in the majority. I have won at times, and I have lost at times. But I have to face tomorrow, and the Senator who may be my opponent today may be my champion tomorrow. These things pass. But we cannot avoid the real problem that faces us, and we all ought to do our level best to play down party just a little bit. Not only those people out there beyond the beltway will have to sacrifice; we are going to have to sacrifice, too. We may have to take a little political skin off our backs.

Come what may, let us remember—I have heard much about children and grandchildren around here in this debate. We all love our children, we all love our grandchildren, and we all want them to honor us as we have honored our fathers. The greatest thing we can do in this difficult situation is to preserve the Constitution for them, not put political careers or political parties ahead of the Constitution, and work hard to achieve a bipartisan plan to reduce the deficits and balance the budget.

If I might be so immodest, I would like to repeat my own words which are written in ''The Senate 1789–1989,'' volume 2.

After 200 years, the Senate is still the anchor of the Republic, the morning and evening star in the American constitutional constellation * * *. It has weathered the storms of adversity, withstood the barbs of cynics and the attacks of critics, and provided stability and strength to the nation during periods of civil strife and uncertainty, panics and depressions. In war and in peace, it has been the sure refuge and protector of the rights of the states and of a political minority. And, today, the Senate still stands—the great forum of constitutional American liberty!

Thank God for the Senate! Thank God for the Constitution! Thank God for men and women who will rise above the sorry spoils of politics and stand for that Constitution! We can then say, with Longfellow:

Thou, too, sail on, O Ship of State!
Sail on, O Union, strong and great!
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate!

We know what Master laid thy keel,
What Workmen wrought thy ribs of steel,
Who made each mast, and sail, and rope,
What anvils rang, what hammers beat,
In what a forge and what a heat
Were shaped the anchors of thy hope!

Fear not each sudden sound and shock,
'T is but the wave and not the rock;
'T is but the flapping of the sail,
And not a rent made by the gale!

In spite of rock and tempest's roar,
In spite of false lights from the shore,
Sail on, nor fear to breast the sea!
Our hearts, our hopes, are all with thee,
Our hearts, our hopes, our prayers, our tears,
Our faith triumphant o'er our fears,
Are all with thee, are all with thee!

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

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

Mr. HELMS. Mr. President, has time for morning business expired?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I ask unanimous consent that I be permitted to proceed as in morning business.

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

The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

(The remarks of Mr. HELMS pertaining to the introduction of S. 497 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

THE WORDS WILL FLY

Mr. LAUTENBERG. Mr. President, we are obviously getting close to closing up business for the day. Over the weekend, I am sure we are going to hear a lot about what took place in these Chambers these last few days, about who was right, who was wrong, who was accused of deception, who was taking the unique responsibility for being the one or the ones who wanted to tell the truth, who wanted to be honest with the American people. The words will fly, Mr. President, at a fairly rapid pace.

I think one thing ought to be said, because I have been here now a dozen years. I came out of the business community, and I do not remember the people in the boardrooms where I spent some time, or people in business conferences where I spent a lot of time, or people who shared in the responsibilities in these companies—I very seldom heard a business leader, a CEO, a chairman of the board saying, ''I have been fleecing my customers and I have been doing it for a long time, but we do not have to do anything else.''

Around here, in these last days, I heard people suggest that we ought to tell the American people the truth, that we ought to stop the deception, that we ought to come straight. I do not know who they were talking about. I can tell you I resent it if the accusation includes me and some of the finest people I have ever known who worked hard here trying to do their best, trying to always level with the public. Yes, we could have a difference on either side of the aisle. We could have a difference in the way the information is presented. We could have a difference in the way the slant is tilted.

But I do not remember, in my angriest moment with someone with whom I disagreed, saying that they are lying, or saying that they are telling untruths because they disagreed with a position that I took.

I have heard rhetoric from the House that says we have been picking the pockets of the American citizens way too long. I do not know who does that, Mr. President. Occasionally, there is someone in this Congress of ours who does commit a dishonest act or who breaks the rules. That is true. But it is wrong to suggest we collectively are doing this purposefully to take advantage of the public.

Many are here at wages far less than they might earn in the outside world, and take abuse far more than they might take in the outside world. It is far more disruptive to family life than it would be in the outside world, when you know you can get home for dinner and review your kids' lessons or say hello to your spouse and enjoy some moments of relaxation. It is not possible here. We all talk about the quality of life and how we would like to

make it better and how tough it is, when your home is in Minnesota or New Jersey or New York or Idaho, to be sitting here in Washington, which is our workplace for the most part, not our home State and not our house where family exists. So there is always that kind of thing to consider.

Therefore, Mr. President, those who serve here are not looking for some particular advantage.

I believe that, even, again, with those with whom I most disagree, they are here because they believe that we have a purpose; that this country of ours is such a valuable asset and we are so lucky to live in this Nation that they want to serve and serve honestly.

Sometimes the rhetoric escapes and we start talking about things that are nonsense, about how we have been tricking the American people. It is not true.

We just had a vote on the balanced budget amendment that lost temporarily, a balanced budget amendment to change our Constitution. There are many who voted against the balanced budget amendment—almost every one—who would like to see life made easier on our citizens and on ourselves by balancing the budget, by getting our House in order.

Mr. President, we heard references so many times to the way individuals, businesses, and States conduct their affairs. They say they balance their budgets. Those who suggest that willy-nilly do not know what they are talking about, because the average family is far more in debt because they try to own a house or a piece of property that they feel will be an asset to pass on to future generations, and they leave far more debt when they pass on in a situation like that than is being suggested as laid out in front because of the way we conduct business here.

Businesses borrow money constantly. I do not know of any company of size—and I am a student of business, as well as a former business leader. I am considered a pioneer in the computing industry, one whose name is listed in the Data Processing Hall of Fame. It does not compare to my colleague, Bill BRADLEY's, identification with the Hall of Fame of Basketball, but it is a hall of fame, as small as it may be.

The fact of the matter is, Mr. President, that there were many times when I discussed business problems with leaders and they talked about their borrowing and they talked about their indebtedness and they talked about what they had to do now to plan for the future.

State after State, including my own that has a balanced budget requirement, nevertheless, has the opportunity to borrow for capital investments and either put it up as collateral or go to the marketplace for bonds to be paid off over a period of years. We do not have that sensible structure in Federal Government. And that is a point, I think, though discussed many times, that is still not clear.

If we in the U.S. Government make the decision to build a building that has a 50-year life and we can build it in 1 year and it costs $1 billion, we charge off $1 billion in that fiscal year. If it were in the business world, it would be written off at the rate of about $20,000 a year. Excuse me, I have not been doing arithmetic enough since I have been out of the business world. But the fact of the matter is, it would be written off over a period of time. We do not do that here.

In many ways, our financial house is in far better condition than many here would admit.

Mr. President, we were looking for responses from those who supported the balanced budget amendment in relation to Social Security and Medicare. What would happen if we did not use the Social Security trust fund to force a better balance on our books than we have? We asked for those proponents to lay out a budget that would balance; let them do the arithmetic.

It never happened, Mr. President, because we pretended that by force feeding the process, that we could achieve something that we would not do on our own even though our constituents sent us here specifically for the purpose of watching out for their interests.

I can tell you, Mr. President, that the balanced budget amendment, had it gone into place or if it goes into place, would severely impair life and the economy in the State of New Jersey. We could be looking at tax increases of 17.5 percent to make up for the funds that we would not be getting from the Federal Government. We would lose $2.1 billion a year in funding for Medicaid. We would lose almost $200 million a year in highway trust fund grants. We would lose almost $1 billion a year in lost funding for education, job training, the environment, housing, and other areas. To restate, New Jersey would have to increase State taxes by 17.5 percent across the board to make up for losses in grants.

On the jobs side of things, the most critical index, according to the Treasury, by forcing Congress to raise taxes and/or cut spending in a recession, the balanced budget amendment would substantially worsen the effects of economic downturn.

During the recession of 1990 to 1992, the unemployment rate in my State of New Jersey rose from 4.9 percent to a peak of 9 percent. Had the balanced budget been in effect, unemployment in New Jersey would have peaked at a much higher level, somewhere, it is estimated, between 9.9 percent and 11.8 percent. Had the balanced budget been in effect, the unemployment rate in New Jersey would have been punitive. Thus, Mr. President, the balanced budget amendment would not have done my State any good.

What will do my State good is if all of us get together and work to balance the budget, whether it is in the year 2002 or 2010. The fact is if we put this on an ever-decreasing glidepath from where we are, we will be substantially better off, better off than having a law that would force feed our economy into an unnatural structure that could be the most painful decision that this country has seen, perhaps, in its history.

Mr. President, I close by asking the question, where's the beef? Where is the interest by those who propose the balanced budget amendment, into presenting a budget that will, in fact, balance itself, reduce the deficit, ultimately wind up in a zero annual deficit.

Let them produce it. I am on the Budget Committee, Mr. President. I am more than willing to work with the distinguished leader of the Budget Committee and the ranking member to try and devise a budget that answers that need. Right now, I do not see a willingness to tackle the problem. I see an intent, rather, to do the politically satisfying or advantageous thing.

It is regrettable, Mr. President, that we had the kind of bitter rhetoric that permeated this place in these last couple of weeks. I do not think it does the Congress any good. I do not think it does the institution any good. I do not think it does the country any good.

Right now there is chaos in the currency markets across the world. The dollar is dropping rapidly. I think much of it is due to the fact that there was such dire forecasts made here that unless we balance the budget, unless we took this artificial means of dealing with our fiscal responsibilities that catastrophe would fall.

I hope that that is not true, Mr. President. As I said earlier, I often disagree with colleagues on the other side, sometimes with colleagues on this side. I really believe that in this body, in this institution, there are people whose will is good, who want to do the right thing.

I would not accuse any of those who take a different position of lying to the public, of trying to deceive the citizens of the country. No, Mr. President, I think we ought to cool the rhetoric and get on with our responsibilities. I hope that in the next weeks we will do just that. I yield the floor.

MORNING BUSINESS

WAS CONGRESS IRRESPONSIBLE?

THE VOTERS HAVE SAID YES!

Mr. HELMS. Mr. President, as of the close of business on Thursday, March 2, the Federal debt stood at $4,851,006,718,917.40 meaning that on a per capita basis, every man, woman, and child in America owes $18,414.50 as his or her share of that debt.

ANNUAL REPORT OF THE DEPARTMENT OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 25

Under the authority of the order of January 4, 1995, the Secretary of the Senate, on Wednesday, March 1, 1995, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with section 308 of Public Law 97–449 (49 U.S.C. 308(a)), I transmit herewith the Twenty-seventh Annual Report of the Department of Transportation, which covers fiscal year 1993.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 1, 1995.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Zaroff, 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 was referred to the Committee on Energy and Natural Resources.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:25 p.m., a message from the House of Representatives, delivered by Ms. Goetz, 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. 926. An act to promote regulatory flexibility and enhance public participation in Federal agency rulemaking and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 926. An act to promote regulatory flexibility and enhance public participation in Federal agency rulemaking and for other purposes; to the Committee on Governmental Affairs.

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. KYL (for himself, Mr. GRAMS, Mr. ABRAHAM, and Mr. CRAIG):

S. 494. A bill to balance the Federal budget by fiscal year 2002 through the establishment of Federal spending limits; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mrs. KASSEBAUM:

S. 495. A bill to amend the Higher Education Act of 1965 to stabilize the student loan programs, improve congressional oversight, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WARNER (for himself and Mr. ROBB):

S. 496. A bill to abolish the Board of Review of the Metropolitan Washington Airports Authority, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HELMS (for himself and Mr. FAIRCLOTH):

S. 497. A bill to amend title 28, United States Code, to provide for the protection of civil liberties, and for other purposes; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KYL (for himself, Mr. GRAMS, Mr. ABRAHAM, and Mr. CRAIG):

S. 494. A bill to balance the Federal budget by fiscal year 2002 through the establishment of Federal spending limits; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

THE BALANCED BUDGET/SPENDING LIMITATION ACT OF 1995

Mr. KYL. Mr. President, I rise today with my colleagues, ROD GRAMS, SPENCER ABRAHAM, and LARRY CRAIG to introduce the Balanced Budget/Spending Limitation Act of 1995, a bill designed to balance the budget by fiscal year 2002, through the establishment of Federal spending limits and sequestration. An identical bill is being introduced in the House of Representatives by Representatives JIM MCCRERY and MEL HANCOCK.

The Balanced Budget/Spending Limitation Act establishes a mechanism to limit spending and enforce limits. It establishes a Federal spending limit as 21.5 percent of the gross domestic product in fiscal year 1996, declining one-half percent of GDP per year to 19 percent in fiscal year 2001.

In subsequent years, Federal spending would have to balance with revenue but could not exceed 19 percent of the gross domestic product. Any excess of spending over receipts or the Federal spending limits would be eliminated by sequesters, including a new fiscal year start sequester designed to hold a fiscal year's spending accountable for any actual deficit in the prior year.

The Federal spending limits in the Balanced Budget/Spending Limit Act are established in recognition of the fact, as the Senator from Idaho said a moment ago, that revenues have fluctuated only within the narrow bands of 18 to 20 percent of the gross domestic product for the last 40 years, despite tax increases, tax cuts, economic contractions, and expansions and fiscal policies pursued by Presidents of both parties.

In effect, the economy has already imposed an effective limit on how much revenue the Federal Government can raise—19 percent of the gross domestic product, exactly the level of today. While tax rate increases and tax cuts may produce temporary surges and declines in revenue, revenues always adjust at about 19 percent of GDP, and that is because changes in the Tax Code affect people's behavior. Higher taxes discourage work, production, savings, and investment, slowing economic growth. And with less economic activity to tax, of course, revenues to the Treasury are never as great as the tax writers expect.

On the other hand, lower tax rates stimulate work, production, savings, and investment so revenues to the Treasury increase even at lower tax rates.

With that in mind, the only way that Congress really can ever balance the budget is to ratchet spending as a share of GDP down to the level of revenues the economy has historically been willing to bear—19 percent of GDP.

Limit spending, and there is no need for Congress to consider tax rate increases. It would not be allowed to spend any additional revenue that it raised. Besides, as reflected in historical trends, tax rate increases are more likely to slow economic growth than produce additional revenue relative to the gross domestic product.

Link spending to economic growth, as measured in terms of GDP, and a positive incentive is created for Congress to support pro-growth economic policies. The more the economy grows, the more Congress is allowed to spend, although always proportionate to the size of the Nation's economy. In other words, 19 percent of a larger GDP represents more revenue to the Treasury and, thus, more than Congress is allowed to spend, than 19 percent of a smaller GDP.

The advantages of the Federal spending limits are thus threefold.

First, it will get us to a balanced budget by limiting spending, not increasing tax rates; second, it will shrink Government relative to the size of the economy; and third, it gives Congress a strong incentive to support policies that will keep the economy healthy and strong, policies of less taxation, less regulation and less spending that the American people are demanding anyway.

For those Members of the Senate who voted against the balanced budget amendment saying Congress could do the job if it only had the courage and the will, well, here is your chance. For those who express concern about Social

Security, this bill provides for protection of the trust funds that we promised during the debate on the balanced budget amendment. The balanced budget amendment will never be a threat to Social Security.

Mr. President, with or without a balanced budget amendment, deficit spending must stop. We know that. The economic security of the Nation is at stake. The future of our children and our grandchildren is at stake as a result of the mountain of debt Congress is leaving behind.

This bill we are introducing today defines the glidepath and includes the enforcement mechanism to get the budget to balance, and I am going to urge its prompt consideration by this body so that we can immediately demonstrate to the State legislatures, to the people of this country and, frankly, to many of our colleagues who did not support the balanced budget amendment yesterday that we mean business, that we mean to balance this budget by the year 2002 and that we are prepared to begin the steps to achieve that goal. One of the first steps should be the adoption of legislation such as this to establish the framework for achieving our goal.

By Mrs. KASSEBAUM:

S. 495. A bill to amend the Higher Education Act of 1965 to stabilize the student loan programs, improve congressional oversight, and for other purposes; to the Committee on Labor and Human Resources.

THE STUDENT LOAN EVALUATION AND STABILIZATION ACT

● Mrs. KASSEBAUM. Mr. President, I introduce the Student Loan Evaluation and Stabilization Act. Similar legislation has been introduced in the House by Congressman GOODLING and others.

The provisions of this bill are designed to accomplish four main goals:

First, to cap the direct loan program at 40 percent of student loan volume;

Second, to correct problems in the budget scoring process which result in an inaccurate accounting of the full costs of the direct loan program;

Third, to clarify congressional intent on a number of provisions of the legislation which established the direct loan program; and

Fourth, to level the playing field with respect to direct loans and guaranteed loans so that they can be evaluated based on real differences in the administration, efficiency, and effectiveness between the two programs.

It is no secret that I have serious reservations and concerns about the direct loan program enacted into law last Congress in the Omnibus Budget Reconciliation Act, otherwise known as OBRA 1993.

I am troubled that the President is proposing a further expansion of this program in his fiscal year 1996 budget request. This proposal, which would institute 100 percent direct lending by academic year 1997–98, amounts to a total Federal takeover of a successful public/private sector partnership—the Student Loan Program. This approach stands in stark contrast to the ''reinventing'' Government message promoted by Vice President GORE, where the focus is on privatizing more Federal functions and reducing the size of the Federal Government.

I can support a demonstration of a direct loan program, but I believe that the small 5-percent demonstration included in the Higher Education Act Amendments of 1992 was adequate. I believe that OBRA 1993 went far beyond a demonstration in allowing for the eventual replacement of 60 percent of the Federal guaranteed student loan program with a direct loan program.

Thus, my legislation would cap the direct lending program at the level specified in current law for the second year of the program—permitting up to 40 percent of the total student loan volume to be made through direct Government loans. All schools which signed participation agreements with the Department of Education in 1994 to enter the program in July of this year will be able to enter the program, but the program will not expand beyond this level until Congress authorizes such an expansion.

Restoring the direct loan program to a more appropriate demonstration level will allow for a more thoughtful evaluation and comparison of the guaranteed Federal Family Education Loan [FFEL] Program and the Federal Direct Student Loan [FDSL] Programs. It will allow both programs to operate with continued stability until Congress has enough information to determine which program is more effective and cost-efficient for students, institutions of higher education, and taxpayers.

