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Senate

(Legislative day of Tuesday, October 10, 1995)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

O God, our help in ages past, free us to be open to Your gift of hope for years to come. Particularly, we pray for a lively hopefulness for today. Grant that we may not allow our experience of You in the past to make us think You are predictable or limited in what You can do today. Help us not to become so familiar with Your customary, daily blessings that we lose a sense of expectancy for Your special interventions in the complexities and challenges of this day. Today we will expect great things from You and we will attempt great things for You. In our worries and cares, give us the joy of knowing that You are with us. In our Lord's burden-banishing name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Mississippi is recognized.

SCHEDULE

Mr. LOTT. Mr. President, there will be a period for morning business until the hour of 12:30 p.m. Following morning business, the Senate will stand in recess until the hour of 2:15 p.m. for the weekly policy conferences to meet.

At 2:15, the Senate will resume consideration of H.R. 927, the Cuba sanctions bill, with a cloture vote on the substitute amendment to occur today at a time to be determined by the majority leader after consultation with the minority leader.

In accordance with rule XXII, Senators have until 12:30 today to file second-degree amendments to the substitute amendment to H.R. 927. Also, for the information of all Members, a third cloture motion was filed on Friday. Therefore, if cloture is not invoked today, another cloture vote will occur on Wednesday. There will be no votes before the 5 o'clock hour today.

MORNING BUSINESS

Mr. LOTT. Mr. President, I believe we have time reserved now for morning business, and I would like to proceed now under morning business.

The PRESIDENT pro tempore. The Senator is correct. There will now be a period for morning business.

The Senator is recognized for 30 minutes.

A TIME FOR HISTORIC DECISIONS

Mr. LOTT. Mr. President, we have a long, hard few weeks ahead of us, probably the most crucial 6 or 7 weeks or so that we have had in many years—at least 12 or 15 years, in my own experience. Between now and Thanksgiving, every Member of this Congress will make decisions that can only be described as historic. The votes we cast in the weeks ahead on Medicare, Medicaid, welfare, and the whole legislative package known as the reconciliation bill, will determine the course of the American Republic for at least the next generation.

When I go home to Mississippi and I use this word ''reconciliation,'' constituents ask what that means. I explain that ''reconciliation'' is just a fancy word for saying this is the time when we keep our word, when we actually do what we said we were going to do in earlier legislation we passed this year—in the budget resolution, for instance.

So, this is an historic time. That is no exaggeration. This year's budget showdown is quite different from the budgetary experiences of past years. In the past, we have implemented budgets with so-called spending cuts that never seem to reduce spending and with revenue increases that got spent before the taxpayers ever saw what they had earned. This time I really believe it is going to be different. This time the reductions in spending are going to be real. They are going to be structural, that is, actually changing the nature of many programs to build into them fiscal safeguards.

As long as most of us have been in the Congress, everyone has talked a good game about entitlement reform. It never happened. But this time it is actually underway. This time around, the taxpayers are going to get the benefit of our holding down spending.

Radical as it may seem to much of official Washington, we are going to leave more money in the hands of those who actually earn it; the workers, the families, and investors of America. That is the goal we have been working toward all year. It has been our guiding light, our polar star during the tough contests over the budget, the balanced budget constitutional amendment, the appropriations bills, and entitlement reform. We have won some. We have lost a few. But all the while we have kept our focus on the greater goal of the financial independence of the American home.

In that way, we have laid the groundwork for reducing the size and scope of the Federal Government. We started the process of returning decisionmaking to the States and to the citizens of the States. What we are doing this year is only the beginning of the most profound power shift this country has seen since King George's colonial governors were sent packing back from where they came.

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

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That is what makes our work this autumn so historic. By themselves, tax cuts come and, sadly, tax cuts usually go. But once you downsize Government, once you break its appetite for the public's purse, once you take away its reason for devouring so much of the public's resources, then you have started a process that is almost impossible to reverse. You have rewritten the equation of power, if you can do that. You have changed the rules of the game, and that is what we want to do. That is what is happening in Congress this year, and that is what we will be focused on for the next 6 weeks or so.

