

quicker; we can do it." Where is the budget?

My Republican friends have overpromised: More military spending; balancing the budget by 2002; tax cuts, going up to over \$200,000, people will get tax cuts. Yes, they have a problem. They looked at that budget and they saw only one place to go—Medicare. When it got out that they were looking at cuts of \$250 billion out of a program that 75 percent of Americans treasure, they started to get a little weak in the knees. They said: What are we going to do? Tell the people that Medicare is in crisis. This is the new turn of events. Medicare is in crisis, they say.

Well, I have looked, looked at all the reports that have come from the Medicare trustees over the years. There has not been a year when Medicare trustees did not say, at some point in the future, Medicare will be in trouble. This year is no exception, because when this Congress was Democratic, we voted to shore up the Medicare fund by making some tax law changes.

The Republicans in the House repealed that. If their law continues, Medicare will be in trouble in 1999. If we can stave them off, we have the fund solvent until 2002.

Yes, we have to fix Medicare. Yes, we have to reform Medicare. Yes, we have to do it right. But not slash and burn. And not outside of the context of comprehensive reform.

I will say that if the Republicans succeed in this, our seniors will be thrown into managed care; they will lose the doctor of their choice; they will have to pay more out-of-pocket expenses, and many hospitals in California are going to close.

Let Members stand tall as Democrats in this U.S. Senate. Let Members demand to see this budget. Let Members say to our seniors that we will stand for seniors and we will not allow the seniors of this country to have the budget balanced on their backs. They deserve more respect than that; they deserve much more than that.

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

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the minority leader from South Dakota.

WHERE IS THE BUDGET?

Mr. DASCHLE. I rise to commend my colleagues for their eloquent presentation this morning. The Senator from California could not have said it better.

The Senator from California knows, as my other colleagues have also indicated they know, the ramifications of this budget resolution and the extraordinary problems we face as we consider some of the implications of the huge cuts in Medicare that are now being proposed, as well as the extraordinary link between those cuts and the tax cut for the wealthy that some of our Republican colleagues have proposed over the course of the last several months,

and, as we have already indicated, the House of Representatives has already passed.

The concern I want to address just briefly this morning has to do with what happens when nothing happens. What happens when the budget resolution does not come to the floor in the manner the law requires? What happens to the debt? What happens to the cost of running the Federal Government each and every day that we delay?

It may come as a surprise to some who may be listening that each day we delay action on the budget, the Federal debt increases by \$820 million. The budget resolution, of course, was due on the 1st of April. The budget resolution was due almost 35 days ago. At that time, if you use the day before as the baseline, we increased the debt on that particular day by \$820 million. On April 2, only 2 days after the budget resolution was supposed to have been reported, the debt increase was up to \$1.6 billion.

As you can see, in just the first 9 days since April 1, the debt increased by \$8.2 billion simply because there has been no budget resolution and no opportunity for Congress to address the concern that so many of our Republican colleagues say ought to have the highest priority in the Congress today. Indeed, it should have that priority.

The situation is beginning to look very serious as you go from this chart to the next one. The next chart indicates that 10 days after the budget resolution was due the debt had increased by \$9 billion; 20 days after the budget resolution was due the debt had increased \$16 billion. So, in just 20 days, because of inaction, because we have not had a budget resolution, because we have not been given an opportunity to address the extraordinary consequences of failure in leadership here, in just 20 days we have seen an increase of \$16 billion in the total debt, directly attributable to the fact that we have not had a budget resolution.

It gets worse, Mr. President. This chart begins to depict how much worse. On April 21 that debt increased to \$17.2 billion. As you can see, slowly we are going off the chart now. The chart is not even big enough to show the debt that has accumulated by the last day of the month in which the budget resolution was due.

As we all said, we knew the implications would be serious, but this chart shows just how serious. On April 30 we now see the debt, as a result of not having a budget resolution, go off the charts to \$24.4 billion. That is \$24 billion more than it would have been had we been able to stop this growth, this excessive increase in debt, on April 1 when the resolution was due.

The real story then comes on the final chart. At least we hope it will be the final chart. The final chart shows that on May 1 the increased debt was \$25.2 billion; on May 2 it was \$26 billion; on May 3, another \$820 million

more than the day before—\$26.8 billion more than on April 1.

Today I will add yet the newest bar, for May 4, \$27.6 billion in additional debt as a result of the lack of action, as a result of the inaction of the Senate Budget Committee and our colleagues on the Republican side in failing to address this issue.