Through the reconciliation process, the 103d Congress made a substantial change in the student loan program without the benefit of comprehensive hearings or debate or of any evaluation results of the direct loan demonstration included in the 1992 higher education amendments.

This change was made in order to take advantage of the current budget treatment of direct loans—which produces an inaccurate picture of its true budgetary consequences because certain direct loan costs are excluded in the scoring. These distortions have been well-documented by the Congressional Budget Office. It is unfortunate that serious policy decisions were driven by a budget process which hid the true costs of this program.

As evidence of this shell game, the Department of Education has criticized the companion bill introduced by Representative GOODLING stating that it would increase costs or budget outlays by $4.9 billion because the bill would change the budget scoring process. The Department's analysis notes that this change in the scoring process ''does not change the long-term cost of the Direct Loan program, it only changes when those costs are scored for budgetary purposes.''

This analysis illustrates the frustrating situation we face in getting a handle on the real costs of direct lending. What the materials developed by the Department say, in effect, is that current scoring practices undercount $4.9 billion in costs for the current direct loan program! Moving to 100 percent direct lending to claim more savings, as proposed by the President, will only compound the problem. We cannot and should not continue to operate in this type of budgetary Fantasyland.

The Department's criticism is also disingenuous because a change in scoring would not increase costs or force the Congress to pay for the scoring change. It would simply allow the direct and guaranteed student loan programs to be scored in the same manner so we can truly compare the costs of the two programs.

Therefore, I have included in this legislation an amendment to the Congressional Budget Act that would provide a more accurate comparison of direct and guaranteed student loans.

The bill also clarifies congressional intent with respect to several provisions of the direct loan authorization legislation. Specifically:

First, my legislation specifies that direct consolidation loans are intended to be offered only to students with guaranteed loans who cannot obtain consolidation loans or income-contingent repayment from participating guaranteed loan lenders. This clarification is important, as the administration is in the process of developing a plan that could result in transferring millions of dollars worth of guaranteed loans into the direct loan program through the direct consolidation loan program. The magnitude of this program, as well as the circumstances under which the administration envisions it would apply, goes far beyond congressional intent in providing authority for consolidation loans.

Second, the bill makes clear that Department officials must calculate default rates for direct lending schools just as they do for guaranteed loan schools. To date, Department officials have not indicated how they will calculate default rates for direct loan schools or for students that select income-contingent loan repayment. Many schools with high or rising default rates entered the direct loan program because they saw this as a way to escape penalties for high default rates or to reduce their default rates.

Third, in order to determine the effect of income-contingent repayment on institutional cohort default rates, the bill also requires the Department to report various data on loans being repaid through such repayment.

Finally, the bill clarifies certain provisions of the law which the Department has interpreted and implemented in a way that gives direct lending an edge over the guaranteed loan program. True comparisons between the two programs are not possible with such differences. Thus, my bill levels

the playing field between the two programs.

Having described what my bill does, I would also like to clarify what the bill does not do.

First, the changes that I am proposing will have no effect on student access to Federal loans, on the costs of those loans to students, or on the amount that students may borrow. There is a widespread misconception that the direct loan program offers lower fees and interest rates than those available to guaranteed loan borrowers. This is simply not the case.

The issue in this debate is who should be making the loans and providing the capital—the Federal Government or the private sector. The issue is not the availability or cost of loans to students.

Second, my legislation will not reduce the number of repayment options available to students. The repayment options available to students in the guaranteed loan program are virtually identical to those in the direct loan program. Students have multiple repayment options available to them in both programs—including options to repay over longer periods of time or to make smaller initial payments which gradually increase over time as earnings increase.

In fact, my bill will increase the number of repayment options available by permitting students in the guaranteed loan program to repay their loans based on their incomes—an option now available only to students participating in the direct loan program. I would hope that students would exercise caution in selecting this option, given that it could greatly increase the amount they end up repaying. However, I feel the option should be made available to both guaranteed and direct loan student borrowers—many of whom may otherwise default on their loans.

As the legislative process continues, I will be keeping an open mind to other program changes designed to maximize the benefits of private sector participation in the Federal student lending program while holding down the costs to taxpayers. These changes could include steps such as increased risk-sharing by lenders and guaranty agencies—coupled with relief from burdensome and unnecessary regulations.

It is my hope that Congress can act promptly to correct the problems I have identified, so that decisions regarding Federal student loans can be made on the basis of sound policy rather than on flawed budget scoring procedures.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

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

S. 495

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

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''Student Loan Evaluation and Stabilization Act of 1995''.

(b) REFERENCES.—References in this Act to ''the Act'' are references to the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

SEC. 2. FINDINGS.

The Congress finds that:

(1) The current public/private student loan partnership is fulfilling the mission set for it by Congress, delivering loans to students reliably and in a timely fashion, and should be preserved.

(2) The Administration's dismantling of the Federal Family Education Loan (FFEL) Program which has begun in order to replace it with an unproven direct Government lending program, which increases the Federal debt, further enlarges the Federal bureaucracy, adds major new financial oversight activities to the already overburdened Department of Education, and forces Congress to depend on estimated budget savings which may prove illusory, needs to be stopped so that a true and valid comparison of the student loan programs can occur.

(3) The Federal Direct Student Loan (FDSL) Program pilot is only now getting started and has proceeded fairly smoothly when dealing with 5 percent of new loan volume. This slow and cautious approach should be continued as the volume increases to 40 percent. This pilot program should continue to proceed slowly and cautiously and demonstrate successful results before expanding it to additional loan volume.

(4) While the FDSL Program pilot continues its test phase, reform of the FFEL Program which will benefit students and institutions of higher education, should be a continuing priority for the Department of Education.

SEC. 3. PARTICIPATION OF INSTITUTIONS AND ADMINISTRATION OF DIRECT LOAN PROGRAMS.

(a) LIMITATION ON PROPORTION OF LOANS MADE UNDER THE DIRECT LOAN PROGRAM.—Section 453(a) of the Act (20 U.S.C. 1087c(a)) is amended—

(1) by amending paragraph (2) to read as follows:

''(2) DETERMINATION OF NUMBER OF AGREEMENTS.—In the exercise of the Secretary's discretion, the Secretary shall enter into agreements under subsections (a) and (b) of section 454 with institutions for participation in the programs under this part, subject to the following:

''(A) for academic year 1994–1995, loans made under this part shall represent 5 percent of new student loan volume for such year; and

''(B) for academic year 1995–1996 and for any succeeding fiscal year, loans made under this part shall represent 40 percent of new student loan volume for such year, except that the Secretary may not enter into agreements under subsections (a) and (b) of section 454 with any additional eligible institutions that have not applied and been accepted for participation in the program under this part on or before December 31, 1994.''.

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) ELIMINATION OF CONSCRIPTION.—Section 453(b)(2) of the Act is amended—

(1) by striking subparagraph (B);

(2) by redesignating subparagraphs (A)(i) and (A)(ii) as subparagraphs (A) and (B) respectively; and

(3) in such subparagraph (B) (as so redesignated) by striking ''clause (i); and'' and inserting ''subparagraph (A).''.

(c) CONTROL OF ADMINISTRATIVE EXPENSES.—

(1) ADMINISTRATIVE EXPENSES.—Section 458(a) of the Act is amended to read as follows:

''(a) IN GENERAL.—For each fiscal year, there shall be available to the Secretary from funds not otherwise appropriated, funds for all direct and indirect expenses associated with the Direct Student Loan program under this part.''

(2) IMPROVED CONGRESSIONAL OVERSIGHT OF ADMINISTRATION.—(A) Section 458(b) of the Act is amended to read as follows:

''(b) FUNDING TRIGGERS.—For each fiscal year, funds available under this section may be obligated only in such amounts and according to such schedule as specified in the appropriations Act for the Department of Education of a detailed proposal of expenditures under this section.''.

(B) Section 458(d) of the Act is amended to read as follows:

''(d) QUARTERLY REPORT.—The Secretary shall provide a detailed quarterly report of all monies expended under this section to the Chairman of the Committee on Labor and Human Resources of the Senate and the Chairman of the Committee on Economic and Educational Opportunities of the House of Representatives. Such report shall specifically identify all contracts entered into by the Department for services supporting the loan programs under parts B and D of this title and the current and projected costs of such contracts.''

(3) ADMINISTRATIVE COST ALLOWANCE.—Section 428(f) of the Act is amended—

(A) in subsection (A) by striking out ''For a fiscal year prior to fiscal year 1994, the'' and inserting in lieu thereof ''The''; and

(B) by inserting after the first sentence of subsection (B) the following new sentence:

''For fiscal year 1996 and each succeeding fiscal year, each guaranty agency shall elect to receive an administrative cost allowance, payable quarterly, for such fiscal year calculated on the basis of either of the following:

''(i) 0.85 percent of the total principal amount of the loans upon which insurance was issued under part B during such fiscal year by such guaranty agency; or

''(ii) 0.08 percent of the original principal amount of loans guaranteed by the guaranty agency that was outstanding at the end of the previous fiscal year.''

(d) ELIMINATION OF TRANSITION TO DIRECT LOANS.—The Act is further amended—

(1) in section 422(c)(7)—

(A) by striking ''during the transition'' and all that follows through ''part D of this title'' in subparagraph (A); and

(B) by striking ''section 428(c)(10)(F)(v)'' in subparagraph (B) and inserting ''section 428(c)(9)(F)(v)'';

(2) in section 428(c)(8)—

(A) by striking ''(A)'' after the paragraph designation; and

(B) by striking subparagraph (B);

(3) in section 428(c)(9)(E)—

(A) by inserting ''or'' after the semicolon at the end of clause (iv);

(B) by striking''; or'' at the end of clause (v) and inserting a period; and

(C) by striking clause (vi);

(4) in clause (vii) of section 428(c)(9)(F)—

(A) by inserting ''and'' before ''to avoid disruption''; and

(B) by striking '', and to ensure an orderly transition'' and all that follows through the end of such clause and inserting a period;

(5) in section 428(c)(9)(K), by striking ''the progress of the transition from the loan programs under this part to'' and inserting ''the integrity and administration of'';

(6) in section 428(e)(1)(B)(ii), by inserting ''during the transition'' and all that follows through ''part D of this title'';

(7) in section 428(e)(3), by striking ''of transition'';

(8) in section 428(j)(3)—

(A) by striking ''DURING TRANSITION TO DIRECT LENDING'' in the heading of paragraph (3); and

(B) by striking ''during the transition'' and all that follows through ''part D of this title,'' and inserting a comma;

(9) in section 453(c)(2), by striking ''TRANSITION'' and inserting ''INSTITUTIONAL'' in the heading of paragraph (2);

(10) in section 453(c)(3), by striking ''AFTER TRANSITION'' in the heading of paragraph (3); and

(11) in section 456(b)—

(A) by inserting ''and'' after the semicolon at the end of paragraph (3);

(B) by striking paragraph (4);

(C) by redesignating paragraph (5) as paragraph (4); and

(D) in such paragraph (4) (as redesignated), by striking ''successful operation'' and inserting ''integrity and efficiency.''

SEC. 4 DIRECT LOANS HAVE THE SAME TERMS AND CONDITIONS AS FEDERAL FAMILY EDUCATION LOANS.

(a) IN GENERAL.—Section 455(a)(1) of the Act (20 U.S.C. 1087e(a)(1)) is amended to read as follows:

''(1) PARALLEL TERMS, CONDITIONS, BENEFITS AND AMOUNTS.—Unless otherwise specified in this part, loans made to borrowers under this part shall have the same terms, conditions, eligibility requirements and benefits, and be available in the same amounts, as the corresponding types of loans made to borrowers under section 428, 428B, 428C and 428H of this title.''.

(b) DIRECT CONSOLIDATION LOANS.—Section 455(a)(2) of the Act is amended—

(1) by striking ''and'' at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) section 428C shall be known as 'Federal Direct Consolidation Loans'; and''.

SEC. 5. ABILITY OF BORROWERS TO CONSOLIDATE UNDER DIRECT AND GUARANTEED LOANS PROGRAMS.

(a) ABILITY OF PART D BORROWERS TO OBTAIN FEDERAL STAFFORD CONSOLIDATION LOANS.—Section 428C(a)(4) of the Act (20 U.S.C. 1078–3(a)(4)) is amended—

(1) by striking ''or'' at the end of subparagraph (B);

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E); and

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) made under part D of this title;''.

(b) ABILITY OF PART B BORROWERS TO OBTAIN FEDERAL DIRECT CONSOLIDATION LOANS.—Section 428C(b)(5) of the Act is amended to read as follows:

''(5) DIRECT CONSOLIDATION LOANS FOR BORROWERS IN SPECIFIED CIRCUMSTANCES.—(A) The Secretary may offer a borrower a direct consolidation loan if a borrower otherwise eligible for a consolidation loan pursuant to this section is—

''(i) unable to obtain a consolidation loan from a lender with an agreement under subsection (a)(1); or

''(ii) unable to obtain a consolidation loan with an income contingent repayment schedule from a lender with an agreement under subsection (a)(1).

''(B) The Secretary shall establish appropriate certification procedures to verify the eligibility of borrowers for loans pursuant to this paragraph.

''(C) The Secretary shall not offer such consolidation loans if, in the Secretary's judgment, the Department of Education does not have the necessary origination and servicing arrangement in place for such loans, or the projected volume in the program would be destabilizing to the availability of loans otherwise available under this part.''.

SEC. 6. INCOME CONTINGENT REPAYMENT IN THE FEDERAL FAMILY EDUCATION LOAN PROGRAM.

(a) INSURANCE PROGRAM AGREEMENT.—Section 428(B)(1)(E)(i) of the Act (20 U.S.C. 1078(b)(1)(E)(i)) is amended by striking ''or income-sensitive repayment schedule'' and inserting in lieu thereof ''repayment schedule or either an income-sensitive or income contingent repayment schedule''.

(b) REPAYMENT SCHEDULES.—Section 428(c)(A) of the Act is amended by striking ''or income-sensitive repayment schedules'' and inserting in lieu thereof ''repayment schedules or either income sensitive or income contingent repayment schedules''.

(c) DEFINITIONS.—Section 435 of the Act is amended by adding a new subsection (n):

''(n) INCOME CONTINGENT REPAYMENT SCHEDULES.—For the purpose of this part, income contingent repayment schedules established pursuant to section 428(b)(1)(E)(i) and 428(c)(2)(A) may have terms and conditions comparable to terms and conditions established by the Secretary pursuant to section 45(e)(4).''.

SEC. 7. RESERVE FUND REFORMS.

(a) GUARANTY AGENCY RESERVE LEVELS.—Section 428(c)(9) of such Act (20 U.S.C. 1078(c)(9)) is amended—

(1) in subparagraph (E)—

(A) by striking ''The Secretary'' and inserting ''After notice and opportunity for hearing on the record, the Secretary''; and (2) in subparagraph (F)—

(A) by inserting ''dedicated to the functions of the agency under the loan insurance program under this part'' after ''assets of the guaranty agency'' in clause (vi); and

(B) in clause (vi), by inserting before ''; or'' the phrase '', except that the Secretary may not take any action to require the guaranty agency to provide to the Secretary the unencumbered non-Federal portion of a reserve fund (as defined in section 422(a)(2))''.

(b) ADDITIONAL AMENDMENTS.—Section 422 of the Act is further amended—

(1) in the last sentence of subsection (a)(2), by striking ''Except as provided in section 428(c)(10) (E) or (F), such'' and inserting ''Such'';

(2) in subsection (g), by striking paragraph (4) and inserting the following:

''(4) DISPOSITION OF FUNDS RETURNED TO OR RECOVERED BY THE SECRETARY.—Any funds that are returned to or otherwise recovered by the Secretary pursuant to this subsection shall be retuned to the Treasury of the United States for purposes of reducing the Federal debt and shall be deposited into the special account under section 3113(d) of title 31, United States Code.''.

SEC. 8. DEFAULT RATE LIMITATIONS ON DIRECT LENDING.

(a) INELIGIBILITY BASED ON DEFAULT RATES.—Section 435(a)(2) of the Act (20 U.S.C. 1085(a)(2)) is amended by inserting ''or part D'' after ''under this part''.

(b) COHORT DEFAULT RATE.—Section 435(m)(1) of the Act is amended by:

(1) striking ''428, 428A, or 428H'' in paragraph (A) and inserting ''428, 428A, 428H, or part D of the Act (except for Federal Direct PLUS Loans)'';

(2) striking ''428C'' in paragraph (A) and inserting ''428C or 455(g)'';

(3) striking ''428C'' in paragraph (C) and inserting ''428C or 455(g)''; and

(4)(A) in paragraph (B), by striking ''only''; and

(B) in paragraph (B) by inserting ''and loans made under part D determined to be in default,'' after ''for instance.''.

(c) INCOME CONTINGENT REPAYMENT.—Section 435(m) of the Act is amended by adding at the end thereof the following new paragraph:

''(5)(A) The Secretary shall produce an annual report on loans subject to repayment schedules under sections 428(b)(1)(E)(i), 428C(c)(2)(A), and 455(e)(4) at the end of each fiscal year detailing, by institution and for the title IV, part B and D programs separately and together—

''(i) the number and amount of loans scheduled for payments that did not equal the interest accruing on the loan,

''(ii) the number and amount of loans where no payment was scheduled to be received from the borrower due to their low-income status,

''(iii) the number and amount of loans where a scheduled payment was more than 90 days delinquent, and

''(iv) the projected amount of interest and principal to be forgiven at the end of the 25 year repayment period, based on the projected payment schedule for the borrower over that period.

''(B) Such report shall be made available at the same time as the reports required under section 435(m)(4) of this Act.''.

(d) TERMINATION OF INSTITUTIONAL PARTICIPATION.—Section 455 of the Act is amended by adding at the end the following new subsection:

''(k) TERMINATION OF INSTITUTIONS FOR HIGH DEFAULT RATES.—

''(l) METHODOLOGY AND CRITERIA.—After consultation with institutions of higher education and other members of the higher education community, the Secretary shall develop—

''(A) a methodology for the calculation of institutional default rates under the loan programs operated pursuant to this part;

''(B) criteria for the initiation of termination proceedings on the basis of such default rates; and

''(C) procedures for the conduct of such termination proceedings.