The transfer of power is seldom a neat process. Our effort to return power to the American people through the reconciliation bill of 1995 is no exception. None of us will get exactly what we want in this legislation. There is bound to be something in there that makes each one of us swallow a little hard, perhaps something that hits too close to our own home States. So be it. Some losses will be well worth the overall result: Medicare preserved and strengthened, welfare finally tied to work and to personal responsibility, the tax burden eased for families with children, and the Federal Government locked on track toward a balanced budget within 7 years.

That last item is worth repeating. The bill will put the Federal Government on track to budgetary balance by the year 2002.

Through all my years in the House and Senate, I have heard the naysayers insist that it could not be done, it just could not be done, but now that we are actually doing it, they have changed their tune. Now they say it should not be done. It is too fast; it is too much; it is too soon; too little spending; too much tax relief. In short, just too much change.

And yet in today's Washington Post, a very interesting editorial column by James Glassman pointed out that even with these spending controls, Federal spending will increase by $2.6 trillion over the next 7 years, while revenues will increase by $3.3 trillion. Yet there are those in Washington who are screaming: Oh, you are cutting things so deeply. How do you reconcile an increase of several billion dollars over what we are now spending with the accusation that we are cutting spending? In fact, we are not really cutting. We are just controlling the rate of growth of Government. In fact, in my State, many people say: Why is it taking 7 years to balance the budget? You really should do it sooner.

But the important thing is that we are doing it. We are getting locked in on this path, and the Congressional Budget Office is going to certify that we are actually getting the job done.

When it comes to restraining the size and spending of Government, the citizens I hear from do not think there is such a thing as too much change. They do not understand why their elected officials cannot restrain the spending appetite and habit in this city. They do not understand why a handful of Senators abandoned their longstanding support for the balanced budget constitutional amendment and voted to kill that amendment earlier this year. And most of all, they do not understand why the President has made himself the defender and guardian of the status quo.

I do not know how to explain President Clinton's extraordinary record this year on the budget except to describe it as ''Bill's Peculiar Adventure.'' This is why; here is the script.

Earlier this year, the President submitted to Congress a budget that was so shamelessly out of step with the wishes of the public that the Senate voted 99 to zero to reject it. That vote, for the record, occurred on May 19. Thereafter, both the Senate and the House passed budget resolutions which the Congressional Budget Office said would result in a balanced budget in the fiscal year 2002. CBO's assurance was, of course, critical because, as President Clinton said himself, the ''Congressional Budget Office was normally more conservative than what was going to happen and closer to right than previous Presidents have been.''

Those were wise words then, and I believe they still are applicable today. For whatever reason, perhaps because he was left behind in an untenable position, President Clinton took the exceptional step of devising another budget, President Clinton's Budget II. This he submitted to Congress on June 13, contending that it would achieve balance in the fiscal year 2005. This second Clinton budget was an interesting effort and in some ways a definite improvement over the administration's first try.

CBO estimates that it would achieve savings of $120 billion in Medicare through the year 2002, and $295 billion through 2005. Note these savings were not described as cuts but as savings. CBO also estimated that Clinton II would reduce Federal revenues—that means allowing for tax cuts—by $97 billion over 7 years and $156 billion over 10 years. Those amounts were more than offset by President Clinton's proposed savings—not cuts—from Medicare. That did not mean, of course, that he was using Medicare money for tax breaks because, as we all know, the two items are entirely separate, as should be our decisions concerning them.

So far so good. But the CBO had some bad news, too. The President's second budget would result in deficits in excess of $200 billion in each of the next 10 years. Let us add that up. By my calculation, that comes to a 10-year deficit of more than $2 trillion. In fact, even that figure of $2 trillion underestimates the President's proposed deficit, for he included in revenues the surpluses that are expected in Social Security. He counted against his deficit spending the resources of the old age, survivors and disability insurance trust funds. Whether this was an ominous sign of long-range intentions or whatever else might have been involved, perhaps just sloppy bookkeeping at OMB, I leave for others to determine. But it is an area of concern for those who have looked at how these trust funds might be impacted.

