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Senate

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

PRAYER

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

Almighty God, Ultimate Sovereign of this Nation and of our lives, we commit this day to seek to know and do Your will. Our desire is to do what is best for our Nation. Help us to wait on You and listen patiently for Your voice whispering in our souls solutions for the complexities we face. Guide us to express our convictions with courage, but also with an openness to others. Give us humility to be more concerned to be on Your side than assuming You are on our side.

In the present conflict between the Congress and the President over the Federal budget, and with the looming crisis of governmental shutdown, we ask You to bless the negotiations of this day. Help the President and the leaders of the House and Senate to combine confrontation and compromise as they work together to find a solution to the present deadlock. We all have in common our trust in You and our dedication to serve our Nation. We relinquish our desire simply to win in a contest of wills. If we all seek You and Your righteousness, we know You will show us the answer. For Your name's sake and the good of America. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished Senator from New Hampshire.

SCHEDULE

Mr. GREGG. Mr. President, this morning it is the leader's intention to turn to the consideration of the House message to accompany House Joint Resolution 115, the continuing appropriations bill, and hopefully pass the resolution on a voice vote. Following the passage of the continuing resolution, the Senate would immediately begin consideration of the House message to accompany H.R. 2491, the budget reconciliation bill.

Four motions to instruct the conferees are in order: Regarding Social Security, health care, Medicare tax cuts, and nursing standards. There is a 1-hour time limitation on each motion. Votes will be stacked to begin no earlier than 5:30 p.m., today. And at 2 o'clock, following debate on the motions to instruct, the Senate will consider the House message on H.R. 927, the Cuban sanctions bill, in order to appoint conferees.

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

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

The legislative check proceeded to call the roll.

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

The PRESIDING OFFICER [Mr. GREGG]. Without objection, it is so ordered.

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

Mr. HATFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on a bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives.

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 2491) entitled ''An Act to provide reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996'', and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That the following Members be the managers of the conference on the part of the House:

For consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. Kasich, Mr. Walker, Mr. Armey, Mr. DeLay, Mr. Boehner, Mr. Sabo, Mr. Bonior, and Mr. Stenholm.

As additional conferees from the Committee on the Budget, for consideration of title XX of the House bill, and modifications committed to conference: Mr. Kolbe, Mr. Shays, Mr. Hobson, Ms. Slaughter, and Mr. Coyne.

As additional conferees from the Committee on Agriculture, for consideration of title I of the House bill, and subtitles A–C of title I of the Senate amendment, and modifications committed to conference: Mr. Roberts, Mr. Emerson, Mr. Gunderson, Mr. de la Garza, and [VACANCY].

As additional conferees from the Committee on Banking and Financial Services, for consideration of title II of the House bill, and title III of the Senate amendment, and modifications committed to conference: Mr. Leach, Mr. McCollum, Mrs. Roukema, Mr. Gonzalez, and Mr. LaFalce.

As additional conferees from the Committee on Commerce, for consideration of title III of the House bill, and subtitle A of title IV, subtitles A and G of title V, and section 6004 of the Senate amendment, and modifications committed to conference: Mr. Bliley, Mr. Schaefer, and Mr. Dingell.

As additional conferees from the Committee on Commerce, for consideration of title XV of the House bill, and subtitle A of title VII of the Senate amendment, and modifications committed to conference: Mr. Bliley, Mr. Bilirakis, Mr. Hastert, Mr. Greenwood, Mr. Dingell, Mr. Waxman, and Mr. Pallone.

As additional conferees from the Committee on Commerce, for consideration of title XVI of the House bill, and subtitle B of title VII of the Senate amendment, and modifications committed to conference: Mr. Bliley, Mr. Bilirakis, Mr. Tauzin, Mr. Barton of Texas, Mr. Paxon, Mr. Hall of Texas, Mr. Dingell, Mr. Waxman, Mr. Wyden, and Mr. Pallone.

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

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As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of title IV of the House bill, and title X of the Senate amendment, and modifications committed to conference: Mr. Goodling, Mr. McKeon, and Mr. Clay.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of title V of the House bill, and title VIII and sections 13001 an 13003 of the Senate amendment, and modifications committed to conference: Mr. Clinger, Mr. Schiff, and Mrs. Collins of Illinois.

As additional conferees from the Committee on International Relations, for consideration of title VI of the House bill, and section 13002 of the Senate amendment, and modifications committed to conference: Mr. Gilman, Mr. Burton of Indiana, and Mr. Hamilton.

As additional conferees from the Committee on the Judiciary, for consideration of title VII of the House bill, and title IX and section 12944 of the Senate amendment, and modifications committed to conference: Mr. Hyde, Mr. Moorhead, and Mr. Conyers.

As additional conferees from the Committee on National Security, for consideration of title VIII of the House bill, and title II of the Senate amendment, and modifications committed to conference: Mr. Spence, Mr. Hunter, and Mr. Dellums.

As additional conferees from the Committee on Resources, for consideration of title IX of the House bill, and title V (except subtitles A and G) of the Senate amendment, and modifications committed to conference: Mr. Young of Alaska, Mr. Tauzin, and Mr. Miller of California.

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of title X of the House bill, and subtitles B and C of title IV and title VI (except section 6004) of the Senate amendment, and modifications committed to conference: Mr. Shuster, Mr. Clinger, and Mr. Oberstar.

As additional conferees from the Committee on Veterans' Affairs, for consideration of title XI of the House bill, and title XI of the Senate amendment, and modifications committed to conference: Mr. Stump, Mr. Hutchinson, and Mr. Montgomery.

As additional conferees from the Committee on Ways and Means, for consideration of titles XII, XIII, XIV, and XIX of the House bill, and subtitles H and I of title VII and title XII (except section 12944) of the Senate amendment, and modifications committed to conference: Mr. Archer, Mr. Crane, Mr. Thomas, Mr. Shaw, Mr. Bunning of Kentucky, Mr. Gibbons, Mr. Rangel, and Mr. Stark: *Provided,* That Mr. Matsui is appointed in lieu of Mr. Stark for consideration of title XII of the House bill.

As additional conferees from the Committee on Ways and Means, for consideration of title XV of the House bill, and subtitle A of title VII of the Senate amendment, and modifications committed to conference: Mr. Archer, Mr. Thomas, Mrs. Johnson of Connecticut, Mr. McCrery, Mr. Gibbons, Mr. Stark, and Mr. Cardin.

Mr. HATFIELD. I move that the Senate insist on its amendment and agree to the conference requested by the House.

The motion was agreed to.

The PRESIDING OFFICER. Under the previous order, the four motions to instruct the conferees are now in order. The motions to instruct are relative to Social Security, health care, Medicare and tax cuts, and nursing home standards.

MOTION TO INSTRUCT—NURSING HOME STANDARDS

Mr. PRYOR. Mr. President, I have the first motion to instruct the conferees, and this motion does, in fact, relate to the nursing home standards. Is it in order now?

The PRESIDING OFFICER. Yes, it is in order.

Mr. PRYOR. Mr. President, I send my motion to the desk to instruct conferees.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

MOTION TO INSTRUCT CONFEREES

Mr. Pryor moves that the managers on the part of the Senate at the conference on the disagreeing votes of the two Houses on the Senate amendments to the bill H.R. 2491 be instructed to insist upon maintaining the Federal nursing home reform provisions of law that were enacted as part of the Omnibus Budget Reconciliation Act of 1987 and that provide for Federal quality standards and mechanisms for enforcement of such standards for nursing homes under the medicare and medicaid programs without an option for a State to receive a waiver of such standards.

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas is recognized for 40 minutes.

The Senator from Michigan will be recognized for 20 minutes.

Mr. PRYOR. Mr. President, later today, the U.S. Senate is going to be making a very, very interesting decision relating to the choice of the standards that we are going to employ for the 2 million nursing home residents who are today residing in America's nursing homes.

By the year 2030, Mr. President, we will no longer have 2 million nursing home residents. We are going to have 4.3 million nursing home residents residing in America's nursing homes. The question that we are going to decide this afternoon, Mr. President, is going to be that choice that we express as to which standards and how high the standards will be of protection—or I should say the protection for these nursing home residents who today reside in America's nursing homes.

In 1987, the U.S. Congress decided, after serious studies, after absolute horror stories, that it was time to have uniform standards on the Federal level. In 1987, for the first time, sweeping reform measures, sweeping standards were enacted in what we call now OBRA '87. Mr. President, necessitating this action was the fact that many of the States were not complying with the law, nor were they enforcing present State standards, nor was there a uniform code of standards nationwide that governed the policing, you might say, the regulating and the standard setting that protected nursing home patients.

OBRA '87 came about. Today we are proud to report that, last evening, approximately 142,000 nursing home residents in America went to bed, went to sleep unrestrained. We are proud to report, Mr. President, that 30,000 nursing home patients today in America do not have bedsores because of the nursing home reforms and the strict guidelines of 1987.

In 1987, it was not a partisan effort. In fact, the late Senator John Heinz, former Senator DURENBERGER, former Senator Mitchell, majority leader George Mitchell of Maine, and many others in the Senate coalesced to bring about a bipartisan effort to have uniform, very carefully crafted procedures and standards on the national level, whereby these nursing home residents would be protected.

Mr. President, the irony of all of this argument today is, I do not know why this issue is before the U.S. Senate. These standards were working. In fact, these standards were working very well.

I ask unanimous consent that each of these letters I will refer to be printed in the RECORD.

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

BEVERLY ENTERPRISES, INC.,
Fort Smith, AR, October 25, 1995.

Hon. DAVID PRYOR,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR PRYOR: Beverly Enterprises, the nation's largest provider of long term care services in the United States, supports strong, uniform and consistent Federal Standards for nursing homes and believes the focus of current efforts should be on improving, not eliminating the current standards.

Since Congress enacted the Nursing Home Reform Statute of 1987 (OBRA '87), Beverly has supported the Statute and continues to support the retention of Federal Standards.

It is critical that the health, well-being and dignity of our nation's elderly citizens be protected in every nursing home in the country. We believe that Federal quality standards are an effective way to ensure that this is achieved.

Beverly's commitment to the OBRA '87 Standards is evidenced by our institution's training programs throughout the company and the adoption and application of standards that in many instances exceed OBRA requirements. Prior to the implementation of OBRA '87, in October of 1990, our quality Management program required our facilities to meet standards similar to those required by OBRA '87. As a result we have exceeded the compliance rate of the industry as a whole for the last five years. The recent Consumer Report study recognized Beverly's compliance rates.

We recognize the need for industry-wide standards. We agree fully that there must be uniformity and consistency in quality standards across the States. OBRA '87 has been an impartial landmark in setting the ground work and we urge Congress not to eliminate the progress that has been made in improving the care provided to our nation's frail elderly.

Sincerely,

DAVID BANKS.

STATEMENT OF STEWART BAINUM, JR., SUBMITTED TO THE SENATE SPECIAL COMMITTEE ON AGING, OCTOBER 26, 1995

As the Chairman and Chief Executive Officer of Manor Care, Inc., I want to express our strong support for retention of the Nursing Home Reform Act of 1987 (OBRA '87). Manor Care owns and operates 170 skilled nursing

facilities in 28 states, and provides care to over 20,000 residents.

The OBRA '87 reforms represent the most comprehensive revision of nursing home regulations since the inception the Medicare and Medicaid programs in the sixties. As I recall, the bill was over 1000 pages long, and addressed critical areas of care, such as resident assessment and care planning, nurse aid training and testing, resident rights, nurse staffing ratios, and enforcement. The final product reflected the agreement reached among 60 national organizations, representing consumers, seniors, providers, and state regulators. It was a painstaking process that worked. In fact, OBRA might depict one of the finest collaborative achievements ever in the history of health care legislation.

Manor Care proudly supported OBRA in 1987 because the legislation offered a valuable means of protecting and promoting the quality of life for one of the most vulnerable segments of our population. We must afford nursing home residents an environment which is safe and ensures their physical and mental well-being. OBRA '87 has been widely successful in accomplishing this goal.

Manor Care pledges to continue to meet these federal quality standards because they are reasonable, and have led to significant improvements in the care delivered to our residents. As a national company, we are supportive of the uniformity and consistency these standards provide across the states.

OBRA created a system of care delivery to help guarantee the dignity and respect of institutionalized seniors. Do not undo the valuable work that has been done. We ask that Congress support retention of the Nursing Home Reform Act and its standards. Stated most simply, it is the right thing to do.

Mr. PRYOR. Mr. President, one of the letters is from Beverly Enterprises, dated October 25, 1995. This is the largest provider of long-term care services in the United States, supporting keeping the stronger—not the weaker—standards embodied in this concept and instructing our conferees to maintain the strongest nursing home standards.

I will quote from the letter:

Beverly Enterprises, the nation's largest provider of long-term care services in the United States, supports strong uniform and consistent Federal standards for nursing homes and believes the focus of current efforts should be on improving, not eliminating the current standards.

This is signed by David Banks, the chief operating officer and chairman of the board of Beverly Enterprises.

Here is a statement of Stewart Bainum, Jr., to the Special Committee on Aging, October 26, 1995.

As Chairman and Chief Executive Officer of Manor Care, Inc., I want to express our strong support for retention of the Nursing Home Reform Act of 1987.

Manor Care proudly supported OBRA in 1987 because the legislation offered a valuable means of protecting and promoting the quality of life of one of the most vulnerable segments of our population.

Mr. President, what we have seen is, once again, that these standards are working so well—they are working as the Congress intended them to work—and we have seen a dramatic decrease in the dehydration of nursing home residents, a 50-percent decrease in dehydration since 1987. Second, we have seen a remarkable decrease of physical restraints, some 50 percent, as compared to pre-1987 periods. We have seen a remarkable decrease in indwelling urinary catheters used on nursing home residents. We also point with great pride to that significant victory. Across the board, the nursing home regulations have not only worked, but they have worked well and they are working today.

So why are we trying to repeal the nursing home standards that everyone agreed to in 1987, that even the major providers agree to today, that all of the statistics show are working, that the nursing home residents are being protected, as they have been never before protected in our nursing homes? Why is it that we are suddenly trying to eliminate these standards?

Mr. President, to me, that is a mystery.

On October 27, by a vote of 51 to 48 in this Chamber, the Senate went on record as adopting the more stringent and retaining the Federal standards for nursing home protection.

A short while later, only about 6 hours later, Mr. President, we were discussing and had laid before the Senate the so-called Roth amendment which was sponsored by our colleague and friend, Senator ROTH, the chairman of the Finance Committee.

By a vote of 57 to 42, Senator ROTH's amendment prevailed. In my opinion and in the opinion of others, Mr. President, we dramatically, I should say, weakened the present nursing home standards.

This is just not my opinion that we are weakening these standards, Mr. President. It is also the opinion written on November 1 by the National Association of State Long-Term Care Ombudsman Program Directors, Mr. President.

Today we are writing to voice our opposition—from the ombudsmen who are out there in these nursing homes every day—to Senator ROTH's omnibus floor amendment [which] was passed and included nursing home provisions that can gravely weaken the quality of care standards you helped to reinstate.

. . . we believe this will be harmful to the quality of care provided to nursing home residents across the country.

Mr. President, not only do the ombudsmen out there in these homes every day feel that we are about to weaken these standards unless we instruct our conferees to keep the present hard standards—I should say stronger standards.

We have a letter from the Nursing Home Reform Coalition group.

The Coalition, however, does have serious concerns about the amendment providing for state waivers from the federal standards, passed by the Senate on Friday, October 27. The language in the amendment would allow States with standards ''equivalent to or stricter than'' the federal requirements to use its own standards.

* * * * *

We urge you, Senator PRYOR, and your colleagues, to consider the following recommendations:

Do not support maintaining this waiver provision

* * * * *

Provisions giving the Secretary the authority to take action against a facility providing substandard care, and where the state has not taken adequate enforcement action.

Mr. President, I ask unanimous consent that the letter from the Nursing Home Reform group, from the Ombudsmen who have written in about the nursing home standards be printed in the RECORD.

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

NATIONAL ASSOCIATION OF STATE LONG-TERM CARE OMBUDSMAN PROGRAMS,

Austin, TX, November 1, 1995.

Hon. DAVID PRYOR,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRYOR: Thank you for your successful effort in offering an amendment that reinstated the nursing home quality standards into the Senate Budget Reconciliation Bill. It was rewarding that it received some bipartisan support. This was particularly meaningful considering the House Bill eliminated these critical federal standards entirely.

Today we are writing to voice our opposition to Senator Roth's omnibus floor amendment was passed and included nursing home provisions that can gravely weaken the quality of care standards you helped reinstate.

As you know, the Roth amendment allows States to apply for and be granted waivers from the federal nursing home regulations. As stated in the amendment, a State can seek a waiver if it has equivalent to or stricter requirements as determined by the Secretary of Health and Human Services. For the following reasons, we believe this will be harmful to the quality of care provided to nursing home residents across the country.

It could lead to 52 different sets of standards. This would make federal oversight and enforcement impossible.

The provision lets the door open for States to seek private accreditation of nursing homes as their form of quality standards. The Ombudsman Program's experience has shown that accreditation alone is no indication of quality care.

This would crate another level of federal bureaucracy charged with the task of approving and then monitoring the waiver.

There would be increased cost upon the states to write and apply for a waiver as well as the federal government's cost with the administration of the waivers.

NATIONAL CITIZENS' COALITION FOR NURSING HOME REFORM,

Washington, DC, November 1, 1995.

Hon. DAVID PRYOR,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRYOR: The National Citizens' Coalition for Nursing Home Reform commends you for your leadership in having the federal nursing home standards maintained in federal law. As you are aware, federal standards are critical to achieving and maintaining uniform basic good standards of quality of care and life for our nation's nursing home residents, many of whom are frail and vulnerable.

The Coalition, however, does have serious concerns about the amendment providing for state waivers from the federal standards, passed by the Senate on Friday, October 27. The language in the amendment would allow

States with standards ''equivalent to or stricter than'' the federal requirements to use its own standards.

If states had standards that were stronger than the federal standards, there would be no need for a waiver, as the stronger standards could be implemented through state licensing requirements. States and facilities are always held to the higher of state or federal standards. Thus, nothing is gained by providing for such a waiver.

Further, it is unclear whether all of the state's standards would have to be equal to or stronger than the federal requirements, or whether a state waiver request would be approved if some of the state standards were equal or stronger. Only enforcement provisions are specified in the amendment language, thus casting doubt that all standards in state law will be evaluated.

When evaluating standards, it is not enough to approve a waiver request based on the fact that a state plan contains the same broad categories of requirements contained in the federal standards. The Secretary has the responsibility of also evaluating the substance of each category under the state plan, and only approve a waiver if the substance of each category is equal to or stronger than the federal standards.

To highlight the importance of the substantive requirements of the federal standards, the bill recently passed by the House of Representatives contains what have been described as ''Quality Standards for Nursing Homes,'' provisions which will replace the standards contained in the Nursing Home Reform Act. In reality, the provisions in the House bill are a mere shell—lacking any substance—of the requirements under the Nursing Home Reform Act. Evaluating any State plan under the type of general provisions contained in the House bill, is no guarantee of the strength of those state provisions. We have prepared side-by-side comparisons of the requirements contained in the House MediGrant bill with the requirements in the Nursing Home Reform Act, and would be happy to share that with you. The same omission occurs in the lack of substantive language in the waiver provision.

Many states will argue that they currently have provisions that are as good or better than the federal law. Most states currently make that argument. California, for example, announced in October 1990, the effective date of the nursing home reform act, that since it's law was as good as the federal law, it would not implement the federal law. A class action lawsuit was filed against the state to compel implementation of the law. The federal district court ruled that California's law was not equivalent to federal law, and ordered the state to implement the entire law immediately.

Currently, no state has all the provisions of the Federal law, and there is no provision for a waiver from the federal standards. This amendment will result only in costly and unnecessary reviews of state plans and time spent defending denials of waiver requests. Considering the budgetary cuts facing the state and the federal governments, this is surely not the most effective use of limited funds and resources.

The language in this amendment leaves several other loopholes which would undermine the strength of the federal standards. First, there is a provision for a 120-day approval period, a time frame that includes public comment. This time frame is not adequate for public comment to be solicited, received, and the state plan evaluated. So the question arises, what happens if there has been no approval or denial by the 120th day? The amendment language is silent. It would be a travesty if the waiver were deemed approved. We could guarantee that states would then be free to implement standards that were not at least equal to the federal requirements. Residents would, once again, be put at risk of being subjected to lower quality standards, poor care, and violations of their rights.

Additionally, the amendment language does not include any authority for the federal government to take enforcement action against facilities. The enforcement authorized by the amendment is against the State for failing to comply with Medicaid law, or with the state law they have been granted a waiver to use a place of federal law. Thus the Secretary could never take action against a facility, an important tool for achieving facility compliance in meeting contract obligations.

Further, subparagraph (b) Penalty for Noncompliance limits the federal government's ability to enforce the Medicaid requirements to a withholding of ''up to but not more than'' 2% of the State's ''MediGrant.'' Studies have shown that poor care in nursing homes results in high costs to Medicare due to unnecessary hospitalizations. The state, however, incurs no cost after the resident leaves the nursing facility for the hospital. Thus, it may prove to be less costly for some states to incur a 2% penalty than to ensure that quality standards are being maintained.

Uniform standards for nursing homes, in addition to providing protections for residents and families, also serve another purpose. Standardized resident-level data is necessary in order to generate quality indicators. This enables Federal oversight of quality issues across states and facilitates quality improvement activities which result in cost effective techniques for the care of nursing home residents. This data also provides meaningful consumer information. Allowing states to obtain a waiver from the federal standards would seriously inhibit the ability to collect this important data.

We urge you, Senator Pryor, and your colleagues, to consider the following recommendations:

Do not support maintaining this waiver provision.

If it is inevitable that this provision will remain in the bill, we urge you support including the following provisions in the bill:

The requirement for a written determination that all provisions and substance of state law are equal to or stricter than the federal requirements in assuring that residents attain and/or maintain their highest practicable physical, mental, and psychosocial well-being before a waiver will be granted;

Stating that any waiver request not approved in writing within the specified time period would be deemed denied;

Provisions giving the Secretary the authority to take action against a facility providing substandard care, and where the state has not taken adequate enforcement action;

Requirement that the penalty for failure of a State to comply with a provision of Medicaid law, or State law requirements under a waiver, is the current 100% withholding of Medicaid payments to the state;

Including a private right of action for residents and their representatives to challenge the Secretary's granting of a waiver before it goes into effect.

Thank you for your dedication to the quality of care and services provided to nursing home residents. We look forward to working with you on these issues.

Sincerely,

ELMA HOLDER,
Executive Director.

Mr. PRYOR. I offer also some other concerns I have about the standards as set forth in the Roth language versus the language that we are trying to get the conferees to adopt at this time.

First, in States that get waivers, the Secretary of HHS will have no enforcement authority against individual facilities and weaker enforcement authority against the States as a whole.

Now, why do we want weaker authority? Why do we want weaker standards? This is something that we are asking today as a question.

The second weakness is, Mr. President, that the language only says what the Secretary can do to the States, not to individual nursing homes.

For example, if a State has been given a waiver, if HHS determines that the State, for example, of New Hampshire has laws and regulations that are equal to or better than the Federal provisions, so the HHS Secretary stamps a document saying, ''You are under no Federal regulations,'' then the State of New Hampshire at that time, notwithstanding that a nursing home or several nursing homes absolutely are giving unconscionable treatment to their nursing home residents, the Federal Government has no authority, no empowerment to do anything about those particular homes.

They can move against a State. They cannot move against the particular homes. Those residents, those nursing home residents, Mr. President, are sitting there, lying there, housed there absolutely helpless and without an advocate to come to their side to protect them.

The third concern, Mr. President, current law today allows the Secretary to withhold all Medicaid funds from the States that have problems in nursing homes.

Senator ROTH's amendment that was approved by the Senate which preempted the so-called Pryor-Cohen amendment, the Roth amendment only allows the Secretary to withhold 2 percent of Medicaid funds from waiver States.

What kind of a lever is that? What kind of a bargaining chip is that, just to be able to hold 2 percent of the Medicaid funds from those States with a waiver?

Also, Mr. President, look at the litigation. Just imagine the litigation that is going to result if we do not keep the present standards. If we wade off into this unknown field that our colleagues on the other side of the aisle have presented to us and say, ''If you get a waiver, you can do this,'' but there are no guidelines. We are not sure what is going to be the law or the regulations that each State will adopt. We will just do our best.

Mr. President, how much litigation is going to result from this indecision, from this attempt at obfuscation of the nursing home standards that have served us so well since 1987? To me it is unconscionable for us to think about watering down the present standards that we see today that have served us so well in nursing home standards.

Mr. President, I am very hopeful that the Senate later on this afternoon

when we begin our voting process is going to support this motion to instruct the conferees to keep the present nursing home standards that we have and, once again, that have served us so very well.

Mr. President, we are also looking today at the typical nursing home resident. We look at those nursing home residents and realize that before 1987 and before we had these particular nursing home standards that we are trying to maintain today—look at the characteristics of a nursing home patient, of a nursing home resident. All of us in this Chamber, perhaps, have someone in a nursing home—an aunt, uncle, a mother, dad, grandmother, grandparent, grandfather, relative, good friend. We will look at the characteristic of the nursing home patient and residents that we have today.

Mr. President, 77 percent of all of the nursing home residents need help in dressing; 63 percent need help in toileting; 91 percent need help in bathing; 66 percent have a mental disorder. Mr. President, also, over 50 percent of the nursing home residents today in America have no relative, no friend, no one that becomes their friend and their advocate to make periodic visits, to make certain that basic rights are adhered to.

We have certain things that OBRA '87 brought about. The right for the nursing home patients and residents to choose their own physician. We are about to repeal that, perhaps. We have basically the protection that the nursing home residents can open their own mail and have the confidentiality of their medical records being protected. We are about to repeal that.

Mr. President, the average nursing home resident out there today, we feel, needs every protection, the highest standards that we can bring about. And for us to turn our back and say we are going to, basically, obliterate these standards and have them no longer, in my opinion would be a tragedy and a disgrace.

Mr. President, I see my colleague from Michigan, who has now come to the floor. I understand he is going to manage this issue for the other side. So, since he wants to speak, I assume, I will at this point yield the floor and reserve the remainder of my time.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time for the quorum not be charged against either side.

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

The clerk will call the roll.

The 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.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need to speak more generally on the reconciliation bill that is going to be dealt with later this week.

Earlier, when this issue regarding motions to instruct was being talked about, there were several I was considering bringing. Because of the unanimous-consent agreement that was entered into, these are precluded from being brought here today, but I would like to speak responsive to those because I think it is important, as our conferees begin to meet, that they focus on some of the issues of difference that existed between the Senate package and the package that passed the House.

In particular, as you will note, Mr. President, back during the final hours of debate on the reconciliation bill, the so-called Byrd rule was invoked to remove from the Senate reconciliation bill a number of provisions which related to the welfare reform proposals that are in the reconciliation bill. I had considered bringing back some of those in the form of instructions to our Senate conferees to accede to what the House has attempted to do in these areas, because I think it was a huge mistake for the Senate to remove some of these things from our package.

Specifically, during the final hours of that debate we removed part of the welfare reform bill that would have provided States with an incentive, in the form of additional dollars, to those States that were able to reduce the rate of illegitimate births, of out-of-wedlock births, through various programs they might enact so long as they did not simultaneously increase the abortion rate as a way they might accomplish the reduction in the out-of-wedlock births. This was a topic we debated at great length here in the Senate when the topic of welfare reform was before us. It is one that really had quite a bit of consensus support on both sides of the aisle. In fact, an amendment relating to it was defeated, an effort to take it out of our welfare bill, with more than 60 Senators voting to retain this so-called illegitimacy bonus language in the bill.

I think we have heard, from both sides of the aisle and across America, great concern expressed in an ongoing basis over the problem of rising numbers of illegitimate births in our country. Indeed, we have even heard percentages that are projected to be as high as 40 percent of all children born in this country by the year 2000 will be born out of wedlock. The social indicators are that children born under these circumstances typically have higher rates of dropout from school, higher drug abuse rates, higher likelihood of becoming, themselves, involved in some type of criminal activity. It is a problem that spans the entire country and it is one which we in the Congress, I think, have responsibility to address.

The one and only way in which we attempted to address this very specifically in the welfare reform bill was through this provision, which would have provided States with the incentive to reduce the number of illegitimate births. For that reason, I was stunned when the Byrd rule was invoked, to try to remove—and in fact it did remove—this provision from the bill. In my judgment it was a terrible statement to make at the time when people from all political perspectives are arguing this is a problem of national concern and a problem we must address.

I can understand there were politics involved in the invocation of the Byrd rule with regard to the reconciliation bill on a number of fronts. But this statement was a mistake. I think making this statement sent the wrong signal. I think in many ways it was a repudiation of the concerns of average men and women, citizens across this country, who have been focusing on what we are doing here and asking, hoping the Congress will be responsive to a serious problem.

So, Mr. President, I say again, even though it is not in the form of an instruction, it is this Senator's hope the conferees will work to make sure the provisions in the reconciliation bill which addressed out-of-wedlock births in the form of providing States with financial incentives to address these problems locally will keep such language in whatever package returns to us.

Another provision which was likewise removed was the provision which would have capped the amount of time that people could be recipients of welfare benefits to 5 years. As I have traveled throughout my State, one of the concerns I hear expressed constantly by people is the notion that they do not want to see welfare become a way of life. The best and surest way to address that, I think, was the approach which we took here in the Senate in the welfare bill we did consider. It was overwhelmingly adopted. Approximately 87 Senators joined together to support the bill. In that bill we had a 5-year limit on the benefits that people would be allowed to receive from the welfare system. That, too, was a provision that was struck during the debate on the reconciliation package, again, I think sending absolutely the worst possible signal the Congress of the United States could send to people in this country who look to us to set rules that are fair and responsive to their concerns.

As I talk to the hard-working men and women of my State, who pay their bills and pay the taxes and are genuinely compassionate toward those in need, what I hear them say is, ''Fine, we want to provide a safety net. We want to be helpful. But we think there are certain points at which enough is enough. Five years seems like a reasonable period of time for them.''

For that reason, I sincerely hope, again, the conferees on the reconciliation package, whether or not it is in the form of an instruction from us, will be responsive to these concerns and retain the sort of language which we had

in the Senate bill prior to the invocation of the Byrd rule during the last hours of debate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. PRYOR. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time for the quorum not be charged against either side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, I yield myself 5 minutes off the motion.

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

THE IMPENDING SHUTDOWN OF THE FEDERAL GOVERNMENT

Mr. GREGG. Mr. President, I am not going to speak specifically to the resolution, but I do want to speak to the underlying issues with which the resolution—and the other business which we will be taking up today—is involved. That, of course, is the question of the impending shutdown of the Federal Government, what has brought it about, and where we are going.

I think it is unfortunate that it has been characterized—but it is not unusual—as I understand it, by the national press as an event which is involving a confrontation over personalities, a confrontation that has borne the position of business as usual, or politics as usual; not necessarily name calling, maybe name implying, rather than a confrontation for what it is.

This is an issue involving some very substantive philosophical differences that we have arrived at, and we have not yet arrived completely at the point of final decision, if there is ever a final point of decision, in the business of governing because the point of final decision is more appropriately the reconciliation bill at which this motion to instruct is directed. The reconciliation bill, which is now being conferenced, involves the fundamental changes which we as Republicans have proposed—or many of them anyway—especially in the entitlement accounts; fundamental changes which go to the fact that we believe the Nation's budget must be brought under control, that our Federal Government must work towards a balanced budget; and that needs to be done within a confined period of time; that we need to reach that balanced budget by the year 2002, or 7 years from now; that the way you reach that is not by cutting the Federal Government but slowing its rate of growth, and specifically slowing the rate of growth in certain major entitlement programs such as Medicare, Medicaid, welfare, farm programs; and, that in slowing the rate of growth of the Federal Government we believe—and we have put forward proposals with which we think we can deliver better programs.

We can, for example—and have—put forward a program which is going to deliver to our senior citizens we believe a much stronger Medicare system, at least one which will be solvent, which is absolutely critical, something which will not occur if action is not taken. As we have heard from the Medicare trustees, the Medicare trustees say that it is going to be insolvent unless something is done. What we have proposed—and what is being discussed—essentially is to say to seniors we are not going to allow you to keep your present health care system. But, if you wish to participate in it, we will give you a chose of other forms of health care delivery. We are going to give you choices of other forms of health delivery, like I or other Members of Congress have, and using an HMO, or a PPO, or some of these other initials, which mean basically groups of doctors and different types of health-care suppliers getting together and offering you, the seniors, service.

We are going to bring the marketplace into the Medicare system, and by bringing the marketplace into the Medicare system hopefully create more efficiencies of delivery of service while still delivering first class-service, and in the process giving our seniors more choices; and, also in the process slowing the rate of growth of Medicare.

We have proposed in the welfare area that we take this system—which is so fundamentally flawed, which has created such dependency amongst so many of our citizenry and has not allowed people to get off the system but rather put people into the system for generations—and say to those folks, ''Listen. You can only be on welfare for 5 years. You have got to be willing to go to work, if you are going to get welfare benefits.'' And, more importantly, we are going to turn it back to the States and allow the States to manage this welfare system, something that we should never have taken from in the first place because the States can do it so much better, to be quite honest, because they are closer to the people that are impacted by this.

So we are putting forward ideas which fundamentally reform the way this Government operates.

Today we are confronted with the fact that the President has vetoed the continuing resolution, which would allow the Government to operate for a couple of weeks, because he disagrees with the basic theme of the proposals that we are putting forward. It is the administration's essential position that the status quo works. I do not believe the status quo works. And many of us obviously on this side of the aisle do not believe that the status quo works. We happen to believe that this Government needs to be adjusted, that we cannot pass a Government on to our children which is fundamentally bankrupt and expect our children to have an opportunity to prosper.

So we come to the point of decision. That point of decision is going to be the reconciliation bill. But, prior to getting to that point, we have reached this preliminary discussion over about how we fund the Government for the next 2 weeks. And the President has decided to make a stand at this point on his belief that the Government of the status quo is appropriate. So that is his right. It is his right to put forward that philosophical position—that this Government is not large enough, that it should get larger, that this Government should take more taxes from our citizens rather than less tax taxes, that this Government, which has a Medicare system which is going to be bankrupt, according to our own trustees, should pursue a system which does not correct that system, or improve that system. That is his right to put forward those philosophical differences.

What I think is unfortunate, however, is that, as we move forward over the next week, we will be in a period of confrontation which appears to be one surrounding politics as usual—name calling or posturing that is superficial—rather than one that in actuality we are really discussing here, really getting to the question of how this Government is delivered over the next 7 years, as to how this Government is going to be restructured and reformed, and, in my opinion, improved, and significantly strengthened.