''(2) COMPARABILITY TO PART B.—In developing the methodology, criteria, and procedures required by paragraph (1), the Secretary shall, to the maximum extent possible, establish standards for the termination of institutions from participation in loan programs under this part that are comparable to the standards established for the termination of institutions from participation in the loan programs under part B. Such procedures shall also include provisions for the appeal of default rate calculations based on deficiencies in the servicing of loans under this part that are comparable to the provisions for such appeals based on deficiencies in the servicing of loans under part B.''.

''(3) LIMITATION ON AUTHORIZATION TO ISSUE NEW LOANS UNDER THIS PART.—Such standards and procedures required by paragraphs (1) and (2) shall be promulgated in final form no later than 120 days after date of enactment of this paragraph. Notwithstanding any other provision of this part, no new loan under this part shall be issued after 120 days after the date of enactment of this paragraph if the standards and procedures required under this section have not been promulgated prior to that date. The authority to issue new loans under this part shall resume upon the Secretary's issuance of such standards and procedures.''

SEC. 9. USE OF ELECTRONIC FORMS.

Section 484(a) of the Act (20 U.S.C. 1091b(a)) is amended by adding the following new paragraph after paragraph (a)(4):

''(5) ELECTRONIC FORMS.—(A) Nothing in this Act shall preclude the development, production, distribution or use of the form described in subsection (a)(1) in an electronic

format through software produced or distributed by guaranty agencies or eligible lenders, or consortia thereof. Such electronic form need not require the signature of the applicant to be collected at the time the form is submitted, if the applicant certifies the output of the application in a subsequent document. No fee may be charged in connection with use of the electronic form described in subsection (a)(1).

''(B) The Secretary shall approve the use of an electronic form submitted for approval that is not inconsistent with the provisions of this part or part B within 30 days of such submission. In the case of any electronic form not approved, the Secretary shall specifically identify the changes to the form necessary to secure approval.''.

SEC. 10. APPLICATION FOR PART B LOANS USING FREE FEDERAL APPLICATION.

Secton 483(a) of the Act (20 U.S.C. 1090(a)) is amended—

(1) in paragraph (1)—

(A) by inserting ''B,'' after ''assistance under parts A,'';

(B) by striking ''part A) and to determine the need of a student for the purpose of part B of this title'' and inserting ''part A).''; and

(C) by striking the last sentence and inserting the following: ''Such form may be in an electronic or any other format (subject to section 485B) in order to facilitate use by borrowers and institutions.''; and

(2) in paragraph (3), by striking ''and States shall receive,'' and inserting'', any guaranty agency authorized by any such institution, and States shall receive, at their request and''.

SEC. 11. CREDIT REFORM.

(a) AMENDMENT.—Section 502(5)(B) of the Congressional Budget Act (31 U.S.C. 661a(5)(B)) is amended to read as follows:

''(B) The cost of a direct loan shall be the net present value, at the time when the direct loan is disbursed, of the following cash flows for the estimated life of the loan:

''(i) Loan disbursements.

''(ii) Repayments of principal.

''(iii) Payments of interest and other payments by or to the Government over the life of the loan after adjusting for estimated defaults, prepayments, fees, penalties, and other recoveries.

''(iv) In the case of a direct student loan made pursuant to the program authorized under part D of title IV of the Higher Education Act of 1965, direct and indirect expenses, including but not limited to the following: expenses arising from credit policy and oversight, activities related to credit extension, loan origination, loan servicing, training, program promotion and payments to contractors, other Government entities, and program participants, collection of delinquent loans, and write-off and close-out of loans.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall apply to all fiscal years beginning on or after October 1, 1995, and to statutory changes made on or after the date of enactment of this Act.

SUMMARY OF S. 495

The bill will do four basic things:

(1) Cap the direct loan program at 40 percent of student loan volume.

(a) This allow for the continued implementation of the Federal Direct Student Loan Program (FDSL) at the loan volume currently authorized for the second year of the program (beginning July 1995).

(b) It provides for the continued stability of the Federal Family Education Loan Program (FFELP—previously known as the Guaranteed Student Loan or the Stafford and PLUS loan programs).

(c) It improves congressional oversight of administrative expenditures.

(2) Improve the accuracy of the budget scoring process.

The bill revises the Congressional Budget Act so that budget scoring will be fair and accurate when determining and comparing costs associated with the FFELP loan program and the direct lending program.

(3) Clarify congressional intent with respect to provisions of the law establishing the direct loan program.

(a) Clarifies that direct consolidation loans are intended to be offered only to those students who cannot obtain consolidation loans or income-contingent repayment from participating lenders.

(b) Clarifies that default rates should be calculated for direct lending schools as they are for FFELP loan schools.

(c) Also requires the reporting of data on direct loans being repaid through income-contingent repayment in order to determine the effect of such repayment on cohort default rates.

(4) Make the FDSL and FFELP programs more comparable so that they can be evaluated based on ''real'' differences between the administration, efficiency, and effectiveness of the two programs.

(a) Clarify that the guaranteed loan program and the direct loan program have essentially the same terms and conditions for loans and their repayment.

(b) Allow income-contingent repayment for FFELP borrowers.

(c) Make the application processes similar for FFELP and direct loan students.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title. The bill is to be cited as the ''Student Loan Evaluation and Stabilization Act of 1995.''

Section 2. Findings. The bill makes four findings upon which the legislation is based. The findings highlight the fact that the Federal Direct Student Loan Program (direct loan program) is in its pilot phase and that a slow and cautious approach toward implementing the program should be continued. The findings further emphasize that the federal debt, further enlarges the federal bureaucracy, adds major new financial oversight activities to the Department of Education, and forces Congress to depend on an estimated budget savings that may prove illusory. In addition, the findings note that reform of the Federal Family Education Loan Program (guaranteed loan program) should be a continuing priority of the Department of Education.

Section 3. Participation of Institutions and Administration of Direct Loan Programs.

Subsection (a). Participation in direct loans is limited as follows:

(1) five percent of new student loan volume for academic year 1994–1995;

(2) for academic year 1995–1996 loans to those students and parents of students attending institutions who have applied and been accepted for participation in the direct loan program on or before December 31, 1994.

Subsection (b). The authority of the Secretary to force schools into the direct loan program is eliminated.

Subsection (c). Section 458 of the HEA is amended so that administrative expenses for the direct loan program under are made available on an entitlement basis to cover the full administrative costs of direct loans made under Part D. These costs are recognized on a net present value basis under the Credit Reform Act amendment in section 11 of this legislation.

This section also establishes ''funding triggers'' for the release of funds under section 458. Funds may be obligated only in such amounts and according to the schedules specified under the Appropriations Act for the Department of Education after submission of a detailed proposal for expenditures under this section.

In addition, this section also directs the Secretary to produce a detailed quarterly report of the expenditures of monies under section 458.

Finally, this section mandates payment of an administrative cost allowance to guaranty agencies based on the following formula: .85 percent of the total principal amount of the loans for which insurance was issued during the fiscal year, or .08 percent of the original principal amount of the loans guaranteed by the program that are outstanding at the end of the previous fiscal year. Agencies elect which formula under which to receive payment.

Subsection (d). References to the transition to the direct loan program are eliminated from the HEA.

Section 4. Direct Loans Have the Same Terms and Conditions as Federal Family Education Loans. The legislation clarifies and strengthens Congressional intent that direct and guaranteed loans have essentially the same terms, conditions, eligibility requirements, and loan limits.

Section 5. Ability of Borrowers to Consolidate Under Direct and Guaranteed Loan Programs.

Subsection (a). Borrowers of direct loans under Part D are made eligible to consolidate such loans into a Federal Stafford Consolidation Loan.

Subsection (b). The HEA is clarified to reflect Congressional intent that a guaranteed loan borrower is only eligible to obtain a direct consolidation loan when they are unable to obtain a consolidation loan from a lender. The law is also modified to limit eligibility of a guaranteed loan borrower to those students who are unable to obtain a consolidation loan with an income-contingent loan repayment schedule from a lender.

This section also requires the Secretary to establish appropriate certification procedures to verify eligibility of borrowers and it prohibits the Secretary from offering consolidation loans if the Department lacks the capacity or if the projected loan volume would destabilize the availability of guaranteed loans.

Section 6. Income Contingent Repayment in the Federal Family Education Loan Program. The legislation authorizes guaranteed student loan borrowers to repay their loans through income-contingent repayment to lenders like in the direct loan program.

Section 7. Reserve Fund Reforms. The legislation requires due process procedures, including a hearing on the record, for the return of guaranty agencies reserve funds. The legislation further restricts the expenditure of such funds, and those funds otherwise recovered by the Secretary, by requiring the funds to be returned to the U.S. Treasury.

Section 8. Default Rate Limitations on Direct Lending. This section clarifies the HEA to reflect Congressional intent that the Secretary is required to calculate default rates for direct lending schools and to terminate such schools if they exceed the default rates established in the law as is done currently for the guaranteed loan schools.

This section also requires the reporting of data on direct loans being repaid through income-contingent repayment in order to determine the effect of such repayment on cohort default rates.

In addition, section 455 of the HEA is modified by directing the Secretary to develop criteria for the calculation of default rates for institutions participating in the direct loan program. The methodology, criteria, and procedures to be used in determining

such default rates must be comparable to those applied to schools participating in the guaranteed loan program under Part B of the HEA. Such standards must be promulgated no later than 120 days after the date of enactment of this legislation or the Secretary may no longer make any new direct loans.

Section 9. Use of Electronic Forms. This section permits the development, production, distribution and use of an electronic version of the common application form by guaranty agencies, lenders, and consortium thereof to expedite the processing of student loans. Requires that the Secretary approve the form to ensure it is consistent with the requirements of the HEA. Allows the applicant to certify that the output of the application is accurate in a subsequent document. The legislation prohibits a fee from being charged to students in connection with the use of this form.

Section 10. Application for Part B Loans Using the Free Federal Application. Section 483(A) of the HEA is amended to clarify that the application may be the Free Application for Federal Student Assistance (FAFSA). The legislation also clarifies that the application may be in an electronic or other format in order to facilitate use by borrowers and institutions. Finally, this section clarifies that data shall be available to any guaranty agency authorized by an institution.

Section 11. Credit Reform. The bill modifies section 502(5)(B) of the Congressional Budget Act to require consideration of direct and indirect expenses associated with Federal Direct Student Loans, including, but not limited to, expenses arising from credit policy and oversight, credit extension, loan origination, loan servicing, training, program promotion, and payments to contractors. The amendment would apply to all fiscal years beginning on or after October 1, 1995, and to statutory changes made on or after the date of enactment of this bill.●

By Mr. WARNER (for himself and Mr. ROBB):

S. 496. A bill to abolish the Board of Review of the Metropolitan Washington Airports Authority, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE BOARD OF REVIEW OF THE METROPOLITAN WASHINGTON AIRPORTS AUTHORITY ABOLITION ACT OF 1995

Mr. WARNER. Mr. President, on January 26, 1995, I joined with my colleagues Senators MCCAIN and ROBB in introducing legislation in the Senate to abolish the Board of Review of the Metropolitan Washington Airports Authority.

Mr. President, I have been involved for many years in seeking to devise a legislative solution to the constitutional issues that exist due to the decisions of the Congressional Board of Review.

Unfortunately, Mr. President, I have learned that the legislation which my colleagues and I introduced does include a provision which I do not support. The provision is contained in section 3 of the legislation which is the elimination of the perimeter rule with respect to certain nonstop flights.

After further review and analysis of this provision, and after consultation with the Governor of Virginia and the Metropolitan Washington Airports Authority, I have learned that adoption of such a provision would be detrimental to the current and projected operations of Washington National Airport and Washington Dulles International Airport. Eliminating the perimeter rule could in the short term disrupt existing air service patterns, with nonstop flights to cities within the perimeter being canceled as flights are added to more distant and economically beneficial destinations. In the longer term, both the airlines and the cities that could suffer a loss in nonstop service to National could call for increases in the number of flights allowed at National.

Mr. President, today I am introducing legislation along with my colleague Senator ROBB, which will seek to abolish the Board of Review of the Metropolitan Washington Airports Authority.

Mr. President, our legislation would: First, remove the unconstitutional sections of the Metropolitan Washington Airports Act; second, provide a savings clause to protect all actions of the Authority taken under the old legislation; and third direct the Secretary of Transportation to amend the Authority's 50-year lease.

This legislation provides a necessary cure to a constitutional deficiency as defined by the Federal courts, in the structure of the Airports Authority, which is operating and improving the two airports that serve the Nation's Capital and the Washington region, Washington National and Washington Dulles International.

In April 1994, the Court of Appeals for the District of Columbia Circuit found that the Board of Review, made up of current and former Senators and Members of Congress, violated constitutional separation of powers principles. This was the second time the courts have struck down the Board of Review, which was designed to represent users of the airports and to preserve some Federal control over them.

The court of appeals stayed its decision until the Supreme Court had time to consider the issue. The Supreme Court decided not to hear the case in January, and the stay expires March 31, 1995.

Therefore, I repeat, all Congress is required to do to keep the airports in operation is to pass this legislation. Such continued uninterrupted operations are essential to the travel requirements of Members of Congress and their staffs.

If the Congress does not amend the Metropolitan Washington Airports Act by that date, the Airports Authority Board of Directors will lose all its power to take basic, critical actions, including the ability to award contracts, issue more bonds, amend its regulations, change its master plans, or adopt an annual budget.

This shutdown could not come at a worse time. The Airports Authority is in the middle of a $2 billion construction program between two airports.

In 1986, the Congress transferred the airports to an interstate agency created by the District of Columbia and the Commonwealth of Virginia. We did this because we recognized that an independent state-level authority could do what the Federal Government apparently could not—issue revenue bonds and undertake the major construction that was so long overdue at both airports.

The Airports Authority has done a credible job carrying out congressional intent. It has sold over $1.3 billion in tax-exempt bonds, and has multimillion dollar projects underway to double the size of the Dulles terminal and replace many of the National Airport facilities with a modern new terminal building.

As of today, the Authority has already completed $331 million in construction projects, and has an additional $416 million under construction. The steel superstructure at National is visible to all; just this week, construction crews topped off the new 220-foot high air traffic control tower there.

Thus, we cannot afford to interrupt this construction progress by Congress not acting by March 31, 1995. The Congress must pass this legislation now.

Mr. President, recently the House Transportation subcommittee on Aviation adopted H.R. 1036, the Metropolitan Washington Airports Amendments Act of 1995. This legislation contains provisions which we cannot support at this time.

Specifically, the legislation imposes a reauthorization provision in which the Congress would reauthorize the Airports Authority every 2 years. Also, the statutory freeze on the 37 slots under the high density rule would be repealed. This would mean that the Federal Aviation Administration would be able to increase slots through a rulemaking process.

Mr. President, all the Congress must consider now—before March 31—legislation to abolish the Congressional Board of Review. Any further delays will result in slowing the schedule and increasing the costs of the major construction projects at both airports.

By Mr. HELMS (for himself and Mr. FAIRCLOTH):

S. 497. A bill to amend title 28, United States Code, to provide for the protection of civil liberties, and for other purposes; to the Committee on Governmental Affairs.

ACT TO END UNFAIR PREFERENTIAL TREATMENT

Mr. HELMS. Mr. President, momentarily I am going to send a bill to the desk for introduction but I want to make a few remarks before I do that.

First of all, this bill will simply get us started along a road that the Senate ought to have taken a long time ago. Senator DOLE may have a similar bill, in which case I will gladly serve as a cosponsor of his bill, and I feel sure that he will want to be a cosponsor of mine. There may be others. But somebody has to start the ball rolling and that is what I am doing here at about 18 minutes until 3 p.m. on Friday.

Mr. President, unless I am badly mistaken, when the bill I shall offer today hits the hopper there is likely to be the usual outburst of usual phony demagoguery among our liberal brethren in the political arena and in the news media. It always happens when a proposal is made to do away with any Federal program that was established in the first place to attract votes for liberal candidates and liberal issues.

The liberal brethren can begin their holier than thou lamentations, because here comes the bill that proposes to eliminate so-called affirmative action programs that have done more harm than good in terms of race relations, which have been exceedingly costly to the American taxpayers, and worst of all, have been so burdensome for people trying to operate small businesses or, in fact, businesses of any size.

This legislation, which I shall send to the desk presently, is almost identical to the California Civil Rights Initiative which proposes to erase several decades of State-sponsored preferential programs in California based on race, color, gender, or ethnic background. If you want to call it the Helms bill that is fine, but I want to call it, ''An Act to End Unfair Federal Preferential Treatment.'' And I hope that hereinafter it will be known as that.

This bill's principal difference with the California legislation is that I am proposing to eliminate the same kinds of discriminatory, expensive, and counterproductive programs on the Federal level as California is attempting on the State level.

As I said at the outset, Mr. President, we are likely to hear and see the customary antics by the liberal news media who always start tossing epithets around any time efforts are proposed to put an end to Federal programs that do not work and that have done more harm than good—in this case, the heavy-handed effort of Government to force so-called affirmative action down the throats of the American people of all races.

But I say, here and now, that this legislation—indeed this issue—is not about race—although an intellectually dishonest liberal media may try to portray it as such. It is about fairness. It is about putting an end to reverse discrimination at the hands of ruthless bureaucrats.

Reasonable men and women may disagree about the wisdom of the Government's having gotten into the business of racial and other quotas, and affirmative action in the first place. But, now is not the time to revisit that argument, or to attempt to unscramble that egg. And that is not what this legislation is all about.

Rather, Mr. President, this legislation is based on questions being raised by a vast percentage of the American people. For example:

First, with a Federal debt of $4.8 trillion, can Congress justify forcing the American taxpayers to continue paying for programs that are today no longer needed?

Second, should Congress—which so recklessly ran up this $4.8 trillion debt—now act to do away with the social engineering foolishness that is so harming the country?

Third, after 30 years of federally funded affirmative action programs, it is now time to say enough is enough.

Fourth, should America return to the fundamental principles laid out prayerfully, and with specificity, by our Founding Fathers?

Is not the answer ''yes'' to each of these questions?

Of course it is.