In any case, the Congressional Budget Office, in which President Clinton had, quite accurately, told the Nation to repose its trust, scored President Clinton's second budget as a loser. But even so, the President has never renounced it. In fact, he still refers to it on occasion, though only in passing, and he still cultivates the illusion that he has offered Congress something to work with when really there is not much there except some broad principles.

I wonder how many of my colleagues on the other side of the aisle believe that Clinton II is something with which we can work. Perhaps we should find out. We will be casting scores of budget-related votes in the weeks ahead, and a vote on Clinton II might well be one of them. That would be a clear referendum on what the President has done and has not done with regard to spending, taxes, Medicare and the deficit. I suspect it would fail by a wide margin.

With all due respect to the Presidency and to President Clinton, the office he holds has a way of insulating its occupants from the realities the rest of us have to face. That is the most charitable explanation I can devise from some of the things that are being said from the White House. For example, in a conference call with hospital administrators last week, President Clinton opined that ''the budget cuts that Republicans are pushing in Congress are excessive and not necessary—not necessary—to balance the budget.''

How would he propose to do it? Obviously, he does not propose to do it. His inaction in that regard is as unacceptable as his proposal just last week that we move toward a grand compromise on spending and taxes by adopting the administration's economic projections. Never mind what he said in the past to a joint session of Congress about the accuracy of the Congressional Budget Office as opposed to the politically slanted estimates that come from OMB. All of a sudden, we are being told we have these big differences between what the Congress is trying to do and what the President wants to do, and the way to solve that problem is just to have different economic assumptions.

I have seen that happen before, unfortunately, in previous administrations and previous Congresses. It is not the way to do business.

We have not come this far in fulfilling our pledges to the American people just to cop out by using phony numbers. Speaker GINGRICH spoke for many of us in his response to the President when he said, ''This is exactly what's sick about this city. [Somebody says] Let's find another smoke-and-mirrors.

It's only been, after all, 60 years of deficits.'' It is time to get the job done.

Now, I am no stranger to differences between parties. We have a two-party system. That is so we can have good, wholesome debates between competing programs. But eventually we need to vote and get the job done, and I think we are prepared to do that.

We can take our politics straight up, face to face, but when that is done, we have got to face the budget problems. We must deal with tax relief for the American people, and we must move toward a balanced budget.

Official Washington is looking toward mid-November for what is commonly called a legislative train wreck. I think it is a misnomer, but that's the term being used to describe a showdown over the budget, the appropriations bills and the debt ceiling. I prefer to think of that conjunction in a different way. I think of it as a day of accounting, a time when truth will finally prevail.

The President and his senior staffers have been talking a lot lately about using the veto to block virtually everything that would move this country toward a balanced budget. President Clinton has made his veto pen the last desperate defense of big government.

Over the past 20 years, I have watched the budgets we have dealt with and the appropriations bills. I don't remember a President threatening to veto appropriations bills because they did not spend enough. It was always because Congress could not control its insatiable appetite in spending too much. Now we have a President who is threatening to veto almost all the appropriations bills, with only one or two exceptions, because he wants more spending, increases over last year, increases that will add to the deficit.

So we have a tough task before us. Many people wonder if we will be able to get the job done. I believe we will. I would like for it to be done with cooperation between the two Houses of Congress, across the aisle between the two parties, and, yes, with the President. I encourage the President to join us in this discussion.

This is a crucial time. Over the next few weeks we have to make tough decisions. It is time that we engage. We need the President to get involved, to roll up his sleeves and say we are going to do what is right for our country's future.

Today Senate Republicans look both to the immediate opinion of the American people and to the judgment of their posterity. It is, after all, our children and our grandchildren, most of all, for whom we are doing this. They, rather than any party, will be the big winners in the reconciliation bill in 1995.

That is why I and my colleagues approach the arguments, the decisions, and perhaps the crises ahead with a confidence that goes beyond political assurance. Like the Quaker poet of the last century, John Greenleaf Whittier, said, we know we have ''the safe appeal of truth to time.'' That is what this is all about. And now is the time for historic decisions.

