

Indeed, the person who pays less than that, I presume would not only get a refund but get some kind of an income tax credit in addition to the regular \$500 credit.

Who knows what we will adopt? Knowing how legislative bodies are, I suspect that we will go right up to the \$240 billion. No one has decided that yet. No meetings of the Finance Committee have taken place in connection with taxes. No decisions have been made. It is total nonsense to say that 51 percent of the tax cut is going to the rich under any Senate plan.

ORDERS FOR MONDAY,
SEPTEMBER 25, 1995

Mr. CHAFEE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 2 p.m. on Monday, September 25; 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, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 3 p.m., with the Senators to speak for up to 5 minutes each with the exception of the following:

Senator BENNETT for up to 45 minutes; Senator DORGAN for up to 15 minutes.

I further ask that following morning business at 3 o'clock, the Senate begin consideration of H.R. 2099, the VA-HUD appropriations bill.

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

PROGRAM

Mr. CHAFEE. For the information of all Senators at 3 p.m. on Monday, the Senate will begin consideration of VA-HUD appropriations bill. The managers of that bill have indicated that Senator BUMPERS is prepared to offer his amendment on the space station on Monday. The majority leader has indicated that any other Member who is intending to offer an amendment to VA-HUD appropriations bill should be prepared to offer that amendment on Monday, so the Senate may complete action on the bill at the earliest possible time.

In addition, the majority leader has indicated there will be no rollcall votes on Monday, and any votes ordered in connection with the HUD-VA bill would be postponed until after the weekly party luncheons on Tuesday.

NATIONAL HIGHWAY SYSTEM
DESIGNATION ACT OF 1995

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the House message to accompany S. 440,

the national highway bill, that the Senate move to disagree with the House amendments and agree to a request for a conference, the Chair be authorized to appoint the conferees on the part of the Senate.

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

The motion was agreed to, and the Presiding Officer appointed Mr. WARNER, Mr. CHAFEE, Mr. SMITH, Mr. KEMPTHORNE, Mr. BAUCUS, Mr. MOYNIHAN, Mr. REID and from the Committee on Commerce, Science and Transportation, solely for matters within their jurisdiction, Mr. PRESSLER, Mr. LOTT, and Mr. HOLLINGS conferees on the part of the Senate.

ORDER FOR ADJOURNMENT

Mr. CHAFEE. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order, following the remarks of Senator BYRD.

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

Mr. CHAFEE. Now, Mr. President, we have the opportunity to hear the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank my friend, the distinguished Senator from Rhode Island [Mr. CHAFEE] for his courtesy.

Mr. President, I want to be very observant of the rules of comity that exist between the Senate and the House. And, so, I seek never to call the name of a Member of the other body. I think the rules of comity are very important and I hope never to violate them.

However, Mr. President, I cannot allow the recent comments made by a Member of the other body, regarding a possible government-wide default, to go unanswered. Both the Washington Post and the New York Times today contain articles that suggest that a leading Member of the other body is willing to put the United States into default in order to coerce the President of the United States into swallowing a set of budget proposals that large segments of the public and the Congress consider to be extreme.

A Member of the other body has reportedly stated, "I don't care what the price is," and is also quoted as saying that he does "not care if we have no executive offices and no bonds for 60 days—not this time." He has further stated that he would use his office to prevent a vote to increase the debt limit until the President agrees to his proposals for balancing the budget.

That Member may not care, Mr. President, but I do. I care very deeply about the welfare of the United States and the people of the United States. This kind of arrogant brinkmanship can do irreparable damage to the United States, to its creditworthiness, and to its international standing. It could

have long-lasting effects on the world stock and bond markets, with unseen ramifications for U.S. interests around the world. That is very careless—careless talk, Mr. President.

With each passing day, we climb ever closer to the \$4.9 trillion ceiling on Federal debt imposed by Congress in 1993. We may hit that ceiling as early as the end of October, or as late as mid-November, but hit it we will, as sure as I am standing here today, unless action is taken soon to increase that limit. In the first 5 days of November, the Government must pay \$50 billion in Social Security benefits, Medicare, and active-duty military pay. On November 15, some \$25 billion in interest payments will be due on interest payments on the debt. Without an increase of the debt ceiling, the Government may be able to limp along until these payments are due, but no amount of accounting legerdemain will cover these large payments. Without an increase in the Government's ability to borrow, Government checks would not be honored. For the first time in history—we have been talking about history here today—the United States would default. It is almost inconceivable for me to imagine the Government of the United States bouncing a check, but that stark possibility looks us right in the face.

A Government default is not something to be taken lightly, as the author of the reported remarks seems to feel. This is a very, very serious issue. It does not just mean that "executive offices" might be shut for 60 days. It does not just mean that there will be "no bonds" for 60 days. It is far more devastating than that glib picture would imply. The Congressional Research Service paints a far darker scenario. Let me quote the CRS report:

It is difficult to describe the extent of the problems the Government would face if the debt limit were not increased when needed. Under current Federal borrowing needs (for 1996), the effect would be similar to a 10 percent reduction in spending with no preplanning and uncertain authority to rank activities by importance. From past experience, most non-essential operations of the Government could be shut down. Most Federal employees might be sent home. National parks and monuments could close. Regulatory activities could cease. Discretionary Federal activities would probably be cut back as much as possible so that mandatory activities could be paid for. Depending on how long the situation lasted, employees, and eventually beneficiaries, could stop receiving checks from the Government. Government bondholders might not receive their interest payments. Federal construction projects could stop. Payments to State and local governments could stop. Federal contractors could find their payments delayed or missed. Through its reach into all parts of society, the disruption of Federal activities could spread over the entire country.

Mr. President, this comes from the CRS Issue Brief entitled "The Debt Limit," updated August 10, 1995, by Philip D. Winters, Economics Division.

So, Mr. President:

Payments to State and local governments could stop. Federal contractors could find