You see, Mr. President, the American dream has been within the reach of citizens of all races, religions, and ethnic backgrounds because our Nation has adhered for so many years to the principles of free enterprise, self reliance, personal responsibility, and, of course, the concept that every citizen should be free to pursue his or her personal dream—based not on birthright, but rather on hard work, initiative, talent, and character.

The now-entrenched, but nonetheless discriminatory system of affirmative action preferences established by Congress, the courts, and virtually every Federal agency flies in the face of the merit-based society that the Founding Fathers envision, which is why my legislation, aimed at removing these preferences, is called the ''Act to End Unfair Federal Preferential Treatment.''

Mr. President, I am convinced this legislation reflects the thoughts of countless citizens across America of every color and creed who struggle each day to make the American dream become a reality—to own their own homes, raise their families, and provide educations for their children. But the all-powerful Federal Government somehow manages to get in the way at nearly every turn. This is the thing that we must put an end to.

Those familiar with the debate surrounding affirmative action and quota programs likely have heard of the California Civil Rights Initiative, which residents of that State will vote upon as early as next March. For those unfamiliar with this initiative, it reads:

> Neither the State of California nor any of its political subdivisions or agents shall use race, sex, color, ethnicity or national origin as a criterion for either discriminating against, or granting preferential treatment to, any individual or group in the operation of the State's system of public employment, public education or public contracting.

As I stated previously, the Act To End Unfair Federal Preferential Treatment—which I will shortly send to the desk—differs in that it puts an end to taxpayer funding of such programs on the Federal level.

Mr. President, polls show that 73 percent of Californians support this initiative to roll back racial and other quotas and preferences. But California is not alone in this sentiment. According to a recent Wall Street Journal/NBC News survey, 2 out of every 3 Americans—including half of those who voted for President Clinton—oppose so-called affirmative action.

This demonstrates, I believe, that the American people are once again far ahead of their leaders in Washington. Americans recognize that such programs are divisive, discriminatory, and in fact, harm the very citizens they claim they want to help. In short, these programs pervert the concept of equality. As Senator Malcolm Wallop, the great statesman from Wyoming, put it, ''Any government that is not strictly blind in matters of race is quite simply un-American.''

Mr. President, we simply cannot afford to continue to pour money into ineffective and ultimately destructive affirmative action programs when the total Federal debt, as of March 1, stood at exactly $4,848,389,403,816.26. That is $18,404.57 for every man, woman, and child in America.

Of course, those who pay taxes—because so many do not—will pay even far more than that in the theoretical sense of how much it will cost to pay off the debt. We must stop wasting the taxpayers' money on programs that demonstrably cannot and will not work.

If the California initiative passes, one legislative analysis predicts that high schools and community colleges would save $120 million a year in administrative costs. Universities would save another $50 million a year. Think of the savings we could realize if Federal programs are terminated nationwide. It boggles the mind.

Let me offer a few examples of Government-sponsored affirmative action programs that are so counterproductive and divisive they make me wonder how much more of this we can swallow. These few programs are only the tip of the iceberg.

First, the State Department has been instructed that certain new positions must be filled with women and minorities rather than white workers. The administration complained when a State Department list of candidates for ambassadorial posts did not contain enough minorities and women. The White House returned the list to Secretary Christopher.

Second, the Federal Communications Commission has for years implemented a program where women and minorities are given special tax breaks and special incentives to enable them to acquire mass media facilities, such as radio and television stations.

The most well-known example is the special tax break that Viacom, the world's second largest entertainment conglomerate, is trying to use. Under current FCC law, Viacom can defer $1.1 to $1.6 billion in taxes on the sale of its cable operations simply by selling them to an African-American buyer. And this buyer just happens to be the same man who conceived the minority tax-break program while working on FCC issues in the Carter White House.

This minority buyer now plans to invest $1 million of his own money in the acquisition. I ask you, Mr. President, is this someone in need of a Federal preference? I say no way, José.

Third, the Forest Service has a firefighter program where certain positions can be filled only with women or minorities. And a North Carolina constituent and Forest Service employee recently sent me articles regarding an internal Forest Service document that actually states, ''Only unqualified applicants will be considered.'' This policy was supposed to be a set-aside for women. So much for qualifications being important.

Fourth, and what about the Defense Department's special hiring directive that said, ''special permission will be required for promotion of all white men without disabilities.''

Mr. President, I have it on good authority that there are more than 160 such preference programs in place today in the Federal bureaucracy. That is what this bill is aimed at. And who pays for them? That is right. The American taxpayers pay for them.

Citizens visiting my office frequently note on my office wall a picture of a man who was a friend of all of us who served with him, Hubert Humphrey of Minnesota. Hubert was the author of the original Civil Rights Act of 1964. True enough, Senator Humphrey and I disagreed on just about every policy issue but we disagreed agreeably. We were friends, nevertheless. And I respected him for having the courage of his convictions, wrong as I thought those convictions were sometimes. He stated many times to me that my feeling about him was mutual, and I appreciated that.

In any event, Hubert Humphrey was exactly right when he stated during a debate in this room over the Civil Rights Act of 1964:

> * * * if there is any language [in the Civil Rights Act of 1964] which provides that any employer will have to hire on the basis of percentages or quotas related to color, race, religion or national origin, I will start eating the pages one after another because it is not there.

Well, the distinguished majority leader, Mr. DOLE, recently remarked,

> Now we all have indigestion from living in an America where the government too often says that the most important thing about you is the color of your skin or the country of your forefathers * * * that's wrong, and we should fix it.

I agree with Senator DOLE. BOB DOLE was on target, and hopefully the legislation that I am introducing today will serve as a first step toward fixing this problem.

As I said at the outset, I anticipate that Senator DOLE may offer legislation on this subject. I hope others will too so that we can all think together and act together on a problem that should not be allowed further to beset the greatest country on Earth.

But, Mr. President, back to Hubert Humphrey. Hubert Humphrey hated the idea of quotas and preferential treatment based on race. He knew instinctively that such programs, if instituted, would turn America inside out—which is exactly what has occurred: there is much evidence that so-called affirmative action programs have exacerbated racial problems—not healed them. Former Secretary of Education William Bennett put it this way.

> Affirmative Action has not brought us what we want—a colorblind society. It has brought us an extremely color-conscious society. In our universities we have separate dorms, separate social centers. What's next—water fountains? That's not good, and everybody knows it.

George Weigel of the Ethics and Public Policy Center had this observation regarding how divided a country America has become:

> People have not grasped the extent to which the notion of governmentally appointed preference groups is pernicious to American democracy * * * They have not grasped what it means to balkanize the United States. My guess is that there will be a tremendous revolt against this.

Paul Sniderman of Stanford University and Thomas Piazza of the University of California recently completed a book, ''The Scar of Race.'' These authors demonstrate that whites are more likely to view African-Americans in a negative light if they are first asked questions about affirmative action. Here's what Sniderman and Piazza found:

> A number of whites dislike the idea of affirmative action so much and perceive it to be so unfair that they have come to dislike blacks as a consequence.

Parenthetically, Mr. President, that is an awful state of affairs, but I believe it to be true. It should not be true, but it is. The authors continued:

> Hence the special irony of the contemporary politics of race. In the very effort to make things better, we have made some things worse.

Sharon Brooks Hodge, an African-American writer and broadcaster, perhaps summed it up best when she observed:

> * * * white skepticism leads to African-American defensiveness * * * Combined, they make toxic race relations in the workplace.

And, as is the case with so many forays into social engineering by the Federal Government, affirmative action and quota programs, have, at the end of the day, harmed the very people their proponents designed them to assist. Peter Schrag of the San Diego Union-Tribune hit the nail on the head when he asked:

> To what extent will the real achievements of minorities be diminished by the suspicion that they got some sort of break?

Although Federal agencies designed affirmative action programs to benefit victims of discrimination at the lowest rungs of the economic ladder, today they benefit chiefly educated, middle-class minorities. As Linda Chavez, the Hispanic leader and President of the Center for Equal Opportunity and former staff director of the U.S. Commission on Civil Rights under President Reagan, observed today's government affirmative action programs benefit those who can make it on their own.

Mr. President, after 30 years of affirmative action, America now finds itself a more racially ethnically divided society than ever before. The cohesiveness which once brought all of us together as Americans first is slipping away.

After 30 years, it is obvious that this social experiment called affirmative action has outlived its usefulness. It is time for the Federal Government to scrap these programs, and restore the principles upon which our country was built—personal responsibility, self-reliance, and hard work.

Mr. President, that formula for achievement was the answer 200 years ago and it is still the same today. And I might add, it is the only road to reaching the American dream for all our citizens, whether they be black, white, Hispanic or Asian, men or women. The Act To End Unfair Federal Preferential Treatment is the first step toward this dream.

Mr. President, I ask unanimous consent that the following items be printed in the RECORD at the conclusion of my remarks following the text of the bill, an August 21, 1994, article by Peter Schrag of the San Diego Union Tribune; a February 15, 1995, article by Linda Chavez in USA Today; and a February 13, 1995, article by Steven Roberts in U.S. News & World Report.

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

S. 497

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 ''Act to End Unfair Preferential Treatment''.

SEC. 2. PUBLIC EMPLOYMENT, PUBLIC CONTRACTING, AND FEDERAL BENEFITS.

Part VI of title 28, United States Code, is amended by inserting after chapter 176 the following new chapter:

''CHAPTER 177—CIVIL LIBERTIES

''§ 3601. Public employment, public contracting, and Federal benefits

''Notwithstanding title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), section 15 of the Small Business Act (15 U.S.C. 644), or any other provision of law, no agent or agency of the Federal Government may use race, color, gender, ethnicity, or national origin—

''(1) as a criterion for either discriminating against, or granting preferential treatment to, any individual or group; or

''(2) in a manner that has the effect of requiring that employment positions be allocated among individuals or groups;

with respect to providing public employment, conducting public contracting, or providing a Federal benefit for education or other activities.

"§ 3602. Necessary classifications based on gender

''Nothing in this chapter shall be interpreted as prohibiting classifications based on gender that are reasonably necessary to the normal provision of public employment, conduct of public contracting, or provision of a Federal benefit.

"§ 3603. Court order or consent decree

''Nothing in this chapter shall be interpreted as—

''(1) affecting any court order or consent decree that is in effect as of the date of enactment of this chapter; or

''(2) forbidding a court to order appropriate relief to redress past discrimination.

"§ 3604. Definitions.

''As used in this chapter:

''(1) The term 'agent' means an officer or employee of the Federal Government.

''(2) The term 'Federal benefit' means—

''(A) funds made available through a Federal contract; or

''(B) cash or in-kind assistance in the form of a payment, grant, loan, or loan guarantee, provided through any program administered or funded by the Federal Government.''.

MINORITIES CAN'T MEASURE UP? THAT'S WHAT AFFIRMATIVE ACTION POLICIES IMPLY, THOUGH YOU WON'T HEAR ITS LIBERAL BACKERS SAY SO

(By Linda Chavez)

BETHESDA, MD.—For years I've suspected that many liberals favor affirmative action because they believe blacks and Hispanics can't measure up to the same standards as whites, but it's been difficult to get any of them to say so publicly.

Now Rutgers University President Francis L. Lawrence, a staunch proponent of affirmative action throughout his career, has let the cat out of the bag.

In comments to a faculty group discussing the school's admission criteria, Lawrence referred to blacks as a ''disadvantaged population that doesn't have the genetic, hereditary background'' to score equally with whites on the Scholastic Aptitude Test.

Lawrence has since apologized for his comments—which he now says he doesn't actually believe—and students have led angry protests demanding his resignation.

But the fact is that affirmative-action programs at universities around the country operate as if Lawrence were right.

They routinely apply lower admission standards to black and Hispanic applicants, all the while pretending that such double standards won't reinforce negative stereotypes and stigmatize students admitted under them.

The University of California at Berkeley, for example, admits black and Hispanic students with test scores and grade-point averages significantly below those it requires of both white and Asian students.

Berkeley is one of the few universities that has made available such information, even on a limited basis.

In 1989, Berkeley turned away approximately 2,800 white students with perfect 4.0 GPAs—straight As. But half of the minority students it admitted that year had below a 3.53 GPA.

And contrary to the assumptions of many affirmative-action supporters, students admitted on the basis of lower test scores and grades aren't necessarily economically disadvantaged graduates of poor inner-city schools.

At Berkeley, for example, the Hispanic student admitted through the affirmative action program comes from a middle-class family, and many if not most attended integrated schools, often in the suburbs.

In fact, 17% of Hispanic entering freshmen admitted to Berkeley in 1989 came from families that earned more than $75,000 a year, as did 14% of black students.

Statistics like these make it increasingly difficult for advocates to argue that affirmative action is intended to benefit disadvantage minorities.

One Mexican-American student told researchers studying the Berkeley program she was ''unaware of the things that have been going on with our people, all the injustice we've suffered, how the world really is. I thought racism didn't exist, and here, you know, it just comes to light.''

No doubt she was referring to the political indoctrination many minority students receive in such programs so they'll know how ''oppressed'' they really are, despite attending one of the world's elite institutions of higher learning.

But the comments that racism at Berkeley ''just comes to light'' might just as well apply to the university's own admission standards, which clearly do treat applicants differently according to their race.

Affirmative action advocates can't have it both ways. A system that depends on holding minorities to different—and lower—standards than whites invites prejudice and bolsters bigotry.

But it also sends a clear message to the intended beneficiaries that those who claim to want to help minorities don't really believe blacks and Hispanics can ever measure up to whites.

Most supporters of affirmative action no doubt would be horrified that anyone might interpret their intentions so malignly. But their actions speak as loudly as words.

WHAT OTHERS ARE SAYING

''We are happily at a time when a number of the compensations that were earlier advanced to make up for earlier discrimination are no longer needed.''—Calif. Gov. Pete Wilson.

''If the president respects the goal of affirmative action as fully as he should, he might gain political support from voters who believe in pursuing an integrated society. * * * But if he ignores the subject and lets critics set the terms of the debate * * * he's likely to be stuck with affirmative action as a thin cover for nasty, race-minded politics—the Willie Horton issue of 1996. And it's likely to contribute to his loss.''—Lincoln Caplan, Newsweek magazine contributing editor.

''The people in America now are paying a price for things that were done before they were born. We did discriminate. * * * But should future generations have to pay for that?''—Senate Majority Leader Bob Dole.

''We know that affirmative action has created problems, abuses we didn't contemplate. But if you eliminate or severely curb * * * then what?''—Calif. Lt. Gov. Gray Davis.

''(It's) going to be hell. * * * You better make sure you prepare for it.''—Franklyn Jenifer, president of the University of Texas at Dallas, warning college administrators of a backlash from minority students if affirmative action policies are removed.

[From the U.S. News & World Report, Feb. 13, 1995]

AFFIRMATIVE ACTION ON THE EDGE—A DIVISIVE DEBATE BEGINS OVER WHETHER WOMEN AND MINORITIES STILL DESERVE FAVORED TREATMENT

Affirmative action is a time bomb primed to detonate in the middle of the American political marketplace. Federal courts are pondering cases that challenge racial preferences in laying off teachers, awarding contracts and admitting students. On Capitol Hill, the new Republican majority is taking aim at the Clinton administration's civil rights record. On the campaign trail, several Republican presidential hopefuls are already running against affirmative action. And in California, organizers are trying to put an initiative on next year's ballot banning state-sanctioned ''preferential treatment'' based on race or gender.

This increasingly angry and divisive debate about the role of race and gender in modern America could help the Republicans unseat Bill Clinton in 1996 and change the way many institutions allot jobs, business and benefits. A recent Wall Street Journal NBC News survey found that 2 out of 3 Americans, including half of those who voted for President Clinton in 1992, oppose affirmative action. The Los Angeles Times found 73 percent of Californians back the ballot initiative. ''The political implications are enormous,'' says Will Marshall of the Democratic leadership Council, a moderate group. ''Obviously, a lot of Republicans look at affirmative action as the ultimate wedge issue.''

The assault on affirmative action is gathering strength from a slow-growth economy, stagnant middle-class incomes and corporate downsizing, all of which make the question of who gets hired—or fired—more volatile. Facing attacks on such a broad front, women's groups, civil rights organizations and other defenders of affirmative action are circling their wagons. Women and minorities still need preferential treatment, they argue, because discrimination still exists, causing blacks and other minorities to lag far behind whites in terms of economic status. ''If African-Americans are taking all these jobs,'' asks Barbara Arnwine of the Lawyers Committee for Civil Rights Under Law, ''why is there double-digit unemployment in the African-American community?'' Adds Patricia Williams, a professor at Columbia Law School: ''There is this misplaced sound and fury about nothing. Access is still very limited, and the numbers are still very low.''

But the sound and fury are real. Affirmative action poses a conflict between two cherished American principles: the belief that all Americans deserve equal opportunities and the idea that hard work and merit, not race or religion or gender or birthright, should determine who prospers and who does not. In 1965, Lyndon Johnson defended affirmative action by arguing that people hobbled by generations of bias could not be expected to compete equally. That made sense to most Americans 30 years ago, but today many argue that the government is not simply ensuring that the race starts fairly but trying to decide who wins it.

Moreover, many women and racial minorities are no longer disadvantaged simply because of their race or gender. Indeed, most of the young people applying for jobs and to colleges today were not even born when legal segregation ended. ''I'll be goddamned why the son of a wealthy black businessman should have a slot reserved for that race when the son of a white auto-assembly worker is excluded,'' says a liberal Democratic lawmaker. ''That's just not right.''

DISHEARTENING

The critics of affirmative action include some conservative minority and women's leaders who believe it has a destructive effect on their own communities. Thomas Sowell, the black economist, argues that affirmative action has created a process of ''mismatching,'' in which competition for talented minorities is so fierce that many are pushed into colleges for which they are not ready. ''You can't fool kids,'' says Linda Chavez, a Hispanic activist. ''They come into a university, they haven't had the preparation and it's a very disheartening experience for some of them.

Others say affirmative action causes coworkers to view them with suspicion. ''White skepticism leads to African-American defensiveness,'' says Sharon Brooks Hodge, a black writer and broadcaster. ''Combined, they make toxic race relations in the workplace.'' Glenn Loury, an economics profession at Boston University, says proponents of affirmative action have an inferiority complex: ''When blacks say we have to have affirmative action, please don't take it away from us, it's almost like saying, 'You're right, we can't compete on merit.' But I know that we can compete.''