So as we take up this issue for the balance of the day—and I suspect we are going to be in this matter of the Government shutdown for quite a few days because I do not see any immediate resolution of it—I hope that we will stick to the issue of discussing the substance that has gotten us here, the substantive issue which have brought us to this point.

Those substantive issues really come down to this. Do we wish to bring the Government into balance? Do we wish to have a Government which is fiscally responsible, one which is a Government which we can afford, and a Government which our children can afford? That is what this debate is really all about. It is not about who talked to who on the flight to Israel. It is not about what the phone conversations were, and the tone of the phone conversations. It is about whether or not we as a nation are going to finally make some decisions, and we in the Congress and this President as a Presidency are going to finally make some decisions about restructuring this Government and make it affordable for our children, and how we go about doing it.

My expectation is that we will not resolve this overnight; that decisions which will be made in the next 24 hours will not be those so momentous as to

complete or even significantly impact that final decision process, but it may well be significant in impacting the manner in which we get to that final decision. We can spend our time over the next few days as we debate this continuing resolution, which is simply a preamble to the major issue which is reconciliation, we can spend our time debating the superficial issues of who, where, when, or what names we call each other or we can talk in terms of the substance of the debate which is how do we reform this Government and how do we take this Government which is so completely out of control and bring it under control; how do we give our children an opportunity to have a lifestyle that is better than ours; how do we become a generation which passes more on to children than was passed on to us by our elders.

These are the core issues, the issues of substance which we should be discussing over the next few days, and hopefully we can attend to those issues rather than become involved in the ancillary issues of name calling, political posturing, of Government by polls and Government by reelection.

Mr. President, I yield back such time as I may have.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Arkansas.

SETTING THE RECORD STRAIGHT

Mr. PRYOR. Mr. President, I was not planning to respond to my good friend from New Hampshire, and I agree with him 100 percent; it is not the time for name calling and politicization of this issue any longer. But I do feel it is time to set the record straight, and I would like to take just a moment of the Senate's time to sort of begin to set the record straight as to what is happening right now with regard to this issue of so-called shutting down the Government.

This is not something that just happened in the last 24 or 36 or 48 hours. This has been going on for several months now. In fact, back on September 22, Speaker GINGRICH boasted:

> I don't care what the price is. I don't care if we have no executive offices. I don't care if we have no bonds for 60 days, not this time.

That is a quote in the Washington Post September 22, 1995.

Look at what the Republicans have done. This is a fact. They have completely shut the Democrats out of the budget process. We know it. They know it. It is a fact of life. We have not been a part of this process. We have wanted to be a part of this process, but we have not been included. For example, after proposing the most massive cut in Medicare in the history of America, our Republican friends held only 1 day of hearings on this proposal—1 day. It is the biggest cut in Medicare we have had since 1965.

By comparison, the House held 42 days of hearings on Whitewater, Waco, and Ruby Ridge. The Senate held 48 days of hearings on these same issues. One day of hearings, 1 day of hearings on this massive Medicare cut.

Mr. President, I do think it is time to set the record straight. I also think it is time to realize that the President is not willing to impose an $11 a month premium increase on every single Medicare beneficiary as a condition for keeping the Government running.

Look who is being held hostage here. Every Medicare recipient in America is being held hostage, and the price is closing down the Government. And we are going to blame it on the President of the United States.

What is happening is we are only implementing what we call the Gingrich strategy. This is the implementation of a strategy that was conceived long ago but today is manufactured. It is an artificial crisis that has been created. It is a confrontation that has been dreamed up by people who do not care if this Government functions or not. It is a shameful experience. It is an experience about which I think most goodwilled people in this body actually shudder when thinking about the Founding Fathers of this country—bringing us to this point of closing down the Government in order to make political hay.

Mr. President, you know and all of us know that this artificial crisis basically revolves around one provision, the Medicare provision in the reconciliation bill, and the continuing resolution. But the truth is that the Medicare provision in this particular continuing resolution is also included in the reconciliation bill.

Why is it we have not straightened that out so far? It is pretty apparent. We have not even appointed the conferees to go to conference on the reconciliation bill, and yet we are about to close down the Government. We do not even have the conferees appointed. There is no one to go to conference with and to solve this issue. That has to be a problem, and it has to be a responsibility of the majority party in the Senate and in the House. The Chair knows this. I know this. My colleagues know this.

I think it is time to set the record straight. Earlier this morning, the Democratic party, Democratic side of the aisle had agreed; we thought we were getting ready, with unanimous consent, by voice vote to go ahead and pass the continuing resolution, let it go down to the President, not hold up this thing any longer, not continue the threat of closing down the Government, and then let the President veto it. Let him do it early in the day.

We wanted that to happen. I hope that can still happen. Right now I do not know exactly what is going on, but I do know this, that this President at this moment is ready, willing, and able to talk to the other side of the aisle, I assume at the White House or anywhere else, and talk to them about the measures necessary to keep this Government functioning as it was intended to function and to stop implementing this grand Gingrich strategy, this contrived artificial crisis which does not have to happen.

Mr. President, I understand my good friend and colleague from North Dakota would like 4 minutes, and I yield my friend 4 minutes at this time.

Mr. DORGAN. Mr. President, I thank the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from North Dakota has 4 minutes.

Mr. DORGAN. Let me take just a minute to follow on these comments.

We are here in the middle of a significant debate about the reconciliation bill and about the continuing resolution, the debt extension, and the public might wonder why. Why are we doing all of this?

A continuing resolution is necessary because virtually none of the appropriations bills have been passed on time. I think one of them reached the President on time. Most of them have not been passed through conference and sent to the President. They are supposed to be done, but they are not done.

Even more important, the law requires that the reconciliation bill be passed by Congress on June 15. It is now November 13. The fact is we are now going to in November and December debate a reconciliation bill for which there have not been conferees appointed 5 months after the law requires this Congress to do its job.

It seems to me it is hard for people who are doing this to claim they are part of some reform party. So I guess the point I would make about this issue of the shutdown is people are wanting to know who is going to share the blame or claim the credit. There is going to be no credit here, no credit in a shutdown.

Yes. I would say it is true there are too many pollsters in the White House. But it is also true, painfully true, there are too many Republican Senators running for President. That colors all of these decisions. And it is also true that Speaker GINGRICH has boasted for months about the train wreck he is apparently going to engineer and apparently we will realize this week.

There will be nothing but blame if this happens. It is not a thoughtful approach and not the right way for us to do public policy. For 200 years representative democracy has rested on the ability to compromise among differing points of view, and that is what ought to happen today and tomorrow. And we ought to solve these problems.

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

The Senate continued with the consideration of the bill.

MOTION TO INSTRUCT—NURSING HOME STANDARDS

Mr. DORGAN. On the specific amendment offered by the Senator from Arkansas, I came just to offer a word of

encouragement. This is a very important amendment. Those who talk about reform and a new and different future and then say, ''By the way, why do we not get rid of Federal standards or national quality standards on nursing homes'' do no service to the word change or reform.

I have sat in nursing homes for some good long while, regrettably. Many of us probably have with parents and other loved ones. I also sat recently at a hearing at which we heard from people who led the charge for nursing home reform in 1987 for Federal quality standards. You all know the stories. You have read the stories of the 1950's, 1960's, 1970's about what was going on in some nursing homes in this country. For good reason we adopted national quality standards.

Anyone who wants to retreat once again to experience the stories that we heard in the hearing recently by families who had loved ones in nursing homes, anyone who wants to retreat to that era is not understanding, in my judgment, what that era was all about. We have, I think, done a real service for our country and for senior citizens with the quality standards that came from the 1987 act, and we ought not to retreat on those standards and we ought not repeal those standards.

The first inclination of the Senate and the House was to go ahead and repeal them. Then the Senator from Arkansas raised such a fuss, as did others of us, that they finally said, ''Let's not repeal them outright. Let's just say we won't repeal them, but give the States the ability to seek waivers,'' which is the same thing for a State that wants to get them repealed.

So I am pleased today to add my voice to the amendment offered by the Senator from Arkansas. This makes good sense. Every Member of the House and Senate ought to vote for this. I am all for change. I am all for constructive change that improves things that need improving, but I am not for change that suggests let us turn back the clock to the 1950's here with respect to quality standards in nursing homes.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PRYOR. Mr. President, if I might inquire, please, of the Chair, what is the time situation for the Democratic side and the Republican side of the aisle remaining on the motion?

The PRESIDING OFFICER. The Senator from Arkansas has 11 minutes 40 seconds. The Senator from Michigan has 4 minutes 15 seconds.

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

I suggest the absence of a quorum. I ask unanimous consent that the time used in the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The bill 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.

Mr. ABRAHAM. I yield myself such time as I may have remaining. I may use all of it; I may not.

Mr. President, I think it is important for us in this discussion of the nursing home standards to emphasize several points that are part of the Senate-passed reconciliation bill which is going to conference because some allusions have been made that would suggest that there is an interest in that package in backing away from Federal standards that have been created here in the Congress.

I just would say this: I think that part of that attitude or that sentiment is also suggesting that somehow the States and local communities of our country are lacking in the compassion and the concerns that we have here in Washington. I cannot speak for what might have been the conditions in the 1950's or 1960's that were referenced, but I believe that in the 1990's Governors and State legislators have every bit as much concern and compassion about these issues as we do here in Washington.

I also think it is the case that a lot of States had these concerns before we did here in Washington. Proponents of the Federal standards have suggested that what this legislation does, as passed over here, is to eliminate these standards altogether. But the bottom line, Mr. President, is that the Senate bill does include the Federal nursing home standards.

States, however, have complained about the administrative burdens associated with implementing these Federal standards since the very beginning. Obviously, there is inevitably some tug of war that goes on between Federal and State governments over the rules and regulations. We do not in the legislation we passed propose in any sense to back away from the Federal standards that are out there, but we do acknowledge sometimes the implementation of a Washington-knows-best, one- size-fits-all approach does not translate into efficiency in government at the State and local level because of the diversity between the 50 States.

Therefore, what we have done in the bill that passed the Senate is not back away from Federal standards. We have retained them in the legislation. What we have done, however, is include a provision that only allows States with nursing home standards that are equal to or stricter—or stricter—than the Federal standards to seek a waiver from the Secretary of Health and Human Services.

Let me just go over that again, Mr. President. We are not talking about less stringent standards. We are talking about States that have equal or more strict standards may seek a waiver from the Secretary of HHS to be able to use their standards and to supplant Federal standards with the stricter standards that they may have at the State level.

We are talking here about seeking a waiver, Mr. President. We are not talking about anything that happens automatically. The Secretary of Health and Human Services must reach the conclusion that the State standards are equal to or stricter than the Federal standards before the waiver will be granted. If the Secretary does not believe that the State nursing home standards are equal to or stricter than the Federal standards, no waiver will be granted. That seems to me to be the best way, Mr. President, to preserve the tough standards that I think all of us here at the Federal level want to see maintained across this country.

I just say that the comments of the Senator from North Dakota struck home with me, as I am sure they did with many others, because I would bet virtually every Member of this body has had a loved one at one time or another confined to some type of care facility, a nursing home or other similar care-providing facility. We want those tough standards. But we also recognize, and I think this compromise is the way to achieve it, that sometimes the States can do it better, the States can do it less expensively, and the States can have tougher standards.

Obviously, different States have had different experiences. But my State, I think, is a good example of one which was ahead of the curve on these issues. Michigan was interested in quality nursing homes long before the Federal Government established its standards in 1990. Indeed, the Michigan Nursing Home Reform Act was passed and signed in 1978. And it was a much tougher law than anything that existed at the time.

It still contains some of the strongest penalties in the country for poor performance. In fact, recently an effort to test the standards of our nursing homes found that our State government did its tests. Only one nursing home it went into failed to meet the tough standards Michigan imposed. We are proud of the way we oversee these facilities. I think other States are, too. I think this waiver system is the way to balance Federal concerns with State flexibility.

Mr. President, I yield the floor.

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

Mr. ROCKEFELLER. Will the Senator yield?

Mr. ABRAHAM. My time has expired.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Who yields time?

Mr. ROCKEFELLER. Might the Senator from West Virginia ask the Senator from Arkansas a question?

Mr. PRYOR. Mr. President, should the Senator from West Virginia like

some time to ask a question to the Senator from Michigan, I will be glad to yield to him 2 minutes.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I say to the Senator from Michigan, I just came on the floor this moment, but I thought I heard the Senator saying that States, where standards are as strict or stricter than Federal standards, could seek a waiver.

Mr. ABRAHAM. Right.

Mr. ROCKEFELLER. That leads to the question as to States which are not restricted or whose standards are in compilation or regulations are being made, et cetera. I ask this question: It was my impression at one time in the evolution of the majority party's standards for nursing homes that each State was allowed to describe and make its own standards; is that correct?

Mr. ABRAHAM. Mr. President, it is my understanding we are debating today the current focus of the reconciliation debate, which is the bill that passed the Senate. I believe in the perfecting amendment the Finance Committee brought to us, the concerns that were raised about standards being below Federal standards were addressed in such a way that the only waivers that will be permitted are those which would be offered for States that have standards that are equal to or stricter than.

Mr. ROCKEFELLER. I understand that. I am not even talking about the waiver question. I am talking about the matter of States setting standards, whether or not they get to the waiver point. Is it not true that all 50 States would then get to set their own standards, and then at some point along the line, obviously somebody would make a judgment as to whether the waiver was justified or unjustified?

Mr. ABRAHAM. Right now, my understanding is States are free to set their standards today. The issue of whether to comply with their own standards or to be held to a higher or Federal standard is going to be determined by the Secretary of Health and Human Services who would be empowered to decide whether or not those State standards that they might set were equal to or stricter than the Federal standards. If they are not, then they cannot be used.

That is my understanding of the way this would work. I believe right now the legislature of Michigan or the legislature of West Virginia could pass legislation that would have standards of their own choosing. The issue of whether or not those would be preempted by Federal standards, I think, would be determined, under our bill, by the Secretary of HHS who might decide the Michigan standards, as has been the case for many years, are tough standards; tougher, in fact, in many cases than Federal standards.

Mr. ROCKEFELLER. I think before the time runs out, let me just make my point to the Senator. And that is, I understand the point the Senator is making, but I think there are a large number of States, I believe, which do not come under any kind of Federal standards, whether they are by waiver or not, which are allowed to make their own standards, which is not exactly the same as it is today where States do have to comply with certain Federal standards, witness 1987. And that the Senator makes the assumption that the junior Senator from West Virginia would not make, and that is that the States would make standards for their nursing homes which would be at or above Federal standards. That is something which concerns me greatly, but I was trying to seek information from the Senator.

Mr. ABRAHAM. Just in summary, my impression and understanding of what we attempted to accomplish here was to create a Federal standard that would be a floor rather than a ceiling, and if States wanted to have more strict standards, they would be permitted waivers to do so, but they would not be permitted waivers if they had standards less strict. That is my impression of the legislation.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. PRYOR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. PRYOR. Mr. President, I do not plan to use 8 minutes, but I would like to, basically, close my proposal that our conferees, when named, be instructed to keep the present standards for nursing homes this Congress adopted by an overwhelming bipartisan support in the great effort of 1987.

I would like to talk about the substance of the difference between our proposal and the proposal as supported, evidently, by our good friend from Michigan and his colleagues on the other side.

First, we are yielding two things in the Roth proposal that we voted for on October 27. We are yielding two things. The Federal Government, notwithstanding the fact that all nursing home residents—most of them, two-thirds—are Medicaid paid for, so there is a Federal involvement, a Federal attachment, but the Federal Government is saying, unless we instruct the conferees, unless we keep the present standards, the U.S. Government is saying in effect, we are giving up any protection or any regulations or any enforcement opportunities, notwithstanding the fact that nursing home residents are not treated fairly; that they are given poor food; that they are not clothed properly, they are not bathed properly. All this can take place, and if a State has a waiver, Mr. President, the Federal Government has given up that opportunity to enforce standards.

The second major concept that I would like to talk about that my friend from Michigan has raised—and I thank my good friend from West Virginia who has been so strong in the movement behind keeping the strongest and strictest standards—is the concept of a State being able to adopt stronger standards. That is the law today. That is the beauty of the 1987 law.

The Federal Government said, ''States, if you want to, you can adopt stronger standards than the Federal Government has.'' That is what we said to the States. There is a former Governor of a great State, a great Governor of the State of West Virginia. I was the Governor of Arkansas. I may not have been a very great Governor, but I was a Governor. I said, that makes sense. I said that in 1987, that makes sense.

So today we give the States that opportunity to go forward to adopt any stronger standards they would like if they think that Federal standards are not sufficient. But if the States apply to HHS and the Secretary of HHS stamps that piece of paper and says you have a waiver, then the Federal Government is walking away from its powers to enforce, the Federal Government is walking away from its powers to regulate, and we are going to rue the day, because we are going to find ourselves back in the pre-1987 period of time when we saw that many of the nursing home residents were not being cared for, that they were not being protected, that there were too many bedsores, that they were improperly tied up, that they were improperly looked after, basically, Mr. President, and there is no reason—there is no reason—as Time magazine said, there is no reason for us to go back to the dark ages. There is no reason for it. There is no support for it.

I can say, if we had the 2 million nursing home residents out there in our country voting as to whether they would like to have this extra amount of protection by the Federal Government, I think all of us in this body would know what that vote would be. I bet it would be unanimous, of all 2 million residents out there who would be saying, ''Thank you for that extra protection because my quality of life is being made better.''

Mr. President, this has been an issue for some weeks now that has basically been a very grave concern to many in this body and many in the other body, many organizations. But if I might, I would like to state just a few of the groups who have written in support of keeping the strongest standards:

The American Association of Homes and Services for the Aging; the American Federation of State, County and Municipal Employees; the American Geriatrics Society; the American Health Care Association; the American Medical Directors Association; the Catholic Health Association; the Catholic Social Services Organization; the United Auto Workers, and actually a long list of individual nursing homes across our country that in the past you might have said, ''Well, these nursing

homes would like to get by with no regulations.'' That is not the case.

These regulations, these standards are uniform. They are true in every State. They are the same in every State. If I had a mother living today and she were in a nursing home in California, I could be living in Oregon and I would know exactly what those regulations were, because they are the same all over this country. We need to keep that. We should not obfuscate the nursing home regulations. We should not invite lawsuit after lawsuit to try to find out what these regulations meant. I have a letter from the National Senior Citizens Law Center.

I ask unanimous consent that their analysis of the legislation, as proposed by Senator ROTH, be printed in the RECORD.

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

NATIONAL SENIOR
CITIZENS LAW CENTER,
Washington, DC, November 1, 1995.

Hon. DAVID PRYOR,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR PRYOR: At the request of Theresa Forster of your staff, I have reviewed the language of the Roth Amendment that addresses nursing home reform. For the reasons stated below, I do not believe that the Roth Amendment reinstates the federal nursing home reform law, as does the Pryor/Cohen Amendment, Number 2983, which was approved by the Senate earlier in the day on October 27. The Roth Amendment fails to provide nursing facility residents with the full protection of the federal law.

1. The waiver language does not make sense, when analyzed. Although there is surface appeal to saying that the protections of federal law will be waived only if the Secretary of the Department of Health and Human Services determines that a state's law is ''equivalent to or stricter than the requirements'' of federal law, this provision does not make sense when it is analyzed. If a state's law were the same as or stricter than federal law—and therefore the state was doing the same or more than federal law required—why would the state want or need to get a wavier of the federal law? It makes no sense.

Senator Cohen said on the Senate floor on October 27:

''I do not know of any State that has the same or better [standards] than the Federal ones. But assuming States come forward, as they have not in the past, *and raise their standards to those at the Federal level.* If they can establish that, and if they can satisfy the Secretary of Health and Human Services that they have done that, that does not mean they are free and clear to go forward and then abuse their patients. . . .'' [emphasis supplied]

Congressional Record, Oct. 27, 1995, S 16044. As Senator Cohen correctly points out, states could meet the Roth Amendment test only by raising their standards to the level of current federal standards. Therefore, the waiver provision makes no sense.

Moreover, a state can always offer more protection to residents than federal law provides, under state licensing authority, and some states do. For example, some states require more extensive training for nurse aides than federal law currently provides.

2. The Roth Amendment includes no standards for the Secretary to use in considering states' waiver requests. In reality, under the Roth Amendment, states will seek waivers of the federal law when their laws are different from federal law. However, the Roth Amendment includes no standards for the Secretary to use in analyzing a state's law. Does a state's law have to be equally stringent in each and every aspect of federal law? Or will waivers of parts of the law be allowed?

Current federal law addresses, with respect to standards required of nursing facilities: quality of life, quality assessment and assurance, scope of services and activities under plan of care, resident assessment, provision of services and activities, required training of nurse aides, physician services, clinical records, residents' rights (including free choice, freedom from restraints, privacy, confidentiality, accommodation of needs, grievances, participation in resident and family groups, participation in other activities, examination of survey results, notice of rights and services, rights of incompetent residents, transfer and discharge rights, access and visitation rights, equal access to quality care, admission policy protection of residents' funds), administration and other matters, life safety code, and sanitary and infection control and physical environment. Current federal law also addresses the survey and certification process and enforcement of standards.

Senator Cohen said on the Senate floor on October 27: ''The amendment clearly indicates that no such waiver is allowed unless the Secretary approves the waiver, and *only if each standards is equal to or more stringent than the Federal Standard.*'' [emphasis supplied]

Congressional Record, Oct. 27, 1995, S 16043. The language of the Roth amendment does not state that each state standard must equal each federal standard.

Moreover, the federal reform law now permits states to use their own laws and systems to enforce nursing home standards if they demonstrate to the satisfaction of the Secretary that their laws are as effective as the remedies specified by the federal law in deterring noncompliance and correcting deficiencies. 42 U.S.C. §1396r(h)(2)(B)(ii). No state has used the process provided by the reform law to request the right to use its own enforcement system since the new system went into place July 1, 1995.

3. The Roth Amendment offers no process for the Secretary to use in granting state waivers. The Amendment authorizes a 120-day ''approval period,'' (§2137(a)(2)(C)), but does not specify what processes the Secretary must use. For example, there is no provision for notice to the public or for a public hearing on a state's request for a waiver. There is no requirement that the Secretary issue a written determination that a state's law meets the stringency standard and no provision for residents to seek judicial review of the Secretary's decision to grant a waiver.

4. The Roth Amendment does not specify what happens to a state's request for waiver if the Secretary falls to act within the 120 day approval period. If the Secretary does not act to grant or to deny a waiver request within the 120 day approval period, the Amendment does not say whether the waiver request is deemed approved or deemed denied. If the Secretary receives many waiver requests, he/she may need more than 120 days to decide the requests.

5. In reality, many states will argue that their laws are equal to or more stringent than federal law. Despite the language of the amendment, which limits waivers to states whose laws are equivalent to or stricter than federal law, many states will argue that their laws meet the standard, regardless of the merits. Many states already routinely make this argument.

California argued in the summer of 1990 that its law was as good as federal law when it sought an exemption from the law from the Health care Financing Administration and from Congress. California also argued that complying with federal law would cost billions of dollars more than the existing system. HCFA rejected a waiver because it had no authority to waive the federal law and Congress also refused to exempt California from the requirements of federal law. California nevertheless went forward with it defiance of federal law and announced publicly on October 1, 1990, the effective date of the law, that it would not implement federal law. As a result, a statewide class of residents in California sued the state to compel it to implement the federal law. I was and still am, lead attorney for plaintiffs in that litigation. The federal district court ruled in January 1991 that California's law was not the same as federal law and that it offered residents less protection. Finding that residents faced irreparable harm from California's conduct, the court ordered California to implement the entire law immediately. If the reform law had not been in place, with its lack of provision for waiver of federal standards, California residents would not have been protected.

6. The federal government would lose current authority to enforce standards of care against nursing facilities. Section 2137(a)(2)(D), ''No waiver of enforcement,'' begins, ''A state granted a waiver . . . shall be subject to [three categories of penalties].'' This provision addresses solely the authority of the Secretary to impose penalties against states that fail to meet state standards for which they received a waiver. This language does not retain authority in the Secretary to impose penalties against nursing facilities that fail to meet standards.

Subsection (iii) of 2137(a)(2)(D) does not appear to make sense. Although its purports to give the Secretary enforcement authority under the reform law, the opening language of the section quoted above restricts this federal enforcement authority to actions against states.

Senator Cohen insisted in his statement on October 27 that ''the Federal Government must continue a central role in monitoring and enforcing nursing home standards.'' Congressional Record, Oct. 27, 1995, S 16043. However, the language of the Roth Amendment does not carry out his intent.

7. The Secretary's penalty against states for noncompliance is considerably weaker than current federal law. Section 2137(b) limits the financial penalty against states to no more than 2% of the federal payment under section 2121(c). Current federal law authorizes the Secretary to withhold all of a state's Medicaid payments if he/she finds that the state plan does not conform to the requirements of the Medicaid law or if a state fails to comply with the law in its administration of the state plan. 42 U.S.C. §1316(a)(1).

When California announced on October 1, 1990 that it would not implement the nursing home reform law, the Secretary issued a determination that California was not in compliance with federal law. 56 Federal Register 80 (Jan. 2, 1991). All of California's Medicaid money for nursing homes was jeopardized.

A maximum of a 2% penalty is a considerably weaker federal sanction.

At the Senate Aging Committee hearing on October 26, the witnesses made clear that there needs to be a federal set of standards that are uniform for everyone, no matter where they live. Waivers for what are fundamental rights for individuals who live in nursing facilities (as witnesses described the law) would be granted or denied in a highly political situation, not on their merits.

Thank you for your efforts on behalf of nursing home residents. The Pryor/Cohen Amendment, No. 2983, offers better, more comprehensive protection to residents than the Roth Amendment.

Sincerely,

TOBY S. EDELMAN.

Mr. PRYOR. Mr. President, they have analyzed this particular issue, I think, as well as and as objectively and as fairly as they know how. They come down with the bottom line that we do not want to see compromised the safety, health, and the quality of life for the nursing home residents of the United States of America.

Mr. President, I see no other Senator seeking recognition. Therefore, I yield the remainder of my time, 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. PRYOR. 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. PRYOR. Mr. President, I do not think I have requested the yeas and nays.

Therefore, I request the yeas and nays on my motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PRYOR. Mr. President, I ask unanimous consent to temporarily lay aside the motion to instruct the conferees on the nursing home standards.

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

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, I ask unanimous consent to have printed in the RECORD as part of this debate, since our time has expired, a report.

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

REASONS WHY THE NURSING HOME REFORM PROVISIONS IN OBRA '87 SHOULD BE REPEALED

1. The cost to the Medicare program for the survey and certification of Nursing Homes (skilled nursing facilities) will be approximately one hundred million dollars for the current fiscal year. Combine the national Medicare cost with the one hundred million dollar cost to the Medicaid program to do surveys of Medicaid nursing facilities and you can project a total national savings of two hundred million dollars to Medicare and Medicaid.

2. The survey, enforcement and certification requirements flowing from OBRA '87 are excessive in scope, difficult to administer and were not pilot tested to demonstrate their applicability. As a result there is gross inconsistency in survey findings and enforcement remedies between individual states and HCFA regions across the country.

For example, for the 1,676 national surveys competed between July 1, 1995 and September 1, 1995, Michigan found only 1.6% (1 of 61) of facilities surveyed to be in ''substantial compliance'' and not requiring any enforcement remedies. The national percentage of facilities in ''substantial compliance'' for the same period was 32%. Michigan continues to identify 60% of its facilities as providers of ''substandard quality of care'' when utilizing the HCFA definition while the national rate is 18%. These unacceptable variations are largely due to vague statutory requirements that have been implemented without adequate evaluation and training.

3. Implementation of the enforcement requirements in OBRA '87 has resulted in inappropriate labelling of some providers as providers of ''Substandard Quality of Care'' when the infractions cited are easily correctable. In the meantime, these providers are prohibited for the next two years from having state approval of a nurse aide training program operated in or by that facility.

4. Administration of the enforcement processes required by OBRA '87 is incredibly complex and cannot be administered by the states without a significant increase in the budget and the number of personnel dedicated to this task. Individual states should be given the opportunity to design and implement a survey and enforcement program that make sense, are affordable and can be administered by that state.

5. States have existed state licensure and enforcement laws and regulations. They should be given a chance to use this authority. In the past there was a disincentive to do so since Medicare and Medicaid regulations took precedence since they controlled funding to the facility. States would welcome the opportunity to design their own programs—probably incorporating some of the positive elements of OBRA '87 but leaving out those components that have not worked.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

MOTION TO INSTRUCT—MEDICARE

Mr. ROCKEFELLER. Mr. President, I send a motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

MOTION TO INSTRUCT BUDGET CONFEREES OF H.R. 2491, OFFERED BY SENATOR ROCKEFELLER

I move to instruct the conferees on the part of the Senate not to agree to any reductions in Medicare beyond the $89 billion needed to maintain the solvency of the Medicare Trust Fund through the year 2006, and to reduce tax breaks for upper-income taxpayers and corporations by the amount necessary to ensure deficit neutrality.

Mr. ROCKEFELLER. Mr. President, we have come to one of those days, I think, in the Senate and in this Congress which is pretty definitional. I think, based upon some town meetings that I held yesterday in West Virginia in very rural counties, people are really looking at the Congress today to find out what we are made of and whether or not we can govern. I think there is a suspicion that we cannot, but there is a hope that we will. The day that that will be determined will be, I suppose, today and tomorrow, but basically today, up until midnight.

Mr. President, the reason that I have offered this motion, which the clerk just read, is to, in fact, do a favor for every Senator and to give every Senator an additional chance to defend what is probably the most popular program in this country—and that is Medicare—and to protect that program from robbery that can, in fact, still be stopped. But, at the moment, it is not being stopped and, therefore, 37 million Americans are in jeopardy.

The motion, as the clerk read it, gives very precise instructions to the conferees of this reconciliation bill, who are in fact still trying to figure out what to do. If a Senator, at a later hour, is to vote for this motion, the Senator will be telling the conferees that Medicare—again, probably the most popular program in the country—should only be cut to ensure that Medicare's solvency, the trust fund's solvency, is ensured through 2006.

Now, there is no reason to ensure solvency longer than that period because, in fact, there has to be a longer term solution made, in any event, and that, I hope—and I know the majority leader hopes, and I know the ranking member of the Finance Committee hopes—that will be done by some kind of a commission which will be sort of a binding commission, a Base Closing Commission, wherein hard decisions will be made about the future of Medicare, how it is to be paid for, what it is to offer, et cetera, and that will be remanded back, so to speak, to the Congress, who will vote that up or down, and the President will sign it.

My feeling would be, of course, that the Congress would vote for the bill, as they did the Social Security Commission, because it would be carefully thought through by a group of experts, and that is the longer term solution. But that is for another day.

For the moment, we have to figure out how can we get from here to the year 2006 and keep Medicare solvent. The trustees of the Medicare hospital insurance trust fund have made it very clear in public statements, private statements, writings, official statements, unofficial statements, and in any statement they have ever made about this, that all of the problems of Medicare part A can be solved by means of an $89 billion cut. Of course, that is $181 billion less than the excessive and, I think, dangerous, and certainly unnecessary, cut of $270 million, which was put forward by the two versions of the Republican budgets now passed by the Senate and the House of Representatives.

Mr. President, $270 billion of Republican cuts get you to the year 2006 for solvency, and $89 billion of Democratic cuts get you to the year 2006 for solvency.

At some point, one has to ask the logical question: How come if both get you to the same place for solvency, even give or take a year, why is there such a difference? Why is there a $181 billion difference in what the Democrats are suggesting—this is what the trustees suggested to us—and what the Republicans are suggesting?

This motion is a final chance to go on record for the survival and the solvency of Medicare. I repeat, a final chance. It really is. Every Republican Senator can take advantage in a sense of this 1-day special opportunity. If you want to make it clear that you do not want Medicare to wither on the vine, this is definitely the vote for you.

These are not political words, in fact. The words could not be more clear. They could not be more precise. Mr. President, $89 billion does the job. Anything else is for some other purpose. Mr. President, $89 billion in cuts give Medicare solvency for the short and medium term. Anything else above that is for some other purpose.

The trustees of the Medicare trust fund have said in print and in every other way that $89 billion of savings is precisely the amount needed to ensure Medicare solvency until that magic year of the year 2006. The problem for the Republican budget is that it needs a lot more money than $89 billion in cuts of Medicare.

I am trying to say this as objectively as I can. It really does need more money. If there were $89 billion in cuts made out of Medicare, a major function of the Republican budget would fall on its face. I have a very strong suspicion, as do most of my colleagues on this side of the aisle and surely some on the other side of the aisle, that the reason for $270 billion of cuts in Medicare and the reason, in fact, for $187 billion or $182 billion in cuts in Medicaid adding to $450 billion, to give ample savings or cuts so that the $245 billion tax break can be paid for.

There are not many places in the Federal Government that you can go for money anymore. You cannot go to the Defense Department. We made about as many cuts as we can make there. You cannot go elsewhere—to the National Endowment for the Arts. You cannot go to AmeriCorps; that is being abolished. You really have to go to Medicare and Medicaid.

If the proposition that people want to have a tax break for certain people and certain corporations, then, obviously, at the exact same moment as 7 years is being used to reduce the budget deficit to zero or purportedly to zero—there is discussion about that—you have to get a very large amount of money from some other source. Of course, that source, the largest of all of those sources, and the most tempting target, is Medicare. That is exactly where the Republicans go.

They do that, as I indicate, to pay for tax breaks that are listed one after another after another, promising special dividends galore for people who are already wealthy, and corporations that want to pay less are willing to make working families pay more.

Now, I do not agree with that philosophy. This is a democratic society, a democratic body. The Republicans control the Senate. The Republicans control the House. They have made their decision. This is what they want to do.

Let it be clear that raiding Medicare is not reform. The last time I spoke on this subject, I had a Webster's dictionary and I looked up ''reform'' in that dictionary. Once again, I refer to that because the record of definition of ''reform'' is ''to put or change into an improved form or condition.'' That is how Webster defines reform: to put or change into an improved form or condition.

Cutting $270 billion, $181 billion in excess of what is necessary, is certainly not putting or changing Medicare into an improved form or condition. Not only that, it is making decisions about Medicare which should not be made now, which should be made in the context of the longer term, which is the idea of the commission.

Often Republicans say, ''Well, Democrats are afraid to means test.'' I do not think that is the case. I think Democrats are not afraid to means test. In this case, this Senator would not be afraid to means test. I would be very much afraid to means test in the absence of any other consideration of what is going on in Medicare. I want to look at means testing in the broad spectrum of a larger commission, which is what I think that President Clinton would do, perhaps within a year or, if he is reelected, within 2 years. Then call together 30 experts, as he did for the Greenspan commission, and sit down and discuss Medicare behind closed doors, with the public involved through consumers and seniors, experts, actuaries, and everybody else.