Mr. President, I yield the floor. And I observe the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the quorum call be dispensed with.

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

MEDICARE REFORM

Mr. BURNS. Mr. President, with the press and all the reports and the dialog continuing on Medicare, I guess for most of us who are trying to do some things to reform Medicare, to strengthen it and save the program, which has broad-based public support, we have become frustrated about what is really at issue here. We know that there have been ways devised in order to save and strengthen the program and to increase the spending on each beneficiary between now and the year 2002.

With those that would be critical of the plan that has been put forward and with continuing to call what some would say are cuts in Medicare, then maybe we should approach it from a situation that maybe if you think it is a big cut, let us just freeze it, let us just freeze it at current levels. And I wonder if they would start counting the apples that are in their basket.

You know, it seems to me that math is a funny subject to study. But, nonetheless, if you have 48 apples in your basket, and by the year 2002 we are going to add some apples to that basket to where you have 67, in other words, 2½ apples—that is pretty tough to do, add a half apple a year to your basket—that does not sound like a cut to me. It sounds like an increase to me. But the cost per beneficiary will go from $4,800 presently being spent per beneficiary to $6,700 in the year 2002. That is under the plan that is presently called for in the budget resolution that passed this body and this Congress.

What started this whole debate is right here, this little report. Now we cannot get very many of them because they did not print very many of them. But it is the status of Social Security and Medicare programs done by the trustees, of which four of the seven are President Clinton's own appointees.

They said it pretty plainly, ''The Medicare Program is clearly unsustainable in its present form''—in this little report.

There have been other reports that have come out in the past that said Social Security will run out of money. Other reports say, in 2 years, Medicare will run out of money. Those reports are OK, but this one is a little bit different because next year is the first time in the history of the Medicare Program, which is 30 years old this year, the first time when we will be spending more money in outlays to the beneficiaries than we have money coming in—for the first time. That changes the debate a little bit, and it also should change the way we look at this problem and the way we want to deal with it.

So the trustees say we have to do something about Medicare. Secretary of Health and Human Services Shalala, Secretary Reich of Labor, Secretary Rubin of Treasury, Commissioner of Social Security, Shirley Chater, all appointees of President Clinton, said:

> We feel strongly that comprehensive Medicare reforms should be undertaken to make this program financially sound now and over the long term.

We went through a situation in Montana, when I was a county commissioner, of falling property values. We had an initiative passed in Montana that froze all property taxes, the mills that we could levy, and we were in pretty tough straits trying to finance county government. That may not sound very important to us who work in this town but, nonetheless, the people who live in our counties and our cities across the Nation would say that is pretty important because that operates our schools, takes care of our sheriff departments, public safety, our roads, bridges.

You had to act then to make some adjustments to our outlays, or we would find ourselves in financial difficulty that we could not get ourselves out of. If you do not take into consideration that next year we will be paying out more than taking in, and as that escalates, pretty soon if we go 2 or 3 years, then you will find even this Government will be incapable of dealing with the debt that has been created by overextension of payments out of the Medicare Program.

So, basically, what they said was that we had to take some actions now.

Let me show another chart. They also said:

> We strongly recommend that the crisis presented by the financial condition of the Medicare trust funds be urgently addressed on a comprehensive basis, including a review of the program's financing methods, benefit provisions, and delivery mechanisms.

In other words, let us take a look at the whole program, and we tried to do that.

> Today, Medicaid and Medicare are going up three times the rate of inflation. We propose to let it go up at two times the rate of inflation. That is not a Medicare or Medicaid cut. So when you hear all this business about cuts, let me caution you that is not what is going on. We are going to have increases in Medicare and Medicaid, and a reduction in the rate of growth.

Guess who said that? President Clinton, October 5, 1993.

Who is fooling whom? We have to take a look at all of it. This is what the President wants. He is saying, let us limit the growth to 7 percent; the budget resolution says 6.4. We have an area where we can really, really compromise and come up with a program.