William Bennett, former education secretary and a leading GOP strategist, says that ''toxic'' race relations, aggravated by affirmative action, have led to a damaging form of re-segregation: ''Affirmative action has not brought us what we want—a colorblind society. It has brought us an extremely color-conscious society. In our universities we have separate dorms, separate social centers. What's next—water fountains? That's not good, and everybody knows it.''

But supporters of affirmative action maintain that arguments like Bennett's are unrealistic—even naive. ''We tried colorblind 30 years ago, and that system is naturally and artificially rigged for white males,'' says Connie Rice of the NAACP Legal Defense and Education Fund. ''If we abandon affirmative action, we return to the old-boy network.''

Voices on both sides of the debate are starting to discuss a possible compromise that would focus eligibility on class, instead of on race or gender. For example, the son of a poor white coal miner from West Virginia would be eligible for special help, but the daughter of a black doctor from Beverly Hills would not. ''Some of the conventional remedies don't work as one might have hoped,'' says University of Pennsylvania law professor Lani Guinier, whose ill-fated nomination as Clinton's chief civil rights enforcer sparked a storm of protest from conservatives. ''Perhaps there is an approach that does not suggest that only people who have been treated unfairly because of race or gender or ethnicity have a legitimate case.''

No one questions the sensitivity of the subject. For years, the civil rights lobby, backed by Democrats in Congress, was so strong that critics often felt intimidated. Even today, Democrats who disagree with affirmative action are reluctant to voice their doubts. ''The problem is political correctness—you can't talk openly,'' says a member of Congress.

Democrats are talking privately, however, urging the White House to formulate a response to the antiaffirmative-action wave before it swamps the president and the party. At the Justice Department, chief civil rights enforcer Duval Patrick is ready: ''We have to engage; we can't sit to one side.''

But despite the fact that the California initiative could cost Clinton a must-win state in 1996, the administration seems sluggish, even paralyzed. Laments a senior adviser, ''We're going to wait until it's a crisis before reacting.'' White House political strategists admit one reason for the inaction: The issue is a sure loser.

REFEREE?

Caught between angry white males and the party's traditional liberal base, White House advisers think the best they can do is position the president as an arbiter between two extremes. In a recent interview with U.S. News, the president voiced his aim this way: ''What I hope we don't have here, and what I hope they don't have in California, is a vote that's structured in such a way as to be highly divisive, where there have to be winners and losers and no alternatives can be easily considered.'' Asked his views on affirmative action, the president tried—as he often does—to please both sides: ''There's no question that a lot of people have been helped by it. Have others been hurt by it? What is the degree of that harm? What are the alternatives? That's a discussion we ought to have.''

But a senior administration official admits that the middle ground will be an uncomfortable place: ''The civil rights groups are going to say we're caving in if we make any compromises. And the Republicans are going to shout, 'Quotas.'" That same tension is already developing within the White House. U.S. News has learned that Chief of Staff Leon Panetta is quietly asking friends on Capitol Hill whether the president should simply endorse the California initiative—a position sure to trigger outrage among the president's more-liberal advisers.

Unsure how resolute the White House will be, civil rights groups are looking for their own strategy to defend affirmative action. One of their main jobs, they say, is to debunk the ''myth'' that unqualified women and minorities are being hired in large numbers. And some of the best salesmen for affirmative action are big corporations that adjusted long ago to the demands for a more-diverse work force, dread bad publicity and fear the uncertainty change would produce. James Wall, national director of human resources for Deloitte & Touche LLP, a management consulting firm, says diversity is good business: ''If you don't use the best of all talent, you don't make money.''

Even so, the combination of old resentments, new economic hardships and shifting political winds threatens to explode. ''There's a great deal of pent-up anger beneath the surface of American politics that's looking for an outlet,'' says conservative strategist Clint Bolick of the Institute for Justice. It's the same anxiety that helped pass Proposition 187 in California, which sharply restricts public assistance to the children of illegal immigrants, and thwarted Clinton's plan to push a Mexican aid plan through Congress. ''If there is a squeeze on the middle class,'' says GOP pollster Linda Divall, ''people get very vociferous if they think their ability to advance is being limited.''

Some African-American leaders insist that this white-male anger is being stirred up by demogogues who make blacks and women into scapegoats. Says Derrick Bell, professor of law at New York University: ''There is a fixation among so many in this country that their anxieties will go away if we can just get these black folks in their place.''

But the anxieties are strong and are coupled with a growing belief that affirmative action is another aspect of intrusive and inefficient big government. ''The real back-to-basics movement is not in education but in politics,'' says William Bennett. ''We're rethinking basic assumptions about government.''

Accordingly, the fight over affirmative action is playing out in four arenas:

CALIFORNIA

The real question is whether the civil rights initiative will appear on the primary ballot in March of 1996 or on the general-election ballot. If it appears in November, the measure could seriously damage President Clinton's chances to carry the nation's most populous state. That is precisely why national Republicans are promising to raise money for the effort—as long as organizers aim for November.

The initiative is the brainchild of two academics, Tom Wood and Glynn Custred, who say they were alarmed by the prevalence of ''widespread reverse discrimination'' in the state's college system. The initiative has already attracted some unlikely support: Ward Connerly, a black member of the University of California Board of Regents, said last month that he favors an end to racial and gender preferences. ''What we're doing is inequitable to certain people. I want something in its place that is fair.'' and Hispanic columnist Roger Hernandez wrote: ''I've never understood why Hispanic liberals, so sensitive to slights from the racist right, don't also take offense at the patronizing racists of the left who say that being Hispanic makes you an idiot.''

California Assembly Speaker Willie Brown, who is black, opposes the initiatives as an attempt ''to maintain white America in total control.'' But other Democrats are scurrying for cover. ''The wedge potential is absolutely scary,'' says Ron Wakabayashi, director of the Los Angeles County Human Rights Commission. ''The confrontation of interests looks like blacks and Latinos on one side and Asians and Jews on the other.''

THE COURTS

The Supreme Court has generally supported race and gender preferences to remedy past discrimination, but an increasingly conservative bench has moved to limit the doctrine. In 1989, the court struck down a program in Richmond, Va., that set aside 30 percent of municipal contracts for racial minorities, and that decision set off a flurry of litigation. In the current term, the court already has heard arguments in a key case: A white-owned construction company is claiming that it failed to get a federal contract in Colorado because of bonuses given to contractors that hire minority firms.

In another case making its way toward the high court, a black teacher in Piscataway, N.J., was retained while an equally qualified white teacher was fired, in the name of diversity. The Bush administration sided with the white teacher after she sued the school board. The Clinton administration backs the board. Two other cases relating to education are also moving forward. In one, white students at the University of Maryland are challenging a scholarship program reserved for minorities. In the other, the University of Texas law school is being sued for an admissions policy that lowers standards for blacks and Hispanics.

While most court watchers do not expect sweeping changes in current doctrine, the high court is closely divided on racial-preference questions, and the deciding votes could be cast by Justice Sandra Day O'Connor. Legal analysts cite her opinion in a 1993 case challenging voting districts that were drawn to guarantee a black winner: ''racial gerrymandering, even for remedial purposes, may balkanize us into competing racial factions.'' The court's most likely move: require programs to be more narrowly tailored to remedy past discrimination.

CONGRESS

Republican victories last year mean that critics of affirmative action now control the key committees and the congressional calendar. A strategy session was held last Friday at the Heritage Foundation, a conservative think tank, bringing together about two dozen Hill staffers, lawyers and conservative activists. Already, Rep. Charles Canady, the Florida Republican who heads the key House subcommittee, has written to the Justice Department requesting every document relating to affirmative action cases. His goal oversight hearings that try to demonstrate that the administration's civil rights policies far exceed the original intent of Congress.

Conservatives are considering amendments to appropriations bills that would restrict the administration's flexibility. There also is talk of a measure banning racial and gender

preferences altogether. Civil rights proponents remain confident that Clinton would veto any measure that eviscerates affirmative action and that his veto would survive.

CAMPAIGN '96

The affirmative action issue will be test-marketed this year by Buddy Roemer, a Republican candidate for governor of Louisiana. But it is already intruding into the politics of 1996: California Gov. Pete Wilson has all but endorsed the initiative and Sen. Phil Gramm of Texas, who will soon announce his presidential candidacy, has taken over the appropriations subcommittee that handles the Justice Department. He will use it, predicts an administration official, ''as a platform to rail against quotas.''

The danger for Republicans lies in going too far in attacking affirmative action and courting resentful white males. If the antiaffirmative-action campaign ''turns into mean-spirited racial crap, to hell with it,'' William Bennett warned fellow Republicans.

But the questions at the core of the affirmative action debate remain unanswered. How much discrimination still exists in America? And what remedies are still necessary to aid its victims?

[From the San Diego Union-Tribune, Aug. 21, 1994]

THE PREFERENTIAL TREATMENT BACKLASH

(By Peter Schrag)

A Republican attempt to prohibit California government agencies from discriminating for or against individuals on the basis of race, ethnicity or gender got a three-hour hearing in the Assembly Judiciary Committee this month, followed by the predictable brushoff from the committee's majority Democrats. ''It is one of the most dangerous pieces of legislation I have witnessed in my four years here,'' said Assemblywoman Barbara Lee, D-Oakland.

We should only be so lucky.

The California Civil Rights Initiative (CCRI), a constitutional amendment that would have required a two-thirds vote in each house of the Legislature in order to go on the ballot, had as much chance as a snowball in a furnace. It was sponsored by Assemblyman Bernie Richter of Chico and had some 42 legislative co-sponsors, one of whom was a Democrat and one an Independent.

It's a simply worded proposition. Its key passage says, ''Neither the state * * * nor any of its political subdivisions or agents shall use race, sex, color, ethnicity or national origin as a criterion for either discriminating against, or granting preferential treatment to, any individual or group in the operation of the state's system of public employment, public education or public contracting.''

Put that proposition to the voters unadorned and you're likely to get a sweep. It's as American as Abraham Lincoln and Martin Luther King Jr.: Judge people as individuals on what they can do, on the content of their character, not on what group they belong to or the color of their skin.

It's not the way things work, either in the universities, where much of the push and inspiration for CCRI comes from, or many other places in the public arena. Everywhere there are preferences based at least partly on something else—in hiring, in college admissions and in a thousand subtle other ways.

The reasons for some official preferences are obvious enough: 1) to make up for the lingering effects of past discrimination and 2) to try to get in the professions, in the civil service and on the campuses people who, at the very least, are not strikingly different in pigmentation from the rest of the populace.

But as the backers of the CCRI point out, the thing has gone to the point where new offenses are committed in the effort to remedy the old: Should there be scholarships reserved for blacks or Hispanics? Should college departments be offered bounties for bagging minorities in their faculty recruiting? Should there be legislative requirements of racial proportionality, not only in university admissions, but in graduation rates?

Should people of the right color or sex be given preference in contracting with public agencies, even if it costs the public more? And to what extent should success of a particular ethnic group—Asians in academic achievement for example—itself become a reason for race-based restrictions against them?

In some instances, these things have reached such totemic proportions that just questioning them is regarded as evidence of racism.

But it's not the whole story. Even CCRI's sponsors, who now hope to get the measure on the ballot by the initiative route, acknowledge that there are colleges that give preference in admission to children of alumni or, as at the University of California, to the offspring of legislators. And there are almost without doubt fire and police departments, and probably other public agencies as well, where it still doesn't hurt to be related to somebody, or at least to know them, whatever the civil service regulations say.

More important, there are legitimate sensibilities and experiences that come with certain backgrounds that may well be important in the selection of police officers or in enriching the composition of a campus. Where two candidates are otherwise similarly qualified, what's wrong with giving preference to the one whose parents are immigrants and grew up in the barrio?

CCRI's backers point out, correctly, that economic disadvantage could be used more legitimately to accomplish almost the same thing. But the very precision in CCRI's language is likely to run colleges and other state agencies afoul, on the one hand, of federal laws that encourage affirmative action and, on the other, to invite still more suits from disappointed applicants every time there's a suggestion that race or gender might have been used, however marginally, as a criterion.

All that being said, however, CCRI nonetheless reflects a set of increasingly serious problems and grievances that, as the state becomes ever more diverse, will become all the more vexing.

At what point do objective criteria and real performance become secondary to the politically correct imperatives of diversity, as in some cases they already are, thereby making it harder and harder to maintain standards of quality? To what extent do preferences for marginal candidates lead to frustration when its beneficiaries are overwhelmed?

The questions run on: To what extent will the real achievements of minorities be diminished by the suspicion that they, too, got some kind of break? To what extent does the whole process generate mutually self-validating backlash that further institutionalizes race in our society? And at what point, given our growing diversity, do the definitional problems about who is what—definitions, ironically, that squint right back to the slaveholders' racial distinctions—become both absurd and totally unmanageable?

The problem may lie as much in the idea of subjecting these processes to a rigid legal formula as in the formula chosen. And it lies in the unchecked spread of the idea that everything—college admissions, college graduation, a job—is an entitlement not to be abridged without due process.

But the complaint of the CCRI people is real enough, and it has legs.

ADDITIONAL COSPONSORS

S. 17

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 17, a bill to promote a new urban agenda, and for other purposes.

S. 47

At the request of Mr. SARBANES, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 47, a bill to amend certain provisions of title 5, United States Code, in order to ensure equality between Federal firefighters and other employees in the civil service and other public sector firefighters, and for other purposes.

S. 111

At the request of Mr. DASCHLE, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 111, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase to 100 percent, the deduction of self-employed individuals for health insurance costs.

S. 242

At the request of Mr. DASCHLE, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 242, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for the payment of tuition for higher education and interest on student loans.

S. 252

At the request of Mr. LOTT, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 252, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 254

At the request of Mr. LOTT, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 254, a bill to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the U.S. merchant marine during World War II.

S. 262

At the request of Mr. GRASSLEY, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 262, a bill to amend the Internal Revenue Code of 1986 to increase and make permanent the deduction for health insurance costs of self-employed individuals.

S. 303

At the request of Mr. LIEBERMAN, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 303, a bill to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers, and for other purposes.

S. 304

At the request of Mr. SANTORUM, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor

of S. 304, a bill to amend the Internal Revenue Code of 1986 to repeal the transportation fuels tax applicable to commercial aviation.

S. 442

At the request of Ms. SNOWE, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 442, a bill to improve and strengthen the child support collection system, and for other purposes.

S. 448

At the request of Mr. GRASSLEY, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 448, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from rules for determining contributions in aid of construction, and for other purposes.

SENATE CONCURRENT RESOLUTION 3

At the request of Mr. SIMON, the names of the Senator from Wyoming [Mr. SIMPSON], the Senator from Utah [Mr. HATCH], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Concurrent Resolution 3, a concurrent resolution relative to Taiwan and the United Nations.

ADDITIONAL STATEMENTS

FLAT TAX ACT

● Mr. SPECTER. Mr. President, I ask that the text of my bill, S. 488, the Flat Tax Act of 1995, which I introduced on March 2, 1995, be printed in today's RECORD. The bill was inadvertently not printed in the RECORD on March 2, 1995, when it was introduced.

The bill follows:

S. 488

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

SECTION 1. INDIVIDUALS TAXED ONLY ON EARNED INCOME.

(a) IN GENERAL.—Section 1 of the Internal Revenue Code of 1986 is amended to read as follows:

"SECTION 1. TAX IMPOSED.

''(a) IMPOSITION OF TAX.—There is hereby imposed on the income of every individual a tax equal to 20 percent of the excess (if any) of—

''(1) the taxable earned income received or accrued during the taxable year, over

''(2) the standard deduction (as defined in section 63) for such taxable year.

''(b) TAXABLE EARNED INCOME.—For purposes of this section, the term 'taxable earned income' means the excess (if any) of earned income (as defined in section 911(d)(2)) over the foreign earned income (as defined in section 911(b)(1)).''

(b) INCREASE IN STANDARD DEDUCTION.—Section 63 of such Code is amended to read as follows:

"SEC. 63. STANDARD DEDUCTION.

''(a) IN GENERAL.—For purposes of this subtitle, the term 'standard deduction' means the sum of—

''(1) the basic standard deduction, plus

''(2) the additional standard deduction.

''(b) BASIC STANDARD DEDUCTION.—For purposes of subsection (a), the basic standard deduction is—

''(1) $16,500 in the case of—

''(A) a joint return, and

''(B) a surviving spouse (as defined in section 2(a)),

''(2) $14,000 in the case of a head of household (as defined in section 2(b)), and

''(3) $9,500 in the case of an individual—

''(A) who is not married and who is not a surviving spouse or head of household, or

''(B) who is a married individual filing a separate return.

''(c) ADDITIONAL STANDARD DEDUCTION.—For purposes of subsection (a), the additional standard deduction is $4,500 for each dependent (as defined in section 152) described in section 151(c)(1) for the taxable year.

''(d) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1995, each dollar amount contained in subsections (b) and (c) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1994' for 'calendar year 1992' in subparagraph (B) of such section.

''(2) ROUNDING.—If any increase determined under paragraph (1) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''

SEC. 2. INCOME TAX DEDUCTION FOR CASH CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Subsection (a) of section 170 of the Internal Revenue Code of 1986 (relating to charitable, etc., contributions and gifts) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

''(1) GENERAL RULE.—There shall be allowed as a deduction any charitable contribution (as defined in subsection (c)) not to exceed $2,500 ($1,250, in the case of a married individual filing a separate return), payment of which is made within the taxable year.'', and

(2) by striking paragraph (3).

(b) CONFORMING AMENDMENTS.—

(1) Section 170(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(3) TERMINATION OF SUBSECTION.—This subsection shall not apply to taxable years beginning after December 31, 1995.''

(2) Section 170(c) of such Code is amended by inserting ''of cash or its equivalent'' after ''means a contribution or gift''.

(3) Subsections (d) and (e) of section 170 of such Code are repealed.

(4) Section 170(f) of such Code is amended by striking paragraphs (1) through (7) and by redesignating paragraphs (8) and (9) as paragraphs (1) and (2), respectively.

(5) Subsections (h) and (i) of section 170 of such Code are repealed.