When you want to, as Webster says, ''to put or change into an improved form or condition,'' you want to make sure you are doing the right thing with something that means so much to senior citizens and to some disabled, as does Medicare.

So, $270 billion is not going to put Medicare into better form. It will put it into far worse form, a much worse condition. I think that is axiomatic. The numbers would simply say that. We do not have to wait and see. I do not want to wait and see right now what that means.

The reconciliation bill lays out how to get $270 billion out of Medicare in various cold print. The majority party has said premiums and deductibles for seniors shall be doubled. Nothing hidden. The seniors I was with yesterday, their premiums will be doubled. Their deductibles will be doubled. Hospitals will get less. Rural hospitals—I was in a county yesterday in which one of the rural hospitals had just closed, gone bankrupt. I am trying to figure out a way to save it. In the meantime, their costs, were they open, would go up, which makes it, of course, more difficult to open. Doctors will get less from Medicare.

What is interesting is that some doctors have told us for the record that they are just not going to take older Americans as patients any longer. They are not going to accept them as patients. There will be a little sign on their shingle which says Dr. So and So, ''Medicare patients, not accepted.'' They have said that to us, Mr. President. I do not create that.

If all the cutbacks and price increases for seniors could not generate $270 billion, then there is some automatic chain saw which no longer exists in the Senate budget which does in some other draconian form exist in the House budget, some automatic chain saw will keep on cutting Medicare.

The Senate had a very infamous section to it called ''BELT,'' to whip out, to rip-off, so to speak, and then to take Medicare and cut it blindly. In other words, if Medicare grew faster—everybody knew Medicare definitely was going to grow faster. They set in this BELT program a very low growth possibility so obviously Medicare would fail the test, BELT would be put into effect, and then a whole series of cuts would then be put into effect in a whole series of services so they could no longer be offered to Medicare patients.

I think the minority embarrassed the majority in this body to take that out. I am glad. I congratulate the majority party for doing that because I think it was wise to do. But that has not happened in the House, where it is very hard to embarrass the majority party. The minority party is not very good at it over there. They do not have the numbers to do it.

In any event, as far as we know, it stays there, a BELT-like instrument, which is a meat ax, and that will just make the problem of seniors and paying for Medicare much, much, much, much worse. We offer this motion to instruct conferees to give Senators another chance to fix this budget—again; to get the priorities straight—again. Balancing the budget does not mean, I do not think, by definition, destroying Medicare, hurting Medicare, spending huge sums on new tax breaks and increasing the debt over the next 7 years. It means protecting Medicare's solvency with the $89 billion. It means limiting tax relief to what we can afford.

Notice I am not saying abolish tax relief altogether, but simply limiting it to what we can truly afford. And then limiting it to those who can use it the best, who either need it the most or can use it the most productively, in terms of jobs, in terms of giving people a better opportunity, a life. Of course, it means using some common fiscal sense. That is the kind of budget we should be working together to pass in this body.

I urge every Senator to vote for this motion. I am not sure that every Senator will, but I urge every Senator to do that. It is a bonus vote. Yes, it is our final—and yes it is a desperate—act, to try to convince Senators on the Republican side to protect Medicare and not sacrifice Medicare at this very early stage on the alter of budget deficit reduction for the purpose of a tax break.

Let us remember why Americans of all ages feel so strongly about Medicare. It is one of the country's proudest achievements. It enables every American to count on dignity and decency when they retire and get older. It tells families fortunate enough to have parents and grandparents who grow old that they will not have to make the terrible choice between buying a house or sending a child to college and paying the health bill of a mother, father, grandmother or grandfather, as they get into their seventies and eighties or beyond that.

The Members of this body on both sides of the aisle should always have courage to change course when the signs are obvious that it is time to go down a different road. We are at, now, such a time. This motion is a genuine effort to give Senators a chance to do just that. I do not know of any other way to appeal to the conscience of the majority in the Senate than by this motion to instruct the conferees. We have exhausted every other opportunity. We cannot vote on bills anymore. All we can do is to make a motion to instruct the conferees to consider what it is we have been trying to say. There is nothing else left to us, so we do what we possibly can to protect seniors.

The plan to use Medicare to pay for other agendas is just not working. The public is not buying it. It is going over like a lead balloon out there on Main Street and in the coffee shops and living rooms and senior centers where cutting $270 billion from Medicare is understood very clearly.

Again, I was at two town meetings yesterday in my State, in relatively rural counties. The people understand, there, the seniors understand, there, very well, exactly what has happened. They did not need to get a lecture from me on it. They understood it. That message has really gotten through. It is really hurting.

If I were a member of the majority party in this body I would hear that message loud and clear. I would be somewhat afraid of that message. But most important, I would respect that message because it is a message which is coming directly from people who are affected by it and they do understand it. They understand it very clearly. The American people are really paying attention to this part of our debate over priorities.

A lot of the rest may go by, but this part they are paying close attention to. They are tuned in and they are turned off and they are angry and they are scared. Not by the minority, but by the fact that their premiums and deductibles will get doubled; that they may be turned away by hospitals or doctors; that hospitals will lose money. Hospitals will not turn them away—but they are scared of the idea of $270 billion in Medicare cuts. And they have every reason to be scared about that, because the $270 billion in cuts are not needed, they are not called for. They have another agenda.

Before Medicare was enacted, just under half of America's elderly had no health insurance—over half had no health insurance, in fact, whatsoever. Can you imagine that? To be 80 years old and have no health insurance? What would that mean to a lady or a man, perhaps living by themselves, to have no health insurance? Today, 97 percent of America's seniors do have health insurance, thanks to Medicare. And that includes 330,115 older and disabled citizens in my State of West Virginia. I happen to care about them. I want to see the right thing done by them. The right thing can still be done by them, for them, by us.

Nationwide, these are Americans whose average income is $17,750, which is not very much money. Not so in West Virginia. In West Virginia the average income for seniors is $10,700 a year, of which already one-fifth is being spent on health care. So think about what an $11 premium increase per month would mean? In other words, if you start out with $10,700 and then already 21 percent is being spent for health care, so that is more than $2,000. And then you have to add on another $1,000 just for the premium. You come very quickly to the point where these folks, who are real people—you know they are real people, they come out in the cold to meetings in West Virginia and other States, and meet with us. They are afraid. I did not tell them to be afraid. They are afraid. They arrive at the meetings afraid. That is why they came to the meeting, because they are afraid and they want to know is there going to be a change in this policy?

They want to stay healthy. They want to stay alive. They do not even get prescription drugs, do they, under Medicare? They do not even get prescription drug coverage; or home care, which is what we all want. They cannot get that under Medicare. But certain things they can get and they really do want them.

If I could be very blunt about it, Medicare, I think, is on the short list of America's all-time great accomplishments as a Nation. I think it belongs on the list that includes winning the American revolution, breaking off with the British, in other words, and starting the world's greatest democracy; establishing Social Security; stopping Hitler and ending the Asia part of the Second World War; sending a man to the Moon. I put Medicare in a league with those. We had hundreds of thousands of soldiers killed in the Second World War. We have hundreds of thousands of seniors who live, dependent, upon Medicare in West Virginia, and 37 million across the country each and every year, except that the number gets larger.

Medicare should not be treated like the bank standing there on the corner to be robbed so the money can be just handed out to the most wealthy, even though some of the intentions might be good. Before the conferees finish their work, this motion is a chance to give up on an idea that is making Americans mad. And it is not just senior Americans.

At town meetings I have gone to over recent months—and the one I was at yesterday—it is not just the seniors that are mad. It is all of those folks that turn out in those rural counties that are mad. They are angry that this is happening—happening in a sense without their knowledge. The knowledge has gotten through because of the press after its usual preoccupation with trying to figure out not the substance of the issue but who wins and who loses. Are the Republicans up? Are the Democrats down? What is Clinton going to do? What is he not going to do in the offer to the President today? That is what it always is. That is what these people have to get. It is political warfare. It has nothing to do with their lives. That is for the most part what the media out there covers. So it is hard for them to get the point, but they are informed on this issue.

So, again, before the conferees finish their work, this motion is a chance to give up on the idea that is making Americans so mad and is forcing the budget process to remain divided and contentious—in some ways is forcing a constitutional crisis. I will get to that in a moment. The Senators on this side have absolutely no choice, Mr. President—no choice.

We have exhausted our remedies. There is nothing more we can do. We are in the minority trying to fight for Medicare. But we have exhausted our remedies except for something called a motion to instruct conferees, which probably will not pass, but I hope it does. I hope it does because it is in the interest of everybody in this body and certainly in the interest of senior Americans.

The President has absolutely no choice but to promise the veto pen. We were elected to stand for what we think this country stands for. That includes the idea of health, income security through Medicare, through Medicaid, and through Social Security—all of these things—when you have finally finished your working years and you reach your later years.

I know the people of West Virginia expect me to keep fighting for Medicare. They told me that yesterday. Go back there and fight. Go back there and fight. That was their instruction. They understand that balancing the budget does not mean using Medicare as some kind of a fund for giveaways. It means using Medicare for Medicare.

The Senate can agree on a budget that will eliminate the deficit, but only when we first agree that Medicare should still be standing the day that vital goal is reached.

Mr. President, I voted for a balanced budget in 7 years. It was not the one that prevailed. It was another one. But

it balances the budget in 7 years. I am for that.

So I do not offer this as some kind of an evasive mechanism. I offer it with the deepest sincerity, with a real sense of fear for what is going to happen to our seniors, and potentially to our country.

So I urge my colleagues to vote for this motion to protect Medicare and the millions of seniors who should hear from us that their security is not being traded away.

Let me also just make a comment at this point. If I might ask how much time is remaining to this Senator?

The PRESIDING OFFICER (Mr. SMITH). The Senator has 11 minutes remaining.

Mr. ROCKEFELLER. Mr. President, let me also comment on the issue that fills the morning headlines and the news stories—as well it should—that relates directly to Medicare and the 37 million senior citizens who count on Medicare. We all know too well that some are not acting as if it is not going to happen. But, you know, it is right on the threshold. We are right on the brink.

The Federal Government may shut down within 24 hours. That may be a thought that pleases a lot of people, but if you are trying to land an airplane and you are trying to make sure that you can get a passport to come back from Europe to this country, or whatever, this is a very, very grave subject. This has not happened, I think, since perhaps in the year 1990. And there is some thought that, if this happens, this time it will last longer. The last time it cost the American taxpayers $1.7 billion. Heavens only know what it will cost this time. But here we are.

Is the Government going to shut down in 24 hours? Beyond that, the United States' fiscal integrity is on the line as it has never been on the line before.

When Robert Rubin talks, it is interesting. He is not just sort of talking like the Secretary of the Treasury, so to speak. He is scared. He is afraid of what is going to happen.

Why are we in peril? Why is our integrity in peril? Because our debt ceiling limit may not be extended in time. Why? Because the party, to be quite honest about it, Mr. President, that sought control of this Congress, that asked for the votes to be able to control this Congress—and has those votes and does control this Congress easily—needed to be the majority party. You are. I would say to the Presiding Officer, you all are in charge. And the majority party now refuses to take care of one of the most basic responsibilities involved in Government.

The Republican leaders are actually refusing to allow two basic measures—the continuing resolution and the debt ceiling extension—to travel from Congress to the President without a bunch of unnecessary, inappropriate, frankly some just silly baggage loaded onto these two monumental bills because of what can happen.

It would be one thing if the majority would claim that they have completed their own promised work on the budget and a series of appropriations bills. But they have not. They are still negotiating the reconciliation bill in some room somewhere to figure out amongst themselves just exactly how they plan to cut Medicare by $270 billion. That is going on right now. And then to dole most of that money out through tax breaks.

The Republican majority still needs to finish their own work on the budget, and we are 24 hours from shutting down the Government. Shutting down the Government is like shutting down the people, in certain respects—not in all respects, but shutting down the work of the people and what the people need to have done.

So, for some reason, even though any teacher would give the Republicans an ''incomplete'' today on their promise to produce a 7-year budget plan, we find the majority party playing with fire and endangering the country in ways that can be and have to be avoided.

Take the continuing resolution. That is the basic piece of legislation to keep the Federal Government operating so national parks stay open, passports get approved, checks go out. The list goes on and on and on. Of all possible pieces of baggage that the majority party could attach to this bill, never, ever, ever, never, ever, ever, did I think that they would take a premium increase in Medicare, a premium increase for Medicare beneficiaries and make it as their top priority—to say to the President of the United States, ''You take this premium increase, Mr. President, or we will shut down the Government.'' Take this premium increase on 37 million seniors in this country or we will shut down the Government.

We used to do that kind of stuff at camp except we did not run the Government. But that is the kind of stuff we used to do at camp, I say to my friend from Arkansas. The Republican leaders are actually demanding that the President swallow an increase in Medicare premiums in order to keep the Government running. The Government is meant to be serious stuff. The premium increase or whatever is going to happen, that comes in the commission stage later on. That should not be the issue now. The issue now should be to make Medicare solvent. I say to the President, do not swallow this ridiculous demand and do not give in to it. Do not do that to our country. Do not do that to your office. Do not humble your office in that manner, by agreeing to this Republican demand to hurt seniors as a tradeoff to keep the Government running.

More than three-quarters of all Americans on Medicare have yearly incomes of less than $25,000 a year, and as I have said, in my home State of West Virginia—and I daresay in the home State of the Senator from Arkansas it is not much more than what it is in West Virginia—the average annual income for Medicare beneficiaries is $10,700 a year—not $25,000, not $17,000, $10,700 a year, and $2,000 plus already of that goes to health care. So that leaves them $8,000 for the rest of the year for everything else. And now we are going to add $150 or whatever of new premiums—and that is just part of doubling Medicare copays and deductibles as is contemplated in the rest of the majority party's budget plan.

The specific Medicare premium increase that the Republican leaders are demanding would cost our seniors an extra $11 a month. That means their premium would go from $42.50 to $53.50 a month. Maybe the upper-income Americans in this body and some others of the upper-income Americans who are counting on a tax cut in the Republican budget bill will not notice the $11 increase in their premium insurance, but I guarantee you every last senior that I saw yesterday in town meetings—that I have seen during the course of these years—will feel it and will have to make choices as a result of it. An extra $11 a month in cost just might mean skipping a couple more meals at the end of the month.

Just talk, you say. No, it is not. It just is not. That is how fine the margin is for them. Or not being able to pick up one's heart medicine or coming up short when it is time to pay for the heating bill.

That is why the President cannot in this Senator's judgment and will not in this Senator's judgment and should not even consider the idea of being pushed by Republicans to raise Medicare premiums even before they have finished their budget.

Today is the day that the Republicans should give up trying to use Medicare and 37 million seniors and disabled Americans as pawns. This is that day. It is a ploy that is not working. It is a ploy which is not good. I think most Republicans probably recognize that at this point.

Mr. President, I close simply by saying that what I am doing is begging my colleagues to walk away from this Medicare premium change at this point. Do not make the President veto it because of something like that. Let us try to do this properly and rationally.

I thank the Presiding Officer and yield my remaining time to the Senator from Arkansas.

The PRESIDING OFFICER. All time remaining under the control of the Senator from West Virginia has expired.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may be allowed 2 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

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

I thank my colleague from West Virginia. His statement was eloquent. It

was delivered with compassion and force as always, and I applaud him for his commitment to this cause.

The Senator from West Virginia has brought up a most telling point which brings us to the brink of the so-called closing down of the Government, which does not have to happen. The Medicare issue that is today in the reconciliation bill is also the issue—that is, threatening to bring down the Government—that the Republicans have put into the concurrent resolution. It is the same issue. It should not be debated in the continuing resolution. It should be debated in the reconciliation bill, as my colleague and friend from West Virginia knows, but there is a reason why there is no debate going on between the conferees of the House and Senate, Republicans and Democrats on reconciliation. We do not have any conferees. There is no one to confer with. And as a result we find the Government is about to close down. We hope not. It is not necessary. It is manufactured, this crisis.

In behalf of the Democratic leader, I would like for the RECORD to indicate that no Democratic Senator would require nor request a vote on sending the continuing resolution in its current form to the President. We understood and hoped this morning that there would be presented the continuing resolution to the Senate. We were not. No Democratic Senator voted for the continuing resolution which passed on Thursday, and we see no reason to delay the continuing resolution going to the President for his disposition.

I ask for 30 additional seconds, Mr. President.

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

Mr. PRYOR. Nor do we attempt to slow down this process. We want to see this process go forward. We want to prevent this Government closing down. It does not have to. It is our understanding on the Democratic side of the aisle that Republicans may now seek to amend the continuing resolution further and we are now waiting word as to what that amendment might be.

Mr. President, I thank the Chair. I thank the distinguished manager. I yield the floor.

The PRESIDING OFFICER. All time of the Senator has expired. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may require.

Let me today respond in part at least to some of the issues that were raised by our colleague from West Virginia in presenting his motion to instruct conferees. What I would like to begin with is a discussion of the numbers themselves.

The Senator from West Virginia and others on the Democratic side of the aisle have contended in recent weeks that if we only reduced the growth of Medicare spending by $89 billion, somehow this alone would be enough to make the Medicare Program solvent, to preserve and protect and strengthen it.

That is simply not the case. The $89 billion number which has floated around here for some time is a number which at least many of us consider to be a number in great dispute. Once again, it is a number that comes not from the Congressional Budget Office, the office that I would assume Members of Congress would look to for accurate information, but, rather, comes from the Office of Management and Budget.

We have talked on numerous occasions here on the floor of how, when the President was first elected, he came to Congress and said, ''It's time to end the games of rosy scenarios and administration politicking by using executive branch numbers. Let's all use the same numbers. Let's all use the CBO.'' But now when the crisis hits, when the crunch time comes, we are back using OMB numbers. And $89 billion simply will not get the job done.

In fact, it is interesting to note, Mr. President, that the President himself in his proposals to bring the budget into balance has suggested a number in the range of $127 billion as the amount of dollars that need to be reduced in Medicare spending over the next few years in order to bring the budget into balance. That $127 billion is also an OMB number. If it was calculated by the CBO, using the assumptions we have made here, it would be much higher. In fact, I think it would be closer to $190 billion, using CBO kinds of assumptions, to get the job done.

But the $89 billion proposed by this motion really only covers part of Medicare. That is the second thing that needs to be put into perspective. That covers part A of the trust fund. Let us look at that trust fund. Part A of the trust fund will go into deficit this year for the first time in its history. We have heard a lot of talk during the debate about the Medicare Program, from the beginning when the trustees' report was released, that, in fact, the trustees' report should not be taken too seriously. After all, for years and years the trustees have prophesied that at some date in the future Medicare part A would go bankrupt.

Now we are hearing a different story. Now maybe there is a need to adjust it. I say that $89 billion is not enough. There is a very serious need because part A, for the first time, in 1996 will run a deficit. And at this point there is no foreseeable stage in the future when it will not run on an annual basis deficits that will grow larger and larger and larger.

That is because the structure of the program, the way it is currently set up, absolutely guarantees that the deficits in part A will continue to grow. It will grow faster, faster, and even faster in about 15 years as people in the so-called baby-boom generation reach an age when they become consumers of entitlements rather than people providing revenue to these trust funds.

Reductions of $89 billion in spending in Medicare represents business as usual, represents the approach that has been taken for too long here in the Congress of the United States, the kind of piecemeal, one-step-at-a-time approach to Medicare that has caused the program to continue to run at growth rates that are far greater than what the private sector sees in health care provider increases.

It is time to end that approach and play by the real numbers and time to play by the CBO numbers. The $89 billion is a stopgap solution; we need a longer solution. We need not only a solution for part A, we need to solve the problems of part B, because part B is growing too fast as well. That is what we have attempted to do in this budget reconciliation package.

Mr. President, the allusions that have been made suggest that the changes we are talking about are ones that are simply designed to cause people hardship and difficulty. That is not the case. Let me just review for the Congress today some of the changes that are incorporated in our reconciliation package.

First, as was alluded to by the Senator from West Virginia, we intend to means test beneficiaries so that upper income citizens are not on the same level as those in greater need and, in fact, do pay their fair share. It is suggested that before we move in that direction, we should have a long-term study and commission or some other form of assessing whether or not to move toward the pay-your-fair-share approach. I think we should put the commissions out of commission. I think this is an approach that is needed now. We do not need to delay in making that decision.

Second, what we have tried to do in our plan is try to provide those people who are in the Medicare Program with the right to choose a program that is best for them.

The Senator from West Virginia made a comment or two that I was struck by. He talked about how Medicare does not provide for pharmaceuticals. It does not provide, as you also know, Mr. President, for things like new eyeglasses. That is because we have a one-size-fits-all Medicare plan. If you are a senior citizen in this country, you do not have a choice, you are in Medicare and you only get one approach. If you are not, if you are in the younger age category, you have a lot of choices.

What we want to do and one of the ways we intend to bring down the growth of Medicare is by giving our seniors the right to choose different options. I know seniors who say, ''What I would like is a system where I do not have to pay for pharmaceuticals, where we have a break on drugs like a lot of private health care plans have.'' We want to give seniors that right. We do not want to take away their choices. We want to expand them.

I know seniors who say, ''I would like to have a situation where I can get my eyeglasses changed and not have to be hit in the pocketbook by the excessive costs of new eyeglass prescriptions.'' We want to give them that choice, not diminish their choice; expand it.

Finally, what we want to do is eliminate the waste and the fraud and the mismanagement in the Medicare Program. One of the ways we intend to reduce the growth of Medicare is by enforcing tough standards to deal with fraud and abuse. Indeed, Mr. President, this Senator offered an amendment which was adopted to provide the beneficiaries of Medicare with an opportunity to obtain rewards for ferreting out the waste and fraud and bringing it to the attention of Federal officials or finding ways to make the program run more efficiently.

There are a lot of ways we can address these problems. Every way does not include, as was suggested earlier, simply more hardship for people. We are trying to be innovative and broaden the choices for people. And what we are trying to do is offer a long-term solution to this problem, because it is not going to get better, Mr. President, it is going to get worse.

If you are in Medicare now or if you are approaching Medicare age, we are facing insolvency in the Medicare system. And the motion to instruct, if it were to be implemented, would not offset that potential insolvency because, Mr. President, in just a few years, as the entitlement commission indicated just last summer, we are talking about a day in this country, if we do not slow the rate of growth of these programs, when entitlement spending and spending on the interest on the national debt will together consume all of the revenues of Government. That would mean no national security, no law enforcement, no spending on education, training, highways, or anything else unless we started borrowing money at a level that this country's economy could not sustain, which means we have to address these problems now, early in the process, not much later on. That is what the Republican plan intends to do.

Finally, I would like to just address another point or two with regard to the Medicare issue. Today, it is being suggested that the lines are clearly drawn, that there is a side that cares about seniors and a side that does not. The majority party cares about seniors of this country. It was not the majority party that increased the tax on the earnings of Social Security beneficiaries. In fact, every Member of the majority party voted against those tax hikes in 1993. It was the other side who imposed those higher taxes.

It was not the majority party that just last week wanted to give the President the ability to tap into the Social Security trust funds to deal with our debt limit. We want to protect those Social Security trust funds. And that is why our short-term debt ceiling bill would keep those trust funds sacred.

Finally, it was not the majority party that introduced a balanced budget plan that would dramatically change the CPI without any consideration of those issues. It was the balanced budget plan offered on the other side.

Mr. President, we see a lot of polls. We see polls that were alluded to by the Senator from West Virginia that say, ''Gee, these plans may or may not be popular today.'' But, Mr. President, every day the polls change. If there is a new TV ad attacking a plan, that will change the polls. If there is a story in the newspaper or on the news, that will change the polls. We did not come here, Mr. President, to change our philosophies, to change our objectives, to change what we were sent here to do based on the intermittent polls conducted by various pollsters whether for the media or on a partisan basis.

We came here to fulfill promises that were made. And those promises, just so I can bring them back to the foreground, which underlie what we are trying to do across the board with this budget, were to, first, end the red ink in Washington, 25 years of deficit spending. That is what our budget does. It brings the budget into balance. And what does that mean? It means lower interest rates. It means the Federal Government finally operating the way we have to operate in our families and many State and local governments have to operate. That is by spending no more than you take in.

Second, we have an obligation and a promise and a commitment to preserve, protect, and strengthen Medicare, not through next year's election but into the future. And that is what our plan accomplishes.

Finally, we have a commitment, a promise, to let people keep more of what they earn. We heard a lot of talk about this tax cut already. I do not want to get into great detail about it here again today. The motion to instruct suggests that somehow we would offset any budget impact of this reduction in the change in the rate of growth of Medicare by reducing so-called tax breaks for upper income taxpayers and corporations.

Mr. President, the tax cuts that are part of this reconciliation package, just to go over them one more time, fall to families, fall to small businesses in great degree. Over $140 billion of the $245 billion—actually a $225 billion net tax cut—is the family tax credit, and 83 percent of that, under the current version, goes to families who make less than $100,000 a year and over 70 percent to families making less than $75,000 a year.

Another major part of that tax cut is the spousal IRA; another part is ending the marriage penalty; another part is to allow family farmers and small business people to pass on their assets to their children without facing huge Federal taxes at the time somebody passes away.

The only way we are going to offset the change that would be suggested in this motion through tax changes would be to hit families and undermine the tax cuts which we have developed for them. That is not the way, I think, we should do business, Mr. President.

So, for all of these reasons, we stand strong, I think, in support of the original reconciliation package of the past.

At this time, I yield such time as we may have remaining to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming has 7½ minutes remaining.

The Senator from Wyoming is recognized.

Mr. THOMAS. Thank you, Mr. President.

Mr. President, I, of course as all of us, have listened with great interest this morning. Medicare is an item in which all of us have a great interest.

I would like, as the Senator from West Virginia indicated, to say to the town meeting, Let's take the easy way out. I would like to say, We don't really need to make the tough decisions. We can put it off again, as we have in the past. I guess it would be easier to fix it through the next election rather than through the next generation.

I do not think that is why we are here. Many of us just came here, and we came here with a dedication to make some fundamental changes. We came here with some dedication to not continue as we have over the last 30 years and just fix it so it is easy, just fix it so we can get by until the next crisis, but rather really look at making some fundamental changes.

I think there is a concept we all have to consider, and that is, when you look at the way things are and you are not happy with them, then you have to make some change. You cannot expect to get different results by continuing to do the same thing, which is what has gone on here for too long.

We are seeking to make some changes. We are seeking to make a philosophical difference, a fundamental difference in direction, and I understand there are changes. I happen to believe, and I think the majority party believes, we ought to have less Government, it ought to be less costly, we ought to balance the budget, we ought to have fundamental reform in welfare, we need to strengthen and maintain Medicare, Medicaid, we need to have tax reduction—we believe in that.

I understand there are those who believe more Government is better, and that is a legitimate view. I do not share it.

I am a little concerned, frankly, in the area of public policy where we transfer decisions to people, but they have to be based on facts. I heard yesterday on the TV how we are raising the Medicare premium. It is just not a fact. We now pay 31.5 percent. That is what we will continue to pay. It has been that way since 1990. It was raised by a Democratic Congress in the Budget Reconciliation Act. That is a fact.

We are not raising it. It is continuing on where it was as a percentage of the cost of that premium.

A balanced budget, how long has it been? Almost everyone who will get up and object to what is happening has been here for these years when we have not balanced the budget. Now, I know there are various ways to do it, but we do need to change. We talked about the taxes—not accurate. We talked about great educational cuts, less than one-tenth of 1 percent.

So, Mr. President, we need to talk about facts if we are going to have a participatory Government. The President has not participated in this dialog and still does not.

So, of course, we are talking about a popular program and all of us want to maintain it. That is really the issue: How do you best do it.

Why is it attached? Why is this portion attached? Let me tell you why. Because in part A, which it deals with, part A is withheld from Social Security and you cannot change the computers as quickly. If you waited until after the first of the year to do this, then it would be May again before you could change the computers back to 31.5 percent. There is a logical reason for it being there. The rest of Medicare is not there. This one is there because it is a mechanical process that has to be accommodated.

I, too, come from a rural State. Let me tell you some of the things in Medicare that are going to be useful to rural States. The Senator from West Virginia talked about hospitals that have been closed. We just had one close. It had a utilization of 4 percent. You cannot operate that way.

Under the current law, the Federal Government cannot reimburse for hospitals that are not full hospitals. We have a proposition in here to redefine hospitals so that a community like that can have an emergency room, it can have a stabilizing facility so that you could be there and be reimbursed by the Federal Government.

We have Medicare bonus payments so physicians come to these rural areas. We have telemedicine grants, rural emergency access, hospitals which I just spoke about. We do something to equalize HMO and Medicare. In Florida, they get $650 a month for Medicare. In Wyoming and South Dakota, it is $150. That is not fairness, that is not equity.

These are the kind of changes, if we want to have a strong Medicare Program, that have to be made over time. We cannot take the easy way out. We cannot just patch it up and see if it can go forward. We have to make some changes, and that is what it is all about.

Only that portion that has to do with this maintaining the 31.5-percent level is in this proposition that we are talking about, and it is in there for a particular reason, a mechanical reason, so that it can continue to be.

So, Mr. President, I suggest to you we need to reach down, we need to take a look at the kind of results we want, we need to take a look at the fact that under the proposal that is being talked about here, there is only stability for about 6 years, when we are talking about going on to 2009 when the baby boomers come in. You need to do something before that. We do not need to go to another committee. We have been through this time and time and time again. We have spent all 2 years on this matter—everyone in this body.

So we know what decisions have to be made. They are tough. Of course, they are tough. Decisions are not easy. We are here to be trustees for people to make decisions to make things work. We are not here to pass it off. We are not here to be easy. We are not here to be able to get on TV and make things sound great. We are here to deal with the facts. We are here to deal with change. We are here to deal with maintaining Medicare so that we have a program for the elderly, and if we want to do that, then we have to make a fundamental change.

Mr. President, I yield the floor.

Mr. GRAHAM. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The Chair indicates to the Senator only 10 seconds is remaining.

Mr. THOMAS. My time has expired.

The PRESIDING OFFICER. All time has expired on the motion.

Mr. GRAHAM. Mr. President, has all time expired on the motion to instruct that was offered by the Senator from West Virginia?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRAHAM. Mr. President, I believe under the previous order, it is now in order to offer a third motion to instruct conferees.

The PRESIDING OFFICER. The Senator is correct. There are two motions pending, the motion to instruct regarding Social Security and the motion to instruct regarding health care.

MOTION TO INSTRUCT—SOCIAL SECURITY

Mr. GRAHAM. Mr. President, I send a motion to the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] moves to instruct conferees on H.R. 2491, the Balanced Budget Reconciliation Act of 1995—

(1) to honor section 13301 of the Budget Enforcement Act of 1990,

(2) not to include in the conference report any language that violates this section, and thus

(3) not to include the $12 billion in Social Security cuts that were included as an offset for on-budget spending in the Finance Committee's amendment.

Mr. GRAHAM. Mr. President, I control 20 minutes. The Senator from South Carolina controls 20 minutes. I defer to the Senator from South Carolina.

Mr. HOLLINGS. I thank my distinguished colleague from Florida.

Mr. President, the reason we make this motion is not simply to obey the law, but to understand and appreciate the reasons that we overwhelmingly passed this law back in 1990.

Let me ask unanimous consent at this point to have section 13301 of the Budget Act printed in the RECORD at this time.

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

Subtitle C—Social Security

SEC. 13301. OFF-BUDGET STATUS OF OASDI TRUST FUNDS.

(a) EXCLUSION OF SOCIAL SECURITY FROM ALL BUDGETS.—Nothwithstanding any other provision of law, the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as new budget, authority, outlays, and receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President,

(2) the congressional budget, or

(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EXCLUSION OF SOCIAL SECURITY FROM CONGRESSIONAL BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following: ''The concurrent resolution shall not include the outlays and revenue totals of the old age, survivors, and disability insurance program established under title II of the Social Security Act or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title.''.

Mr. HOLLINGS. Mr. President, this section essentially says, ''thou shall not use Social Security trust funds in computing the deficit or the debt.''

We passed this provision back in 1990 after the Budget Committee had fully considered the particular problem. What we had been doing was obscuring the true size of the deficit, not by reducing it, but by moving it. In other words, we would take the surplus in the trust funds for Social Security and count them as revenues so that, when balanced against the expenditure column, it looked like we had reduced the deficit.

The truth of the matter is that we were only moving the deficit—from what we owned the financial markets to what we owned the Social Security trust fund. That is why my colleagues on the Budget Committee voted overwhelmingly to take the Social Security trust fund off budget by a vote of 20–1 on July 10, 1990.

I ask unanimous consent to have the record of this vote printed in the RECORD at this point.

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

HOLLINGS MOTION TO REPORT THE SOCIAL SECURITY PRESERVATION ACT

The Committee agreed to the Hollings motion to report the Social Security Preservation Act by a vote of 20 yeas to 1 nay:

Yeas: Mr. Sasser, Mr. Hollings, Mr. Johnston, Mr. Riegle, Mr. Exon, Mr. Lautenberg, Mr. Simon, Mr. Sanford, Mr. Wirth, Mr. Fowler, Mr. Conrad, Mr. Dodd, Mr. Robb, Mr. Domenici, Mr. Boschwitz, Mr. Symms, Mr. Grassley, Mr. Kasten, Mr. Nickles, Mr. Bond.

Nays: Mr. Gramm.

Mr. HOLLINGS. Senator DOMENICI, myself, and the rest of the Senate Budget Committee save the Senator from Texas, Senator GRAMM, voted that trust funds of Social Security not be used in calculating the annual deficits or surpluses. Soon thereafter, on October 18, 1990, we had a vote in the U.S. Senate and passed the same legislation by a vote of 98–2.

I ask unanimous consent that that vote be printed in the RECORD.

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

VOTE ON HOLLINGS-HEINZ, ET AL., AMENDMENT WHICH EXCLUDES THE SOCIAL SECURITY TRUST FUNDS FROM THE BUDGET DEFICIT CALCULATION, BEGINNING IN FISCAL YEAR 1991

Yeas (98)—Democrats: Adams, Akaka, Baucus, Bentsen, Biden, Bingaman, Boren, Bradley, Breaux, Bryan, Bumpers, Burdick, Byrd, Conrad, Cranston, Daschle, DeConcini, Dixon, Dodd, Exon, Ford, Fowler, Glenn, Gore, Graham, Harkin, Heflin, Hollings, Inouye, Johnston, Kennedy, Kerrey, Kerry, Kohl, Lautenberg, Leahy, Levin, Lieberman, Metzenbaum, Mikulski, Mitchell, Moynihan, Nunn, Pell, Pryor, Reid, Riegle, Robb, Rockefeller, Sanford, Sarbanes, Sasser, Shelby, Simon, Wirth.