This is what we are facing. We are going to need charts that I will not be able to reach here by the end of this week, simply because we have not been given the budget resolution that the law requires. We all understand. When the American taxpayer is told that he has to produce his check to pay his taxes by April 15, people join long lines at the post office in order to ensure that they get their return in the mail and comply with the law. American taxpayers go down to the post office at midnight sometimes, on the eve of April 15, to ensure that they comply with the law. The law says everybody has to pay their taxes by April 15, and, indeed, the vast majority of American people, as law-abiding citizens, comply with the law.

The law also says that the budget resolution has to be passed out of the Budget Committee by April 1, and out of the Senate, the Congress, by April 15. But we have now seen the cost of inaction. We have now seen what happens if nothing is done. We have now seen how it is compounded, day after day, with increases in cost, increases in debt, increases in the complexity of the problem we are going to have to address in the coming days.

I must say, I think the biggest concern that many of my colleagues on the other side have as they consider all of the ramifications of a budget resolution is a promise that was made last November. We heard it time and time again. We heard that we can cut taxes, we can increase or at least maintain defense spending levels, we can balance the budget, and we can do all of that without touching Social Security.

Now, given the circumstances, it is becoming increasingly apparent that that is not possible, that there is no way to do all of that, as was promised last November. So, as we look at ways with which to begin to address it, they are coming to the conclusion that one of the biggest pools of resources from which to draw to pay for the tax cut they promised is Medicare. In the name of reform, some of our colleagues on the other side are suggesting that is really what we must do. Let us reform Medicare. And in reforming Medicare we just happen to see this new pool of resources so that we can pay for a tax cut for the wealthy.

Cutting Medicare benefits for the elderly in this way has nothing to do with reform. That is not reform. Certainly there has to be some appreciation of the difficulties we are facing in Medicare with the trust fund. Everyone is willing to concede that. But, to say in the name of reform we are going to cut benefits, in the name of reform we

are going to do it in the context of a budget resolution, in the name of reform somehow we are going to reduce Medicare but then increase the tax cuts for the wealthy, all with the same stroke of the pen, I think defies credibility. I think most Americans understand the fallacy of that kind of logic and that kind of budgeting.

So I do not think there is much support for that proposal. I think people are beginning to understand that the promises made last November are coming home to roost. The promises made about cutting taxes and cutting the budget and maintaining defense spending and not touching Social Security—all in a very short period of time, without any pain. The American people are coming to realize that it just cannot be done.

So we hope to have a good debate about the budget. We hope we can talk about our priorities. We can talk about the need for reforming Medicare. But, as we said over and over on this floor over the last 2 years, you are not going to resolve the Medicare problems until you deal with the health care problems in this country. We all understand that, to a large extent, the increase in Medicare costs is being driven by the same forces driving across-the-board health care costs. Medicare's increases in costs this year are no greater than the increases in cost in the private sector. So we all understand that, indeed, if we are going to get a handle on Medicare, if we really are going to reform Medicare, then we have to reform the overall health care system. Otherwise, there will be no real reform—only cost shifting.

So I am hopeful we can stop this steady rise in the debt. I hope we can begin to see these bars go back down as we deal with the budget resolution. But it is now the 4th of May. We have seen from past charts just what has happened with each day, the daily incremental increase of \$820 million leading in less than 45 days after the date set for the Budget Committee to produce a budget resolution to a proliferation in debt of \$27.6 billion.

We will bring this chart out again. We will continue to show, as we have already been able to show, that we cannot afford delay. We cannot afford the lack in leadership that we have seen on the Senate Budget Committee with regard to a budget resolution. We need to get on with it. We want to work in a bipartisan way. But we certainly appreciate the extraordinary complexity the Republican Party and our Republican colleagues have created for themselves as we try to grapple with the promises made last November.

You cannot cut taxes, you cannot increase defense, you cannot balance the budget and not touch Social Security, all at the same time. Thus, we are left with what we see on these charts. We want meaningful budget management. We want an opportunity to see a resolution that will turn this chart around, that will bring this debt down, that

will do what the American people want us to do, and that will protect Medicare, that will protect those investments in people that we believe in so strongly.

So, Mr. President, again let me commend my colleagues for their participation this morning, for the work that they have done in laying out the facts as we see them relating to the budget, Medicare and the implications of doing nothing. We need leadership. We are very hopeful that, in the not too distant future, we will see a lot more of it coming from the Republican side.

I yield the floor.

Mr. DORGAN addressed the Chair.

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

Mr. DORGAN. Mr. President, I enjoyed listening to the minority leader and others ask the question this morning, "Where is the budget?" I indicated yesterday that I thought the majority party in the Senate had ridden into a box canyon. All of us have watched the old spaghetti westerns, old-time cowboy movies in America and understand what riding into a box canyon is. In fact, they usually show them as riding into the box canyon whistling and happy-go-lucky. And they ride into that box canyon, look around, and understand they are in very big trouble.