SEC. 3. LIMITATION OF HOME MORTGAGE DEDUCTION TO ACQUISITION INDEBTEDNESS.

Paragraph (3) of section 163(h) of the Internal Revenue Code of 1986 (relating to interest) is amended—

(1) by striking subparagraphs (A), (C), and (D) and inserting before subparagraph (B) the following new subparagraph:

''(A) IN GENERAL.—The term 'qualified residence interest' means any interest which is paid or accrued during the taxable year on acquisition indebtedness with respect to any qualified residence of the taxpayer. For purposes of the preceding sentence, the determination of whether any property is a qualified residence of the taxpayer shall be made as of the time the interest is accrued.'', and

(2) by striking ''$1,000,000'' each place it appears and ''$500,000'' in subparagraph (B)(ii) and inserting ''$100,000'' and ''$50,000'', respectively.

SEC. 4. MODIFICATION OF TAX ON BUSINESS ACTIVITIES.

Section 11 of the Internal Revenue Code of 1986 (relating to tax imposed on corporations) is amended to read as follows:

"SEC. 11. TAX IMPOSED ON BUSINESS ACTIVITIES.

''(a) TAX IMPOSED.—There is hereby imposed on every person engaged in a business activity a tax equal to 20 percent of the business taxable income of such person.

''(b) LIABILITY FOR TAX.—The tax imposed by this section shall be paid by the person engaged in the business activity, whether such person is an individual, partnership, corporation, or otherwise.

''(c) BUSINESS TAXABLE INCOME.—

''(1) IN GENERAL.—For purposes of this section, the term 'business taxable income' means gross active income reduced by the deductions specified in subsection (d).

''(2) GROSS ACTIVE INCOME.—For purposes of paragraph (1), the term 'gross active income' means gross income other than investment income.

''(d) DEDUCTIONS.—

''(1) IN GENERAL.—The deductions specified in this subsection are—

''(A) the cost of business inputs for the business activity,

''(B) the compensation (including contributions to qualified retirement plans but not including other fringe benefits) paid for employees performing services in such activity, and

''(C) the cost of tangible personal and real property used in such activity.

''(2) BUSINESS INPUTS.—For purposes of subparagraph (A), the term 'cost of business inputs' means—

''(A) the actual amount paid for goods, services, and materials, whether or not resold during the taxable year,

''(B) the fair market value of business inputs brought into the United States, and

''(C) the actual cost, if reasonable, of travel and entertainment expenses for business purposes.

Such term shall not include purchases of goods and services provided to employees or owners.

''(e) CARRYOVER OF EXCESS DEDUCTIONS.—

''(1) IN GENERAL.—If the aggregate deductions for any taxable year exceed the gross active income for such taxable year, the amount of the deductions specified in subsection (d) for the succeeding taxable year (determined without regard to this subsection) shall be increased by the sum of—

''(A) such excess, plus

''(B) the product of such excess and the 3-month Treasury rate for the last month of such taxable year.

''(2) 3-MONTH TREASURY RATE.—For purposes of paragraph (1), the 3-month Treasury rate is the rate determined by the Secretary based on the average market yield (during any 1-month period selected by the Secretary and ending in the calendar month in which the determination is made) on outstanding marketable obligations of the United States with remaining periods to maturity of 3 months or less.''

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1995.●

THE SENATE WITHOUT SENATOR METZENBAUM

● Mr. SIMON. Mr. President, it has been only 2 months since the retirement of our former colleague, Senator

Howard Metzenbaum of Ohio, but already it is clearly apparent that his unique role remains unfilled in this body.

None of the phrases coined to describe Howard Metzenbaum—''The People's Watchdog,'' The Tiger From Ohio—quite does justice to the real service he performed for the public and for the Republic in his duties here.

Someone of his stature, courage, and sheer persistence comes to the fore all too infrequently in public life today.

I commend to my colleagues, and to all others who care about this institution, an article written in the closing days of Howard Metzenbaum's Senate service that adds some historic perspective to his distinguished career. I ask that the article be printed in the RECORD.

The article follows:

[From the Cleveland Plain Dealer, Dec. 4, 1994]

HOWARD'S END

(By Thom Diemer)

Metzenbaum was true to form through his last days in the Senate. His leaving was like a fingernail scratching a chalkboard.

He always had a chip on his shoulder.

His pursed-lipped scowl could intimidate a trash-talking bureaucrat or unnerve an imperious Republican. He knew he had the edge, he confided to aides, once his adversary got angry.

Howard Metzenbaum was true to form through his last days in the United States Senate. He went out with neither a bang nor a whimper. His leaving was more like a fingernail scratching a chalkboard.

Some of his colleagues squirmed as Metzenbaum battled for one last lost cause. But most shrugged or grinned, saying in so many words, ''That's Howard.''

In a special lame-duck Senate session on Thursday, Metzenbaum railed against the General Agreement on Tariffs and Trade, saying it was weighted down with ''deals for big business'' and would ''shortchange American workers.'' He was one of only 13 Democrats voting against the trade pact.

His determination, fearlessness and unrelenting partisanship brought him acclaim and notoriety during 19 remarkable years as Ohio's junior senator.

''I think people know I vote in accordance with the dictates of my conscience, not with the political winds,'' he said in an interview last month. ''There are people who hate me with a passion, but when I do meet them, I laugh and kid them, and I tell them I absolutely defend their right to be wrong.''

His character was shaped by a work ethic cultivated during the Depression, a commitment to government activism personified by the New Deal, close ties with the American labor movement and an ethical grounding in Reform Judaism.

''I always worked,'' he said.

A lean upbringing in Cleveland's Glenville neighborhood fueled his resentment for a system that he saw as stacked against the little guy. Brushes with anti-Semitism opened his heart to the plights of other minorities and persecuted groups.

POPULARITY DEFIED LOGIC

Metzenbaum's national stature grew as he gained power and influence in the Senate, yet there was no mellowing. He could be vitriolic, blustery and reckless even with retirement looming at the age of 77.

He never shed his partisan image.

Political analysts puzzled for decades over the secret to his electoral success: How did an acerbic, left-wing ideologue, out of step philosophically with many of his constituents in a Republican-leaning state, become one of the most dominant public figures in Ohio history?

''There is no question that in my political career I have taken strong stands. No question some people were very unhappy with those stands,'' he said at his last Senate news conference. ''But fortunately, enough people decided they were positions of conscience or conviction and they respected me for it. Therefore, a number of them voted for me and I was able to remain in office.''

He was a curmudgeon, the last angry liberal.

In 1988, his final campaign, he vanquished Cleveland Mayor George V. Voinovich by 588,000 votes. Results strongly suggested more than 1 million Ohioans split their tickets, voting for both Metzenbaum and Republican President George Bush.

''He has been able to convert his liberalism into a populism that not only benefits people on the bottom rungs of the ladder, but also the middle class,'' Ohio State University political scientist Herb Asher once said. ''That's why he has been so successful in Ohio: Howard Metzenbaum is a fighter, and a fighter for us—the middle class.''

Ohio Senate President Stanley J. Aronoff, who helped the late Robert Taft Jr. of Cincinnati defeat Metzenbaum in Metzenbaum's first Senate bid 24 years ago, said ''voters have a propensity to like him or dislike him—very little in-between.''

''The interesting thing with Metzenbaum is that, as time went on, he was able to become comfortable even in conservative Cincinnati,'' Aronoff added. ''In some respects, even though his philosophy would be leftish, he came to be regarded as conservative.''

CONSISTENCY APPLAUDED

John C. Green, director of the University of Akron's Raymond C. Bliss Institute for Applied Politics, explained it this way: Metzenbaum, he said, had a ''tremendous knack for being right about issues people care about''—job security, pensions, workplace safety, cable television rates and a raft of consumer issues.

Conversely, his battles on Capitol Hill against the Central Intelligence Agency, multi-national corporations—or in favor of gays in the military—were of little consequence to average, working Ohioans.

''Talking to people we hear over and over again, 'I don't like Metzenbaum, I don't agree with him, but I always know where he stands and I admire him for that,' Green said. ''Although he was perhaps more liberal on many issues than Ohioans were, Sen. Metzenbaum has been remarkably consistent.''

A Republican critic, media consultant Roger J. Stone, was less generous.

''Two words,'' he said when asked to explain Metzenbaum's electoral success, ''luck and money.''

Metzenbaum's fund-raising prowess was unmatched by any other Ohio politician. He raised a record $8 million to battle Voinovich, taking from union members, Hollywood stars, the arts community and liberal-oriented interest groups. He was never shy about asking.

MENTOR AND TORMENTOR

For years, Metzenbaum was said to be hated by Republicans, unloved by his staff and disrespected by reporters, many of whom saw him as a shameless publicity-monger. There was some truth to all those observations, but Washington loves success. Metzenbaum converted many of his critics because he was effective at what he did.

Joel Johnson, his administrative assistant for most of his last term, said he had been both a ''mentor and a tormentor'' to his staff.

He was fiendish about punctuality, demanded that work be nearly perfect, and read the riot act in unsparing, colorful language when an aide let him down.

''We were all pretty tough,'' said Barry Direnfeld, a Cleveland native who started as a mailroom clerk for Metzenbaum in 1974 and later became his legislative director. ''It was a hyper place.''

At a Capitol Hill retirement party for the old tiger during the final week of the Senate session, dozens of former staffers nodded as Johnson's voice cracked as he said how proud he was to work for Metzenbaum, a tough boss who inspired loyalty.

There were no tears from the Republicans or the reporters. But they came to his party—from crusty Strom Thurmond, the one-time Dixiecrat and only senator older than Metzenbaum, to Doug Lowenstein, the journalist Metzenbaum credits for hanging the nickname ''Headline Howie'' on him. Lowenstein eventually worked as a legislative assistant for Metzenbaum.

His decision not to seek a fourth term opened the door for a Republican, Mike DeWine, who defeated Metzenbaum's son-in-law, Joel Hyatt, in the campaign for the open Senate seat in November. But Metzenbaum battled to the wire, a whirl of activity as the clock ran out on the 103rd Congress.

BASEBALL OBSESSION

He made a pest of himself trying to convince the Senate it should jump into the baseball strike, stripping the owners of their antitrust immunity so the players union could take them to court.

His contempt for the millionaire owners, passion for anti-monopoly laws and instinct for media attention drove him, even while friends like Sen. Tom Harkin of Iowa implored him to drop the issue. He seemed oblivious to the fact that the ballplayers he supported were a far cry from the blue collar trade unionists he stood up for as a labor lawyer in the 1950s and 1960s.

On Sept. 30, Metzenbaum ignored his pals' pleas and struggled in vain to get his antitrust amendment attached to another bill, But that wasn't the only item on the agenda. The same day, he fired off a letter to President Clinton, urging him to fire CIA Director James Woolsey for his handling of the Aldrich Ames spy case.

On Oct. 8, the Senate's last day of regular business, he had ''holds'' on a half-dozen bills and was threatening to block a dozen more. Sen. Carl Levin, the Michigan Democrat, said his office had forms to keep track of bills that were stalled: ''a box for Republican holds, one for Democrats, and one for Sen. Metzenbaum.''

HE DID IT HIS WAY

Howard Morton Metzenbaum was born on Chesterfield Ave. on Cleveland's East Side on June 4, 1917.

His father, Charles Metzenbaum, was a wholesale jobber who sold bankrupt stocks during the Great Depression. ''They were struggling to eke out an existence,'' he says of his father and mother, Anna. ''They were wonderful parents. I found no fault with them at all.''

No fault. That's about it. He is devoted to Shirley Metzenbaum, his wife of 48 years, but he doesn't talk much about the family he grew up with. When he does, it is with a certain detachment.

An older brother, Irwin, once ran unsuccessfully for the Ohio Senate and lives in obscurity in Cleveland. A cousin, Jimmy, served in the Ohio legislature, immediately preceding Metzenbaum, who was elected to the Ohio House in 1942. Years later an uncle,

Myron Metzenbaum, developed the ''Metzenbaum scissors,'' a surgical tool common in operating rooms.

''I cannot explain why I am the way I am,'' said a man not given to introspection. ''I cannot think of any individual who molded me.''

No teacher, no mentor, no guru. He did it on his own.

Metzenbaum hurried through Glenville High School, running track for the Tarblooders and once racing against the great Jesse Owens, then at East Tech, who left him in the dust.

And he worked.

In high school, he sold magazines and hauled groceries in a wagon to housewives at 10 cents a delivery.

He owned a car before he was old enough to drive. An older boy operated an unlicensed livery service for him, ferrying patrons to a race track. The business was short-lived. He woke up one morning, and the car, a 1926 Essex, was gone. His dad had sold it to make a mortgage payment on their home.

Worse still, he and Alva ''Ted'' Bonda, a lifelong friend and business partner, tried to sell class rings at Glenville, but their entire inventory was stolen from a school locker. ''The person we bought them from bothered us for years,'' Bonda said, laughing at the debacle. ''I think that's why Howard became a lawyer.''

At Ohio State University, he ran a bike rental business and played trombone for 50 cents an hour in a youth orchestra. During law school, he began drafting legislation for state lawmakers.

He scalped tickets and sold mums outside Buckeye football games and hit the road from time to time with a carload of consumer items. Driving through towns like Findley and Fremont, Metzenbaum and partners sold shopkeepers razor blades, toiletries, pencils, and—yes, the old rumor is true—condoms.

''The police would hassle you, because condoms at that point were sort of something dirty or smutty,'' he recalled.

LEFTWARD TILT BEGINS

War broke out in Europe. Metzenbaum, despite his allegiance to Franklin D. Roosevelt, initially questioned U.S. involvement. He was embarking on a dangerous flirtation with the far left—associations that would haunt him throughout his career.

Metzenbaum said he conducted himself in a way that no one ever thought or suggested he was a communist—''Well, I won't say nobody.''

Some did regard him as a fellow traveler. He had been a member of the National Lawyers Guild and a co-founder of the Ohio School of Social Sciences—organizations regarded as communist fronts by red-hunters of the 1940s and 1950s.

Metzenbaum was red-baited in the 1970 campaign against Taft, and again in 1987 when an old rival sprang to his defense. A briefing paper urged GOP candidates to use his past connections to brand Metzenbaum a ''communist sympathizer.'' Sen. John Glenn, Ohio Democrat, a bitter foe of Metzenbaum in the Democratic primaries of 1970 and 1974, was among the first to denounce the paper, material prepared by the National Republican Senate Campaign Committee.

The material was scrapped, but the irony couldn't be missed: Metzenbaum, for all his left-wing leanings, is a capitalist of the first order.

He started out as a tax consultant when he found the prestigious law firms were not hiring ''nice young Jewish lawyers,'' as he put it in a 1988 Plain Dealer Sunday Magazine article.

He jumped into politics in 1942, right after law school, serving first in the Ohio House, then in the Ohio Senate where he sponsored a groundbreaking fair-employment act.

He remained in Columbus until 1950, leaving after he lost a bid to become majority leader. He suspects anti-Semitism was to blame; he can still tick off the names of the five state senators who turned against him.

BUSINESS BLOSSOMS

After the war, he and Bonda and a third partner, Sidney Moss, got interested in the rental car business, but soon realized there was more money to be made in airport parking lots. At the time, airports were still on the order of tourist attractions. Most travelers used trains or buses.

''There was no organized parking at airports,'' Bonda said, ''it was just free parking.''

Not for long. APCOA—Airport Parking Co. of America—made them millions of dollars, branching out with well-lighted, guarded lots at dozens of airports. The partners sold APCOA to ITT in 1966 for an estimated $6 million.

It was the first of many profitable ventures for Metzenbaum and Bonda, including the suburban Sun Newspapers, and part-ownership in the Cleveland Indians. Some enterprises used union labor; others kept unions out.

Metzenbaum married, reared four daughters and kept his finger in politics and the labor movement. He served as counsel to the Ohio AFL–CIO.

He marched in Selma with Martin Luther King Jr. and Viola Liuzzo.

In 1958, he managed the campaign of the cantankerous Stephen M. Young to a stunning upset victory over Sen. John Bricker, a diehard Republican conservative. Six years later, he helped Young win again, this time over Robert Taft Jr.

GOING FOR THE BIG TIME

By 1970, Metzenbaum, his fortune made, his family secure, decided to re-enter politics. All he had to do was defeat a national hero—astronaunt John Glenn, who was also seeking the Democratic Senate nomination.

That race was recalled at his farewell bash in October as a number of old friends wore buttons from that campaign, proclaiming, ''I'm a Metz fan.''

Little known outside the Cleveland area, he ran a brilliant campaign against the overconfident Glenn. He used television advertising extensively—a pioneering effort by Ohio standards—and emphasized bread-and-butter issues.

Organized labor closed ranks behind him. The young consumer movement embraced him. He even capitalized on the success of the miracle New York Mets, using the ''Metz fan'' slogan.

He upset Glenn but lost to Taft in the general election. Four years later when William Saxbe gave up Ohio's other Senate seat to become attorney general, Gov. John J. Gilligan, at the urging of union leaders, named Metzenbaum to the open seat.

Glenn was furious and immediately challenged Metzenbaum in the bar-knuckled 1974 Senate Democratic primary—the Civil War of Ohio politics.

It was a low point for Metzenbaum, one of many in his mercurial career.

When Metzenbaum suggested that ''Col. Glenn,'' a Marine career officer, had never held a real job, Glenn unloaded on him:

''Go with me and tell a Gold Star mother her son didn't hold a job. Go with me to Arlington National Cemetery. . . .'' He lectured his opponent, who, because of substandard eyesight, had never served in the military.

Glenn won. Metzenbaum had to wait until 1976, when he finally unseated Taft in what was almost certainly his last chance to win a big one.

But the feud with Glenn lasted for years. The two men hardly spoke during Metzenbaum's first term. Glenn refused to expressly endorse him for re-election in 1982.

They reconciled at mid-decade, and worked well together when Democrats recaptured the Senate majority in 1986.

''I've been waiting 20 years to say this,'' Glenn said at Metzenbaum's goodbye party, ''come January of 1995, I'll be the only one of us who has a job.''

THE METZENBAUM STYLE

Metzenbaum's big mouth and perpetual wheeling and dealing got him in trouble.

In 1974, 22 Republican senators voted not to seat the freshman Metzenbaum because of his dispute with the Internal Revenue Service over a five-year-old tax liability. The millionaire entrepreneur hadn't paid any federal income taxes in 1969.