Republicans: Bond, Boschwitz, Burns, Chafee, Coats, Cochran, Cohen, D'Amato, Danforth, Dole, Domenici, Durenberger, Garn, Gorton, Gramm, Grassley, Hatch, Hatfield, Heinz, Helms, Humphrey, Jeffords, Kassebaum, Kasten, Lott, Lugar, Mack, McCain, McClure, McConnell, Murkowski, Nickles, Packwood, Pressler, Roth, Rudman, Simpson, Specter, Stevens, Symms, Thurmond, Warner, Wilson.

Nays (2)—Republicans: Armstrong, Wallop.

Mr. HOLLINGS. Mr. President, at that particular time, so there will be no misunderstanding, the present leader of the budget in the U.S. Senate, the chairman of our committee, Senator DOMENICI of New Mexico, said:

I support taking Social Security out of the budget deficit calculation. I support the Heinz-Hollings-Moynihan amendment.

Thereafter, the Senator did have some misgivings, and I want to quote him:

The issues involved with taking Social Security, including interest, out of the budget deficit, are not as simple or painless as they seem, or as the sponsors of this measure have suggested. If we take interest off budget, then we have to come up with more deficit reduction, and that means only one of two things—more taxes or more spending cuts.

Now, Mr. President, we get right to the meat of the coconut. The real fiscal cancer in the Federal Government today is the amount that we have to pay annually in interest costs on the national debt. The estimate for this fiscal year is $348 billion. We could adopt the GOP budget in the next 10 minutes, and we still would not have not cut spending. Why? Because spending for our interest costs on the national debt are up to a billion dollars a day.

It gets worse and worse and worse every day, and it will be next to impossible to attack this problem if we do not act now. We are 7 years and two Presidential elections from the time when Medicare will go into the red. We are 25 years away from the time when Social Security surpluses will be exhausted. Yet we constantly hear the rhetoric about the looming crisis in Social Security and the need to ''protect, preserve, and strengthen'' Medicare—all because we do not want to talk about the fiscal crisis that we are in this very minute. Why do we avoid this reality? Because if we were to talk about it, we might be forced to do something about it.

In order to do something about it, you have to have a balanced approach that includes spending cuts as well as revenue increases. Our budget history for the last 15 years highlights this reality. When Howard Baker was the majority leader, he and I joined in trying to pass a budget freeze from 1981 to 1985. We said, ''Take this year's budget for next year.'' That would have saved billions of dollars, but alas, that road was not travelled.

Having not succeeded there, I started working with Senator GRAMM of Texas and Senator Rudman of New Hampshire and said, under Gramm–Rudman-Hollings, that we would have truth in budgeting. We would not only have the freeze, but additional cuts across the board as well. We were on course with automatic $37-billion-a-year cuts, in an orderly fashion, to give us a balanced budget by 1990.

In 1986, we expanded our field of vision saying, wait a minute, it is not just the Appropriations Committee appropriating and spending more; that Finance Committee should be responsible as well in cracking down on unnecessary tax breaks. As a result, we had tax reform which purported to end corporate welfare.

By 1987, we met in the Budget Committee and considered other freezes, cuts, loophole closings. I remember telling Dick Darman, Director of OMB for President Bush, ''Look, unless we grab a hold of this now with some kind of taxes, as well as the cuts and freezes and loophole closings, we are going to be in desperate circumstances. We are going to run up to about $400 billion deficits, the debt growing all along, and interest costs growing all along.''

As a result, eight of us in the Budget Committee voted in a bipartisan fashion to increase taxes. You cannot find that type of candor anymore around this Capitol, around the White House or anywhere else in this city. But, you are not going to get on top of this cancer unless you have that kind of surgery. Because, unless revenues are part of the solution increase taxes will continue to rise.

So let me be clear, Mr. President, those who say they are against taxes and want to cut spending, and even taxes, are totally off base with respect to fiscal responsibility. They know it, you know it, and the blooming press knows it, but they will not print it because they have joined in the pollster conspiracy. When the question is asked: Are you for taxes? The answer invariably is: Oh, I am against taxes. So we all jump on the bandwagon. A public servant who comes out for paying a bill is portrayed as some fellow for wasteful spending. You cannot get any more wasteful than a billion dollars a day in interest costs for nothing. It was only $75 billion when Reagan took over. It is now $348 billion. That is an increase of $273 billion for absolutely nothing.

So my point is, let us quit obscuring the size of the deficit. Let us quit moving the deficit from the general fund over to the Social Security.

My colleague from Florida will talk specifically about the $12 billion they borrowed from the trust fund when they had to pick up votes on the other side of the aisle with the Roth amendment. In offsetting their amendment, they used $12 billion that under the law should not be used for additional spending but should be credited to the Social Security Trust fund. It is the height of what we call smoke and mirrors. People sincerely get on the floor and claim, ''We are not using smoke and mirrors.'' False. That is exactly what you are doing when you use the surpluses in the Social Security trust fund to claim that you are balanced and when you backload all of the tough choices.

Indeed, 50 percent of the proposed cuts under the GOP plan do not come until after the Presidential election in the year 2000.

This year, to be specific, we are trying to cut $45 billion in spending under the Republican budget. In the year 2002, Mr. President, we will have to slash $347 billion. We cannot get the $45 billion this year, much less the $347 necessary in year 7. That is why 10 of the 13 appropriations bill are not over to the President—because Republicans cannot agree on what to cut.

We have friends on both sides of the aisle who think we ought to do more in education, more in technology, in legal services, and right down the list.

Mr. President, we should look at what we have been doing. We have been long on sweeping promises to the American people and slow on results. In 1981 under President Reagan, the first concurrent budget resolution for the fiscal year 1982 predicted a deficit by fiscal year 1984 of zero. No deficit, a balanced budget.

I ask unanimous consent to have that page printed in the RECORD at this point.

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

EXCERPT FROM FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1982

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is as follows:

Fiscal year 1982: $48,800,000,000;
Fiscal year 1983: $21,400,000,000;
Fiscal year 1984: $0;

(b) the appropriate level of the public debt is as follows:

Fiscal year 1982: $1,091,200,000,000;
Fiscal year 1983: $1,154,300,000,000;
Fiscal year 1984: $1,197,600,000,000;

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1982: $91,400,000,000;
Fiscal year 1983: $63,100,000,000;
Fiscal year 1984: $43,300,000,000.

(b) Based on allocations of the appropriate levels of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal years beginning on October 1, 1981, October 1, 1982, and October 1, 1983, the appropriate level

Mr. HOLLINGS. Then in 1985—we need not put that in; everyone knows that Gramm-Rudman-Hollings was a 5-year path to a balanced budget.

They talk about fiscal responsibility. I will show them the TV where I got the Good Government Award for ending deficits for all time from President Ronald Wilson Reagan.

By 1990, we got together—and please, my gracious, put this in the RECORD, please. I ask unanimous consent that the concurrent resolution on the budget for the year 1991 be printed at this point.

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

EXCERPT FROM CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1991

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1991: $1,002,300,000,000;
Fiscal year 1992: $1,024,800,000,000;
Fiscal year 1993: $1,049,900,000,000;
Fiscal year 1994: $1,059,900,000,000;
Fiscal year 1995: $1,080,900,000,000.

(4)(A) The amounts of the deficits are as follows:

Fiscal year 1991: $143,700,000,000;
Fiscal year 1992: $100,900,000,000;
Fiscal year 1993: $62,000,000,000;
Fiscal year 1994: $14,700,000,000.

(B) The amount of the surplus is as follows:

Fiscal year 1995: $20,500,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1991: $3,369,600,000,000;
Fiscal year 1992: $3,540,900,000,000;
Fiscal year 1993: $3,676,700,000,000;
Fiscal year 1994: $3,766,900,000,000;
Fiscal year 1995: $3,827,600,000,000.

Mr. HOLLINGS. The record I read—and everybody should fall down dead from shock—''The amount of surplus is as follows: Fiscal year 1995, $20.5 billion.'' That was at the end of September, a month before last. We are supposed to have a $20.5 billion surplus. Instead we have a $283.3 billion deficit.

Here we go again, balanced budget promised in 1981. Balanced budget promised in 1985. Surplus promised in 1990. Now they come, with a 7-year promise that gets by two Presidential elections, and relies on completely unrealistic cuts.

Mr. President, I ask unanimous consent to have printed in the RECORD the particular chart entitled ''Here We Go Again'' that gives the true facts.

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

''HERE WE GO AGAIN''

(By Senator Ernest F. Hollings)

Starting in 1995 with:

(a) A deficit of $283.3 billion for 1995:

1995:	(In billions)
Outlays	$1,530
Trust funds	121.9
Unified deficit	161.4
Real deficit	−283.3
Gross interest	336.0

(b) And a debt of $4,927 billion.

How do you balance the budget by:

(a) Increasing spending over revenues $1,801 billion over seven years?

GOP ''SOLID'', ''NO SMOKE AND MIRRORS'' BUDGET PLAN

Year	CBO outlays	CBO revenues (billions)	Cumulative deficits (billions)
1996	$1,583	$1,355	−$228
1997	1,624	1,419	−205
1998	1,663	1,478	−185
1999	1,718	1,549	−169
2000	1,779	1,622	−157
2001	1,819	1,701	−118
2002	1,874	1,884	+10
Total	12,060	11,008	−1,052

(b) And increasing the national debt from $4,927.0 billion to $6,728.0 billion?

DEBT

[*off CBO's April baseline]

	National debt (billions)	Interest costs (billions)
1995	$4,927.0	$336.0
1996	5,261.7	369.9
1997	5,551.4	381.6
1998	5,821.6	390.9
1999	6,081.1	404.0
2000	6,331.3	416.1
2001	6,575.9	426.8
2002	6,728.0	436.0
Increase 1995–2002	1,801.0	100.0

[*off CBO's August baseline]

	1996 (billions)	2002 (billions)
Debt includes:		
(1) Owed to the Trust Funds	$1,361.8	$2,355.7
(2) Owed to Government Accounts	81.9	(1)
(3) Owed to Additional Borrowing	3,794.3	4,372.7
[Note: No ''unified'' debt; just total debt]	5,238.0	6,728.4

[1] Included above.

(c) And increasing mandatory spending for interest costs by $100 billion?

How? You don't.

(a) 1996 budget: Kasich conference report, p. 3: −$108 billion deficit.

(b) October 20, 1995, CBO letter from June O'Neill: −$105 billion deficit.

You just fabricate a ''paper balance'' by ''smoke and mirrors'' and borrowing more:

SMOKE AND MIRRORS

(a) Picking up $19 billion by cutting the Consumer Price Index (CPI) by .2%—thereby reducing Social Security benefits and increasing taxes by increasing ''bracket creep''.

(b) With impossible spending cuts: $270 billion in Medicare, $182 billion in Medicaid, $83 billion in Welfare.

(c) ''Backloading'' the plan: Promising a cut of $347 billion in fiscal year 2002 when a cut of $45 billion this year will never materialize.

	Billions	Billions
2002 CBO baseline budget	$1,874	$1,884
This assumes:	(1) Discretionary freeze plus discretionary cuts (in 2002).	−121
	(2) Entitlement cuts and interest savings (in 2002).	−226
[1996 cuts, $45 B]	Spending reductions (in 2002)	−347
Using Social Security trust fund.		−115
Total reductions (in 2002).		−462
+Increased borrowing from tax cut.		−93
Grand total		−555

(d) By increasing revenues by decreasing revenues (tax cut)—$245 billion.

(e) By borrowing and increasing the debt (1995–2002): Includes $636 billion ''embezzlement'' of the Social Security trust fund—$1,801 billion.

THE REAL PROBLEM

Not Medicare—in surplus $147 billion—paid for.

Not Social Security—in surplus $481 billion—paid for.

But interest costs on the National debt—are now at almost $1 billion a day and are growing faster than any possible spending cuts.

And both the Republican Congress and Democratic White House as well as the media are afraid to tell the American people the truth: ''A tax increase is necessary.''

Solution: Spending cuts, spending freezes, tax loophole closings, withholding new programs (Americorps) and a 5 percent value added tax allocated to the deficit and the debt.

''HERE WE GO AGAIN''

[Promised balanced budgets]

President Reagan.	1981 budget	$0	(by FY 1984)
President Reagan.	1985 GRH budget.	0	(by FY 1991)
President Bush	1990 budget	+20.5 billion	(by FY 1995)

Mr. HOLLINGS. The unrealistic cuts are completely unrealistic. We cut Medicare and Medicaid under President Reagan. We cut Medicare and Medicaid under President Bush. We cut $57 billion under President Clinton from Medicare. At that time when we could not get a single Republican vote in either the House or Senate, we cut Medicare.

Now, after all of those cuts, Republicans are arguing to reduce Medicare by another $270 billion just to give everyone a tax cut and reap the political benefit in next year's elections?

It is a disgrace. They ought to be ashamed of themselves. You cannot generate that amount of savings. It will not happen. Nor will you save the over $80 billion banked on from welfare reform. You cannot set up a jobs program, a training program, a day care center program and everything else to put those on welfare to work without spending more money. Ask your Governor, because I can assure you, you will be hearing from him or her in the coming months. It is totally unrealistic.

As a final trick, the GOP plan borrows $636 billion from Social Security over the next 7 years in order to obscure the size of the deficit and say the job is done.

Added to the over $484 billion that we already owe Social Security, we will owe the Social Security trust fund $1 trillion in the year 2002. It is sordid

gamesmanship, Mr. President. Sordid gamesmanship.

With this one instruction, Mr. President, we can hopefully sober them up. Maybe the media that is supposed to keep us honest can help out a bit. I think it was Jefferson who said, if it is between the free Government and the free press, I choose the latter.

Why? You can get a free Government, but you will not hold it along unless you have free media. I hope that still holds true for the press in Washington, DC. This media crowd is fast asleep. There one exception that I have found in a recent USA Today article entitled ''The Balanced Budget Myth,''.

I ask unanimous consent that this editorial be printed in the RECORD.

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

[From the USA Today, Nov. 6, 1995]

THE BALANCED-BUDGET MYTH

Each day, the debate over balancing the budget produces another dire warning. The cuts are too deep! say the Democrats. Taxes must fall! say the Republicans.

But after they compromise and begin arguing over who won a few weeks from now, one truth will remain: Both sides will be lying, because neither is talking about a truly balanced budget at all.

The non-partisan Congressional Budget Office underscored that point recently. It pointed out that come 2002, when the budget will be ''balanced'' under Republican plans, the government will still be borrowing more than $100 billion a year. This is done by writing IOUs from the Treasury to Social Security and other trust funds that Congress declares ''off-budget.''

The bill for this little game won't come due in the political life of President Clinton or much of today's Congress. But the public will pay it soon enough.

To understand, look, ahead to 2005. That's just 10 years away, about the time it takes for an 11-year-old child to go from grade school through college.

That year a critical balance tips. Increased costs for Social Security will begin to deplete Congress' cushion. Because the Social Security trust fund is a fiction filled with nothing but government promises to pay, Congress will gradually lose its fudge factor.

By 2013, when the trust fund peaks, taxpayers will feel a hard bite. They'll have to start doing what the trust fund was supposed to do—pay for the retirement of 75 million baby boomers. The budget will plummet into a sea of red ink, with $760 billion a year deficits by 2030. By then the government will have to double the current 12.4% employer-employee payroll tax to cover Social Security obligations.

That's unaffordable. Yet, neither President Clinton nor leaders of either party in Congress acknowledge reform is needed to avert economic catastrophe. To do so would require Republicans to get off their tax-cut bandwagon and democrats to accept deeper spending cuts. Both prefer the myths that a budget borrowing from Social Security is balanced and a trust fund filled with IOUs to be paid by today's 11-year-olds has value.

Those are frauds only fundamental reform can fix.

The leaders of Clinton's commission on entitlements—Sen. Robert Kerrey, D-Neb., and former Sen. John Danforth, R-Mo.—last year recommended raising the retirement age to 70 and converting a portion of the current payroll tax into a mandated personal retirement account. The Concord Coalition, a deficit watchdog, has called for cutting benefits to upper-income retirees. Other proposals include taxing all income for Social Security and subjecting all benefits to normal income taxation.

Which measures are best? Only a thorough debate of the various measures can decide. But first political leaders must give up their convenient budget myths and face the fact—a Social Security train wreck is coming, and sooner than they think.

Mr. HOLLINGS. ''Both sides will be lying,'' it says. ''After the compromise,'' and again arguing over who won a few weeks from now, ''one truth will remain. Both sides will be lying because neither is talking about a truly balanced budget.''

Once again, Mr. President, we have lied to the American people. In this context, I just hope the media will wake up and start reporting it. The real deficit had to be reported by Chairman KASICH in the conference report. He reported $108 billion deficit.

June O'Neill, in a letter on October 20—and I ask unanimous consent to have the letter printed in the RECORD at this point.

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

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, October 20, 1995.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR: Pursuant to Section 205(a) of the budget resolution for fiscal year 1996 (H. Con. Res. 67), the Congressional Budget Office provided the Chairman of the Senate Budget Committee on October 18 with a projection of the budget deficits or surpluses that would result from enactment of the reconciliation legislation submitted to the Budget Committee. As specified in section 205(a), CBO provided projections (using the economic and technical assumptions underlying the budget resolution and assuming the level of discretionary spending specified in that resolution) of the deficit or surplus of the total budget—that is, the deficit or surplus resulting from all budgetary transactions of the federal government, including Social Security and Postal Service spending and receipts that are designated as off-budget transactions. As stated in the letter to Chairman Dominici, CBO projected that there will be a total-budget surplus of $10 billion in 2002. Excluding an estimated off-budget surplus of $115 billion in 2002 from the calculation, CBO would project an on-budget deficit of $105 billion in 2002. (The letter you received yesterday incorrectly stated these two figures.)

If you wish further details of this projection, we will be pleased to provide them. The staff contact is Jim Horney, who can be reached at 226–2880.

Sincerely,

JUNE E. O'NEILL.

Mr. HOLLINGS. The Director of the CBO, estimates a projected budget deficit of $105 billion in 2002.

We had to write and insist that she follow section 13301 of the Budget Act. Two days before, she had said ''Why, heavens above, we have a $10 billion surplus.'' Two days later, obeying the law, she found $105 billion deficit.

No wonder in the New York Times Adam Clymer wrote the article here about 10 days ago that 81 percent of the American people do not believe the budget will be balanced. God bless them for their common sense.

I yield the floor. I reserve the remainder of my time.

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

Mr. GRAHAM. Mr. President, I believe under the previous order I have 20 minutes?

The PRESIDING OFFICER. The Senator from Florida has 20 minutes remaining.

Mr. GRAHAM. Mr. President, I wish to commend my colleague from South Carolina, who has been toiling in these vineyards with the goal of achieving a balanced budget for many years and has given us the background, the historical context in which a very serious event occurred on October 27. Let me recall for the Senate what happened that night.

You may remember we had been in session for many hours that day. That was the day in which we cast some 40 individual votes. We had been waiting to receive the final amendment that would encapsulate a number of revisions to the Finance Committee's section of the reconciliation bill. After having requested for the better part of 36 hours the legislative language of those revisions and the impact which they would have, finally, at approximately 6:25 in the evening, we received version 1 and, at 9:45, received version 2 of what came to be known as the Roth amendment.

So, just prior to the Senate's final vote on the reconciliation legislation, Senator ROTH submitted an amendment which adds the following components. It modified certain Medicare provisions, it changed nursing home standards, and, the most significant provision from an economic standpoint, it reallocated the Medicaid funding formula.

Those modifications had a total cost of approximately $13 billion. The motion which I have offered goes to the budget offset, which was offered in the amendment of Senator ROTH, as the basis of paying for the modifications in his amendment.

The amendment of Senator ROTH directed that all outlay programs within the jurisdiction of the Finance Committee use a cost-of-living adjustment rate of 2.6 percent rather than the 3.1 percent cost of living, which had been estimated several months earlier in the budget resolution.

Let me quote the language of the amendment by Senator ROTH as it relates to the methods of paying for the additional spending in his amendment.

''Notwithstanding any other provision of law''—I say to my colleague, Senator HOLLINGS:

Notwithstanding any other provision of law, in the case of any program within the jurisdiction of the Committee on Finance of the U.S. Senate which is adjusted for any increase in the Consumer Price Index for all urban wage earners and clerical workers

[CPI–W] for the United States city average for all items, any such adjustment which takes effect during the fiscal year 1996 shall be equal to 2.6 percent.

That amendment raised several questions. One of those questions is just exactly what programs is this provision intended to affect. Application of the 2.6 percent rate would impact a number of outlay programs, including railroad retirement benefits and supplemental Social Security income.

But, by far, the lion's share of the impact would be on one program. Mr. President, you guessed it, that program is Social Security. Approximately $12 of every $13 affected by this amendment, or $12 billion of the $13 billion in savings, comes from one program: Social Security.

Some have stated this is not a raid on the Social Security trust fund; instead, it merely recognizes the economic reality that the cost-of-living adjustment will be 2.6 percent rather than the 3.1 percent upon which the budget was predicated when we passed the original budget resolution last spring. As a result of this lower actual cost of living, the Federal Government will pay out less in numerous outlay programs, including Social Security.

At first that seems to be a plausible argument. But like so many things, the devil is in the details. And here is what the devil says. The devil says that there is no real money being saved by legislating at this lower rate. That is why the Congressional Budget Office stated that the Congressional Budget Office and the Office of Management and Budget do not score savings for a cost of living that would have happened anyway under current law.

Mr. President, I ask unanimous consent that immediately after my remarks, a memorandum from Mr. Paul Van de Water, Assistant Director of the Congressional Budget Office in the Budget Analysis Division, be printed in the RECORD.

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

(See exhibit 1.)

Mr. GRAHAM. What Mr. Van de Water said is that the policy of the Congressional Budget Office and the Office of Management and Budget is not to score savings when the law would have incorporated those savings in any event.

The reason the Congressional Budget Office historically does not score an updated cost-of-living assumption alone, out of the context of all of the other economic factors which influence the ultimate Federal deficit or surplus—the size of the deficit, the size of the surplus—is that to do so would create a very dangerous temptation.

What would that temptation be? The temptation would be for a Member of Congress to look at all the factors such as are listed on this chart that go into arriving at an overall assessment of the Federal Government's fiscal condition. Suppose, for instance, if you focused on the issue of inflation and because of the change in inflation rates between the time that the original budget resolution was passed until the time that the debate was taking place—in this case, on the 27th of October—if the movement of inflation had been such that it had increased revenues or had suppressed outlays, then we might say, let us change the inflation adjustment factor and take the benefit that would give us in terms of additional expenditures because of higher revenues or additional moneys being available because of we have repressed our expenditures.

But what if the other had occurred? Suppose, in fact, inflation had increased and therefore had caused us to have to spend more money on things like the national debt and had reduced our revenues because higher inflation had resulted in less economic activity? Which Senator would come forward then to offer an amendment to say, ''Let us come up with some additional spending cuts, let us find a source of taxation in order to counterbalance what has happened in the area of inflation''?

The fact is, there would be very, very few who would do so. So, instead, by being able to pick and choose which factors happen to benefit the position that one wished to advocate, you would do exactly as the Senator from South Carolina has suggested we have been doing for the better part of the last two decades, and that is creating the smoke, looking into the fraudulent mirror that gives us the false sense we are making progress in reducing the deficit but actually contributes to higher and higher deficits, higher and higher national debt.

So, how does the Congressional Budget Office deal with this issue? The Congressional Budget Office says they will only revise the baseline if they take into account all factors, not just cherry picking those that happen to have a beneficial effect. Let me quote, again, from the letter from Mr. Van de Water.

At the request of the budget committees, CBO [the Congressional Budget Office] has from time to time, updated the baseline to reflect recent economic and technical developments. In such circumstances, however, we insist on incorporating all relevant new information, not just selected items such as COLA's [cost-of-living adjustments].

Did the Roth amendment take into account all economic changes and technical developments during the 8 months since the economic baseline had been established? You see all the factors that primarily influenced that economic baseline.

Does the amendment take into account the fact that interest rates have actually been higher than assumed in the baseline, which results in higher outlays? No.

Does the amendment take into account the fact that the Federal Government be required to make an additional $20 billion in payments resulting from adverse court decisions in the banking area? No.

No, the Roth amendment only takes into account a portion of the inflation factor—namely, cost of living. Furthermore, the amendment only takes into account the cost of living as it relates to outlays rather than both outlays and revenues. And, moreover, it relates only to certain outlays, those within the Finance Committee's jurisdiction.

Mr. President, this is the most compelling detail in the devil's brew. If we had followed the Congressional Budget Office precedent and taken into account all factors, we would not have had a $13 billion savings to use to finance these new spending items in the Roth amendment. No. In fact, we would not have had any savings at all. The economic reality is that the baseline assumptions were too optimistic.

Let me quote again from Mr. Van de Water's memo.

In this instance, if we were to include all of the information in our August baseline, plus the actual 1996 cost of living, our estimate of the year 2002 deficit would have been higher, not lower.

It would have been a higher deficit, Mr. President, not a lower deficit.

An economic update would show a higher deficit, and we count the update as saving money. I call it a raid on the Federal accounts. And since the Roth legislative language calls for the money to come from $12 out of every $13 from the Social Security payments, Mr. Senator from South Carolina, I call it a raid on the Social Security trust fund.

Some may argue that this macroanalysis proves too much and that the Roth amendment deals only with Finance Committee programs. Let us look narrowly and see if there has been a raid, looking only at Finance Committee programs.

The Roth amendment takes into account only outlays impacted by a lower 2.6 cost of living. The Social Security fund will spend fewer dollars to meet its obligations to the Social Security beneficiaries at a 2.6 cost-of-living adjustment. It would have had a 3.1-percent cost-of-living adjustment. True, but there are other ramifications to that lower cost of living. For example, many workers' salaries are tied to the same consumer price index that is the basis of our cost of living. If those salaries rise by only 2.6 percent rather than 3.1 percent, what happens to the payroll taxes withheld from their checks? They will be lower than the economic baseline projected, and, as a result, less money will flow into the Social Security trust fund.

Does the Roth amendment take these lower revenues into account? Mr. President, sadly, no. It only takes credit for lower outlays and does not recognize the effect of lower receipts into the Social Security trust fund.

Just what would be the impact of an updated economic assumption on the Social Security trust fund? Outlays are reduced by $18 billion—$12 billion by the COLA reduction and $6 billion from

other changes. But, Mr. President, revenues are down by $62 billion as a result of economic changes such as the lower amount of payroll taxes coming into the Social Security trust fund.

Thus, the net effect to the Social Security trust fund of the $18 billion of lower outlays but the $62 billion in lower revenue to the Social Security trust fund is a decrease of $44 billion in the status of the Social Security trust fund over the 7 years from that which had originally been estimated under the budget resolution.

So, Mr. President, we are diverting $12 billion from the Social Security trust fund in order to finance additional spending while the trust fund will actually have $44 billion less than originally projected. That, Mr. President, is a raid on the Social Security trust fund.

I find it quite ironic that Congress would be so concerned about the Social Security trust fund that we would attach a rider to the debt ceiling extension legislation which would preclude the Secretary of the Treasury from using Social Security and other trust funds as a form of cash management during this period in which we are about to reach our legal spending level.

Why would we be so concerned that we would put the ability of the Federal Government to meet its financial obligations at risk but then we would so freely raid the very same trust fund to pay for additional spending, additional spending unrelated to Social Security obligations? We cannot have it both ways.

We cannot say, on the one hand, that we want to be the great defenders of the Social Security trust fund, but, on the other hand, raid the Social Security trust fund. We cannot say, on the one hand, that these COLA modifications merely reflect reality and that it would have happened anyway, and then it is not real savings but just funny money and cannot be used to offset real spending. If it is a real cut, on the other hand, then it constitutes a diversion of funds and a raid on the Social Security trust fund. You cannot have it both ways, Mr. President.

Either conclusion—either that it is phony money to support real spending or that it is a raid on the Social Security trust fund, real money to support real spending—either one of those conclusions justifies jettisoning the Roth amendment as the basis of paying for an additional $12 billion in new spending unrelated to Social Security obligations.

Therefore, I urge my colleagues to adopt the motion offered by the Senator from South Carolina and myself to instruct the conferees not to include the $12 billion in Social Security cuts contained in the Roth Finance Committee amendment.

Thank you, Mr. President.

I reserve the remainder of my time.

EXHIBIT 1

MEMORANDUM

To: Sue Nelson.

From: Paul Van de Water, Assistant Director of CBO in the Budget Analysis Division.

Subject: Taking account of the actual COLA.

The budget resolution baseline assumes a 3.1-percent cost-of-living adjustment for Social Security and other federal programs in January 1996. The actual COLA will be 2.6 percent. Two clear precedents apply in this situation.

CBO and OMB do not score savings for legislating a COLA that would happen anyway under current law. This rule was applied to veterans compensation in 1991 and to Food Stamps in 1992.

At the request of the Budget Committees, CBO has from time to time updated the baseline to reflect recent economic and technical developments. In such circumstances, however, we insist on incorporating all relevant new information, not just selected items, such as COLAs. In this instance, if we were to include all the information in our August baseline plus the actual 1996 COLA, our estimate of the 2002 deficit using the discretionary spending amounts specified in the budget resolution would be higher, not lower.

Mr. GRAHAM. Mr. President, could the President inform us as to how much time remains on this motion to instruct?

The PRESIDING OFFICER. The Senator from Florida has 2 minutes and 12 seconds, and the Senator from Michigan has 20 minutes.

Mr. GRAHAM. We will reserve our time, Mr. President.

Mr. ABRAHAM. Mr. President, I note the absence of a quorum and seek unanimous consent that the time not be charged to either side.

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

The clerk will call the roll.

The bill 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.

Mr. ABRAHAM. Mr. President, I yield at this time such time as he may need to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank my colleague from Michigan for yielding.

I have listened with a tremendous amount of interest to the debate over this motion to instruct conferees. I guess the thing that frustrates me most in the midst of all of this, in the midst of a Presidential veto this morning, is that by the unwillingness of this administration to act we are clearly putting a variety of trust funds in jeopardy at this moment that budget reconciliation has in every way sought to assure.

During our debate on the balanced budget amendment, we heard the other side literally go on for days that the reason we were balancing the budget was a variety of things, and that we were going to do it on the back of the Social Security trust funds. It was the only way Republicans could figure out a way to balance the budget. I think what is their greatest frustration today is that we have offered a truly legitimate balanced budget and the trust funds are secure, and in fact the trust funds are safe.

When the Senator from Florida suggests in his motion not to include the $12 billion in Social Security cuts that are included as an offset in relation to CPI adjustment, I find it interesting that he would phrase it that way when in fact but just a few days ago he voted for a Simon-Conrad budget that did the same thing. So we have really reduced the debate in this Chamber to politics, plain and simple raw politics: Do you want to maintain the stability programs like Social Security and balance the budget in doing so, or do you really want to progress down the same old path of spend and spend and promise well more than this Government could possibly provide or the taxpayers would be willing to pay for.

That is what we have reduced ourselves to in the final hours of a critical debate on a very conclusive process that honors the commitment that a variety of us made to the American people some months ago, that we would work in every way for a balanced budget by downsizing all of the areas of Government, except Social Security would remain sound and stable and off the table.

We have done all of those things, but because that is what the American people want and because there are many who are very fearful that they lose control of the phenomenal power they have exercised for decades in the ability to promise and spend and promise and spend and literally make our citizenry the victims of a government instead of the beneficiaries of a government, we have finally arrived at this debate.

What we are offering is very straightforward in protecting these systems and assuring their stability out into the future. Everyone knows that the only real saving grace of Social Security or any of these kinds of programs that extend benefits to citizens in our society either based on a commitment long term in an actuarial sense like Social Security or even that of qualifying under certain criteria for need, the only way you can offer those is if you have a balanced budget. The only way you can guarantee 30 years out that the beneficiaries of Social Security are going to get their Social Security checks is if there is no massive debt in this country that is pulling $400 billion or $500 billion a year out of general fund moneys to pay interest on debt. It is a self-fulfilling prophecy. We know that. The American people know it. That is why for the last many months we have struggled on key and important budget issues from both sides of the aisle trying to strike the compromise and split the difference and

yet continually march ourselves toward a balanced budget by the year 2002.

So when I look at instructions like this, these are like reverter clauses—revert to the old ways, revert backward, revert to deficit spending, revert to trust fund instability, revert to debt, revert to borrowing back money from future generations and not being willing to pay for it. But what the American people said is, do not revert at all. They instructed us last November. We had our instructions as conferees in a massive referendum across this country that was one of the most politically realigning referendums in the history of our country. They said to us as conferees: Balance the budget, stabilize the programs, reduce the unnecessary spending, reprioritize the programs of Government. If it is 30 years old, it is not working, and its intent has never been met, review it and get rid of it, but honor Social Security and in so doing make sure it is strong. That is exactly what we have done in all instances here.

Every Senator on this floor serves as a member of the board of directors of Social Security. We have the absolute responsibility by our pledge, and that is to uphold the Constitution, and our commitment to the American citizens that we will honor programs of this nature by providing for their stability, and we must manage them accordingly.

For this Senate to vote to follow the instructions of this motion to the conferees would not be to strengthen or stabilize, it would be to perpetuate the past. And the past, by all estimation, is wrong and has brought about the kind of instability, the kind of doubt in the minds of the American people that beg for change. And we have offered that in the budget reconciliation process that we are currently under that will spell not only significant change, but tremendous stability.

Mr. President, I thank my colleague from Michigan for yielding. I yield back the remainder of my time.

Mr. ABRAHAM. Mr. President, can I inquire as to how much time we have remaining at this point?

The PRESIDING OFFICER. The Senator from Michigan has 12 minutes 41 seconds. The Senator from Florida has 2 minutes 12 seconds.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need just to enter a few additional comments into the RECORD that I would like to make after the fine address by the Senator from Idaho.

Mr. President, the Senator from Florida, in explaining his motion, at the conclusion of his remarks, commented on the issues that pertain to the short-term debt bill which we voted on here last Thursday night and expressed puzzlement that in that short-term debt bill the Republican Members here who supported it included a provision that would limit the ability of the President to raid those Social Security trust funds that are in fact the subject of his motion today. He said he is puzzled because of the Roth amendment, which his motion specifically addresses, to change the number that is employed for calculation of Consumer Price Index changes.

I guess I have sort of the reverse puzzlement. I am puzzled that people who, on the one hand, argue that they are concerned about the Social Security and other trust funds' integrity were willing to vote against the short-term debt limit issue, a bill that we passed last Thursday night, because if this is the issue that they hold as so vital and important, I would think they would have joined us in calling for those various trust funds to be off limits and to prevent the President from having the ability to raid those trust funds.

During the debate on the debt limit, the Democrats supported an amendment offered, I believe, by the Senator from New York, which would have given the administration the authority to raid Federal workers' retirement trust funds, the elderly's trust funds, Social Security benefits, and the pensions of our country's veterans. The amendment would have essentially stricken all language pertaining to all of those trust funds from the short-term debt bill.