What has happened here with respect to box canyons? The majority party promised the American people that they were going to increase defense spending. In fact, they are going to rebuild now a new star wars program, increase defense spending, cut taxes and balance the Federal budget. But, of course, that does not add up. Most people know it does not add up. So they had an urgency about this program. Was the urgency to cut spending to balance the budget? No. The urgency was to cut taxes in what they called a middle-class tax cut.

The middle-class tax cut turns out to be not so middle class after all. The middle-class tax cut does the following. If you are a family below \$30,000 in income, you get a big old tax cut from those folks over there of \$124 a year. If you are a family with over \$200,000 in income, those folks say, "Guess what? We have a check for you for \$11,200, if you are such good Americans."

I think everybody is a good American. So I am not saying we ought to discriminate. But it seems to me, when you are up to your neck in Federal debt and the first job is to cut spending to balance the budget, and if with the first jump out of the chute you run over with a tax cut, the bulk of which goes to the wealthiest Americans, then come to the floor of the Senate and claim it is a middle-class tax cut, you need an award for fiction. Get your tax on. We will give you a prize for fiction. The truth is that this tax cut is not a middle-class tax cut. This gives the cake to wealthy and the crumbs to the rest.

Once they decided they were going to do this and started adding up numbers,

they discovered the laws of arithmetic—which most of us learned early in life—do not allow them to balance the budget after all. So then they said to us. Now that we have done this, we want you to join us in cutting spending for Medicare and Medicaid. I guess our response is we certainly ought to join together to reform Medicare and Medicaid to make that solvent, whole, for the long term. But my response to the majority is, the first thing you ought to do is find a place to deep-six nonsense. Get rid of tax cuts for wealthy. Then let us talk about reforming the rest.

All of us have a responsibility. The urgency of cutting spending and the urgency of balancing the budget is not in question. Why were those who were most urgent here on the floor of the Senate to change the Constitution now walking around scratching their heads wondering, "When will we get a budget?" The question ought not be much cause for wonder. The date was April 1. It is in the law. We can read the law books to understand when the requirement to bring the budget to the floor of the Senate was—April 1 and April 15. Those are the two statutory dates. Now it is May.

Those folks who said it was urgent to do something about the Federal budget deficit have only had time to pass a tax cut, a big tax cut, over in the House. And then this morning we see people standing on the floor of the Senate justifying it as a middle-class tax cut. That is no middle class in any town I am familiar with—middle class, \$200,000 or more, \$11,200 in tax cuts, and \$120 for \$30,000 or less, for families that earn that amount of money. No. I think the lesson here is clear.

I do not think we have a budget on the floor of the Senate because the folks who must produce the budget in the Budget Committee understand that the dilemma they have is they want to give tax cuts for the wealthiest Americans and then ask us to help them cut spending on health care for the elderly and the poor people. That does not add up. It is not going to happen.

What we ought to do is back away from this ideological nonsense and decide to start over completely. We ought to join hands and say, let us stop this agenda stuff that we have, the Contract With America agenda that says let us make the rich richer and let us cut the health care to the poor and let us decide to do this together, in a sober, serious, thoughtful way. All of us understand. Yes. Federal spending must be cut. Let us cut it in real ways. Let us do it together and let us do it first. When we have done that job, we have cut spending and reduced the Federal budget deficit and have a plan to balance the budget, then let us talk about tax cuts. And, when we do, let us talk about tax cuts for real American families. Let us do it in the real way. That is the way to approach this budget dilemma.

I end as I began. The question is, "Where is the budget?" Let us find that answer, bring it to the floor, pass it in a reasonable way, and put this debate on the course it should be on.

I yield the floor.

Mr. LAUTENBERG addressed the Chair.

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

Mr. LAUTENBERG. Mr. President, I understand we are in morning business. Unless specified, the time permitted for debate is 5 minutes.

The PRESIDING OFFICER. That is correct.

Mr. LAUTENBERG. I believe we have requested 10 minutes of time for the introduction.

The PRESIDING OFFICER. That is correct.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that be extended for 5 minutes so that my colleague from California, Senator FEINSTEIN, can also make her remarks.

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

Mr. LAUTENBERG. Thank you, Mr. President.

(The remarks of Mr. LAUTENBERG and Mrs. FEINSTEIN pertaining to the introduction of S. 757 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. FEINSTEIN. I thank you, Mr. President, and I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

EXPOSING THE FRAUD

Mr. HOLLINGS. Mr. President, before I have to leave to attend a budget meeting, I would like to try and expose the fraud in statements from Members on the other side of the aisle claiming that the President is unwilling to lead and that, much to their surprise, they just discovered that the Medicare trust fund is going broke.