''That didn't bother me,'' he said. ''I stood there in back and I said, 'Incredible. Howard Metzenbaum's the subject of a Senate debate. Isn't that great?'

Metzenbaum was embarrassed by the revelation in 1983 that he accepted a $250,000 ''finders fee'' for putting together a seller and buyer for the elegant Hay-Adams Hotel, a block from the White House. Insisting all the while he had done nothing wrong, he eventually gave back the fee, with interest.

He called his clumsy performance in the Anita Hill-Clarence Thomas hearings in 1991 a ''low point'' in his political career. Charges that one of his staffers had leaked Hill's sexual harassment allegations to the media knocked him off balance.

Foreign affairs were not his forte. He once called for the assassination of Libyan dictator Moammar Gadhafy—and he praised Iraq's Saddam Hussein as a potential peacemaker, before the Persian Gulf war.

A lifelong opponent of capital punishment, he disappointed many of his closest supporters in 1987 when, with re-election coming up the next year, he backed the death penalty for drug kingpins in federal cases.

''In retrospect,'' he said recently, ''I am not positive whether there was some rationalization about that decision or not.''

He rarely had doubts about which course to take. He didn't hesitate in opposing a popular constitutional amendment banning desecration of the American flag, for instance.

But he almost voted for the Gramm-Rudman deficit reduction plan—wrestling free from a panicked aide trying to stop him—and the advocacy of his close friend Sen. Paul Simon sorely tempted him to back a balanced budget law.

Pernnial roadblock

Despite a productive third term, Metzenbaum will be most remembered for what he stopped, rather than what he pushed through the legislative maze. He was a master of the filibuster and an upsetter of the pork barrel. He had a Holmesian knack for finding the mischievous language hidden in legislation.

''The first major decision that Howard made was a break with a new president and filibuster on decontrol of natural gas prices,'' Direnfeld said, recalling the senator's battle with President Carter in 1977. He said Metzenbaum's attitude was, ''I will do whatever it takes.''

Metzenbaum lost and later had to admit deregulation didn't cause the price explosion he feared.

As he said in announcing his retirement last summer, ''I've won my share of battles and fought my share of lost causes.''

He was so proficient at weeding out waste, extravagance and special interest projects that the Washington Post headlined a 1982 news story: ''Thank God for Metzenbaum!''

He stopped the free transfer of a federal railroad to Alaska, exposed a timber industry giveaway in the same state and shut down a multi-billion tax break for the oil industry—to name a few battles won.

It was often said he saved taxpayers billions, yet he frequently appeared on ''big spender'' lists put out by conservative groups targeting lawmakers enamored of social spending and redistribution-of-wealth tax policies.

He frequently got knocked down. He failed to bar companies from replacing strikers with permanent new hires; had little success in his war against the insurance industry, often fell short in bids to deny antitrust exemptions to various concerns, including baseball.

''Howard Metzenbaum seemed to go out of his way to antagonize business,'' said Jack Reimers, immediate past president of the Ohio Chamber of Commerce, recalling Metzenbaum's Ohio Senate days. ''He was the opitome of the anti-business politician—he thrived, savored and sought to be viewed that way.''

He infuriated colleagues too, making lasting enemies who waited for chances to torpedo his bills. ''One man's pork is another man's building project,'' noted one former House member.

Rep. David L. Hobson, a Springfield Republican respected on both sides of the aisle, said the senator from his home state never opened a line of communication with him.

''We don't have any contract with Metzenbaum—none,'' said Hobson. ''You know what people say to me? 'That's Howard.'

CHAMPION OF CAUSES

When he joined the Senate majority in 1987, Metzenbaum was determined to show he could legislate constructively. He compiled a solid if unspectacular record of accomplishment.

The Ohioan passed legislation forcing companies to give workers 60 days notice of a plant shutdown, ordering the food industry to put nutrition labels on its products, and making bankrupt companies honor their pension commitments.

He was a burr under the saddle of the National Rifle Association. He sponsored the Brady handgun waiting-period law and cosponsored the assault weapons ban. He led the successful fights to ban armor-piercing bullets and guns that cannot be identified by airport metal detectors.

He wrote the key age discrimination law and was co-sponsor of the Civil Rights Act of 1991. He was one of Israel's best friends on Capitol Hill and a consistent voice for organized labor.

Sen. Ernest Hollings, a South Carolina Democrat, angered by Metzenbaum's interruptions during a debate, once referred to him as ''the senator from B'nai B'rith.''

He championed laws for the smallest of constituencies. He provided incentives for drug manufacturers to develop ''orphan drugs'' for treatment of rare diseases. Typical of Metzenbaum, when he discovered some of the drug firms were reaping big profits, he tried to trim back the incentives.

He won breakthrough federal funding for Alzheimer's research, watched out for migrant workers, and was always protective of America's children. One of the last bills he got enacted—and one of his proudest achievements—will make it easier for couples to adopt a child from a different race.

His dedication to the wellbeing of children, his adoration of Shirley, his delight in his grandchildren—that was his softer side.

''He is not the same man who came here 19 years ago. He had a chip on his shoulder. He was demanding and impatient and wanted to accomplish a lot,'' said Johnson. ''He changed. He grew and matured.''

BACK TO THE FUTURE

To this day, he thinks he could have defied the Republican landslide and won re-election this year, had he chosen to run again. But even in semi-retirement, as president of the Consumer Federation of America, he will be in the face of the business interests he fought for years.

Take one last look at his Senate office in the Russell Building on Capitol Hill. It is a revelation, nothing less than a small gallery of contemporary art.

Instead of the tiresome grip-and-grin photos with presidents and other luminaries, the works of Red Grooms, Robert Rauschenberg and Frank Stella—all Metzenbaum intimates—are on display.

He and Shirley nurtured the artistic communities in Washington and Cleveland.

His instincts for good art, a good deal, and good politics seldom failed him.

He was prescient in his maiden Senate speech. On April 10, 1974, he scolded his new colleagues for their leisurely pace—for running an ''elephantine government that moves clumsily to set policy by reacting to crisis.''

''The people pay a terrible price,'' he said. ''No wonder the people are angry—they have a right to be.''●

CORRECTION

● Mrs. HUTCHISON. Mr. President, yesterday while introducing the letter from Col. William Barrett Travis, I read from the wrong notes and misstated the date of the Texans' victory at San Jacinto. March 2 is the birthday of Sam Houston, the anniversary of the signing of the Texas Declaration of Independence, and the day we honor as the birthday of our State. Of course, the victory at San Jacinto occurred the following month on April 21, 1836.●

TEMPLE EMANU-EL

● Mr. MOYNIHAN. Mr. President, this spring Temple Emanu-El in New York City celebrates its sesquicentennial. This vibrant house of worship is both the largest Jewish congregation in the world and the fountainhead of America Reform Judaism.

Dr. Ronald Sobel, Temple Emanu-El's distinguished senior rabbi, has prepared a brief history of this dynamic temple which I believe will be of great interest to Members of the Senate. I ask that this history of Temple Emanu-El be printed in the RECORD.

The history follows:

THE CONGREGATION: A HISTORICAL PERSPECTIVE

(By Dr. Ronald B. Sobel, Senior Rabbi)

The Jewish historical experience is inextricably interwoven with the history of Western civilization. It is the story of a minority interacting reciprocally with large complex societies and cultures. Therefore, unlike the history of any other people or civilization, the historical experience of the Jewish people cannot be viewed or analyzed in isolation. In this respect there are no historical analogs.

From the dawn of civilization in the ancient Near East to the post-industrial era of our own time, Jews have been a part of and remained apart from each circumstance encountered in history. They have created responsive forms appropriate to the cultures and societies in which they have lived throughout the globe for almost four thousand years. The Jewish people became experts in creative adaptation.

However, there was and remains a single constant amid the bewildering responses to changing historical circumstances. The constant is a concept of unity, the affirmation that God is One and omnipotent. Commitment to this idea of oneness in nature and human nature did not breed repetitive conformity century after century, but rather produced creative diversity generation after generation. The concept of God's unity allowed the Jewish people to live, survive, and create amid changing historical realities; the concept of unity allowed for the diversity necessary for survival. It was and remains the mortar with which the Jewish people have built their many houses among many peoples.

The process of Jewish adaptation to the society and culture of the United States has been defined within the broader phenomenon known as ''Americanization.'' It was a complex process and the many methodologies employed reflect the diversities of Jewish life. The Jews who came to the United States as immigrants defined their destiny as inseparably bound to the well-being of all Americans. They became passionate advocates of the American experiment in democracy.

Though the first Jews to arrive on these shores came as early as 1654, it was not until the mid-nineteenth century that sufficient numbers of Jewish immigrants were present to allow the forms and shapes of Americanization to emerge. It was during that time that Temple Emanu-El was founded. The Jews who established Emanu-El, and those who joined their ranks during the first decades of the Congregation's existence, were immigrants from Germany who sought to reorient themselves by adapting their individual lives and collective institutions to the new environment of American civilization. The congregation they created and the lifestyles they fashioned were only the most recent chapter in a long history of creative adaptation; what they accomplished was nothing new in the Jewish historical experience.

From the very beginning the United States provided a polity in which the freest Jewish community the world has ever known was able to develop and grow. It was, and remains, within this unique experiment in democracy that Temple Emanu-El originated and subsequently flowered to world prominence.

It is useful to understand the nature of Western European immigration to the United States in the nineteenth century in general, and German Jewish immigration in particular, to grasp fully the origins of Temple Emanu-El. The conservative reactions that dominated Europe following the final defeat of Napoleon created a climate wherein many of the dreams set in motion by the Emancipation and the French Revolution were considerably constrained. The climate of rigid conservatism inhibited liberal growth in religion, in politics, and in the social sphere. After unsuccessful attempts to change that conservative trend, many liberals, finding no future in Europe, turned to America. They came to these shores with the hope and dream that in this land the preciousness of personality would be cherished and the dignity of individuality honored. Among those who came from Western Europe in the late 1830s were the men and women who would soon found Temple Emanu-El.

In September 1884, a ''cultus verein'' (cultural society) was established on New York's

Lower East Side, and it was out of that cultural society that Emanu-El had its origins. In April 1845, thirty-three members of the society decided to establish a Reform congregation.

They were not particularly conversant with Reform Judaism and were only vaguely aware of its origins in their native Germany. Seeking advice, they wrote first to Congregation Beth Elohim in Charleston, South Carolina, which in 1824 was the first Reform congregation established in the United States; they also wrote to the leaders of the Har Sinai Congregation in Baltimore, Reform Judaism's second congregation in America, which was founded in 1843. They received some responses and proceeded to establish their own congregation, which they called Temple Emanu-El.

When they banded together as a religious community it was simultaneously the first in New York to be established as a Reform congregation and the third such Liberal congregation in America. It is of some interest to note that the use of the word ''Emanu-El'' as the name of a congregation is the first time in history that we know of that a Jewish congregation adopted this word as a designation. By choosing ''Emanu-El,'' which means ''God is with us,'' the founders were not doubt reflecting their hopes that God would be with them as they came to this new land, and as they put down their roots here.

Their spiritual hopes knew no bounds, but their material resources were limited. Thus the first place of worship was a rented room on the second floor of a private dwelling at the corner of Grand and Clinton streets. The records indicate that at the organizing meeting in 1845, the men present contributed a total of less than thirty dollars, and with that modest sum began the Congregation. The founders quickly outgrew that rented room, and in 1848 they moved to Chrystie Street, a few blocks west of their original location. The Congregation was still limited by its financial resources and did not possess the means to erect its own synagogue. By necessity, therefore, they purchased an existant building, which had previously been used as a methodist church, and with some changes transformed it for Jewish worship and communal meetings.

In the first few years, Temple Emanu-El's growth, through not dramatic, was steady, and the members remained modest of means. Yet there was sufficient development that by 1854 the Congregation felt the need to move again, this time northwest to Twelfth Street near Fourth Avenue. As the general population in Manhattan was moving uptown so too was the Jewish population, and thus inevitably the members of Emanu-El as well. Again unable to build on their own, they bought a structure that had been a Baptist church and refurbished it as a synagogue. However, their dreams of building a great temple were neither to be denied nor postponed to some distant future. In 1868, three years after the conclusion of the Civil War and twenty-three years after the final meeting of the ''cultus verein,'' the members of Congregation Emanu-El were in a position to erect an imposing sanctuary at the northeast corner of Fifth Avenue and Forty-third Street, which a critic of the time described as ''the finest example of Moorish architecture in the Western world.'' That religious home was to remain the Congregation's place of worship until the latter part of 1927, when construction of the present edifice began.

It is remarkable that within a span shorter than twenty-five years the Congregation that had begun with so few in number and so little in material means was able to erect a building that was judged an architectural wonder not only by the Jewish world but also by the people of the city of New York. The first quarter century of the Congregation's history may be viewed as a microcosm of the success of the Western European immigrant in general, and of the German Jewish immigrant in particular.

The first rabbi to serve Temple Emanu-El was Dr. Leo Merzbacher. Little is known about him, but it seems probable that he was the first ordained rabbi to serve a congregation in New York. Dr. Merzbacher led the Congregation in its earliest encounters with Reform Jewish philosophy and practice and authored one of the first Reform prayer books in America. Following his death in 1856, he was succeeded by Dr. Samuel Adler, who by that time had already achieved a reputation as one of the great philosophical and theological leaders of the Reform movement in Germany. The first three decades of the Congregation's history were thus marked by significant radical reforms in liturgy, theology, and practice. But after 1875, having achieved great eminence, the Congregation tended to become somewhat more conservative. Innovations, ritual changes, and prayer book adaptations thereafter came slowly. Dr. Adler preached in German, as had Dr. Merzbacher before him, and that language adequately served the needs of the first generation of Temple Emanu-El's members. However, it did not serve the needs of the founders' children, whose principal language was English, and thus it was inevitable that this second generation expressed a desire for an English-speaking preacher. That need was satisfied with the election of Emanu-El's third rabbi, Dr. Gustav Gottheil. Although born in Germany, Dr. Gottheil was fluent in English, having served a Liberal congregation in Manchester, England.

It is not without significance that Emanu-El's first three rabbis were trained in Europe, a circumstance necessitated by the fact that the American Jewish community had not yet been able to establish a successful rabbinic seminary. (However, it was not long thereafter that the need for such an institution was satisfied, two years following Gottheil's arrival in New York, Isaac Mayer Wise created the Hebrew Union College in Cincinnati.) Dr. Gottheil served the congregation until 1900 and advanced the cause of Reform Jewish life in several important ways: he was an innovator in liturgy, particularly by his authorship of a hymnbook, and he was one of the earliest rabbis in the United States to consciously reach out to the Christian community, and his rabbinate witnessed the beginnings of the interfaith movement. Better understanding between Christians and Jews has been an important element in the experience of the American Jewish community, and it significantly began at Temple Emanu-El. Dr. Joseph Silverman, who joined the rabbinic staff in 1888 as Dr. Gottheil's assistant, was the first American-born rabbi to serve in New York and was a member of the second graduating class of Hebrew Union College.

In 1895, amid great joy and elaborate ceremony, the Congregation celebrated the fiftieth anniversary of its founding. On that occasion the city's most prominent rabbis, Christian clergyman, educators, and political figures were present. Their participation and the wide press coverage reporting the Golden Jubilee celebration reflected the enormous growth of Temple Emanu-El. A congregation that had begun so humbly on the Lower East Side was now, a half century later, being recognized as among the most important religious institutions in the city.

Gottheil's successor was Dr. Judah Leon Magnes, who was also American born and a graduate of Hebrew Union College. Magnes was an active member of the nascent Zionist movement and also played an important role in bridging the cultural diversities that separated the Jewish community of German origin from those who had emigrated from Eastern Europe. Magnes remained at Emanu-El only a few years and later became the first president of Hebrew University in Jerusalem. In 1912, the Congregation called the scholarly Dr. Hyman G. Enelow to the pulpit. His contributions to higher Jewish learning were profound, and his writings are still studied by scholars all over the world.

When Temple Emanu-El was founded in 1845 there were approximately fifteen thousand Jews in the United States. Thirty-five years later that number had grown to a quarter of a million. In 1881, following the assassination of Czar Alexander II, dread pogroms were unleashed throughout most of Eastern Europe, and with them a great wave of immigration to America began as Jews fled from physical persecution, political oppression, and economic hardship. During the next forty years the Jewish population in the United States increased by an additional two-and-a-half-million men, women, and children.

Recognizing their responsibilities by remaining receptive to a centuries-old Jewish tradition that held that one must ''aid the poor, care for the sick, teach the ignorant, and extend a helping hand to those who have lost their way in the world,'' the members and leaders of Temple Emanu-El responded generously and creatively to the profound poverty of their Jewish brethren who had emigrated to New York from Eastern Europe during this forty-year period. The wealth and talent of the uptown German Jews who worshiped at Emanu-El were generously bestowed upon the newly arrived Russian Jews. (However, even prior to this period of massive immigration, the Congregation had established its own tradition of philanthropic largesse.)

Although the members of Temple Emanu-El may have felt a sense of noblesse oblige in the performance of their charitable activities, and perhaps their efforts were largely directed toward Americanizing their ''poor cousins'' in order to reinforce their own standing in society, nevertheless what they and other German Jews in America did was nothing short of creating private institutions of philanthropy and education such as no community, Jewish or non-Jewish, had ever done before in history. The Temple and its leaders set an example to a world willing to learn about caring, and that caring including concern for non-Jews as well as Jews.

In 1920, the Congregation celebrated its seventy-fifth anniversary, again with great joy, but this time combined with a thanksgiving celebrating the recent American victory at the end of World War I. The fact that the United States had been at war with Germany caused somewhat of an identity crisis for many Americans of German origin, including some members of Temple Emanu-El. (There were also ambivalent feelings compounded by the fact that Russia, which had been our ally in the war, was the country that, during the previous four decades, was responsible for inflicting such horrible brutality upon the Jewish people.) However, the war was over, the Allies were victorious, and Emanu-El celebrated its anniversary in an exaltation of freedom.