Now, I understand that on final passage people might have found some of the provisions, in addition to those trust fund provisions, objectionable. But I was amazed that no effort was made at the time of consideration of the Moynihan amendment to limit that amendment to the areas that did not pertain to these trust funds, but rather to include them.

In short, the Democrats had the opportunity to make the strong statement, which this motion to instruct suggests they wish to make, regarding the integrity of these trust funds by either voting against that Moynihan amendment, as we did on our side, or by offering a smaller version of the Moynihan amendment that would have only focused on those aspects of the short-term debt bill that were unrelated to the trust funds. And yet that did not happen.

The President, of course, has said he needs the extension of the debt limit. He has now vetoed that extension. The administration now says that they can raid the $1.3 trillion in pension funds of Federal workers and the Social Security trust fund in order to keep the Government from defaulting. This does not seem to me, Mr. President, consistent with the concerns that are certainly embodied in this motion and that the Senator from Florida has spoken about many times here to us, the concern that relates to the integrity of these trust funds.

And I find that far more puzzling—far more puzzling—than the issues that were raised by the Senator from Florida with regard to the Republican position regarding the Moynihan amendment. One of the reasons this Senator voted against the Moynihan amendment was because it would have provided that kind of basically unlimited credit card option to the President and to his economic advisers to tap into those trust funds in order to address these issues pertaining to the payment of U.S. obligations.

I would like to now turn briefly to address some of the issues that were raised by the Senator from South Carolina with reference to the various ways by which the budget deficit is calculated. The fact is that ever since the Budget Act of 1974, every budget has calculated the budget on a unified basis. Now, I am not at great odds with the Senator from South Carolina in the concerns that have been expressed that we need to go further, that we are not going far enough in terms of reducing the growth of Federal spending. On those points I am in agreement. In fact, I was sort of, I have to say, surprised and pleased to hear his concerns as expressed today because we have had numerous opportunities before the Senate over the last few months to vote to tighten the belt further, and all too infrequently have we heard support for those gestures on the other side of the aisle.

But the fact is, Mr. President, both the Office of Management and Budget and the Congressional Budget Office use the unified budget to calculate the deficit. When the Democrats were in charge here in Congress, they calculated the deficit including the Social Security trust funds. Both budgets submitted by President Clinton this year included the Social Security surplus in their calculations. And, indeed, some of the changes in the level of the deficit that have been pointed to, with pride, by the President are, in fact, changes that were in large part obtained because of these Social Security trust fund surpluses that the President uses in his calculations.

In short, Mr. President, I guess I would be more sympathetic to the case that is being made if the same fervor had been used here on the floor to criticize the President's budget when it came down here as is now being employed to criticize our budget. The fact is that there seems to be a certain priority here. When the Republicans come forth using the same unified budget that has been used every year since 1974, suddenly the issue of using the trust funds is of great concern. When the President comes forward using those same surpluses, the issue seems to not be on the front burner. I guess I have to draw a conclusion from that discrepancy that this is more of a partisan attack than it is one of a substantive sort.

Let me talk about the broader question that was raised by the Senator from South Carolina, at least as it pertains to the deficits, because he makes the point that in the 7-year period we are talking about, at the end of that period of time, according to the unified budget, we will have eliminated the

Federal deficit, but because of the Social Security surplus' effects, there will still be that deficit to contend with.

I have good news for the Senator from South Carolina. The good news is that not only is the Republican budget which we have been voting on here in recent months the only budget that achieves balance using the Social Security trust funds in the year 2002 according to CBO scoring, but the Republicans are also the only people here who have a budget that achieves balance without using the Social Security trust funds. And that will be achieved in the year 2005.

Indeed, Mr. President, according to the Senate Budget Committee, the surplus from our balanced budget plan will exceed the surplus in the Social Security trust fund in the year 2005. In other words, we are not only on the way to achieving balance in the year 2002 under the unified budget, but the plan which we have been fighting for here in the Senate, the plan that is responsive to citizens across this country who have said it is time to put the Federal fiscal house in order will achieve balance even if you do not use a unified budget by the year 2005.

In other words, it continues the job that we were sent here to do, to bring about the kind of fiscal integrity in Washington that every family in my State of Michigan from Sanilac County in the thumb all the way over to St. Joseph, MI, and Berrien County in southwest Michigan has to do in their own home, that is, to bring about balance.

We will achieve that in the year 2005 under anybody's calculus. That is what is critical, because nobody else, Mr. President, even comes close to achieving this balance. According to the CBO, the President's so-called balanced budget would still have a $200 billion deficit in the year 2002.

And that $200 billion or so deficit will continue as far as the eye can see.

So, Mr. President, I guess what I will just say in closing, one last point just to follow up on the concerns that have been expressed relative to the CPI, is that there was another balanced budget proposal brought before the Senate which Senator CRAIG alluded to. It was brought by Senators SIMON and CONRAD during our reconciliation debate. It was brought and supported, I believe, exclusively by folks on the other side of the political aisle.

In that budget, they brought about balance by very substantially tapping into the Social Security trust funds by making a very substantial adjustment in the CPI, not an adjustment based on this year's actual inflation numbers, as was the case with the Roth amendment, but by simply on an across-the-board basis, adjusting at an adequate level to bring about a balanced budget. In short, they used the Social Security changes, a reduction, in fact, Mr. President, of some $41.1 billion in Social Security payments, to bring their budget into balance.

In total, they reduced Federal outlays from the various trust funds, and so on, including Social Security, by over $73 billion over 7 years, all of it because of changes in the Consumer Price Index in order to make their budget stand the challenge of reaching balance.

Mr. President, I will say, $73 billion is considerably more than $13 billion, and it was not achieved based on an actual number, but rather on a number that was needed to reach balance. So if there is a plan before the Senate that should be critically analyzed and, I believe, scrutinized very closely for having addressed the Social Security trust fund numbers improperly by making changes in the CPI that were very substantial, it was that amendment offered on the other side.

I suggest if there are concerns about the CPI that they should be directed at those who proposed that approach, not the approach that was used on our side where the real inflation number was employed.

In summary, Mr. President, the fact is that we came here to balance the budget. The Republican plan will put us in balance in the year 2002 using the unified-budget approach that has been used by Presidents and Congresses since the 1974 Budget Act. The Republican plan will put us into balance, regardless of whether you use a unified budget, by the year 2005. It is the only plan in town that will accomplish those objectives. It is the only plan in town that will begin to bring down the interest rates that people pay across this country for student loans, new cars, new homes and various other things they need for their families. It is the only plan that will restore fiscal integrity to the Government of the United States, and that is why we feel so strongly that it is the right plan for America.

I yield back whatever time remains.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, to close the motion to instruct, I want to say how much I admire the Senator from Michigan. In the several opportunities I have had to discuss with him issues from foreign policy to issues of our national fiscal future, he always approaches the question with a learned background and with thoughtful analysis. I think that is in the tradition of the U.S. Senate and, frankly, that is what the American people would like to have us do: To have a reasoned dialog. We may disagree, but at least we will be disagreeing on a set of facts that are reasonable and we will be expressing the basis of our disagreement in a manner that the American people can understand and evaluate. I commend him for his contribution to the Senate level of discussion.

Mr. President, the debate on the motion to instruct is not the debate on whether you are for or against the balanced budget amendment or whether you are for or against the goal of a balanced budget at an early date. I share those goals. I voted for the balanced budget amendment. I voted for a provision in the balanced budget amendment that would define what constitutes balance as not including the use of the Social Security surpluses to that end, and I have voted for a plan, along with over 75 percent of my Democratic colleagues, that would have achieved that objective and would have done so before the year 2005.

What I think is significant about the direction of this motion is that it goes to an unusual use of the Social Security trust fund. It is not like the kind of cash management uses of the trust fund that have been used under both Republican and Democratic Secretaries of Treasury in time of need where, in every instance, the Social Security trust fund has been fully reimbursed after the moment of crisis has passed. It is not like efforts that have resulted in a reduction in the outlays of Social Security where the money stayed in the Social Security trust fund and, therefore, contributed to a larger surplus and greater long-term solvency.

What is unusual about this Roth amendment is it first cuts Social Security outlays by $12 billion and then shifts them and uses those outlays to support different spending, spending unrelated to Social Security.

I will ask to have printed in the RECORD the statement of the chairman of the Budget Committee when he was asked if this is what, in fact, is intended, and his response was: ''I want to say that the dollar numbers being referred to''—that is the $12 billion being removed from the Social Security trust fund—''are actual. That is all I want to say.''

That is the quotation from the chairman of the Budget Committee.

I ask unanimous consent that that portion of the CONGRESSIONAL RECORD of October 27 be printed in the RECORD immediately after my remarks.

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

(See exhibit 1.)

Mr. GRAHAM. Mr. President, I just ask this question in closing. Here is what the motion says. Who wishes to disagree with these propositions: That we will honor section 13301 of the Budget Enforcement Act of 1990 which states that thou shalt not commingle the trust fund of Social Security with general Federal spending. Who disagrees with that proposition that we should honor that commitment made in 1990?

Who disagrees with the proposition that we should not include in any conference report any language that violates section 13301 of the Budget Enforcement Act? Who disagrees that we should not include any language that violates that principle of sanctity of the Social Security trust fund?

And who disagrees with the proposition, therefore, that we should not include $12 billion in Social Security cuts that were included as an offset for on-budget spending in the Finance Committee amendment?

That is what we are being asked to vote on: To honor, to not include and, therefore, to not violate our trust.

This is a motion that ought to be adopted unanimously by voice vote. I cannot believe that Members of the Senate are going to vote against a motion that effectively says we will dishonor our commitment to maintain the integrity of the Social Security trust fund, that we will include language that is contrary to the spirit and intent and very language that we committed ourselves to in 1990 and, therefore, that we should consummate that disavowal by raiding the Social Security trust fund of $12 billion to support spending unrelated to Social Security obligations.

Those are the questions: To honor, to violate, to include, to maintain our sense of honor and responsibility to the Social Security trust fund.

I urge, Mr. President, my colleagues' adoption of this motion to instruct our conferees and that our conferees follow our admonition as they proceed in the conference committee on the reconciliation legislation.

Thank you, Mr. President.

EXHIBIT 1

Mr. GRAHAM. Mr. President, I am directing my attention to section 7482 of the legislation, which begins on page 45 and states:

''Cost-of-Living Adjustments During Fiscal Year 1996.

''Notwithstanding any other provision of law, in the case of any program within the jurisdiction of the Committee on Finance of the United States Senate which is adjusted for any increase in the consumer price index for all urban wage earners and clerical workers (CPI-W) for the United States city average of all items, any such adjustment which takes effect during fiscal year 1996 shall be equal to 2.6 percent''

It is to that section, Mr. President, that I direct the point of order. I raise the point of order under section 310(d) of the Congressional Budget Act of 1974 against the pending amendment because it counts $12 billion in cuts to Social Security which is off budget to offset spending in the amendment.

The PRESIDING OFFICER. Does the Senator from New Mexico wish to be heard on this point of order?

Mr. DOMENICI. I want to say the dollar numbers being referred to are actual. That is all I want to say.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan has 34 seconds remaining.

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

The PRESIDING OFFICER. Under the previous order, one more motion to instruct the conferees is in order.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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.

UNANIMOUS-CONSENT AGREEMENT

Mr. ABRAHAM. Mr. President, notwithstanding the previous order, I ask unanimous consent that Senator KENNEDY be recognized at 4:30 p.m. today to make a motion to instruct conferees with respect to the reconciliation bill, and that the House message on H.R. 2491 be laid aside until that time.

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

MORNING BUSINESS

Mr. ABRAHAM. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business until 3 p.m. today, during which Senators may speak for up to 10 minutes each.

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

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the impression will not go away: The $4.9 trillion Federal debt stands today as a sort of grotesque parallel to television's energizer bunny that appears and appears and appears in precisely the same way that the Federal debt keeps going up and up and up.

Politicians like to talk a good game—and talk is the operative word—about reducing the Federal deficit and bringing the Federal debt under control. But watch how they vote. Control, Mr. President. As of the close of business, Thursday, November 9, the total Federal debt stood at exactly $4,983,863,012,854.62 or $18,918.83 per man, woman, child on a per capita basis. *Res ipsa loquitur.*

Some control.

POSITION ON VOTES

Mr. AKAKA. Mr. President, had I been present for votes on Thursday, November 9, 1995, I would have voted the following way:

Senate vote 564 on House Joint Resolution 115, the continuing resolution, I would have voted ''no.''

Senate vote 565 on House Joint Resolution 115, the continuing resolution, I would have voted ''no.''

Senate vote 566 on House Joint Resolution 115, the continuing resolution, I would have voted ''no.''

Senate vote 567 on House Joint Resolution 115, the continuing resolution, final passage, I would have voted ''no.''

Senate vote 568 on H.R. 2586, the temporary debt limit increase, I would have voted ''no.''

Senate vote 569 on H.R. 2586, the temporary debt limit increase, final passage, I would have voted ''no.''

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. COATS. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business.

BUDGET STANDOFF

Mr. COATS. Mr. President, over the weekend, both in reading various newspaper accounts and watching the television accounts of the so-called standoff between the Congress and the President over the question of the continuing resolution, funds to keep the Government moving forward, the debt limit, and the budget battle that is currently underway in this Congress, I was particularly taken by an article in Saturday's Washington Post written by Ann Devroy titled, ''For Clinton, the Battle Is To Stand Firm.''

What was interesting is that apparently the President's advisers and pollsters have determined that, as Ann Devroy says, ''President Clinton's reputation for vacillation has made his political need to display strength of character now a silent partner in the nonnegotiation drama'' that is currently taking place here in Washington.

It goes on to say that the President's closest adviser is exulting that polling has shown that the President is beginning to make progress on what he stands for.

The article goes on to say that various sources that Ann Devroy has talked to say—and she quotes—''We were told that what people in their focus groups cite as what they disliked most about Clinton is he is weak, vacillating, opportunist, flip-flops constantly.''

''Pollsters of both parties have''—again, quoting from the article—''Pollsters of both parties have throughout the Clinton presidency identified as a significant problem for the president the perception that he has no core beliefs.''

So what we have seen here now in the past couple of weeks, particularly over this past weekend, and, undoubtedly, we will see this week, is an attempt by the President, on the advice of his counselors, on the advice of his pollsters, and on the advice of those conducting his focus groups, to shore up his character, to define something of what the President believes in and, therefore, ''Stand firm, do not negotiate with the Congress to find a break to the impasse that currently exists between the executive branch and the congressional branch.''

That is what is guiding the decision-making process in the White House and the President's statements.

So, all the President's protestations about the Congress trying to shut down the Government, denying opportunities

for Americans to work, holding America hostage, apparently are all part of a grand political design, grand political scheme to shore up, as the article quotes, shore up the fact that the President is perceived by most people in the focus groups as weak, vacillating, opportunist, and flip-flopping.

We wonder why the American public is so cynical about the political process. We wonder why so few people today show up at the polls to vote. We wonder why the elections across the country—just this past Tuesday, in many cases, less than one-quarter of those eligible to vote even bothered to show up to vote, when they see this kind of political cynicism operating in Washington, DC.

At the same time, I could not help but notice in Sunday's paper a statement that the House minority leader, Mr. GEPHARDT, said in a recent speech that the ''GOP budget goes to the very fringes of radicalism.'' And, of course, we have heard the Vice President and others in the President's Cabinet repeat that mantra now, that it is extremism that is driving the GOP agenda.

So we have had the whole spin all weekend, the focus groups, the Cabinet members, the Vice President this morning on the news shows, and other Cabinet members on the news shows, all pushing the latest White House line. Unfortunately, what they push and the rhetoric that comes across is totally separate from the facts.

This so-called radical, extremist Republican budget over the next 7 years increases spending $2.6 trillion, increases in revenues to the Government of $3.3 trillion. Spending will grow between now and the year 2002 under the Republican radical, extremist budget, spending will grow from $1.514 trillion in this current year to $1.844 trillion in 2002, a 22-percent increase. Medicare spending—which I am sure everyone has heard from the President and his spokespeople that is going to produce dramatic cuts, throw people on the street, throw the elderly out of their nursing homes, and so forth—Medicare spending will increase in that 7-year period 61 percent, from $178 billion in 1995 to $286 billion in 2002. Medicaid spending will grow at a 41-percent increase. Total welfare spending will increase 38 percent. Food stamp spending will increase 45 percent; supplemental Social Security income 69 percent; earned income tax credit spending 22 percent; foster care spending 86 percent. This is the radical, extremist Republican budget.

If we look a little more specifically at Medicare, I think we can begin to understand the length to which the President and members of his party will go to radically alter the news that is being presented to the American people, to put their political spin on something that is totally opposed by the facts of the situation.

Republicans are addressing the Medicare spending issue because the President's own trustees' report in April 1995 stated the following:

> The Medicare program is clearly unsustainable in its present form. . . . 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.

That is the Medicare trustees' report of April 1995.

Incidentally, three of those trustees are members of the President's own Cabinet. Our party has stepped forward in a responsible way to address this alarming report. It has done so by recognizing that unless we slow the growth of Medicare from its current three-plus times the rate of inflation, to around two times the rate of inflation, we will not successfully even begin to address the concern raised by the trustees' report.

We are not the only ones who think that something needs to be done. On October 5, 1993, the following statement was issued:

> Today Medicaid and Medicare are going up at 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 a Medicaid cut. So when you hear all this business about cuts, let me caution you that that is not what is going on.

What Republican said that? because that is exactly what Republicans have attempted to do. So when you hear all this business about cuts, this person said, ''Let me caution you that is not what is happening. What is happening is that we are reducing the rate of growth from three times the rate of inflation to two times the rate of inflation.'' That statement was made by the President of the United States, William Jefferson Clinton, in October 1993. You would never know that today, because what is coming out of the White House is the exact opposite of that statement.

We are also talking about the level of premium at 31.5 percent. That is what it is currently today. You see this country offers an extraordinarily generous benefit program for those 65 and older called Medicare. Part A of Medicare hospitalization is 100 percent covered. And part B, which provides for doctors' fees and other nonhospital costs, is paid for to the extent of 69.5 percent by the taxpayer. We are asking the elderly for that part B coverage only to cover 31.5 percent. That is the current rate that we are asking them to pay, their part, their share of the program. And the GOP budget plan requires that that stay at that level, does not increase it but asks that it stay at that level. But what the President would like to do is revert it back to a level of 25 percent. We are saying, given this trustees' report, this is not responsible. Can we just ask those currently under Medicare to maintain their same level of support? That is the so-called cut that the White House and the President, or those who speak for him, are talking about. And it is not a cut.

Ironically, in the year 2002, under the Republican plan, Medicare recipients will pay a $90-a-month premium, if current increases in Medicare costs are as projected. Under the President's plan, they will pay $82-a-month premium, an $8 difference. This is what is labeled as throwing people out of nursing homes, on the street, without medical care. These are the cuts, the so-called cuts, in Medicare.

When we debated the balanced budget amendment earlier this year, we were told by member after member of the Democratic Party, on the other side of the aisle, that balancing the budget was an absolute imperative, and I want to quote some of them. I will not give their names:

''The budget is not going to be balanced in 2002 unless the responsible people, that is those of us in the Congress, in 1995 start to focus on their share of the work.''

''Words on a piece of paper cannot balance the budget, only legislators like you and I can,'' said another Senator.

A third said: ''Let's go on the record, Democrats and Republicans alike, that we are serious about deficit reduction, we are serious about balancing the budget, because I think that we all are.''

Another said: ''I believe a balanced budget is the correct policy decision for this country.''

Another said: ''Let Senators get to work and show Americans we have the courage this amendment presumes that we lack.''

Republicans had the courage. They came forward with a balanced budget plan enacted over a 7-year period of time, because a $4.9 trillion debt is irresponsible legislating. The rate of growth of our debt is staggering. It imposes a burden on the American economy and on the future and future generations that is immoral. We have come forward with a plan. Our friends and colleagues from across the aisle did not bring forward a plan, and what little attempt they made out of the White House was discounted by the very scoring agency that the President asked us to use.

So now here we are with a plan, a plan to deal with one of the most serious financial crises this country has ever faced. It is not a radical plan. It is not an extremist plan. It is a responsible plan. And for the first time in decades, in response to the call of the American people in November 1994, we are beginning to rein in the out-of-control growth of Government. For the first time in decades, we will actually limit the rate of growth of Government.

Finally, the Congress, under the leadership of the Republicans, has proven that they can deliver on the promises made to the American people to balance the budget.

Several weeks ago, Mr. President, I stood on this floor discussing and debating the reconciliation bill which we were about to pass, that bill that combines a number of efforts to reach our goals for putting in place the process of responsible spending and balancing the budget, and I said:

> The reconciliation bill we are debating not only makes sense, it makes history. For many of us, a balanced Federal budget is a distant memory. For decades it has been an empty political promise. All that remains is one final act of courage and vision.

I went on to say:

> That courage will be tested in the Congress by some difficult choices, and that vision will be measured in the President as he becomes either a partner or a partisan. If either he or we are unequal to the task, the patience of the public will be exhausted, and we will have squandered a unique opportunity, and we will feed a dangerous disillusionment with American politics.

That moment is here. That time for courage is here. The courage has been met by the Republican budget plan. Republicans stand today and say: Mr. President, we have a plan. We have responded to the call—your call, our colleagues' call—to be responsible and balance this budget.

But the vision called for and necessary on the part of the President has not been met. There is no vision beyond November 1996. The vision is to reelect the President at whatever cost. The vision is to make sure that the President's campaign succeeds, regardless of what he has said in the past, regardless of his rhetoric.

Just a few short weeks ago, it appeared we were on a path to negotiating a sensible plan to balance this budget with the President's support. If you looked at what the President said and what he called for, it was very close to what the Republicans enacted. But then someone determined that the President needed to have his weak, vacillating character firmed up. And so the whole plan was thrown out the window.

Now we are in an exercise of what I think is the utmost in political cynicism: Of making sure that the President's political posture is the kind of posture that will be necessary to inch him up in the polls so that he can be reelected in November of 1996.

The courage of the Republicans in providing a plan which, yes, includes tough choices but, yes, responds to a desperate need, a need to get control of a government that for years and years and years has been simply out of control, that plan is before us, but that plan is before us without the vision of the executive branch and particularly of the President.

So while the Democrats continue their efforts to tear this bill apart piece by piece, we have to remember that the centerpiece of what we are attempting to do is to balance this budget. In the future, this will be recalled as our contribution to history. If we ignore this budget crisis, this country and future generations will pay dearly.

I think the argument for a balanced budget comes down to something simple. It is one of our highest moral traditions that parents sacrifice for the sake of their children, and it is the depth of selfishness to call on children to sacrifice for the sake of their parents.

If we continue on our current path, we will violate a trust between generations, and we will earn the contempt of the future. This is our moment. This is our time. It will take courage and it will take vision. Let us trust that both the Congress and the President will have an ample amount of each in order to accomplish what I think we all know needs to be accomplished.

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

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

CONFUSION ABOUT WHY WE CANNOT ACT TOGETHER

Mrs. HUTCHISON. Mr. President, I appreciate having the opportunity to listen to the Senator from Indiana talk about what we are facing in the next 7 hours for this country. It is a very important time.

I was in my home State, as well as several other States, over the last weekend, and I talked to people. People are really confused. People see Congress and they see the President, and they are confused about why we cannot act together.

I think it is very important that we clarify to the greatest extent that we can some of these issues. Let us talk about the continuing resolution that has been passed by the House, will be finally passed again in the Senate today, we hope, that in another month, a few weeks maybe, until December 1, anyway, call on the President to sit down with us and work out a budget reconciliation bill that we would hopefully come to terms with by December 1, so that we can, in fact, take the first-year step of the 7-year march to a balanced budget. That is what the Senator from Indiana was talking about—whether we are going to take that first-year step of the balanced budget. We must have the spending levels that we are asking for in the continuing resolution in order to make the 7-year balanced budget.

If we do what the President wants, which is to continue spending at this year's levels, we will not meet the 7-year deadline.

This Congress has spoken. We have passed a budget resolution that sets the cap on spending that is allowed if we are going to balance the budget. We would love to sit down with the President and talk about priorities, but we cannot negotiate the cap. The cap has been passed. We have a budget resolution on the table.

Has the President yet submitted to this Congress a balanced budget? No. The President has yet to submit to Congress a budget that actually balances. The best he could do was a budget that had $200 billion in deficits. That was the very best. Never have we seen a balanced budget.

Congress has given the President a balanced budget. Perhaps the President does not like the priorities that we have. That is legitimate. Let us sit down and talk about what we spend within the cap. But what the President is saying in the continuing resolution, which he says he will veto, is that we must continue spending at last year's levels, which means to the American people and to Congress that the President is not going to let us have the balanced budget that we must have this year.

If we do not meet this year's test, we cannot do it in 7 years. The President first said he wanted 10 years, then 9, and then 8. At one point, he said he would go along with 7 years. But he never submitted a budget that would do it in 7 years—so Congress did. Now we are trying to pass a continuing resolution that will end on December 1, when we believe that two responsible branches of Government ought to be able to sit down and work out a budget reconciliation package for the American people that would meet the budget test.

There are two things the President says he does not like in the continuing resolution. The first is he does not like the lower spending levels that I have just talked about that are necessary for us to have the 7-year balanced budget.

The second thing he does not like is the monthly Medicare part B premiums, which will rise in January $7 a month in order to meet exactly where we are now, and that is that the Federal Government will put in 69 percent, and the recipient will put in 31.5 percent. That is where we are. Anyone who was here when we passed Medicare—I was not—knows the Medicare part B premiums, which are the doctors' visits, were supposed to be shared 50–50 between the recipient and the Government. They are now at 69.5, Government, and 31.5, recipient. That is where we are now, and that is where the Congress is saying we must stay if we are going to keep Medicare from going bankrupt. We have to raise the premiums that go with the rise in costs to keep the level at 31.5 percent.

It would be irresponsible for the President not to sign a continuing resolution that allows us to put the paperwork in place to make that happen. The President's own Cabinet has said Medicare will start going into a deficit next year. The President's own Cabinet says that Medicare can only last with the trust fund that is built up until the year 2002. So we are trying to save the Medicare system by keeping the 31.5 percent level of the recipient in the part B premiums and to slow the rate of growth over the next 7 years from 10 percent increase per year, which is

what we are looking at now, to 6.4 percent per year.

Now, in the private sector, health care costs are rising at 4 to 5 percent. So it would seem that a 6.4 percent growth would be a responsible approach for Medicare growth. And that is what we are doing. We are not cutting Medicare spending; we are increasing Medicare spending at a rate of 6.4 percent per year.

The President is not being responsible when he says he will veto a continuing resolution because the Medicare part B premium is going to increase $7 per month to keep it at the 31.5 percent, and because he does not want to have the lower level of spending so we can meet our budget resolution goal for this year, so that we can have the balanced budget. The President cannot have it both ways. The President cannot go out and say, ''You cannot cut spending, you cannot balance the budget; I would like to see a balanced budget, but I am not going to give you one.'' He cannot keep having it both ways.

The people of this country are not stupid. The people of this country understand that we are looking at a $5 trillion deficit, debt in this country—$5 trillion. I would venture to say that no one ever thought we would reach the level of $5 trillion. But we have.

The American people know that everyone is going to have to pitch in. Our lifestyles are not the same as they used to be. No one's is. In 1975, a family of four spent 33 percent of their annual income on the necessities of transportation, housing, and utilities. In 1995, that level is 46 percent. So people are not stupid. They know that even if they are making a little more money, they are not living at the same level they were. They know that. So they know that we are all going to pitch in, that we are all going to do our part to make sure that we do have a balanced budget in 7 years because our elderly want their grandchildren to have a Medicare system. Our elderly want their grandchildren to get jobs in the future. They want a sound economy. They want low interest rates. They want this country to be the country they had the opportunity to grow up in. That is what they want for their children.

Mr. President, that is what Congress is trying to give to the elderly and to the working middle-class taxpayers of our country.

Let us talk about the debt ceiling. The President has already vetoed the debt ceiling. This is what Congress tried to do. We were trying to extend the debt level and raise it to December 12, a temporary lifting of the debt ceiling, once again, so that we would be able to get the budget reconciliation in place, so that we would have the first year set out with the spending caps to go to the 7-year balanced budget. We believe it is a responsible approach to lift that debt ceiling.

We also provide that there will be no borrowing from trust funds. We provide that habeas corpus reform will take place. We provide for regulatory reform to get the onerous restrictions off of our small businesses in this country so they will be able to compete in the international marketplace so they will be able to create the new jobs that will get our economy going again.

We do ask for the commitment to the 7-year balanced budget so we will not have to talk about whether it is 10, or 9, or 8, or 7 in the future, but everyone will realize and acknowledge and commit to the 7-year balanced budget.

Now, Mr. President, our congressional leaders have said that we will negotiate on this debt limit raising. I think we should. I think the President can have his way on some of these issues. I think Congress would be willing to give.

Mr. President, it is very important that we not give on the bottom line, that we must have a temporary raising of the debt ceiling so that we can responsibly do the budget reconciliation. It would give us the final budget for this fiscal year so that we will not have to argue anymore about how much we are going to spend and so that the markets in this country will know that our commitment is good.

Once we prove to the marketplace, to our international allies and people who are buying our debt, once we show that we have the will to balance the budget, this economy is going to strengthen.

The Chairman of the Federal Reserve, Alan Greenspan, has said that very thing—that once the commitment is shown, our economy will strengthen. Interest rates will remain steady and low. We will not be looking at runaway inflation, and we will start creating jobs in this country once again—not just service-sector jobs but real jobs; jobs where we can compete in the international marketplace, and we will not have to have our businesses opening corporations and manufacturing operations overseas because they cannot afford to do business here.

Mr. President, that is what we are talking about. I hope for the American people and for all of us that we and our leaders can come to terms. We do not want a Government shutdown. The last thing we want is to default on our debt. There must be some meetings. There must be some give.

Mr. President, we are here to do our part.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Kentucky.

Mr. FORD. I thank the Chair. I will not be very long. I know my friend from Washington has a statement he would like to make.

PREMEDITATED TRAIN WRECK

Mr. FORD. Mr. President, I am intrigued by the statements that have been made on the Senate floor recently in the last few moments, as if this is a budget that has gone to the President.

This is no budget that has gone to the President. It is a continuing resolution that keeps Government running at a certain level, and a debt ceiling that will allow us to secure the funds to do that.

The point keeps being made that the President will not do this. Well, the President has not received a clean continuing resolution. There are add-ons. The President has not received a clean debt ceiling increase. There are add-ons.

Mr. President, just go back to April of this year. This is a premeditated—a premeditated—train wreck.

In April, the Republican leadership said this would happen. They wanted it to happen so they could talk about it. They want to put the President on the spot. I do not think any us would sit in the Oval Office and allow Medicare to go up 25 percent.

That was an issue last week in several of the campaigns—I know it was in my State—Medicare.

We talk about statements by the commission on Medicare. Last year when they gave us a report, it was not quite as good as it was this year. This year they said Medicare would be solvent for an additional year. We have more employment, more money going into Medicare.

Somehow or another we are being blamed for inefficiency of the majority party. The inefficiency of the majority party is that they have not done their work on time. October 1 was the deadline for the appropriations bills to be on the President's desk. Here it is, November 13, 6 weeks later, and we only have two or three at the White House—6 weeks late. So the majority has been inefficient in getting the appropriations bills to the President.

This would eliminate the continuing resolution. All we need would be a debt ceiling so we would not have two bills on the President's desk.

All we are asking, Mr. President, is that we not tie other items to a continuing resolution, increasing Medicare by 25 percent. Increasing Medicare by 25 percent—we are talking about the average income in my State of those on Medicare about $15,000. Add another $150 a year on to that household?

I do not believe there is anyone here, if they were President, who would sign a continuing resolution that binds the President's hands, or a debt ceiling that binds the President's hands.

One thing you do not hear, you increase the debt ceiling, and after it reaches that, it is reduced. The debt ceiling is less at the time it expires than they are making it now. Why? So if we do good work, have good income, which we think we are going to, we have reduced the deficit 3 consecutive years—exactly what we said we would do in 1993.

If we get the appropriations bills out of the House and the Senate and to the President's desk, if we just give him a clean debt ceiling and a clean continuing resolution, we can sit down and work. There will be no problem.

The premeditated train wreck that was announced last April is occurring. There is not anything unknown about this. ''We are going to do it. The President is going to do it our way or no way.''

I have been around here a little while and I have heard that before. I believe the best interests of this country are to give us a clean debt ceiling, give us a clean continuing resolution, and then we can work out the legislative problems after that.

I think we would find that things would move a lot faster than trying to tear up the country and to tear up the financial stability of this great Nation of ours.

I hope we can get a clean debt ceiling, a clean continuing resolution, and that the majority would do their work and give us the appropriations bills so the President would have an opportunity to sign those, and we can continue with the things all of us want to, and that is work towards a balanced budget.

I yield the floor.

A BUDGET PROMISE

Mr. GORTON. Mr. President, in the middle of last week, at the suggestion of one of my colleagues from Washington State in the House of Representatives, most of the Washington congressional delegation and several Members from other States in the country began a campaign to allow people in the United States to speak out in a tangible and dramatic fashion their desire that we stop coming up with excuses and pass a budget which could promise a balance to the American people.

We wanted individual citizens throughout the country to be able to say we have loaded enough in the way of debt on the backs of our children and grandchildren and that it was time to stop, time to chart a new course of action. The way in which we proposed to do this was to suggest to each and every individual in the country that he or she, if she wished the President to sign a balanced budget bill, should send the President a pen, a pen like the one I hold here in my hand, or, for that matter, a No. 2 pencil, or, in the case of the very children who will be saddled with the debts that we have run up in the past and that this President insists that we continue to run up, even a crayon. We suggested any writing instrument, in other words, Mr. President, except for a red pen, on the ground that there was a sufficient amount of red ink in Washington, DC, already.

This announcement took place on Wednesday of last week. On Friday afternoon I was present at radio station KVI in Seattle, a talk radio station, which had not much more than 24 hours earlier taken up this call and had suggested sending those pens either directly to the radio station or to some two dozen drop-off points throughout western Washington.

By the time I reached the KVI studios, there were already huge piles of envelopes containing pens—some without notes, almost all with return addresses, some with short notes to the President—stacked on the table surrounding the microphones in the studios. They numbered in the thousands, produced simply by that single radio station.

Others in the State of Washington have taken up the cause. This morning the National Taxpayers Union held a news conference attended by myself and by the junior Senator from Georgia and my colleague in the House of Representatives, together with one of these radio talk show hosts, to ask that this cause be taken up by other radio stations across the United States. If those stations have anything like the success that we had, there will literally be hundreds of thousands, perhaps up to five digits, of pens delivered to the White House, each and every one of which asks the President to sign a bill. No more excuses, no more deferrals, no more putting off to next year what we should do this year, but a set of laws, a set of changes and directions that will clearly promise us a balanced budget no later than shortly after the turn of the new century.