The truth of the matter is that they have been telling us for a while now that action by the President was not even necessary. I wish I could take us back to December 18 after the glorious Republican victory in November when Mr. KASICH and others were on the TV saying,

We're not going to wait on any budgets. We have three budgets. In fact, we are going to take one of them and have them first and we're going to have the budget cuts before we get to tax cuts.

I want the people to go back. For months they totally ignored the President and saying that his proposals were irrelevant, that they had their own plan, their own revolution, and were going to present their own budget. Having been a former chairman of the Budget Committee, that excited me. In January, I submitted a plan for the RECORD that showed how to put our Government back in the black by 2002.

But then having gone back on their promise to give us a budget in January,

they said, "We're going to put the spending cuts in the bank before giving any tax cuts." Then, we had the circus out on the lawn, as the House passed the tax cuts. We are back to the days of Rome under KASICH, GINGRICH, and that crowd. They went back home, had celebrations, waved flags, and everything else of that sort.

But then, they came back to Washington and said, "Whoops, we just found out that Medicare's going broke." As a result, we have Medicare hearings coming out of our ears.

The Budget Committee has not given us the budget. They will not mark one up even though by law they are required to report out a budget by April 1. While we wait for the markup, they are having Medicare hearings all over the Hill. Mr. President, let me get right to the point and refer to the report of the board of trustees of the Federal Hospital Insurance Trust Fund last year, dated April 11, 1994, and addressed to Speaker Foley and Vice President GORE:

GENTLEMEN: We have the honor of transmitting to you the 1994 annual report of the Federal Hospital Insurance Trust Fund.

On page 2, it says:

The trust fund ratio defined as a ratio of assets at the beginning of the year to disbursements during the year was 131 percent in 1993, and then under the intermediate assumptions is projected to decline steadily until the fund is completely exhausted in 2001. Under the low-cost assumptions, the trust fund ratio is projected to decline until the fund is completely exhausted in 2004. Under the high-cost assumptions, the trust fund ratio is projected to decrease rapidly until the fund is exhausted in the year 2000. These projections clearly demonstrate that the hospital insurance program is severely out of financial balance, using a range of plausible economic and demographic assumptions.

Now, that makes it pretty clear. Why didn't the Contract With America face up to that point? They knew about it, but did not want to face up to it. Moreover, they rebuffed the President's attempts to address the problem. Let us remember that the President of the United States did not cause any kind of deficit in Medicare. He was down in Little Rock; if it was caused, it was caused by me and other Members of Congress, but certainly you cannot attribute it to him. Still, when he offered his proposal, we could not get any cooperation whatsoever from Republicans. I can say that categorically because when we finally got a \$56 billion Medicare cut adopted, it was without a single Republican vote in the House of Representatives or in the U.S. Senate. In addition, we took \$25 billion from the wealthiest Social Security recipients, and put the money into the HI trust fund. What does the Contract With America call for? It says repeal the Social Security tax increase of last year and thus hasten the insolvency of the HI trust fund.

We ought to cut out this nonsense and tell them to give us a budget. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

THE AMENDMENT ON JOINT AND SEVERAL LIABILITY

Mr. ABRAHAM. Mr. President, I want to take a couple of minutes today to speak once again in support of the amendment that I have introduced along with the distinguished Senator from Kentucky.

The purpose of our amendment which we will soon be voting on is to try to expand the portion of the underlying bill on product liability that pertains to joint and several liability beyond the realm of product liability to other aspects of civil actions.

As I spoke yesterday on several occasions, and as I have argued in quite a variety of settings over the last few weeks during this debate, what we are talking about here is what I believe is an underlying principle of the American legal process, the principle of fairness and the principle of justice. These principles, it seems to me, tend to be out of sync in the area of joint and several liability.

As I have demonstrated in the floor statements I have made, we have countless incidents where persons who are only minimally responsible for the damages involved in a court action, or other legal action, find themselves shouldering all or most of the responsibility for paying damages because of the fact that they are the deep pocket.

Unfortunately, this is not just something that afflicts defendants who are big businesses. As I demonstrated, it is also a problem for municipal governments, for county governments, for State governments. It is a problem that all too often afflicts nonprofit organizations, charitable organizations, and the like.

We heard talk during the debate yesterday that somehow the amendment we are speaking of would be adverse to women. But the fact is that women do not just find themselves as plaintiffs in legal actions; they often find themselves as defendants. They, too, could be victimized by the joint and several liability process that we have today. Indeed, 30 percent of the small businessowners in this country today are women. It is the small businesses who are most at risk, in my judgment, unless we repair this defect in the legal system at this time.

For those reasons, Mr. President, I just wanted to conclude the debate on this topic—at least from my perspective—by reiterating the arguments I made yesterday and by calling on those