By the beginning of the third decade of the twentieth century those Jews who had more recently arrived from Eastern Europe were beginning to settle into American life, to define themselves, and to make their own place in their new land of freedom. Less and less were they in need of the kind of assistance they had received for so long from the German Jews. And thus Emanu-El and its membership were now able to begin to address

their own inner needs. In the 1920s a call for spiritual renewal went forth from the pulpit, and what followed was the establishment of many of the auxiliary organizations and activities that continue to this day to give so much vitality and meaning to the Congregation's programs and activities. It is also of interest to note that by the early 1920s some Eastern Europeans were beginning to join the Temple. A generation later, by the conclusion of World War II, the majority of the Congregation's members were men and women who traced their ancestry to either parents or grandparents of Eastern European rather than Western European origin.

In 1868, when the Congregation dedicated its Temple, Forty-third Street and Fifth Avenue was at the center of the most elegant residential section of the city. However, by the mid-1920s that part of Fifth Avenue and its surrounding streets had undergone a radical transformation. What had been for so long quietly residential had now become noisily commercial, so much so that on Saturday mornings worshipers found it difficult to pray over the cacophony coming from the adjacent streets. Furthermore, until the early 1900s the majority of the Congregation's members lived in the immediate vicinity of the Temple, but by the 1920s the overwhelming majority were residing much farther north, on the Upper West Side as well as the Upper East Side. While the old building at Forty-third Street remained architecturally beautiful, it had serious functional problems. The student body in the Religious School was growing in size, and the classrooms were inadequate. There were insufficient meeting rooms to house the expanding programs of the Temple. Following several years of debate and consideration, the Congregation, upon the recommendation of its respected president, Louis Marshall, purchased property on the northeast corner of Fifth Avenue and Sixty-fifth Street. A better location could not have been chosen. The assumption was then, and the reality today remains, that so long as there is a Central Park, this part of Fifth Avenue would be exclusively residential in character.

It was also in the late twenties that the second most influential Reform congregation in New York, Temple Beth-El (House of God) consolidated with Emanu-El. Possessor of its own distinguished history, Temple Beth-El had been established in 1874 through the amalgamation of two earlier congregations, Anshe Chesed (Men of Mercy) and Adas Jeshurun (Congregation of Israel). Its first rabbi was Dr. David Einhorn, one of the most important architects of nineteenth-century Reform Jewish thought. He was succeeded by the equally brilliant theologian Dr. Kaufmann Kohler, who left the pulpit of Beth-El in 1903 to become president of Hebrew Union College in Cincinnati.

The newly merged congregations combined rabbinic resources as well as lay brilliance into one new great Congregation. The people of Emanu-El left Forty-third Street in 1927, and during the years that it took to erect the new building, they worshiped at the handsome Temple Beth-El, which stood at Fifth Avenue and Seventy-sixth Street.

The first religious service at the new Temple at Fifth Avenue and Sixty-fifth Street was conducted in September 1929; sadly, that gathering was occasioned by the death of Louis Marshall, the man who perhaps more than any other was responsible for the building of the great new Temple. A few weeks later, services for Rosh Hashanah and Yom Kippur were conducted. How fortuitous it was that the members of the Congregation decided to build and create this magnificent Temple when they did, for had they delayed, for whatever reason, in all probability this gloriously magnificent edifice that now stands as Temple Emanu-El would probably never have been built. In the latter part of October 1929 the stock market crashed, and the Great Depression began.

The Temple was formally dedicated in January 1930 in a ceremony presided over by the rabbis of the Congregation: the great orator Dr. Hathan Krass, who had come to Temple Emanu-El in 1923; Dr. Hyman G. Enelow, the gentle scholar who had been with the Congregation since 1912; and the equally brilliant scholar Dr. Samuel Schulman, who had been Senior Rabbi of Temple Beth-El. The newly elected President of the Congregation was the Honorable Irving Lehman, Judge of the New York State Court of Appeals (and Chief Judge from 1940 onward), whose family had been affiliated with the Congregation since the 1870s.

Sharply contrasting moods characterized the decade and a half that rounded out Temple Emanu-El's first hundred years. On April 4, 1945, the Congregation entered the majestic Sanctuary for a Service of Rededication, climaxing seven months of Centenary Celebration. It was a decade and a half that began with hope and ended with promise, while the interval was filled with crisis and horror, sorrow and tragedy, such as the human family had never before endured. The Jewish people, schooled in centuries of persecution, were made the victims of an ancient hatred welded to modern technology, and by the time Nazism was finally destroyed by the Allied victory, the virtual annihilation of European Jewry had come to pass. The fortunate few who escaped to America were welcomed to Temple Emanu-El with the same attention and devotion shown by an earlier generation to those who had fled the tyranny of Czarist Russia.

As a result of the economic catastrophe precipitated by the Depression, the membership of the Congregation was significantly diminished. However, to the credit of the Broad and the congregants of Emanu-El, in the face of burdensome debt they wholeheartedly assumed social responsibility for those beyond the precincts of the Temple. Both to the needs of the refugees from Hitlerism and the call for patriotic service during the war, Temple Emanu-El's men and women responded generously and willingly. In both areas they established and maintained programs of excellence.

During 1934 Rabbis Enelow, Krass, and Schulman retired, and Dr. Samuel H. Goldenson was selected as their successor. A gentle man, and a champion of Classical Reform, Dr. Goldenson brought to the rabbinate of Emanu-El a spirit of saintliness. Two years previously, in 1932, the ministry of Dr. Nathan A. Perilman had begun; he came to the Congregation with the expectation of staying only six months, but remained for forty-one-and-a-half years, making his rabbinate the longest active service in the Congregation's history. Upon the retirement of Dr. Goldenson in 1948, Dr. Julius Mark was elected the Temple's Senior Rabbi. Dr. Mark had won wide recognition for the important role that he played as a Navy Chaplain during World War II. At the time of Dr. Mark's election, Dr. Perilman was made Rabbi of the Congregation.

The years following World War II saw an enormous growth in the Temple's membership. The 1950s were characterized by an age of significant revival in religious institutions, and the Congregation grew wondrously as America was able again to settle down to a peacetime environment. New programs were introduced, old programs were revitalized, and adult-education offerings were significantly expanded. After twenty distinguished years, Dr. Mark retired in 1968 and was succeeded as Senior Rabbi by Dr. Perilman, who remained with the Congregation for an additional five-and-a-half years, retiring at the end of 1973.

Dr. Perilman was then succeeded by Dr. Ronald B. Sobel, who had come to Temple Emanu-El as Assistant Rabbi immediately following his ordination at Hebrew Union College in 1962. When elected Senior Rabbi at the end of 1973, Dr. Sobel was the youngest spiritual leader ever elected by the Congregation. Today he is assisted by two longtime associates, Rabbi David M. Posner and Rabbi Richard S. Chapin.

The 1970s and the 1980s have continued to witness further growth in the Congregation, so much so that today Temple Emanu-El is world Jewry's most prominent house of worship. Physically it is the largest Jewish synagogue in the world, and the size of its membership also makes it the largest Reform congregation in the world. Innovative programs continue to be introduced and older programs are expanded as the members of the Congregation reach out more and more to the Jewish world in New York and beyond and to the other communities of which we are a part.

The past is always prelude to the present, the present forever a preparation for the future. In 1995 the Congregation will celebrate its one hundred fiftieth anniversary. We have every expectation and hope that Emanu-El will continue to be a beacon and a pride to world Jewry.

Although much has changed in the near century and a half since the Congregation was founded at Grand and Clinton streets, the members of Temple Emanu-El continue to be fundamentally committed to a faith that proclaims:

First, instead of one fixed and changeless revelation from God to Moses at Sinai, the Jewish people have been heir to a progressive revelation, which continues throughout history in the discoveries of science and in the insights of wise, sensitive human souls. The Bible and Talmud are valuable permanent records of earlier and decisive stages in this process. But, since revelation comes from God through human beings, all the documents of revelation are a mixture of the divine and the human, the eternally valid as well as the temporary and transient. Judasiam is a living, growing way of life, evolving gradually from earlier and more primitive forms to the full flowering of its universal spiritual message.

Second, central and changeless is the belief in the one and holy God, who is to be served through righteousness and mercy. God's law is basically ethical. Ritual and ceremony, as the prophets declared long ago, are not the essence of religion. Moreover, historical study reveals that ceremonial practice has been constantly subject to change. Indeed, ritual is not without value; it is a means of making religious truth more vivid and inspiring to the worshiper. But the forms are not sacrosanct. If they fail to instruct and uplift those who practice them, they may be modified or discarded.

Third, the universal ethical aspect of Judaism must forever remain primary in the consciousness of the Jewish people. Therefore, the members of Temple Emanu-El do not hope for the coming of a personal Messiah to usher in a period of national restoration, but rather look forward with anticipation to a universal messianic era for all humanity. Neither the establishment of a nation-state in the ancient homeland, nor the restoration of the Jerusalem Temple, nor the reinstitution of the sacrificial cult are necessary prerequisites for the realization of the messianic dream. Thus, we believe that Jews are, and should remain, citizens of the various nations in which they live.

Fourth, the survival of the Jewish people as a religious group is a sacred and urgent obligation. The Jewish people have a mission to humankind, a mission ordained of God and proclaimed by the prophets of ancient Israel. This mission requires that the people born in, or adopted into, the Covenant of Abraham must persuade humankind through teaching and example that the One and Only God can be worshiped in holiness only as His children serve each other in love. To acknowledge God's unity requires obedience to, and reverence for, His ethical mandates and moral imperatives. The mission of Israel will not have been fulfilled until righteousness and peace prevail everywhere for everyone. Until that great messianic fulfillment, the Jewish people must survive as a ''kingdom of priests'' dedicated to the service of God and humanity.

These were the principles of faith proclaimed by the founders of Congregation Emanu-El in 1845; they remain the principles to which this generation of Temple Emanu-El constantly rededicates itself.

The story of Temple Emanu-El is the history of successful Americanization. From 1845 to the present the members of the Congregation have authorized a new chapter in the chronicle of Jewish creative adaptation. Their lives have served as an enviable model of what the Jew could strive to become, and continue to be, in the United States.●

BOB SAMPSON TURNS 70

● Mr. SIMON. Mr. President, I want to take this opportunity to congratulate my friend Robert Sampson, of Arlington Heights, IL, on the occasion of his 70th birthday, Saturday, March 4. He is a truly remarkable person, whom I admire and respect.

Bob Sampson has been an inspiration to many Americans. He has muscular dystrophy, which has caused him to be in a wheelchair since he was 9 years old. He lost his college scholarship when the school he was to attend found out he was disabled. Undaunted, he went on to college and law school and became a successful attorney for the city of Chicago. He then joined United Airlines, where he rose to be a senior vice president.

As a successful member of the business community, Bob could have chosen to stay out of the struggles surrounding disability issues. Instead, he has been unselfish in his drive to help other people with disabilities gain access to buildings and equal employment opportunities. He was one of President Carter's first appointments to the U.S. Architectural Transportation Barriers Compliance Board, after having served as the Vice Chairman of the President's Committee on Employment of the Handicapped. A long-term member of the board of directors of the Muscular Dystrophy Association, Jerry Lewis' ''big kid,'' he has told his personal story to millions of people to raise money to find a cure for muscular dystrophy. He has never forgotten his roots.

Bob Sampson has been a role model for all of us, teaching that disability is not inability. I join his wife Jean, his children—Patty, Rob, and Kathy—his grandchildren, and his many friends in wishing him a very happy birthday, and many more.●

TRIBUTE TO VENICE HIGH SCHOOL BAND

● Mr. GRAHAM. Mr. President, I rise today to commend a group of young people from Venice High School for honoring our veterans. On November 11, 1994, the Venice Area Veterans Council presented a special salute to Korea veterans during a Veterans Day ceremony. The Venice High School Band, under the direction of John Lapato, performed the ''Korea Veterans March'' composed by Charles Gabriele. Marilyn Sexton was the vocalist. The band included Renee Arata, Mary Baker, Katy Banks, Leeann Bennett, Heather Bibbee, Jennifer Britton, Colleen Buckley, Joshua Burgett, Buddy Corbin, Amanda Coronado, Neejay Cowan, Kevin Crissman, J.B. Dewitt, Erika Fauser, Kelly Feldhouse, Natalie Fleming, Robert Fuller, Kevin Gifford, Brook Greene, John Greenwald, Chris Haines, Eric Hill, Shane Hobbs, Loyom Khan, Aimee Kervin, Stephanie Klinge, Christina Magero, Renee McGoogan, Tim Milligan, Scott Moudy, Emile Paradiso, Ryan Persky, Jeanne Piehl, Michelle Poirier, Chris Ryon, Eric Ryon, Kelly Shetterly, C. Siller, Laura Suffoletto, Grady Smith, James Taylor, Cortnie Thornberger, Melissa Thorley, and Debby Whisler.

I applaud these young Americans for honoring our Korea veterans with their time and talents. It was a memorable event for all those involved.●

THE TOP QUARK

● Mr. SIMON. Mr. President, last May scientists at Fermi Laboratory in Batavia, IL found the first direct evidence of the top quark, the sixth and last component of a standard model of matter that explains the relationships between subatomic particles. This week, teams at Fermi Laboratory announced that they have confirmed evidence of the particle, leaving no doubt about its existence.

I want to congratulate them on their accomplishment. And, I want to add that basic science research in this country, like that which goes on at Fermi Laboratory in Illinois, Brookhaven in New York, and Stanford in California, contributes greatly to our understanding of basic science and provides vision and hope to thousands of curious students and researchers who are pursuing a future in the sciences.

The President in his fiscal year 1996 budget proposed adding $100 million above the 1995 level to enhance the work going on at our major DOE-operated basic research facilities. I support this initiative. The United States currently leads the world in particle physics research. Without a continued investment in our DOE laboratories, our scientists will find themselves uninvolved and disadvantaged in what's becoming a worldwide community of basic science research.

For nearly a decade, the superconductor super collider was the centerpiece of the Nation's basic science program. While I fully supported the project and opposed its termination, the project's expense sacrificed valuable resources going to other worthy laboratories, like Fermi lab in Illinois. With the cancellation of the SSC, we gutted our high-energy physics research budget and threatened to send a message to the world that we no longer were willing to invest in high energy physics research.

We now have the opportunity to make effective use of our current facilities and to remain important contributors to a world-wide effort. With the leadership of Senator BENNETT JOHNSTON and President Clinton, we are once again investing in the research capabilities at Fermi lab and other leading laboratories, and as evidenced by the resent discovery of the top quark, we continue to be world leaders in this area.

The United States has tremendous potential to lead the way in scientific research in the next decade, but only with sufficient funding. I applaud the President for his leadership in this important area.●

EXECUTIVE CALENDAR

Mr. HELMS. Mr. President, I am proceeding with the Executive Calendar. It goes without saying that what I am about to refer to has been cleared with the other side.

As in executive session, I ask unanimous consent that the Senate proceed to the immediate consideration of the following nominations on the Executive Calendar en bloc: Calendar Nos. 23, 24, 25, 26, 27, 28, 29 and 30. I believe they are all Department of State nominations.

Further, Mr. President, I ask that the nominations be confirmed en bloc; that the motions to reconsider be laid upon the table en bloc; that any statements relating to the nominations appear at the appropriate place in the RECORD; and that the President be immediately notified of the Senate's action.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Johnnie Carson, Of Illinois, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zimbabwe.

Herman E. Gallegos, of California, to be an Alternate Representative of the United States of America to the Forty-ninth Session of the General Assembly of the United Nations.

Lee C. Howley, of Ohio, to be a Representative of the United States of America to the

Forty-ninth Session of the General Assembly of the United Nations.

Jeanette W. Hyde, of North Carolina, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Antigua and Barbuda, and as Ambassador Extraordinary and Plenipotentiary of the United States of America to St. Kitts and Nevis, and as Ambassador Extraordinary and Plenipotentiary of the United States of America to Grenada.

Martin S. Indyk, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

Isabelle Leeds, of New York, to be an Alternate Representative of the United States of America to the Forty-ninth Session of the General Assembly of the United Nations.

Bismarck Myrick of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Frank G. Wisner, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Career Minister, for the personal rank of Career Ambassador in recognition of especially distinguished service over a sustained period:

ORDERS FOR MONDAY, MARCH 6, 1995

Mr. HELMS. Mr. President, I ask unanimous consent that when the Senate completes its business today that it stand in adjournment until the hour of 1 p.m. on Monday, March 6, 1995, and that following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day.

I further ask that there then be a period for the transaction of routine morning business not to extend beyond the hour of 2 p.m, with Senators permitted to speak therein for up to ten minutes each.

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

Mr. HELMS. I further ask, Mr. President, that at 2 p.m. the Senate proceed to the consideration of calendar item No. 21, S. 244, the Paperwork Reduction Act. At least one amendment, I might add, is expected to be offered. Therefore, votes could occur during Monday's session of the Senate.

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

ADJOURNMENT UNTIL MONDAY, MARCH 6, 1995, AT 1 P.M.

Mr. HELMS. Mr. President, if there be no further business to come before the Senate, I ask now that the Senate stand in adjournment under the previous order.

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

NOMINATIONS

Executive nominations received by the Senate March 3, 1995:

UNITED STATES ENRICHMENT CORPORATION

CHARLES WILLIAM BURTON, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE UNITED STATES ENRICHMENT CORPORATION FOR THE REMAINDER OF THE TERM EXPIRING FEBRUARY 24, 1996, VICE FRANK G. ZARB, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 3, 1995:

DEPARTMENT OF STATE

JOHNNIE CARSON, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZIMBABWE.

HERMAN E. GALLEGOS, OF CALIFORNIA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FORTY-NINTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

LEE C. HOWLEY, OF OHIO, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FORTY-NINTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

JEANETTE W. HYDE, OF NORTH CAROLINA, TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ANTIGUA AND BARBUDA, AND AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ST. KITTS AND NEVIS, AND AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO GRENADA.

MARTIN S. INDYK, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ISRAEL.

ISABELLE LEEDS, OF NEW YORK, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FORTY-NINTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

BISMARCK MYRICK, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF LESOTHO.

FRANK G. WISNER, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, FOR THE PERSONAL RANK OF CAREER AMBASSADOR IN RECOGNITION OF ESPECIALLY DISTINGUISHED SERVICE OVER A SUSTAINED PERIOD.

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