It is ironic, I believe, that we should have to insist that the President of the United States do this because when he was a candidate for President, Mr. Clinton promised to balance the budget in 5 years. He abandoned that promise on being elected. And by the beginning of this year, 2 years after being sworn in, he submitted a budget that would never be balanced, in fact, a budget that would never have deficits of less than $150 billion a year.

Later, he said perhaps he could do the job in 10 years, then 9, then briefly 7, now back to 10, but that he could only do it if he were allowed to set the assumptions, to play with the statistics, so that balancing the budget would become an easy task without any significant changes in spending policies in the United States, a tactic which has been used briefly by Presidents, both Democrat and Republican, with unsurprising results—increasing rather than decreasing budget deficits.

In addition, the proposal which we have been debating today, the reconciliation bill which will come before this body before the end of the week and be sent to the President before the end of the week, does much more to keep the President's original promises than simply to balance the budget, as important and difficult as that task is. It also keeps the President's promises, since abandoned, to provide a tax cut for middle-income Americans, and it will also keep the President's promise, to which he continues to give lip service and little more, to end welfare as we have known it.

It is over a bill that will carry out these promises of the President of the United States that all of the current furor takes place.

Rather than to promise to sign that bill, the President has committed himself to vetoing it. As of the moment at which I speak, he has vetoed one of the two much more modest interim measures that would allow him both time to veto that bill and to discuss with Members of Congress what alternative approach to the same goal he would adopt without causing the Government of the United States to come to a halt.

I am not sure precisely what the consequences of this course of action will be. Two bills, one of which has already been vetoed by the President and one of which is likely to be passed here later today and vetoed before the evening is up, will cause a certain degree of disruption. A veto of the reconciliation bill, a repudiation of the President's three promises, will, I suspect, cause somewhat more in the way of disruption because it will be the last of a series of actions on the part of the President that belie his promises and commitments as a candidate in the early days of his Presidency.

So far, the President has been unwilling, in any rational and thoughtful fashion, to discuss these goals. So far, he simply says he will not even begin to discuss them until preconditions are met which guarantee that he will never have to discuss them seriously. I suspect, however, that as has been the case so frequently in the past, once the shoe begins to pinch, the President will be willing to discuss this serious question, and I believe he will find Members on this side of the aisle willing to discuss everything with him except for the underlying premise that we must come up with a realistic method of balancing the budget. Once that principle has been reached, we can reach an agreement and the President can use one of those hundreds of thousands of pens to sign a balanced budget.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DORGAN. Mr. President, we are in morning business, is that correct?

The PRESIDING OFFICER. That is correct, with time limits of 10 minutes.

A SHUTDOWN OF THE FEDERAL GOVERNMENT

Mr. DORGAN. Mr. President, let me comment on some of the discussion that has taken place on the floor of the Senate today. First of all, I think if there is a shutdown of the Federal Government, there will be no credit in any corner of this town, only blame and, in my judgment, justifiable blame. We ought not be at this position. We should not get to the point of a shutdown of Government services. We

ought not have a train wreck. And we certainly ought not have any kind of a default on the amount of money that is owed by the Federal Government.

It seems to me logical that the leaders of Congress and the President should and will sit down and discuss the issues that are between the two sides and resolve them. It is interesting to me, this is not even the stadium where the contest is going to occur. The major contest on the reconciliation bill is going to occur in the stadium sometime in the month of December. This is the bridge on the way to the stadium. The continuing resolution and the debt ceiling issue come to us with attachments, little extras added on, that those who put them on understand the President will not accept. So it does create a circumstance where we now have an 11th hour problem.

I hope this gets solved between now and midnight tonight. There is no reason for the Government to shut down. But I do want to say, those who have made a case today on the floor of the Senate that this occurs because they have a plan and no one else does, because their plan will work and no other plan will, because their plan calls for a balanced budget and no one else wants one, is just hogwash. That is simply not the case.

The case here is not a difference on the destination. I do not know of anybody in this Chamber who does not think there needs to be a balance between spending and revenues.

We need to balance the Federal budget. There are many different ways to get to that point. And the debate, as aggressive and as significant as it is, is a debate about priorities.

We ought to be debating priorities. It only behooves the political process, in my judgment, to have one side which says, ''Roll over and play dead,'' while the other side says, ''Here is the only way, here is the road to a balanced budget.'' I tell you what all of this is about, in my judgment, when you take a look at the priorities. It is about money.

There is an article in the Washington Post about a speech given by the Speaker of the House, Speaker GINGRICH, which says that the problem in this country is that we need more campaign cash. We need more money spent on political campaigns. Of course, that defies traditional opinion, and certainly defies the judgment that I hold. There is too much money in politics and too much money in campaigns.

The Speaker says the problem is there is not enough money; we need more spending on political campaigns. What a lot of nonsense.

The problem here, even on these issues, is money. Those who have are going to do just fine under these priorities and those who do not have so much are going to find they are going to have some problems. That is where the difference in priorities come in.

Let me just show a couple of quotes to my colleagues. These are not from a Democrat. They are from a Republican, Kevin Phillips, a Republican political analyst. Here is how he says it —again, not a Democrat—a Republican sees it.

He says:

> The revolutionary ideology driving the new Republican Medicare proposal is also simple: Cut middle-class programs as much as possible and give the money back to the private sector business, finance, and high-income taxpayers.

That is not a Democrat or a partisan. That is a Republican observing the problem with this plan, these so-called reforms.

One more from Kevin Phillips, a Republican analyst, who says it this way:

> Remember, at the same time as the Republicans proposed to reduce Medicare spending by $270 billion over seven years they want to cut taxes for corporations, investors, and affluent families by $245 billion over the same period. This is no coincidence.

Again, not a Democrat speaking, a Republican speaking about the dilemma of this plan.

I simply observe this. This notion that everyone is to tighten their belts and this plan towards a balanced budget requires equality of sacrifice, and everybody in America is told it is time to buckle up, that we are going to hunker down and solve this problem—well, it is not quite true. What has happened this year is we have seen the priorities in the appropriations bills and the authorization bills established that, in my judgment, are not the right priorities for the country.

Yes, we should cut spending, and there are ways to cut spending in significant areas of the Federal budget. But the fact is that we, of course, have not gotten the appropriations bills done. The Congress has passed only a couple of appropriations bills that have gone to the President. Most of them are not passed. It is months late.

The reconciliation bill, which is now going to be the subject of this debate in December, is 5 months late. June 15 is date by which the Republicans who run the Congress are required to have a reconciliation bill passed by the Congress. It is 5 months late. The reconciliation bill has not even had a conference.

Those who would be expected to be conferees on the Democratic side are unaware of any meetings held, not invited to any meetings, 5 months later no reconciliation bill, and all of the appropriations bills that are not done—that is most of them—the fact is that they have not been done largely because of hangups and disagreements among Republicans. They cannot agree among themselves. They have very controversial issues that hang out there. So the bills do not get moving.

If all the appropriations bills were passed, we would not have a shutdown tonight because all of the appropriations bills would be law. But they are not passed. Even those that have been passed by one Chamber or another demonstrate to me that it is not a case of people saying, let us all tighten our belts.

I have in my mind the defense bill. That came to the floor of the Senate, and it had a requirement, or request, by the Secretary of Defense which says, here is what we want for the defense of our country. Guess what? The conservative Senators said: We want $7 billion more. You do not want to build star wars right now. We want to build it. You do not want to build B–2 bombers. We insist you buy 20 of them for $30 billion. F–15's, buy more; F–16's, buy more; two amphibious assault ships, we do not want to choose between the two. Let us buy both, one for $900 million, one for $1.3 billion.

I could read the rest. UH–60 Black Hawk helicopters, a whole series of add-ons that were not requested by the military, not by the branch services, the Air Force, the Marines, the Army, the Navy—not by the Secretary of Defense. Just by conservatives standing on the floor saying: We are not spending enough; we want to spend more.

The only two areas where they want to spend more is, one, when the defense bill comes to the floor, they say, let us spend money not requested. And, second, according to the Speaker, let us spend more on political campaigns. We do not have enough spending in political campaigns.

I do not have the foggiest idea where people get these notions. There is too much spending in political campaigns. That is the problem. It ought to be cut down.

Guess what? All those folks who spend money on political campaigns are not going to grimace when they see this new Republican revolution because the fact is, they are treated with kid gloves. It is the other folks that have to tighten the belts that grimace a little bit when they see the results of their programs.

My point is that this is a legitimate debate about priorities. But even as we debate priorities about where to cut spending, as we do that, there is no reason at all to allow the Government to shut down tonight. Leaders of Congress and this President have a responsibility, in my judgment, to sit down and think through this, and to clearly decide immediately to pass a continuing resolution and a debt extension that is clean, that gets us into the middle of December when we are going to have the real debate about the reconciliation bill.

No one ought to shy away from the debate about priorities. That is what this is all about. There is no problem with that. But it does not make any sense at all for us to be hung up on the continuing resolution and debt extension with provisions put on each of them in a manner where it is well known the President will be required to veto.

So my hope is, between now and midnight tonight, the President and the leaders of Congress can agree on a clean continuing resolution and a clean debt extension. There is no reason to

hang Congress up and have the Government shut down and default on debt in the next couple of weeks. Let us have this debate about priorities. But let us do that in December on the reconciliation bill.

But I did want to take the floor today simply to say this is not as it is characterized by some as one side of the aisle wanting to cut spending and the other side does not. I think I have just demonstrated in at least one of the largest areas of Federal spending where there is precious little appetite to do anything other than to spend more by conservatives who come to the floor. It is a big jobs program. There is no belt-tightening when that bill comes up.

I hope when we debate and sort through these priorities in the middle of December and write a reconciliation bill that we will do the best with what each side wants: expanding economy, more jobs, and better opportunity in the private sector. We also want to ensure fairness in the spending priorities and budget priorities here in the Congress.

I think when Kevin Phillips, who is not a Democrat—a Republican—evaluates the set of priorities that is brought to us now by the Republicans, it demonstrates once again that there is plenty of room for disagreement, and I think also plenty of room for compromise hopefully in the middle of December when the American people would expect us to reach agreement. But, between now and then, there is no excuse to have the Government shut down or to have a default at the end of this evening.

Mr. President, I yield the floor.

PAYMENT OF VETERANS' BENEFITS

Mrs. HUTCHISON. Mr. President, I was in Amarillo, TX, this weekend dedicating a veterans' hospital addition, and I met a couple from Friona, TX. He is a disabled veteran. They were concerned about news reports they had heard over the weekend that veterans' benefits would not be paid if the Government is shut down.

I am taking to the floor because I want to make sure that the veteran from Friona, TX, and every other veteran in this country knows that veterans' benefits will be paid December 1 unless this administration decides that that is not the priority. I hope this administration will not do that.

Veterans' benefits are a priority. Veterans' benefits are an entitlement. Never before have veterans' benefits not been paid when there has been a temporary shutdown of Government.

So I came back to make sure. I talked to the budget committees. I talked to the veterans' committees. We consulted the Congressional Research Office to see if there was any merit in this alleged nonpayment of veterans' benefits, and in fact we were told that they had never heard of anything like that. And in fact unless the administration made the decision affirmatively to pay welfare recipients but not veterans, that in fact veterans would be paid.

So I wish to take the floor to tell the veterans of this country that most certainly they will be paid. There is cash flow to do that regardless of whether there is a continuing resolution or if the President vetoes the continuing resolution there are funds to pay the veterans' benefits, the next ones of which go out December 1. So I think it would be highly appropriate if the Veterans Administration would reassure the veterans of that because they are getting mixed signals.

In my home State of Texas, some veterans' offices are saying, of course, checks are going to go out, and some Veterans Administration offices are saying they do not know; that it is up in the air. And then there are reports that reporters calling the Veterans Administration here are getting the word that they will not go out. So there is confusion by the administration on this point. But there is no confusion on the part of Congress that veterans' pay is absolutely essential, that it is covered, and that the checks will go out December 1.

So I hope that the Veterans' Administration will, indeed, clarify this so that our veterans are not worried that their payments are of lesser stature than those of welfare recipients in this country.

I thank the Chair. I yield the floor.

REPUBLICAN PLAN

Mr. INHOFE. Mr. President, while I was presiding, I was desirous of responding to some of the things that had been said about the subject of this morning's business by a number of the Members of the Congress, specifically one from North Dakota.

During the course of his remarks, he talked about a plan, about the fact that the Republicans have talked about the plan that we had that we are going to discuss, that we have sent to the President that will reach a balanced budget in a period of 7 years, as if somebody else had a plan. I suggest that there is no other plan. If there is a plan, I have not seen it.

The Senator was talking about repeating some of the things that had been said over and over again having to do with reducing Medicare in order to give tax breaks to the rich. I want to say, every time I hear that, that the Republicans had no intention at any point of reducing Medicare. The Republicans gave a program that would have the effect of increasing Medicare by approximately 6.4 percent each year. That would be if a person were getting the maximum Medicare, as accorded today under the current law. That person would receive $4,800 a year. At the end of the 7-year period, that same individual would be getting $6,700 a year.

There is no way to say that that could be considered as a cut in Medicare. To say over and over and over again, with redundancy that is unbearable, that the Republicans are going to try to use cuts in Medicare—which I just talked about, that there are no cuts in Medicare—to give tax breaks to the rich is being unreasonable. Mr. President, 90 percent of the tax breaks that would come from a $500 tax credit per child would go to families under $100,000 of income.

But I want to get down to the point where he was talking about our Nation's defense. He was talking about the Senate bill that was too high, talking about the appropriations bill that was actually some $7 billion more than asked for by the military. I think we all know, being realistic, that when there is a Democrat in the White House, the military is going to be influenced by what that Democrat or a Republican in the White House might want.

We saw what happened back in the 1970's when we had a Democratic President in Jimmy Carter, and we saw our defense budget going down, going down and, of course, the social programs going up. Until such time as 1980, we did not have enough money for spare parts, and we found it necessary after 1980, up to 1985, to increase spending on defense by about 40 percent.

We do not want that to happen again, and yet we have seen during the course of this administration cuts in our defense budget to the extent that right now we are where we were in 1980.

This concerns me, because right now there is a crisis that is taking place and a decision that has been made by this President to send up to 25,000 troops on to the ground in Bosnia. You can talk about doing this and act like the budget is going to remain static during this time, and yet the foreign policy of this administration has put more and more money into humanitarian gestures, Mr. President, to the extent that he has had to come back to this Congress for emergency supplementals.

This is the position we have found ourselves in: We have a Republican-elected House and Senate. We have control. The Republicans gained control in the 1994 elections. And yet we have a President who sends our troops off on humanitarian missions, having no relativity to our Nation's defense. We sent them off to Somalia. Of course, our troops went to Somalia in December under the last month of the Bush administration. And yet, once that humanitarian mission, as described by President Bush when we sent the troops over to Somalia, was over, we time and time again pleaded with President Clinton to bring our troops back from Somalia. There was no mission there that related to our Nation's security interests. Yet, he did not bring them back and they did not come back until 18 of our troops were murdered in cold blood and dragged through the mud through the streets of Mogadishu.

What we do not want to happen in Bosnia—if you look at what the administration has done to our military—is for them to come back and say we need another billion dollars. They came back for a $1.4 billion emergency supplemental just to cover these humanitarian missions in places like Somalia, Haiti, Rwanda, and other places. And we are in a position where we did not have a voice in making the decision to spend that money on humanitarian missions, money we have to borrow from future generations, because we are borrowing this money. Yet, we cannot deny the President his request for emergency supplementals, because if we do that, he will take it out of the operating account of our existing military, and, of course, we are down now to a bare bones military system.

I think what is happening right now in Bosnia has a far greater significance than what we have been talking about in just the cost.

I had occasion to spend 6 months in Bosnia. I did it all in 4 days. It was the most miserable 4 days I ever spent. But I learned something while I was there. I looked around and I saw a country that had been pounded and pounded. Yet, we are not real sure who is doing the pounding all that time. We have three warring factions in Bosnia. We have the Croats, the Bosnian Serbs, the Bosnian Moslems. Yet, while the peace talks are going on, I suggest to you that some of the parties causing the problems over in Bosnia are not at the peace table.

So here we are faced with a dilemma where we are going to have to make decisions as to what is taking place over there, and we are going to try to stop the President from sending 25,000 ground troops in there where, certainly, there will be many, many deaths.

I will wind this up by only repeating the words of the commander of the U.N. forces in Bosnia, that British general, Gen. Michael Rose, who said, ''If the Americans send troops into Bosnia, they will sustain more losses than they did during the Persian Gulf war.'' That was 390 losses. I remember when I asked Secretary Christopher and Secretary Perry, ''Is whatever we are doing over in Bosnia significant enough—whatever mission that is—for the loss of several hundred—specifically over 400—American lives?'' They said, ''Yes.''

So I think there is the basis of the difference of opinion. Is the mission of containing a civil war and of protecting the integrity of NATO worth several hundred American lives. I say, ''no.''

That is another debate that is going on now. I would like to advise the President that it is my intention to introduce legislation that is going to make it more difficult for him to send troops into Bosnia on the ground.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

Mrs. HUTCHISON. Mr. President, I ask that the Chair lay before the Senate a message from the House on H.R. 927, a bill to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes'', and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Gilman, Mr. Burton of Indiana, Ms. Ros-Lehtinen, Mr. King, Mr. Diaz-Balart, Mr. Hamilton, Mr. Gejdenson, Mr. Torricelli, and Mr. Menendez be the managers of the conference on the part of the House.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I ask unanimous consent to address the Senate on the pending matter for such time as I may consume.

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

Mr. DODD. Mr. President, I rise this afternoon to debate the message from the House requesting a conference on H.R. 927, the Cuban Liberty and Democratic Solidarity Act of 1995, and the naming of conferees.

I find it somewhat remarkable that today, of all days, we are being asked to deal with this matter, of all matters. I would have thought that today we would be devoting ourselves instead to finding our way out of the serious box we have fallen into over the budget impasse.

Let us remember what is about to occur shortly in this Chamber. As of midnight tonight, the Federal Government ceases all but essential services. Likewise, the Government's ability to borrow shortly will be exhausted. Keeping our Government operating and keeping the U.S. Treasury solvent should, in my view, be the only business of this body today. Even if it were not in the throes of a critical fiscal crisis, I would still argue the priorities of the leadership in taking up this particular bill at this juncture.

The Senate, as my colleagues will recall, has already exhausted 5 days debating this bill. There is no pressing reason why we must turn to it again now or go to a conference today or tomorrow. It is not as though the Senate has nothing else to do. We have yet to complete the bulk of the so-called must-pass legislation for this year. To date, we have completed action on only 4 of the 13 appropriations bills that we must enact—only 4 of the 13. We have yet to complete action on budget reconciliation, on welfare reform, on Medicaid and Medicare reform.

Instead, here we are debating going to conference with the House on legislation that has no particular urgency to it whatsoever. Fidel Castro has been around for more than three decades. I do not think anyone seriously believes that this legislation is likely to markedly alter his status or the current situation in Cuba any time soon, no matter how much we may wish it so. In fact, as I argued when the Senate spent 5 days debating this bill last month, I believe this legislation is fatally flawed.

In this case of the House-passed version, this bill would actually do serious damage to the United States, especially to our Federal courts. Frankly, Mr. President, this legislation is nothing more than special interest legislation par excellence. It is particularly ironic, Mr. President, that we should be here today deliberating legislation that falls within the jurisdiction of the Senate Foreign Relations Committee.

As I am sure my colleagues are aware, the Foreign Relations Committee has been basically shut down for the past 3 months by the chairman of the committee, with the concurrence of the majority leader. Eighteen ambassadorial nominees, nominees to China, South Africa, Pakistan, the Philippines, and several dozens of treaties, including START II and the Chemical Weapons Convention, have been held hostage by the chairman of the committee until he secures passage on S. 908, the State Department reorganization legislation.

The distinguished chairman of the Senate Foreign Relations Committee has been unable to pass that legislation to date because in its current form it does not enjoy bipartisan support. I appreciate the fact that the Senator from North Carolina is unhappy that he cannot get his bill passed. That circumstance, Mr. President, happens to all of us in this body from time to time. However, I believe it is the height of irresponsibility to hold up nearly all the other business of the Senate Foreign Relations Committee over one piece of legislation. I believe the action is almost unprecedented, if not in fact unprecedented.

I, for one, would argue that it is far more important that the United States be ably represented abroad at the highest diplomatic levels in countries where there are a great many U.S. interests at stake. China, Pakistan, South Africa, Indonesia—these are all countries of critical importance to the

United States and the conduct of our foreign policy.

I also believe that arms control must and should continue to be a high priority for the United States. START II and the Chemical Weapons Convention are critical elements in that arms control strategy. I would assert, Mr. President, that the American people care far more about arms control and being well represented abroad than they care about how some boxes get drawn on some State Department organizational chart or who draws them.

Under the current circumstances, I am not prepared to facilitate efforts by the majority to pick and choose the foreign policy items that they want acted upon while ambassadorial nominees and other major agenda items on the Foreign Relations Committee continue to be held hostage.

I would be far more sympathetic to proceeding with the matter before us if I thought some critical foreign policy issue were at stake. That is not the case, Mr. President. The motivation for moving the pending matter this week and today is driven primarily by a domestic political agenda and by a Presidential straw poll that will be held this coming weekend in Florida.

If the leadership of the House and the Senate thinks that this bill is of such high priority that it must be acted upon this week, then I would suggest that the House take up and pass the Senate version of the bill. While I believe that this version, the Senate version, has serious deficiencies, it is light years better than the House-passed version of this same bill. Unfortunately, they are not prepared to take that course of action because the sponsors of the bill are eager to restore title III of the bill in conference, the most controversial title of the bill, that was deleted in this body.

Mr. President, I am obviously prepared to speak at some length about my substantive objections to the bill at an appropriate moment. I respectfully urge that we forget about dealing with this matter and return to the critical issues that threaten to close down the Federal Government in a matter of hours and to call into question the full faith and credit of the U.S. Treasury.

Mr. President, I mentioned earlier there were some 18 nominees that were at stake being held hostage. Let me identify them, if I can: Sri Lanka, which has been vacant since August of this year; the APEC convention; Cambodia; Malaysia, vacant since June; Thailand, vacant since August of this year; Indonesia, vacant since July; Oman, vacant since June; Pakistan, vacant since September; Lebanon, vacant for 1 year, no ambassador there; South Africa; Cameroon; the Marshall Islands; Fiji; China; Mali; Rwanda; The Gambia.

All of these places, Mr. President, are without U.S. representation. We could have dealt with these matters. They have come out of committee without any real controversy. It is not as if some of these people here are particularly controversial at all. That is not the issue. I would understand that if that were the case. We made the decision here we are not going to deal with these Ambassadors over one piece of legislation.

But it is not just the Ambassadors. I mentioned earlier that treaties are being held up as well. START II, the Chemical Weapons Convention, nine bilateral investment treaties, five mutual legal assistance treaties, five extradition treaties, three tax treaties, two environmental treaties, the Law of the Sea Convention, the Women's Convention, the American Convention on Human Rights.

Now, again, Mr. President, some of these matters might provoke some controversy. I would not suggest that they are necessarily in the same status as these ambassadorial nominations. But, nonetheless, these matters certainly, I would argue, are of equal or greater significance than the pending legislation that we would like to appoint conferees on. As important as that legislation may be in the eyes of some people, it does not deserve to have a status higher than all of these other matters and higher than the status that we ought to be providing to the START II Treaty and the Chemical Weapons Convention that has been pending for some time.

Now, Mr. President, I mentioned earlier when we had the debate on the Cuban legislation that I thought the bill was fatally flawed. I still believe that to be the case. Let me say once again this is not an issue of whether or not you like Fidel Castro or are happy with the present situation in Cuba. I will state once again for the record, I am not. I would like nothing more than to see democracy come to Cuba, that a dictator leave, that we try to be able to achieve some human rights in that country and a restoration of representative government. That is not the issue here before us.

The issue is, is this particular strategy incorporated in this legislation the correct course to be followed? This legislation does not in any way change the present embargo, although there are many who feel the embargo ought to be modified because it is not achieving the desired results.

The problem with this bill is that it places some contingencies on other foreign policy matters that ought to be of greater weight than what we are presently doing or not doing in Cuba. I said at the outset of that debate that when we consider matters such as the legislation before us, we ought to ask ourselves two basic questions: Is what is being proposed in the best interests of our own country? And is it likely to achieve the desired results?

Mr. President, as you know, I had grave concerns about the legislation as it was originally drafted. I believe the bill would have done serious harm to our own country, particularly to our court system. Fortunately, the centerpiece of that bill that would have caused that harm, title III, is no longer a part of the Senate version. As I mentioned earlier, I thought it would be at least better, if the House wanted to move this matter along, to just take up the Senate-passed bill and pass that. But thanks to Senator KASSEBAUM and others who worked so hard to correct this serious problem, it is no longer a part of the Senate version.

Notwithstanding, however, Mr. President, this change, the two basic questions still remain: Is this bill in our own interests? Will it achieve the desired results? Regrettably, I believe the answer to both of those questions is still no. It is not in our interest, Mr. President, to complicate our relations with the governments of Russia or the other New Independent States that were formerly a part of the Soviet Union.

Yet provisions of this bill would do just that, by linking our assistance to Russia and these New Independent States based on their policies toward Cuba. We provide assistance to Russia and the New Independent States because, I believe, Mr. President, we want to see them carry out the kinds of reforms and programs that we are funding, because we want to continue to strengthen this still fragile democracy that exists in these nations. Conditioning our aid to Russia and to the New Independent States based on what is going on in Cuba, I think, is counterproductive, and yet that is exactly what we do in this bill.

It seems to me, Mr. President, we have to ask ourselves, is it in our interest to try to shore up these democratic institutions, these fragile democracies that only a few months ago were in the grips of communism? Fragile as they are, should we be linking that assistance based on whether or not they continue to provide concessional aid to Cuba? We may not like the fact that they do that, but are we going to jeopardize the democracies in Russia and the New Independent States solely because they maintain concessional aid to Cuba? Yet, that is exactly what the bill does.

Again, I do not necessarily disagree if people want to have some strong language about what we do, what kind of aid we provide to Cuba, what kind of support we provide. That is a legitimate debate. But to say to Russia and the New Independent States, ''We are going to cut off aid to you, we are going to deny you the kind of support'' that these countries need if they are going to succeed in the transition to democracy, based on the fact that they provide concessional aid to Cuba, I think, is very wrongheaded.

Provisions of this bill also impinge on arms control. Again, one can argue about whether or not you want to proceed with arms control. I think it ought to be a source of some collective pride and sense of well-being that today we no longer have any nuclear weapons that formerly resided in the

Soviet Union pointed at us. There has been a remarkable degree of success in dismantling that nuclear arsenal. And yet today, this bill on Cuba threatens, in my view, our arms control agreements with Russia and the New Independent States, specifically when it comes to Russian verification of United States compliance with these arms control agreements.

As I said a moment ago, it is certainly legitimate for the United States to discuss the types of activities that appropriately fall within the scope of verification of arms control treaties. That should be done bilaterally with the Government of Russia, not unilaterally imposed by the Congress in the context of its debate about Cuba.

Other provisions of this legislation bar Cuban participation in international financial institutions. That might be fine, but the bar goes until after democracy has been established in that country. We all know the critical roles played by the World Bank and the International Monetary Fund in the early days of Russia's transition to democracy and to a market economy. It is foolhardy, in my view, Mr. President, to prohibit the IMF or the World Bank from offering their assistance and expertise to a post-Castro government.

Mr. President, my objections to the underlying bill were based on several points. One is that, of course, to be tying our aid to Russia and to the New Independent States, based on Russia's continuing support of concessionary aid to Cuba, does not make a great deal of sense to me. In fact, to tie those two issues together jeopardizes, in fact, the very fragile democracy that exists in Russia and in the New Independent States.

Second, to tie arms control is just as dangerous, in my view. We have achieved great success in the last number of months by turning those missiles, which were pointed at our shores, away from our shores and, in fact, the arms control efforts have proven a great success. To link a future arms control success, based on whether or not Russia provides concessionary aid or assistance, to Cuba seems to me to have misplaced priorities. Whatever one thinks about Cuba, you do not jeopardize arms control because Russia does what 57 other countries in the world are doing—that is, providing aid or assistance, or allowing their businesses to operate in Cuba. Again, I am not applauding those particular actions, necessarily, but I do not think you want to link the foreign policy of this country—particularly the vital interests that we have with regard to Russia and the New Independent States—based on a relationship that those countries may have with Cuba.

This bill—the underlying bill—would also have the United States spend more money on TV Marti. Here we are cutting public broadcasting in the United States, cutting into those budgets; yet, we turn around and support additional funding to TV Marti—a program that, by any estimation, with all the studies that have been done, has been an abysmal failure. GAO report after GAO report has found it is totally ineffective, that virtually nobody in Cuba watches it, that it is a total waste of taxpayer money. Those are not my conclusions, but the conclusions of the General Accounting Office. Yet, we are going to spend more money on TV Marti at a very time, as I said, when, frankly, we are told that resources are not there to support our own public broadcasting efforts in this country.

As I said, Mr. President, during the consideration of the legislation, the only individual who has truly benefited from the debate, in my view, has been Fidel Castro. Once again, we have managed to make him larger than life and given him excuses for why his government has failed or why the Cuban economy is in a shambles. Once again, we will force our allies to come to his defense because they profoundly disagree with our own tactics.

Consider what happened in the United Nations only a few days ago, where a resolution on Cuba was offered. We had one country that supports us—one out of the entire world stood with us with regard to Cuba, and that was Israel. I point out, as I have in the past, Israel, in fact, has businesses, Israeli businesses, doing business in Cuba. So instead of having some profound affect on our allies around the world, we are achieving just the opposite.

So, Mr. President, I object to us moving forward, for a number of reasons. Let me reiterate them for my colleagues. One is that I do not know why, today, of all days, with the Government about to shut its doors and close down, with all of the other pending matters we should be raising before us, here we are dealing with a bill focused on Cuba. As I said earlier, we have only dealt with 4 appropriations bills out of 13. Why do we not deal with some of those appropriations bills? It seems to me that ought to have a higher priority than a piece of legislation that will have virtually no effect on Cuba, no effect on Fidel Castro. Yet, we bring that up today, with no particular urgency about it whatsoever.

Second, here we are moving to this bill, which comes under the appropriate jurisdiction of the Senate Foreign Relations Committee. Yet, we are going to rush this bill to the forefront, while 18 nominees to serve as ambassadors to the United States have been in limbo for weeks now—not days, weeks. These are 18 ambassadors that are going to critical countries, like Pakistan, China, and Indonesia, where we have critical United States interests at stake. Yet, those nominees cannot be voted on because the chairman of the Foreign Relations Committee wants another bill to be resolved—a bill he has an interest in. Now, I respect his interests. I disagree with him on what he wants to do in major part, but I know what it is like to have a bill you are interested in. But this ties up 18 nominees to serve as ambassadors of the United States to these foreign countries, and a number of critically important treaties, including START II and the Chemical Weapons Convention, nine bilateral investment treaties, and a host of other agreements, all of which have been held up, not because there is great disagreement with them.

These treaties ought to be debated if people have disagreements. Let us debate it here on the floor of the Senate and vote on them. But here it is, the majority controlling, saying these nominees cannot come forward to serve as ambassadors, and a whole host of treaties cannot be brought up. We will not deal with the reorganization of the State Department, but we are going to rush to the forefront a bill on Cuba.

It seems to me that we have misplaced priorities here, Mr. President. On this very day, hours away from shutting down the Federal Government, we are going to debate about whether or not we are going to cut off aid to Russia and jeopardize arms control because we are unhappy with how we see things in Cuba. Try to explain that to the American public. If they wonder what is going on in Washington, consider what we are debating today. Here it is, the majority, which controls the debate and the agenda, brings up a bill regarding Cuba. We are hours away from shutting down the Federal Government, while not even considering bringing up, as I said earlier, the nominees for the important ambassadorial posts and these important treaties, not to mention appropriations bills, Medicare reform, Medicaid reform. All of that takes a back bench while we deal with Cuba.

I mentioned earlier, I have problems with the underlying bill itself. The fact that we are going to link United States assistance to Russia and the New Independent States based on whether Russia and the New Independent States provide concessionary aid to Cuba—explain the logic of that to me, why you would jeopardize fragile democracies critically important to the United States and to Western Europe based on their concessionary aid to an island 90 miles off our shore, and why you jeopardize arms control—a critically important issue to this country. And yet this bill says that we will not provide the kind of assistance to the arms control effort if, in fact, Russia continues to provide concessionary aid to Cuba.

It just does not make any sense. The international organizations here are saying no aid to a post-Castro government—not Castro. Forget that. No aid to a post-Castro government in transition.

All of us recognize the value of the international organizations—a few months ago when Russia was going through that transition—yet in this bill we say with regard to Cuba ''No international financial assistance'' for

the World Bank or the IMF until democracy is absolutely established.

Were we to apply those provisions to the New Independent States and some of the conditionality in this bill, we would still be denying that kind of assistance to them as they struggle to get their footing into established democracy, a firm democracy in their country.

Mr. President, I feel very strongly that today to be raising on the floor of this body a bill involving Cuba, which I believe is fundamentally flawed—I realize it passed this body, but I know a number of my colleagues think it is a bad bill. Because we are going to have a primary, a straw vote I guess it is, in Florida this weekend, we are rushing to get the Cuba bill done.

So the closure of the Federal Government, the important appropriations bills, Medicare, Medicaid, they all take a back seat here now so that we can score some points to maybe win a straw poll in Florida. That is the only reason this bill is being brought up now—the only reason.

In fact, if they wanted to deal with this issue expeditiously, the House could adopt the Senate version and send it back over to us. No, that is not the case.

So today we are going to try and move through to deal with this Cuban aid bill while we put aside the very issue of whether or not the Federal Government is going to close its doors.

UNANIMOUS CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 115

Mr. DODD. Mr. President, I am about to propose a unanimous-consent request that would recognize the distinguished chairman of the Senate Appropriations Committee for the purposes of raising the continuing resolution.

At the conclusion of that discussion I will be prepared to ask unanimous consent that the Senator from Connecticut be recognized to continue his discussion on the matter before the Senate.

Mr. President, let me propound that unanimous-consent request: That, without losing his right to the floor, the Senator be recognized at the conclusion of the time that the Senator from Oregon is recognized, for the purpose of introducing the continuing resolution; at the conclusion of that introduction and discussion that the Senator from Connecticut be recognized once again and his remarks be uninterrupted.

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

FISCAL YEAR 1996 CONTINUING APPROPRIATIONS

Mr. HATFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 115, a joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate numbered 1 and 2 to the joint resolution (H.J. Res. 115) entitled ''Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.''.

Resolved, That the House agree to the amendment of the Senate numbered 3 to the aforesaid joint resolution with the following amendment:

Delete the matter proposed by said amendment, and beginning on page 15, line 1 of the House engrossed joint resolution (H.J. Res. 115), strike all down to and including line 7, on page 36, and redesignate title IV as title III, and renumber sections accordingly.

Mr. HATFIELD. Mr. President, I move that the Senate concur in the House amendment to the Senate amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

So the motion was agreed to.

Mr. HATFIELD. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, on behalf of the Democratic side here, we did not object to proceeding to the continuing resolution. It is important we move this process forward.

Mr. HATFIELD. This procedure has been cleared with——

Mr. DODD. And I understand that, but I wanted to make note that we disagree with the continuing resolution, Mr. President; and I ask unanimous consent that the vote that occurred last Thursday be printed in the RECORD.

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

[Rollcall Vote No. 567 Leg.]

YEAS—50

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

NAYS—46

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

NOT VOTING—3

Akaka	Bradley	Lugar

Mr. DODD. Mr. President, the Democrats on this side still have objection to this proposal, but nonetheless we feel the process is worthwhile.

Mr. DOLE. If I may proceed for 5 minutes.

Mr. DODD. Absolutely.

Mr. DOLE. First, let me state that the Senate will remain in session until midnight tonight in the hopes we can get this to the President very quickly and that if he should veto the continuing resolution, which I hope he will not, there still might be time for the President and the leadership to work out some agreement that would prevent a shutdown of the Federal Government.

I am not an advocate of shutting down the Federal Government. I think there ought to be some way to come together. I think the American people expect us to do that.

This will be on its way to the House within a minute or two and will go directly from the House and we will see it is expedited and over to the President and hopefully the President will have it a little after 5 o'clock. That would still give us 7 hours to resolve the difference.

There has been some discussion today of maybe changing one of the provisions on Medicare, just writing in the figure $46.10 which would amount to a freeze. That was raised by the distinguished Senator from New Mexico in a talk show over the weekend and also by the Senator from Oklahoma, Senator NICKLES, and discussed by the Senate leadership at 12:30 today, and then discussed with the Speaker maybe an hour or so ago, along with a number of other things we are also looking into—items of disagreement on the total reconciliation package, and we are about to wrap that up.

Before we concluded our discussion, we understand Mr. McCurry resolved the matter for us at the White House, indicating in addition to the Medicare provision they had other substantive problems with the continuing resolution.

So it underscores that all this weekend was a smokescreen on Medicare, and the truth of the matter is there were other objections—not just Medicare.

So they are playing the Medicare scare card all weekend, so we were working on maybe a softer version just to freeze at $46.10 and that, again, Mr. McCurry indicates was not satisfactory.

In fact the quote reads, ''Explain what's wrong with the freeze, just explain what's wrong with the freeze.''

Mr. MCCURRY. Well, because the President prefers current law. Current law is very clear on what premium increases should be.

Mr. President, I ask unanimous consent to have the entire transcript of the White House Press Secretary's remarks printed in the RECORD.

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

REGULAR BRIEFING BY MICHAEL MCCURRY, 2:23 P.M., EST, MONDAY, NOVEMBER 13, 1995

Mr. MCCURRY. Let me—good afternoon, everyone. Let me start with an announcement concerning the president's very important trip to Japan for the meeting of the Asian Pacific Economic Cooperation Forum leaders summit and very important state visit, bilateral visit with the Japanese government.

First, as is obvious, the president has to tighten his schedule in order to take the very important work that he needs to do on this trip and fit it in to what will amount to a weekend trip to Japan. (Laughter.) The president will depart 11:00 Friday evening from Andrews Air Force Base, and will return Tuesday morning at approximately 2:00 a.m. to Andrews Air Force Base.

Question. Was that a.m. or p.m.?

Mr. MCCURRY. A.M. Tuesday morning. He will—he leaves at 11:00 p.m. Friday, and he will be returning at 2:00 in the morning Tuesday morning; so in other words, very late Monday night.

That will allow him to participate fully in the APEC leaders meeting that will occur on Sunday. It will also allow him to accept the gracious invitation of the emperor and empress for a state visit to Japan, and to conduct important bilateral meetings with Prime Minister Murayama. The United States appreciate the courtesy of the emperor and empress in allowing this schedule adjustment to occur. Obviously, we also appreciate the cooperation of the Japanese government and the Japanese people as we make these necessary adjustments to the president's schedule. The president is confident that this schedule will allow him to do the very important work of advancing U.S. economic interests as we participate in these important discussions with the other Asian economies, and as we deal at a very important point with the very important bilateral relationship we have with the government of Japan.

Yeah, Mike?

Question. Is that locked in now, or if you get a deal can you expand it back out?

Mr. MCCURRY. Say again?

Question. Can you expand it again if you get a deal, or is this locked in?

Mr. MCCURRY. This is—we are making all the adjustments necessary to follow this schedule, so this will be the schedule.

Question. You mean even if you get a deal it will be the schedule?

Mr. MCCURRY. There's nothing to indicate that that's going to happen in a time that would allow us to open the trip back up accordion style.

Question. Let's suppose that you don't get a deal——

Mr. MCCURRY. I'm not going to do ''supposes.'' This is the schedule. We're announcing the schedule as it's now announced.

Yes?

Question. How long will the state visit be then?

Mr. MCCURRY. It will be one day. It will be—the president will fly from Osaka down to Tokyo on Sunday night. He will have sessions beginning at 9:00 in the morning Monday, he will conclude with a state dinner at the Imperial Palace at conclusion of the state dinner.

Question. In his talk to the DLC, the president said something like he hopes to be able to make this trip to Ireland. Did he use that language because that trip could also be in some danger because of the (threat ?) of a government shutdown?

Mr. MCCURRY. Well, the president still is keeping to his planned schedule. It's impossible for us now to predict what will happen between now and the end of this month in this rather fluid situation

Question. Is Mrs. Clinton going?

Mr. MCCURRY. Mrs. Clinton does plan—does plan to attend, yes.

Question. Since you're talking about scheduling, if the CR comes down here—it now looks like they're going to vote about 5:30, what time do you think the president would take action?

Mr. MCCURRY. He will exercise his veto as soon as he receives the measure from the Hill. As you know, final passage in Congress has very little to do with what time Congress actually sends the measure of the White House. We had final passage on the debt ceiling measure Friday that did not arrive here until Sunday. So it's impossible for us to predict to you now what time that measure will arrive from the Congress.

Question. Will he do it in a public way?

Mr. MCCURRY. I'm not aware that—you've got more information than I do! I'm not aware that the Senate has now dropped the Medicare premium increase. I've heard one or two members suggest that, but we don't have anything authoritative from the Republican leadership indicating that they're now dropping the Medicare premium increase from the continuing resolution.

Question. What do you have from Domenici?

Mr. MCCURRY. We have what we've seen him say on CNN. (Cross talk.)

Question. (Off mike)—saying he hasn't talked to Panetta?

Mr. MCCURRY. His conversations with Mr. Panetta, the idea that he discussed is very much the same one that he's discussed publicly now on television.

Question. Well what's your reaction?

Question. So what's your reaction to it?

Question. What's your reaction?

Mr. MCCURRY. Well, it's an interesting idea, but it's got nothing to do with resolving the current crisis. The president, as he's made clear, needs for them to drop the Medicare premium increase from the continuing resolution so that we can then get down to a serious discussion about what will be in a continuing resolution that's appropriate and acceptable to the president.

Question. In other words——

Question. So you're saying a freeze is not good enough?

Mr. MCCURRY. A freeze has to—a willingness on the part of Congress to drop the Medicare premium increase can open the way to further discussions. That's the most you can say at this point because the president has substantive objections to other aspects of the continuing, especially the level of funding.

Question. Explain what's wrong with the freeze, just explain what's wrong with a freeze.

Mr. MCCURRY. Well, because the president prefers current law. Current law is very clear on what premium increases should be.

Question. Mike, following up, when you say the objection to other aspects of the CR is the funding levels, assuming the Senate even takes up Mr. Domenici's proposal, which isn't at all clear that it's been embraced by Senator Dole or the leadership, and they send him down a bill with the 46–10 frozen in there, whatever, are you saying he could still veto because of the 60 percent funding levels? Is that still——

Mr. MCCURRY. The president—look, nothing has changed from the viewpoint of the White House. The president is willing to sit down with the bipartisan leadership of Congress to discuss how we are going to avert this crisis, a shutdown in our government, and the only condition he attaches to that is some measure of good faith on the part of the leadership by dropping the proposed Medicare premium increase that is in the current version of the continuing resolution. If they drop that, there is a basis upon which to have discussions about how we move forward from here, even though the president still has substantive objections to the continuing resolution now pending in the Senate.

(Cross talk.)

Mr. MCCURRY. Well, if there's no action by the Congress, or if there's no action on a measure that the president signs, then the there's proceeds.

Question. Mike, suppose they sent him the thing with the Medicare premium dropped, would he sign that? A CR with the Medicare premium dropped, would he sign that?

Mr. MCCURRY. The president's made it clear he would sign a clean extension, clean continuing resolution, one that follows——

Question. That doesn't answer the question.

Mr. MCCURRY.—the formula that was developed in September. Well, I can tell you what the president has said he will sign, I can't speculate for you what the president will do on something hypothetical that we don't have any indication at all is the viewpoint of Congress. Is Congress going to pass any of these things that you're suggesting and send it to the president tonight? That's a different question. There's no indication that's going to happen at this point.

Mr. DOLE. Even though the President still has some objections to the continuing resolution now pending in the Senate, the point is a number of cases here that a freeze was not acceptable, and that they had other objections—which they have a right to have—so I am not certain what the offer to meet with the leadership really amounted to.

We have been saying all weekend, people should understand we are talking about part B Medicare; part B Medicare, where all the money that is not paid by the beneficiary is paid out of general revenues, paid by taxes by people that work at McDonald's, people that work right here on the Senate floor.

You are asked to pay 68½ percent of some millionaires' part B premium or someone making $100,000 a year. It does not make a great deal of sense to me.

All we were talking about, we were just keeping the 31.5 percent in place long enough until we negotiate some agreement, hopefully, with the President of the United States on an overall balanced budget over the next 7 years.

So, we made our case. The President has made his case. I think they have overstated the case. And today they admit that it is not just Medicare; even the freeze would not be satisfactory, because they have other objections, other objections in the continuing resolution.

So, it seems to me we have no other choice. We passed the resolution. I thank my colleagues on the other side for clearing the resolution, and we hope that as we speak it is on the way to the House and will soon be on the way to the White House. If the President should deem it necessary to veto it, that then he would be willing to sit down with us. We are the leaders, and we would be happy to try to work it out before midnight to avoid a shutdown.

As I have said earlier, the Senate will be in session and the House will be in session until midnight. We are prepared to act up until midnight or after, if necessary, to prevent a shutdown of the Federal Government.

The PRESIDING OFFICER. The Chair now, under a unanimous-consent agreement, recognizes the Senator from Connecticut.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the message from the House.

Mr. DODD. Mr. President, I thank the Chair. Let me return to the subject matter that is the pending business of the Senate, but let me also state here in response to the distinguished majority leader, it was our intention that this process do move forward, but also it is our strong feeling this CR ought to be as clean as possible.

There is a place and time to negotiate the budget proposals for 7 years, but we do not believe it ought to be part of a continuing resolution and that extraneous matter included in the CR is really a back-door attempt to achieve through this process efforts which should properly be the subject of negotiations as part of the long-term budget commitments of this country.

So the CR ought to be as clean as possible. As I mentioned earlier, we have only dealt with 4 appropriations bills in the last number of months out of 13 that should come before this body. I think we might better spend our time in dealing with those appropriations bills, get the job done, and then the need for a CR—of course, it becomes unnecessary.

In any event, Mr. President, I am aware our colleague from Massachusetts will be coming to the floor shortly to talk specifically about some of the Medicare proposals.

Allow me to just wrap up my own comments about the matter that is presently before us, and that is the message to the House on the appointment of conferees dealing with the so-called Cuban bill.

I am somewhat mystified as to why this particular bill has such a high priority that we are willing to move almost everything else out of the way to consider it. There is no sense of urgency about it whatsoever. We are moving this bill out of the Foreign Relations Committee while simultaneously holding up nominees to be Ambassadors and critically important treaties that ought to come before this.

Frankly, when you consider a sense of urgency, not to have United States representation in the People's Republic of China, Pakistan, Indonesia, seems to be an issue that ought to be dealt with immediately, rather than putting that on a back burner and dealing with this bill, which most people think will have absolutely no effect whatsoever on the Government in Cuba. It will complicate our relationships with Russia, with the New Independent States, and others, given the fact that we link our aid to those nations and our arms control efforts based on whether or not they provide any assistance to Cuba. That ought not be the way we deal with the fragile democracies in Russia and in the New Independent States.

So, for those reasons, I feel it is worthwhile to focus some attention on this and to try to bring the attention of the U.S. Senate back to a discussion of what ought to be the subject matter for debate and discussion today, and that is the priorities of our overall budget for this country and why it is we cannot seem to get a clean debt ceiling extension in a CR that is devoid of extraneous matter, and then get to the business of negotiating on the budget over the next 7 years but not tying up those two matters with matters that have no business being there at all.

With that, I ask the Chair to tell me what the pending business of the Senate is.

The PRESIDING OFFICER. The present order of business is to recognize the Senator from Massachusetts for pending business. And at that point we are going to resume H.R. 2491.

The Senator from Connecticut is recognized.

Mr. DODD. I gather the Senator from Massachusetts [Mr. KENNEDY], may be a bit delayed. He should be here momentarily.

With that, 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. WELLSTONE. 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. WELLSTONE addressed the Chair.

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

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Maimon Cohen, who is a fellow working with me, be allowed to be on the floor for the duration of the debate on this amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. WELLSTONE. Mr. President, let me be clear that Senator KENNEDY will be on the floor with his motion. I am actually not making a motion. But what I thought I would do is take a little bit of time to talk about one provision in the motion. That is something that I have worked on, and I want to speak a little bit about that.

Mr. ABRAHAM. Mr. President, I just ask that maybe we keep track of the time because we are on a time limit. So this time might be assigned to the block of time which will be used for consideration of this motion, if that is part of the agreement.

The PRESIDING OFFICER. I want to inform the Senator from Minnesota that the Senator from Massachusetts will have a total of 40 minutes on this motion.

Mr. WELLSTONE. Mr. President, I have been allotted 10 minutes. So I will be pleased to lock that block of time.

The PRESIDING OFFICER. Without objection, this time is taken from the time of the Senator from Massachusetts.

Mr. WELLSTONE. I thank the Chair. Before I proceed, could I make sure? I ask the Chair to please notify me if I should go over 10 minutes, because I do not want to take any more time than that.

The PRESIDING OFFICER. The Senator is allotted 10 minutes.

Mr. WELLSTONE. I thank the Chair.

Mr. President, let me just talk about one provision in this motion to instruct conferees that Senator KENNEDY is going to be making. This is a provision that I worked on, which essentially says that the Congress shall be instructed to delete provisions that provide greater or lesser Medicaid spending in States based upon the votes needed for the passage of the legislation rather than the needs of the people in those States.

What I am essentially saying here is that what happened a couple of weeks ago in the dark of night was that the U.S. Senate exchanged Medicaid money for votes. What I am saying in this provision in this instruction to the conferees is that when we develop a formula for allocating Medicaid—or what we call in Minnesota medical assistance funds—it ought to be based upon some rational policy choice. It ought to be based upon the needs of the people in the States. It ought not to be based on some kind of a deal which is all based upon the number of votes to pass a particular piece of legislation.

From my State, on this Friday night in about 3 hours we went from seeing a cut of $2.4 billion to a cut of $2.9 billion. In other words, the State of Minnesota lost $500 million.

Mr. President, we need to understand that in the State of Minnesota altogether the projected cuts on Medicare and medical assistance are going to be somewhere between $7 billion and $8 billion.

So the concern that I have—and the reason that I am working with Senator KENNEDY on this, and so much appreciate his instruction to conferees—it seems to me that it is outrageous for the U.S. Senate to make decisions on allocation of medical assistance funds to States based upon some sort of

wheeling and dealing that takes place where Senators leverage the votes for the amount of money that goes to their States as opposed to some kind of rational policy, and as opposed to the needs of the people in those States.

I am also out here as an advocate for my State of Minnesota. In the dark of night in 3 hours, all of a sudden Minnesota has $500 million less of support. Mr. President, let me now translate this, if I can, in human terms, in personal terms.

Let me first of all just say to my colleagues that I am concerned about this because it is not just some dry formula. We are talking about 300,000 children in the State of Minnesota that are covered by medical assistance. With the kind of reductions that we are going to be faced with—about $2.9 billion—the question becomes, What happens to those children? Mr. President, in the State of Minnesota we have a program called the TEFRA Program, which is extremely important, that allows 300,000 children with severe disabilities to be eligible for Medicaid based upon their own income and which allows families, therefore, to be able to keep those children at home.

Mr. President, the question becomes what happens to those children with disabilities and those families that provide tender loving care to those children with disabilities when we have these kind of draconian reductions in medical assistance? That is why I have some indignation about some dark-of-the-night decision that takes $500 million more away from my State of Minnesota.

But it is not just my State. It is some of the most vulnerable citizens in America. Mr. President, 60 percent of our medical assistance funds—that is what we call it in Minnesota; we are talking about Medicaid nationally—will go to pay for nursing home care. About two-thirds of all of the seniors that are in nursing homes in Minnesota rely on some medical assistance funds.

Mr. President, I am a huge advocate of home-based care. I think people should be able to live at home in as near a normal circumstance as possible with dignity. But sometimes the nursing home is the home away from home, and the question becomes what in the world are we going to do as caregivers who care about taking care of elderly people? What is going to happen to senior citizens that are in those nursing homes? Who is going to make up the difference?

Mr. President, all too often in my State of Minnesota—and I am guessing it is the same way in Louisiana or Michigan—I am hearing at the county level commissioners say to me: Senator, what is going to happen is we are going to be asked to raise the property taxes, and we are not going to be able to do so. And if we are not going to be able to do so, we are going to redefine eligibility; we are going to reduce services, and there are going to be a lot of persons who will be hurt.

Above and beyond that, there are some 70,000 senior citizens in Minnesota who are below the poverty level, and for those senior citizens the medical assistance funds are what enable them to pay their part B premium for Medicare, which is the physician services.

So again the question becomes, why does the U.S. Senate make decisions based on wheeling and dealing to get votes, not based upon the needs of citizens in our States? Why a medical assistance formula in the dark of night which is so patently unfair to so many States, including my State of Minnesota? And above and beyond my State and above and beyond the formula the real issue is, what about the impact on the people?

I have said 10 times in this Chamber that this is a rush to recklessness. I will say it an 11th time. This is not good policy. It does not pay attention to the impact it is going to have on people's lives. This instruction to conferees which relates to this formula is extremely important.

I conclude by repeating it one more time. Our instruction is to delete any provisions that provide a greater or lesser Medicaid spending in States based upon the votes needed for the passage of legislation rather than the needs of the people in those States. Without apology, without equivocation, I am proud to advocate it for citizens in my State of Minnesota. It is not just the seniors. It is not just the children. It is not just people with disabilities. It is also a State that values good health care. We want support for our medical education. We want our rural hospitals that depend so much on the Medicare and Medicaid patient payment mix to be able to continue to provide care. We want to be able to deliver primary care out in the communities. This budget that has been worked out is not based upon any kind of understanding of health care policy that will respond to people's needs in Minnesota or Iowa or any other State.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes and 20 seconds.

Mr. WELLSTONE. Mr. President, I yield 2 minutes and 20 seconds back to the Senator from Massachusetts when he brings this motion out.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. WELLSTONE. I yield the floor.

ORDER OF PROCEDURE

Mr. BREAUX addressed the Chair.

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

Mr. BREAUX. Mr. President, I would just ask the Chair to state the current business before the Senate.

The PRESIDING OFFICER. The Chair would inform the Senator that there is no stated business before the Senate at this particular time.

Mr. BREAUX. I ask unanimous consent that I may be allowed to speak as if in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, but only to inquire.

The PRESIDING OFFICER. The Senator from New Mexico reserves the right to object.

Mr. DOMENICI. I thought at 4:30 this afternoon Senator KENNEDY was to lay down his instruction motion.

The PRESIDING OFFICER. The Chair would inform the Senator from New Mexico that that was the order.

Mr. DOMENICI. And I understand under unanimous consent we agreed to let Senator WELLSTONE use part of Senator KENNEDY's time on that.

The PRESIDING OFFICER. About 8 minutes was used.

Mr. DOMENICI. So is not the subject matter——

The PRESIDING OFFICER. The motion has not been made.

Mr. DOMENICI. So we have nothing pending before the Senate at this point.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. What was the Senator's request?

Mr. BREAUX. I was going to ask to speak as if in morning business.

Mr. DOMENICI. How long?

Mr. BREAUX. Five minutes.

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes as if in morning business.

BUDGET COMPROMISE

Mr. BREAUX. Mr. President, I take this time to voice my concern about the current situation with regard to the continuing resolution that is before this Senate to try to keep the Government functioning. Throughout Washington and I think throughout the various States people who work for the Federal Government and people who have concerns about the services the Federal Government provides are wondering whether we in the Congress are going to be able to get together and make Government work or, rather, are we going to fight to the finish and nobody will be a winner, least of all the American people.

Many Federal offices right now are debating the question of whether they are essential or not, which is sort of a novel thing to have to debate as a Federal employee in offices on the Hill and other agencies because they know if they are a nonessential employee, they do not go to work tomorrow unless we fix this problem. But if they are an essential employee, they have to come to work even though they might not get paid. So it is interesting to see whether you are determined to be a Federal employee who is essential or one who is not in order to determine whether you come to work tomorrow or stay home because we in the Congress and the administration have not been able to get

together and even come to an agreement on how to continue the functions of the Government.

Mr. President, I am concerned that many people in my home State of Louisiana are beginning to believe that the Congress is sort of a nonessential arm of the Federal Government, and they are saying that Republicans and Democrats in the Congress are really nonessential because they cannot get together to find a way to resolve this problem.

I think there is a lot of blame that should be evenly divided among all of us who have not been able to solve this problem. My Republican colleagues, because they have not been able to pass all of the appropriations bills to fund Government, have necessitated a continuing resolution to continue the functions of Government as if they were being continued last year, because we have not finished the appropriations bills. The problem is they have added a couple of little items to the continuing resolution which make major policy changes, and that is where the problem is. But it is not an irresolvable problem, in my opinion.

It should be that grown men and women can come together and say we are going to move toward a position that will allow the Government to continue, allow the functions of Government to work, and I happen to feel if we are able to do that, everybody wins. The American people win because Government works. The Congress wins because we have been able to resolve a problem.

I think we all lose if we bring this Government to a standstill. We are admitting that we are unable to govern. We are admitting that we cannot make it work. We are admitting that we are so stubborn, in my opinion, that we cannot meet somewhere in the middle.

I think there is a way to fix this problem. I know there are those who want to bring everything to a halt to make a political point, but I think the political point we all make is that we all lose.

Let me suggest this. The whole question is about Medicare premiums. Under the current law, Medicare premiums are going to fall down to about 25 percent of the cost of insurance. That is going to occur January 1. That means that if the law is not changed January 1, Medicare premiums will go down to about $42.50 unless some changes are made. Republicans have said: Well, no, we are going to not let it go down. We are going to keep it at 31½ percent, which means that come January 1 Medicare recipients are going to have to pay about $53.50. That is their proposal.

That is a major change. I do not think it ought to be on the CR. I think it is a back-door way to change public policy, and that is not the way we should be doing it. So there are those who say: No, it should go down to $42.50. Others say: No, it should rise to $53.50 because Medicare is in danger of going bankrupt so we need to pay more to protect it.

Let me make a suggestion. Let me make a suggestion that grown men and women can agree to keep the premium just as it is, $46.10, until we work out this problem. It does not go up. It does not go down. Keep it where it is until we resolve the major differences in the budget. Let us not make Medicare recipients hostage while we battle over what Government should do. Keep the premium exactly where it is—no increase, no decrease.

Now, the administration points out, and I think correctly, that the Republicans have also tried to do something different from the current CR, and that is that they would fund all of these other programs at the lowest level between the House and the Senate version of these appropriations bills. I think that is wrong. The current CR funds these programs at an average of what the House did and the Senate did. So why not do both of those things and fix this problem and assure the American people that we can make Government work.

My suggestion is quite simple. Keep the Medicare premium at $46.10 and fund the rest of the programs at the average between the House and the Senate. That is not magical.

I mean, I bet a person in the eighth grade could figure that out and say that is a fair compromise. But you know what? He probably would not be a politician, because if he is a politician he is going to say, ''Well, I can't do that because the other side may get an advantage, and, by God, I sure can't let that happen.'' So, I almost have decided the only way to solve some of these problems is to get people who are not running for reelection to come in and sit down, maybe get some of those kids in the eighth grade that know how to add and divide by two and split the difference.

I think we could bring this to a conclusion if we did just those two things, fund all of the bills that have not been completed with an average between the House and the Senate. It is easy to figure out. That is what the current continuing resolution does exactly. If it was good earlier, it is good now. And, second, freeze the Medicare premium at $46.10 until we finish this. We can send that to the White House, a bipartisan agreement between Republicans and Democrats to get the job done. That would allow us enough time until the end of this month to work on the bigger issues. We should not hold this country hostage, neither side, because of who gets the political gain.

Again, I repeat, the people of Louisiana are beginning to believe that Congress is a nonessential Federal employee. And that is a bad statement about the ability of this Congress to get the job done. I suggest we come together and get the job done.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Massachusetts is recognized.

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Would the Senator suspend while we report the motion?

Mr. KENNEDY. Fine. I would be glad to send it to the desk, if that is agreeable.

MOTION TO INSTRUCT—HEALTH CARE

Mr. President, I send a motion to instruct conferees on H.R. 2491 to the desk on behalf of myself, Senator PRYOR and Senator WELLSTONE.

The PRESIDING OFFICER. The clerk will report the instructions.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] moves to instruct the conferees on the part of the Senate to insist upon removal of the following provisions included in the House or Senate bills:

Mr. KENNEDY. I ask further reading of the instructions be dispensed with.

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

The motion is as follows:

The Senator from Massachusetts [Mr. KENNEDY] on behalf of himself, Mr. WELLSTONE, and Mr. PRYOR moves to instruct the conferees on the part of the Senate to insist upon removal of the following provisions included in the House or Senate bills:

(1) Provisions eliminating requirements in the Medicaid law providing drug discounts to State Medicaid programs, public hospitals, other programs or facilities serving low income people, such as community and migrant health centers, health care for the homeless centers, Ryan White AIDS programs, pediatric AIDS demonstrations, family planning clinics, black lung clinics, and public housing clinics;

(2) Provisions benefitting unscrupulous health care providers at the expense of Medicare and private patients by:

(a) repealing current prohibitions against additional charges (balance billing) by physicians and other providers rendering services to Medicare beneficiaries enrolled in private insurance plans;

(b) weakening current statutory provisions to prevent and combat fraud and abuse, including such abusive practices as self-referral and kickbacks, and such proposals to weaken anti-fraud efforts as establishing more lenient standards for imposing civil money penalties;

(3) Provisions threatening the quality and affordability of care in nursing homes by:

(a) weakening or eliminating Federal nursing home standards by repealing such standards or allowing state waivers from such standards and Federal enforcement of such standards;

(b) repealing prohibitions against nursing homes charging Medicaid patients fees for covered services in addition to the payment made by the State;

(c) repealing current prohibitions against States placing liens on the homes of nursing home patients.

(4) Provisions providing greater or lesser Medicaid spending in states based upon the votes needed for the passage of legislation rather than the needs of the people in those states.

Mr. KENNEDY. Mr. President, I yield myself 8 minutes.

Mr. President, in the reconciliation bill the Republicans have extended an open hand to powerful special interests

and the back of their hand to the American people. Senior citizens, students, children, and working families will suffer so that the privileged can profit. Republicans are engaged in an unseemly scheme to hide what they are doing from the American people. Their proposals are too harsh and too extreme. They cannot stand the light of day. And they know it.

The fundamental injustice of the Republican plan is plain, $280 billion of Medicare cuts that hurt senior citizens are being used to pay for $245 billion in tax cuts that help the wealthiest individuals and corporations in America.

The Republican bill is also loaded with sweetheart deals for special interests whose money and clout are being wielded behind closed doors to subvert the public interest and obtain undeserved favors. In particular, the sections of the legislation dealing with health care are packed with payola for the powerful.

The dishonor roll of those who will benefit from the giveaways in this Republican plan reads like a ''Who's Who'' of special interests in the health care industry. The pharmaceutical industry, the most profitable industry in America, benefits lavishly from the Republican program. The House bill repeals the requirement that the pharmaceutical industry must give discounts to Medicaid nursing home patients and to public hospitals and other institutions serving the poor.

The total cost to the taxpayers from these giveaways is $1.2 billion a year. Democrats in the Finance Committee succeeded in eliminating this giveaway for the Senate bill. Our motion is designed to ensure that it is not included in the conference report. The American Medical Association also receives lavish benefits in the Republican bill in return for the AMA support of the excessive Republican cuts in Medicare.

In addition, the bill weakens the anti-fraud and conflict-of-interest rules for physicians. The Congressional Budget Office estimates that these benefits to physicians will cost the taxpayers $1.5 billion over the next 7 years.

The Republican bill also eliminates the provision in current law that prevents doctors from charging more than Medicare permits for those enrolled in HMO's and other private plans. The Republican plan will permit doctors to collect the difference from senior citizens. As a result, senior citizens could pay as much as $5 billion more a year for medical care because of the elimination of those protections.

Our motion directs the conferees to restore the limits on such billing and maintain strong protections against fraud and abuse.

Another unacceptable provision of the House bill is its elimination of all the Federal nursing home standards, a payoff to unscrupulous nursing home operators who seek to profit from the misery of senior citizens and the disabled. A Senate amendment purports to restore some of the standards, but, in fact, as my friend and colleague, Senator PRYOR, has pointed out, it leaves a loophole wide enough to permit continued abuse of tens of thousands of nursing home patients. It allows States to issue waivers that could weaken Federal standards and avoid Federal oversight and enforcement. Our motion instructs the conferees to maintain the current strict standards and protections for our senior citizens in the nursing homes.

One of the cruelest aspects of the Republican proposal is its failure to protect nursing home patients or their relatives from financial abuse. The Republicans claim that they have now revised their bill to maintain financial protection for the spouses of nursing home residents. What they do not tell you is that they still allow nursing homes to charge patients more than Medicaid will pay. Spouses can still be forced to sell their home, exhaust their savings to give their loved ones the care they need. That is not financial protection. It is financial abuse.

The Republican bill also wipes out the protections that have been in Medicaid since 1965 that prevent States from forcing adult children to pay the costs of a parent's nursing home bill. The Republican bill even lets States put liens on the homes of nursing home patients if a spouse or child are still living there. Obviously, Republican family values stop at the nursing home door. Our motion will eliminate these indefensible proposals from the bill.

What a travesty it is for Republicans to call this bill a reconciliation bill. The only reconciliation is between the Republican majority and special interest lobbyists for whom this bill has become one large feeding trough. Who knows what additional giveaways will be cooked up behind the closed doors at the conference committee? Adoption of this motion is a needed step to expose those sweetheart deals and eliminate them from the bill. I urge the Senate to adopt it.

The conference report on the reconciliation will come to the floor of the Senate later this week. But today we face the possibility of a Government shutdown because the Republicans are attempting to blackmail the President of the United States into signing a Medicare premium increase as the price of keeping the Federal Government in operation. This is the only proposal in the continuing resolution that would be permanent law. It should be rejected by the Senate and vetoed by the President. It is clear that there is a new meaning to GOP—Get Old People. The Republicans are not insisting that cuts in Medicare payments to doctors and hospitals be included in the continuing resolution.

I just want to underline that, Mr. President. In the particular provisions that the Republicans have taken as part of the continuing resolution, it only applies to what will be paid for by our senior citizens. The doctors are not being asked, nor are the hospitals, to make a contribution. Only the individual senior citizens, through higher part B premiums. That is what this battle is all about. Raising the part B premiums is one of the very objectionable provisions of the reconciliation bill, and the Republicans have tried to add that particular provision to this continuing resolution because they know it is an indefensible position. They are trying to force the President to sign this so that there can be a continuation of the funding of various government programs. It is unacceptable, and the President is absolutely right to reject it. They are not insisting that the fraud and waste be squeezed out of Medicare, though anti-fraud and abuse provisions to protect the Medicare program have been added over the last several years, and they are beginning to be effective.

I can remember hearings that we had in Faneuil Hall when we had 800 senior citizens. They said, ''Before you begin to raise our premiums, Senator, before you continue to raise our deductibles, before you continue to raise our copays, let's get fraud and abuse out of the whole Medicare system.'' There is not a senior citizen in this country who does not understand that.

Instead of tightening those provisions that would bring billions of dollars into the Medicare system, what are our friends, the Republicans, doing but weakening those provisions, which are so essential and important to the integrity of the system.

They are not insisting that senior citizens get the preventive and outpatient services that will keep them out of the hospital and reduce unnecessary Medicare spending. If you want to do something to control the cost of the Medicare, you take those senior citizens on Medicare who are going into the hospital unnecessarily—anywhere from 25 to 30 percent—and costing the Medicare system billions of dollars, and give them preventive and outpatient care. Or try and provide some help and assistance in letting seniors remain home, if that is their choice. That can save billions of dollars.

But those types of provisions are not included. There are no programs to increase preventive or outpatient services for our senior citizens that will improve the quality of health and also save money. The only provision the Republicans are insisting on is a new tax for senior citizens in the form of higher Medicare premiums.

The Republican assault on Medicare is a frontal attack on the Nation's elderly. Medicare is part of Social Security. It is a contract between the Government and the people that says, ''Pay into the trust fund during your working years and we will guarantee good health care in your retirement years.'' It is wrong for the Republicans to break that contract. It is wrong for Republicans to propose deep cuts in Medicare in excess of anything needed

to protect the trust fund. And it is doubly wrong for the Republicans to propose those deep cuts in Medicare in order to pay for tax breaks.

The cuts in Medicare are too harsh and too extreme: $280 billion over the next 7 years. Premiums will double, deductibles will double, senior citizens will be squeezed hard to give up their own doctors and HMOs.

The fundamental unfairness of this proposal is plain. Senior citizen median income is only $17,750 a year; 40 percent of the elderly Americans have incomes of less than $10,000. Because of gaps in Medicare, they already pay too much for health care that they need. Yet, the out-of-pocket costs they must pay for premiums and deductibles will rise $71 billion over the next 7 years, an average of almost $4,000 for elderly couples.

The Republican premium is especially objectionable, because it breaks the national contract with senior citizens over Social Security. Every American should know about it. Every senior citizen should object to it. Medicare is part of Social Security. The Medicare premium is deducted directly from a senior citizen's Social Security check. Every increase in the Medicare premium is a reduction in Social Security benefits, and the Republican plan proposes an increase in the part B premium and a reduction in Social Security which is unprecedented in size.

The Republican plan proposes an increase in the part B premium and a reduction in Social Security which is unprecedented in size. Premiums are already scheduled to go up under current law, from $553 a year today to $730 by 2002. Under the Republican plan, according to the Congressional Budget Office, the premium will go up much higher—to $1,068 a year.

As a result, over the life of the Republican plan, all senior citizens will have a minimum of $1,240 more deducted from their Social Security checks. Every elderly couple will pay $2,480 more.

The impact of this program is devastating for moderate- and low-income senior citizens. It is instructive to compare the premium increase next year to the Social Security cost-of-living increase that maintains the purchasing power of the Social Security check. One-quarter of all senior citizens have Social Security benefits of $5,364 a year or less. The cost-of-living increase for a senior citizen at this benefit level will be $139 next year.

The average senior citizen has a Social Security benefit of $7,874. The cost-of-living increase for someone at this benefit level is $205.

But under the Republican plan, the premium next year will be $126 higher than under current law. Average income senior citizens will be robbed of almost two-thirds of their cost-of-living increase. Low-income senior citizens will be robbed of a massive 90 percent of their increase.

Senior citizens have earned their Social Security and Medicare benefits through a lifetime of hard work. They have built this country and made it great. Because of their achievements, America has survived war and depression. It is wrong to take away these benefits—and it is especially wrong to take their Social Security cost-of-living increase to pay for an undeserved tax break for the wealthiest individuals and corporations in America.

The Republicans' attack on Medicare will make life harder, sicker, and shorter for millions of elderly Americans. They deserve better from Congress. This cruel and unjust Republican plan to turn the Medicare Trust Fund into a slush fund for tax breaks for the wealthy deserves to be defeated. And this attempt to sneak a Medicare premium increase into law as part of the continuing resolution needed to keep the Government running deserves the Presidential veto it will quickly receive.

It is irresponsible for the Republicans to threaten to shut down the Government if they do not get the unfair increase they want in the Medicare premium. I say, shame, shame, shame on the Republican party. Nothing more clearly demonstrates the harsh and extreme nature of their right-wing agenda for Americans that this attack on senior citizens and the willingness of Republicans in Congress to shut down the Government itself if they don't get their way.

Mr. DOMENICI. Mr. President, what is the time situation?

The PRESIDING OFFICER. The proponents have 20 minutes 10 seconds, and the Senator from New Mexico has 20 minutes.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes.

First of all, I see Senator PRYOR on the floor. He offered a set of instructions to the conferees. I might tell him, I hope he wins 100 to nothing, because I am going to urge everybody to vote for him.

As a matter of fact, I think most of what the Senator from Arkansas is talking about will find its way into the reconciliation bill. I think we had this battle once before. Senator PRYOR won and we won also. It is kind of a dual win. He won on his proposal, and we turned around and in our reconciliation bill we won, with Senator COHEN being a cosponsor of Senator PRYOR's and arguing in favor of ours.

I do not see why we ought to have any further argument. We are willing to accept the Senator's motion. He would like to have a vote, but I can assure him, there will be 100 in favor—well, if they are here. We are going to tell every Republican to vote for it. Senator PRYOR is making some headway, at least he thinks he is.

There has been an argument on the floor about taxation and Medicare, sort of tying the two together, implying that we are reforming Medicare to save money so we can cut taxes.

Mr. President, and fellow Americans, let me say once and for all that the reconciliation bill, which they seek to instruct us about, does not need instruction on that issue, because what we have done in conference, that will come to us in the reconciliation bill, is nothing but a simple proposition that says none of the savings that come in part A or part B—so none of the savings in Medicare that come from anywhere in Medicare—can be used for anything other than Medicare. In other words, we have created a lockbox, a trust, if you would like, and not only did we leave in that trust fund what we saved in part A hospitals which belongs there, but the savings that will accrue because of part B—that is the everything but hospital insurance coverage for seniors—whatever we save there will all go into the trust fund.

Somebody might stand up and say, ''Well, that can't be, Senator DOMENICI, because we have never done that before.'' And that is right. We have never taken the taxpayer part of Medicare and put it into the trust fund. It has only been the entrusted money that went there.

But what we are saying now is that all of their savings go into the trust fund to preserve, protect part A hospital coverage. What can we say when we have done that? When we have done that, there is not any need to instruct us. So if there is an instruction telling us not to use any of Medicare savings for tax cuts, we will accept the instruction, because we are not going to do that.

We have decided that we want to make the trust fund solvent for more than just a few years. So we are going to make it solvent until somewhere around 2010 and to 2015.

So, seniors, as you hear all of these things about the Republican plan, what we are doing is taking every single penny, dime, nickel, dollar, hundreds of thousands or billions, we are taking every bit of that savings and putting it into Medicare hospitalization so it will not go bankrupt.

I cannot do it any better than that. When the bill comes to the floor, we will read you the language so that you will understand unequivocally, those who want to attack this plan can still run around and say, ''You are using Medicare savings to cut taxes,'' but if you read the law, it says you cannot do that because it says every bit of savings in Medicare stays in Medicare.

We cannot be any more certain of what our intentions are, any more certain of what we want to do on Medicare than to go the exceptional mile where never before have we put in that hospital trust fund dollars from the general taxpayer. But we are doing it here to the extent that we are savings taxpayers' dollars. We are putting the savings in that trust fund.

I am not sure what all these instructions are. My good friend, the occupant of the chair, has been here during the day, but to the extent that there is an instruction telling us to make sure we are not cutting, reforming, changing

Medicare to cut taxes, whatever that instruction is, we are going to accept that, too.

If we can sort it out here, we are going to give whoever proposed it a resounding 100 votes, because we have already done it. We have made sure that we cannot use Medicare savings to cut taxes.

Now, in a while, I will wrap up the other ones and see how I can inform our Senators as to how to vote. For now, I yield the floor.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes, or until the Senator from Arkansas returns.

Mr. President, the fact of the matter remains that if they found the savings and premiums did not go up, in this particular instruction, some $52 billion—if they did not go up, the tax breaks would not be there, would they, I ask the Senator?

Mr. DOMENICI. They might be.

Mr. KENNEDY. It is not a question of might or might not. My understanding is that in order to condition the tax breaks, the other provisions of the Republican budget had to be achieved and accomplished before the instructions went to the Finance Committee.

Mr. DOMENICI. That is correct.

Mr. KENNEDY. The point is made. If they do not have this money, you do not get the large tax breaks. So, senior citizens, understand that they are taking your money right out here, as the chairman of the Budget Committee just said, putting it in some kind of box on the way into the pockets of the wealthiest individuals and corporations.

The Senator from New Mexico has just reconfirmed what we have been saying this whole time. If they did not have this increase in the premium, you would not have the tax breaks for the very wealthy. You can describe that in whatever way.

Mr. DOMENICI. I did not agree with that. It was another statement you made. I will explain the tax cuts in just a moment.

Mr. KENNEDY. Mr. President, I yield whatever time the Senator from Arkansas wants.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, I thank my friend from Massachusetts for yielding to me. I also thank my friend, the Senator from New Mexico, for his statement about the nursing home standards. I hope that we will have a 100 to 0 vote on that in a few minutes, after the Senate resumes its voting process. I am very grateful for all of the support that we have had throughout the country to retain the present standards.

Mr. President, I want to talk about one other aspect of the Kennedy proposal that I strongly support. In fact, I support each of his very splendid proposals within this motion to instruct the conferees. But there is one specifically that I think deserves attention and emphasis at this point.

Before 1991, State Medicaid programs faced an intolerable situation. Since 1951, they were forced to pay the very highest prices for prescription drugs in the country. The irony was that these States and their Governors were buying medicines from the pharmaceutical companies for the very lowest-income families in the country. Alone, they could not afford these life-saving medications. Medicaid provided a lifeline for their well-being and their quality of life. But because the drug companies refused to negotiate with State Medicaid programs on price discounts, these programs were paying the highest prices in the country.

Something important changed in 1991, something very like the nursing home standards enacted in 1987. A coalition of individual Senators and Congressmen got together from both sides of the aisle and enacted something called the Medicaid prescription drug best-price rebate formula. Instead of being forced to pay the highest prices in the country, we told the States that they could purchase their prescription drugs at the best prevailing price in the country. We guaranteed that—if the companies would not negotiate in good faith—the States would be assured of rebates justified by the large volumes of drugs they purchased and the acutely vulnerable populations they served.

Let me emphasize, Mr. President, how important a change this was for the States. The Congress said that it would be the policy of our country to assure that States receive the best possible prices on medicines for the poorest of the poor. We struck a deal, and that deal has worked remarkably. It has been a remarkable work of efficiency and of fairness. I know of no State that does not appreciate and value this program. It has allowed the States, for the first time, to negotiate with real leverage with the pharmaceutical companies.

Since 1991 alone, the States—including Wyoming, Arkansas, Michigan, and Massachusetts—have benefited to the extent of $5 billion in rebates from the pharmaceutical companies. These funds have gone directly to the States to help them support the poorest of the poor within our population.

That is not the end of the good aspects of this program, Mr. President. The Congressional Budget Office estimates that, over the next 7 years, the States are going to gain another $12 billion in rebates. This is a tremendous boon to the States and their Medicaid programs.

Mr. President, this is an amazing breakthrough. It is a program that has worked, and it has worked well. The Governors have lauded this program. They have come to Washington to testify on behalf of keeping this program. The Medicaid directors—those who work daily with a diminishing number of dollars—say that Medicaid rebates are one of the best things that ever happened to them.

Let me repeat: Prior to 1991, we were paying the highest drug prices for the poor. The Medicaid rebate program was the first break that the States had in this intolerable situation. Today, billions of dollars a year are paid to the pharmaceutical companies by the Medicaid program. This is the one opportunity for the pharmaceutical companies to do their share—their fair share, I might say—of contributing to helping the poor and to assisting those who cannot afford their medicines. This is their one chance at justifying some of the very lavish tax breaks that we are about to give to some, in my opinion, who should not be getting tax breaks under the Republican proposal.

But let me tell you what has happened in the past few weeks. The drug industry has lobbied intensely to water the rebate program down. There are changes proposed by the other side of the aisle which could jeopardize the progress we made in 1991, as well as the progress we have subsequently made on behalf of the Department of Veterans Affairs, Indian Health Service, Public Health Service, and other Government programs.

The Senate language would strip flexibility and choices from the States, prohibiting them from negotiating the deepest possible discounts. The House language allows drug companies to ignore the needs of the Department of Veterans Affairs, the Public Health Service and Indian Health Service. The House would also exempt nursing home drugs from rebates outright—gutting the Medicaid program and forcing States to pay far more for 70 percent of their drug purchases.

Tens of billions of dollars are being expended every year, and we are on the verge of taking away the leverage in spending those tens of billions of dollars. We are proposing to take leverage away from the States, the Veterans Administration, the Public Health Service—they are going to be cut adrift. They will be forced to say to the public, we are sorry, we don't have the leverage anymore to negotiate. The playing field has been tilted against the poor and in favor of the most profitable industry in the world.

This would be a terrible thing, Mr. President, if we were to weaken a highly successful program which was born in a bipartisan spirit, has saved billions in taxpayer's money and which has been kept together by people who truly share the belief and the commitment to raising the quality of life of those who urgently need medicines but lack the resources to obtain them.

What will we be left with, Mr. President? A hollowed-out Medicaid rebate program that serves the drug industry more than the poor. Draconian restrictions on the number of drugs we can dispense to children and families under Medicaid. A free license to companies to ignore veterans, AIDS patients, and those served in America's public hospitals and community health centers.

In conclusion, Mr. President, I ask my colleagues to consider this one fact. Rebates have allowed us to expand the reach of Medicaid and the Veterans Health Administration and the Public Health Service. They have served the neediest in our country—and have done so efficiently. What we are doing today is turning our backs on that progress. Instead, we want to give an additional windfall to the pharmaceutical companies and allow them the opportunity to escape paying rebates back to the States.

Once again, Mr. President, I do not know why we are doing this. It is a program that has worked. It is a program that the Governors support. It is a program that the Medicaid directors support. It is a program that we should keep as it was passed in 1991. We should not change it.

I am very hopeful that the Senate will adopt Senator KENNEDY's motion to instruct the conferees to keep the concept of buying Medicaid drugs at the best possible price, to preserve the States' leverage in serving taxpayers, and to allow the pharmaceutical companies of America to participate in contributing to this tremendous cause.

I understand there is a possibility that Senator DORGAN of North Dakota may want a few moments. At this time, Mr. President, I yield back my time to my distinguished colleague from Massachusetts.

Mr. KENNEDY. I will yield myself a few minutes until the Senator from North Dakota arrives.

I want to again express the appreciation of all the Members to Senator PRYOR from Arkansas. He was the Senator that really worked out a bipartisan, cooperative agreement with the pharmaceutical companies so that those whose lives depend on many of these prescription drugs, among the poorest of the poor in our country, were not going to be denied being able to receive those prescription drugs, and to work that discount out.

We have been able to extend the rebate program. It applies to the black lung clinics. It applies to the neighborhood health centers that serve 6 million of the poorest Americans. We worked that out 2 years ago, and we had bipartisan support and also had the support of the pharmaceutical industry.

Now all of that is effectively being wiped out—over $200 million a year will be lost in terms of the public health clinics. I hope that we would say—this should be done, as I understand, with hearings or justification.

We have yet to hear why there is suddenly this very important need to wipe this kind of protection out—whether the poor are getting wealthier, whether there are less uninsured, we are moving beyond the needs of the poorest.

Quite frankly, every indication is to the contrary. The total number of uninsured are going up, the number of poor children and generally needy people in our society is going up.

I am just interested, since the Senator from Arkansas is a member of the Finance Committee, if he would just review with me and correct me if he believes I am wrong on this point, that the Medicare part B premium is really very much a part of Social Security.

I remember when we heard long speeches in this body about how we were not going to take away or touch Social Security. It is my understanding that next year the Social Security COLA would be $139 for those Social Security recipients that are receiving $5,300 a year. That is $139 for a COLA to offset the increases in the cost of living, which the seniors have no ability to control.

The increase in the part B premium for next year is expected to be $136, so if you take the $136 which the seniors will have to pay in this new kind of tax, and put that under their $139 in new dollars, they will have for a COLA, they end up with $3.

In a very real way, this is diminishing or adding an additional tax on Social Security. The neediest recipients of Social Security would have received $139; but at the end of the day they only have $3, and effectively the increase in premiums is taking 98 percent of the COLA.

An average Social Security recipient receiving $7,800, will receive a COLA of $205. You subtract $136 for their premium increase and end up with $69, which means 66 percent of their premium will be taken.

Even those that get $10,000 in Social Security benefits—which is about the highest level—get a COLA of $261; take $139 from there and that leaves $125. So their COLA is effectively cut in half.

Does the Senator agree with me that these are real dollars for Social Security recipients, and that with the increase in the premiums that are being suggested by the Republicans, this, in effect, is an additional tax? You can call it a fee or premium or whatever, but you are taking the money out of the paychecks of Social Security recipients.

Mr. PRYOR. Mr. President, if I may respond to my friend from Massachusetts, I think he is precisely on point. He is exactly right.

In addition, I might like to add just one more factor. I believe that something like 60 percent of all of the Social Security recipients are on a fixed income. They cannot go out and sell some more shoes or sell some more cars or do this or do that to increase their resources because they are locked in to an income.

If we take this money from their Social Security by essentially adding a tax to their part B premium, and add it to the dilemma of trying to survive today, paying the costs of getting by, and paying the costs of food and the tremendous escalating costs of their medicines, we are going to impoverish many of our seniors today on Medicare.

I want to salute the Senator from Massachusetts for bringing this to our attention. I wanted to elaborate to some extent on the number who were on fixed incomes.

Mr. KENNEDY. Mr. President, I yield myself 1 final minute and hopefully the Senator from North Dakota will be here.

Mr. President, it is irresponsible, then, for the Republicans to threaten to shut down the Government if they do not get the unfair increases they want in the Medicare premium.

I say, ''shame, shame'' on the Republican Party. Nothing more clearly demonstrates the harsh and extreme nature of their right-wing agenda for Americans than this attack on senior citizens and the willingness of Republicans in Congress to shut down the Government itself if they do not get their way.

I yield the floor.

Mr. DOMENICI. I yield 5 minutes to the Senator from Wyoming.

Mr. THOMAS. Mr. President, I express some concern about the continuing opposition to change that I hear here on the floor. Some concern about how in the world we are going to get a consensus in public policy when we have as much, I believe, misinformation as we have here on the floor.

I think we really need to address ourselves, do our jobs here as trustees for the American people in trying to find a way to do some things, to make this fundamental change.

You have to go back, it seems to me, each time we do this, to examining where we are. The Senator from Massachusetts who just left talked about having more poor people than we have had, more different than we have had. You cannot expect things to be different unless we make some change. If you want different results, you have to make some changes.

We have set about in this last few months coming to a culmination, coming to the end, this week, the opportunity to make fundamental change, the opportunity to balance the budget—which I suggest my friends who have been here for 20 years, 30 years, have not done it for 30 years—some fundamental change in welfare, welfare reform, the welfare plan than that which has been in place for 25 years. We have, as the Senator suggests, more poor people than we did before. We have to make some changes.

Medicare? There is no question but that we have to make a change in Medicare. The trustees say we have to make a change in Medicare. Medicare has been growing at three times the rate of inflation. You cannot continue to do that. Obviously, we have to make some change.

Someone on the floor a while ago used a parallel of having a home with no insulation and holes in the walls and cold was coming in. You have two choices. You can either buy more fuel and start a fire and let most of it go out through the hole in the wall, or you can find some insulation and try to fix the wall. That is what we are seeking to do.

There is a limit to how much money you can put into health care. But what we need to do is fundamentally reduce some of the costs, and that is what we are seeking to do here in Medicare. We are seeking to give some choices to the elderly, choices that you and I have as Government employees, so they can choose appropriately; an opportunity to go into managed care which will be less expensive and provide excellent services.

The idea that there is a tax increase, I do not quite understand. In 1990, a Democrat-controlled Senate voted to increase part B premiums from 25 percent to 31½. That is where it is. But I hear from everyone, as if by rote, that ''you are raising taxes.'' We are not raising taxes at all. It is continuing at 31 percent of the premium. That is where we are.

What are the words—''raising taxes so you can pay for tax breaks for the rich,'' 90 percent of which goes to families earning below $100,000. These are the kinds of things that make it difficult, it seems to me, to have some kind of a public policy debate when those are the kinds of things we talk about. They are not accurate.

There is a reason why this matter of the part B premium is on this continuing resolution. The reason has to do with the ability of Social Security to put it in the computer and not go back to 25, to go back to 31 in May. That is the reason it is there. It is a legitimate, logistical reason it is there. It is not a political reason, not a political reason to talk about.

So I guess I am really enthusiastic about the fact that we are going to have a chance to make some fundamental change, that we are going to have a chance to change the programs that we see have not produced the kinds of things we want to have happen, to get the results that we want. And that is what it is all about.

Mr. President, I urge my associates to vote in favor of our reconciliation and to go forward with the balanced budget proposal that the Senator from New Mexico has given such great leadership in bringing to us.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from New Mexico has 9 minutes and 36 seconds.

Mr. DOMENICI. How much time do the Democrats have?

The PRESIDING OFFICER. They have 2 minutes and 19 seconds.

Mr. DOMENICI. Senator DORGAN, if I were to yield you 2 minutes, that would give you 4. Would that help you out?

Mr. PRYOR. Mr. President, I wonder if it is possible to put the Senate in a quorum call, not to have the time going against either side, for the time being? It will be very short.

Mr. DOMENICI. What is the purpose of it? We want to start voting. That is the only reason I am reluctant, because I am going to start speaking.

Mr. PRYOR. Senator KENNEDY has been yielded this time.

Mr. KENNEDY. How much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes and 19 seconds.

Who yields time?

Mr. KENNEDY. Mr. President, I yield the remaining time to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DOMENICI. Will the Senator like 2 additional? I will yield 2 of mine, just to leave me 7.

Mr. President, so Senators and staffers will know, we are getting close to the time for the first vote. My colleague will speak for 4 minutes, I will speak 7, if that is satisfactory to Senator PRYOR?

Mr. PRYOR. The leader is Senator KENNEDY from Massachusetts.

Mr. KENNEDY. We are fine. That is perfectly agreeable to me because there is no other alternative.

Mr. DOMENICI. I yield 2 minutes to Senator DORGAN.

The PRESIDING OFFICER. The Senator from North Dakota has approximately 4 minutes.

Mr. DORGAN. Mr. President, we have had a healthy discussion on the floor of the Senate today about four sense-of-the-Senate resolutions which we have been trying for some weeks actually to offer. We do this because we are concerned about the priorities. I know some have been on the floor of the Senate saying one side wants a balanced budget and the other side does not care. Of course, that is not the case. The question is not whether we ought to balance the Federal budget. Of course we ought to do that. The issue is priorities. What kind of choices do we make? How do we balance the Federal budget?

Somebody says, ''Here is our destination.'' We say, ''Fine. We agree with the destination.'' But there are a lot of different roads to get to the destination. Among the discussions we have had this afternoon are issues of Medicare, the use of Social Security funds, and the Senator from New Mexico and I have talked previously about the use of Social Security funds. We will probably not agree on that issue. But I do not think those of us who raise these questions have ever been wrong. I just want to go back for a couple of minutes on this issue of Social Security.

It was 1983 that we passed a Social Security reform package. I happen to know that because I was on the Ways and Means Committee in the House at the time, and I happen to remember the day we did it because in the House, when we marked it up, I offered the amendment, the amendment in the Ways and Means Committee that was defeated.

That said, if you are going to raise extra money each year for Social Security and call it Social Security revenue and put it in a trust fund, take it out of workers' paychecks and say, ''We promise you we will keep it for the Social Security system,'' I said let us make sure it is not misused later.

That was 12 years ago, and every year since, as we began to accrue these surpluses, every year since it has been used as an offset against operating revenue in the Federal budget. That is just a fact. That is not something we ought to debate. That is a fact.

The argument I hear on the other side is it has been done over all these years so let us keep doing it. That is an argument for business as usual. This ought not be business as usual, and we ought not continue to take money out of the Social Security trust funds to use to balance the Federal budget.

I showed a chart on the floor here 1 day. I should have brought it back today. It has a little arrow on it. It says you cannot use money for two different things. Double-entry bookkeeping does not mean you can use the same money twice. Either the money is going to be in the Social Security trust funds or it is not. It is going to be used over here, in the operating revenues for the Federal budget, or the Social Security trust funds. They are going to be used one place or the other, not both. Regrettably, what we have in the coming year is the use of the Federal trust fund money over here in the operating revenues. And I have thought it was wrong since 1983. I have addressed it legislatively. I have offered amendments on it. It is wrong now. It is going to be even more wrong in the future because each year this amount of money grows.

So what you have here is a legislative sleight of hand of those who say we are going to balance the Federal budget, in effect, in the year 2002. Even under the most optimistic assumptions, you will still have a $110 billion budget deficit.

The Senator from New Mexico knows that on page 3 of the budget report that came to the Congress, it has a section called deficits. You go to 2002, on page 3, and evaluate what is this deficit? It is $110 billion. That is what they say, not me. Why? Because, in order for them to say zero, they had to take that money from the Social Security trust fund and use it—or misuse it. That is the issue. They are funny about their issues—the issue of education, which I think is important. The issue of part B premiums is what is holding us up at the moment.

As you know, among other things, the circumstances in which the majority party says we insist on this legislation, this stopgap legislation, insist on increasing the part B premiums, makes no sense. They ought to pass a clean stopgap bill, send it to the President, and let us stop this. This makes no sense.

Mr. DOMENICI addressed the Chair.

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

Mr. DOMENICI. Mr. President, let me first talk about the issue of whether we have a balanced budget or not. The distinguished Senator has just addressed the issue of whether we do or do not because of the trust fund.

Let me remind everyone who is listening and wondering about this contentious issue that the trust fund must not be ignored. What is in that trust fund should not be used to balance the budget. The President of the United States sent us a budget when he first went into office. He used the trust fund as part of the unfunded budget. He sent us a budget this year. He did it 3 months later, claiming it was in balance. He used the trust fund. Mr. President, every President since I have been a Senator used it in the exact same way. The Republicans used it in the exact same way.

Lo and behold, 19 Democratic Senators on the floor of the Senate, courageous Democrats, produced a balanced budget. One of them happened to have as a cosponsor along with the distinguished Senator, Senator SIMON, his fellow Senator from his State as a cosponsor. And what kind of budget was that in terms of a balance? That was the exact same kind the Republicans produced and all the Presidents produced. There was no difference. It treated everything just like it has been treated before, excepting now the distinguished Senator, Senator DORGAN, insists that we are not in balance.

Frankly, I do not think the American people understand the argument, nor do they care about it. We are making such a gigantic step in the direction of a balanced budget that I do not think anybody is going to ask us to do more. That is essentially the argument—that we ought to do more. We have not done enough.

Why are we on the floor now? The U.S. Senate passed a reconciliation bill, a big law change, to change the laws so we can get to a balance. That already passed. We voted on 58 amendments. There might have been two or three of them who were Republican. They had every opportunity to vote. They lost. They might have won one or two.

When we are all finished, they want another day on the floor of the Senate. So now they say, let us instruct the conferees, the ones who are going to go off and meet with the House who have already been meeting—who have already finished the budget—but for another meeting. They want a chance to tell them what to do by virtue of motions to instruct. This is nonbinding.

It is also a desperate act of, let us get one more opportunity on the floor of the Senate to make some charges and allegations.

So we say, fine. Have at it.

I am pleased to tell those who offered all of these instructions, including my good friend, the Senator from Florida, Senator GRAHAM, that I am going to urge that every Republican Senator vote for his instruction. So if he is worried about it, he should know that he is going to win tonight. He is going to win because, in our opinion—and we are going to tell the Republicans—nothing in our budget bill violated the Budget Enforcement Act.

Second, we do not include anything in the conference report that violates that section that he refers to. And, lo and behold, we did not use $12 billion in Social Security cuts to balance the budget. So we are going to vote for it, and the Senator's instruction, albeit after the fact, is going to be noted and well taken. So I thank him for that.

I offered Senator KENNEDY a proposal that we take all of his, except one. So if anybody wonders how this big argument—he has about 10 provisions. We said we did all of them in our reconciliation except one with reference to balanced billing. So if we have to vote no on Senator KENNEDY's long list, it is because we do not agree on balanced billing. But on all of the rest, we agree. If he would agree to strip that, we will even vote for his instruction tonight. I will leave that for him to decide here in the next few minutes.

That leaves Senator PRYOR. I have said we are going to vote for that. And I say to the Senator, I was thinking of what I said. I am not saying we did every single thing that he is recommending in his instruction. I am saying we went as far as we could go, and we will accept the instruction since it is not binding. We will say we told the conferees to do their very best on his instructions, and I think for the most part it is going to be found to be rather close to what he wants. But I did not want him to think we adopted his exactly.

That means that we are not going to go with Senator ROCKEFELLER, who has something in his saying we should only raise $89 billion to make part B solvent. So he would like to make it solvent for only a few years.

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

Mr. DOMENICI. Let me finish my last reasoning since I did not have any time, and I will get back to the Senator. I do not want to run out of time.

So essentially the one we cannot agree to is we cannot agree to Senator ROCKEFELLER's for one reason. He said we should only make the part A coverage solvent to the extent of $89 billion put back into it. We are putting a lot more back into it because we want it to be solvent until the year 2010, maybe even 2015.

So we could not agree to that. The last part of his we would agree to. He says, do not use any of these to raise taxes. We did not. We put all of the Medicare savings back into Medicare. So, but for that, we could even vote for his but we will have to vote no on that.

If Senator KENNEDY will modify his, the Democratic Senators will have their great victory this afternoon. We will vote for them—all three.

Mr. KENNEDY. Mr. President, if the Senator will yield for 30 seconds, no one is more accommodating than the Senator from New Mexico in attempting to try to find common ground. But the issue on the double billing is one of extreme importance.

Now, of course, beneficiaries are not permitted to be charged above the reimbursement for Medicare. And it is my understanding from reviewing the language that under the proposal that is being discussed in conference there can be additional charges to senior citizens. But we want to retain current law.

All my legislation does is effectively retain current law. But, as I understand it, that is not the position of the Senator, the chairman of the Budget Committee.

Mr. DOMENICI. We will have a vote on the Senator's instruction. I thank the Senator.

Let me close by saying that this argument that we are having on the floor has nothing to do with these instructions. It has to do with whether or not we are going to get a balanced budget in 7 years using valid economics and using valid assumptions on what Government will cost. We have done that. We have used the Congressional Budget Office, and we will actually have a balance. And we are able to give the American taxpayers $245 billion back in taxes.

Let me say that while I cannot reveal the details of the conference, lo and behold, 90 percent of the tax cut is going back to middle-income Americans. So if there was any fear that we were going all the way to the House side, we did not. As a matter of fact, $75,000 is the earnings for a single head of household for the child care credit. And the rest of it, 90 percent, will be for middle-income Americans.

We will have capital gains in. For those who do not like that because some of it goes to rich people, that is just going to be the issue. But essentially we are passing a budget not for today, not for seniors, not for cowboys, not for ranchers, not for schoolteachers, but for everyone in America, in particular our children. Whatever they do in their lives, we are hoping they will have a better life than we. And we do not think that is the case with $200 billion deficits as far as the eye can see. That is the real issue.

We are delighted to have another debate on it. In a few days we will bring the bill here on the floor, and we will have another 5 hours of debate. We hope we can send to the President a real balanced budget.

Mr. PRYOR. Mr. President, parliamentary inquiry: Have we appointed conferees from this body to a conference on reconciliation? Has the Senate appointed conferees?

The PRESIDING OFFICER. The Senate has not.

Mr. PRYOR. So if we do not have any conferees, Mr. President, we do not have a conference. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. PRYOR. The Senator from New Mexico keeps talking about ''we'' have decided, that ''we'' have decided that. But yet, there is no conference because there are no conferees.

Mr. DOMENICI. The Senator is correct.

Mr. PRYOR. Who does the Senator speak of when he is talking about ''we'' have decided this?

The PRESIDING OFFICER. That is not an appropriate parliamentary inquiry.

Mr. DORGAN. Mr. President, may I ask the Senator from New Mexico for his comment——

Mr. DOMENICI. We are out of time. I will be pleased to correct the record.

Mr. PRYOR. Mr. President, I ask unanimous consent that the Senator from New Mexico be allowed to answer my question in 1 minute.

Mr. DOMENICI. Could I ask for 1 minute for Senator COHEN to put a statement in the RECORD?

Mr. PRYOR. I would be glad to.

Mr. DOMENICI. Does the Senator from Maine wish to include a statement in the RECORD?

Mr. COHEN. I will withhold.

Mr. DOMENICI. Mr. President, fellow Senators, just as the Democrats did last year when they put together the President's package with the largest tax increase in history, only Democrats really put the package together. I happened to have been a Member. I was not invited to that meeting. When it was finished, they called a meeting and said it is finished.

So what we have been doing is meeting informally because we know we are going to have to write this package. We worked very hard day and night, all weekend, and when we finally got together tonight we could not appoint conferees because these motions were in the way. They wanted to have this debate today first.

So as soon as it is finished, we will appoint the conferees, and in due course during this week the conferees will meet and they will put together, ratify, and approve a conference report.

Mr. DORGAN. Mr. President, if I might ask a question, as soon as the conference is finished, they will appoint conferees?

The PRESIDING OFFICER. The 1 minute has expired. Any debate at this point would require a unanimous consent.

All time has expired.

The Senator from Maine has 1 minute.

Mr. COHEN. Mr. President, during the Senate debate on the budget reconciliation bill I offered an amendment with my colleague from Arkansas, Mr. PRYOR, to retain strong Federal standards for nursing homes and I am pleased that the Senate-passed budget reconciliation bill maintains the tough Federal standards that are currently in place to protect elderly and disabled individuals living in nursing homes. The continuation of OBRA '87 nursing home standards in the Senate bill is a major victory for today's 2 million nursing home residents, and tomorrow's growing elderly and disabled population.

A few weeks ago I chaired a hearing of the Senate Special Committee on Aging to examine the need for strong Federal quality of care standards in nursing homes. The testimony from family members and expert witnesses convinced me more than ever that the Federal Government must continue to play a central role in monitoring and enforcing nursing home standards.

The law provides a framework through which facilities can help each resident reach his or her highest practicable physical, mental, and general well-being. It also provides critical oversight and enforcement of nursing home standards, following years of evidence that the States simply did not make enforcement of nursing home standards a high priority.

While the bill originally reported by the Finance Committee required that States include certain quality of care provisions in their Medigrant State plans, I had strong concerns that many of the important OBRA '87 provisions were eliminated and that the bill lacked adequate Federal oversight and enforcement of nursing home standards.

Therefore, I worked with the Republican leadership and many of my colleagues on both sides of the aisle to ensure that this bill keeps intact the standards, enforcement, and Federal oversight now contained in current law.

During the debate on the reconciliation bill and since its passage, the nursing home standards provisions contained in the Senate bill have been attacked as inadequate and a return to the days when nursing home residents were tethered and overdrugged. It is unfortunate that my colleagues on the other side of the aisle have chosen to play on the strong emotions and fears of families of nursing home residents. They argue that the waiver provision included in the Senate-passed bill is a veiled attempt to gut nursing home enforcement. I want to assure my colleagues that, while I would prefer that a waiver not exist, this is simply not true.

An article appeared today, entitled, ''GOP Health Reforms Leaving Nursing Homes Behind. Both the House and Senate Budget Plans Propose a Wholesale Repeal of Important Nursing Home Standards First Passed in 1987,'' paints a distorted picture of the facts. The headline leaves the clear impression that both the Senate and House plans are callous and have turned their backs on nursing home residents. The article then goes on to attack the waiver process in the Senate bill as a plan to eliminate the Federal nursing home standards which we have all fought so hard to achieve.

Let me set the facts straight for the record.

First, the Senate bill continues Federal standards and enforcement. To lump the Senate provisions as being as bad as the House bill is simply unfair. The Senate recognized the need to maintain Federal law and did so in its reconciliation bill.

Second, the Senate-passed bill does provide for States to receive waivers from the Federal nursing home reform law, but these are provided in only very limited circumstances. Specifically, a State may apply for a waiver of standards only if its standards are equal to or more stringent than the Federal requirements. The amendment clearly indicates that no such waiver is allowed unless the Secretary approves the waiver, and only if the standards are equal to or more stringent than the Federal standard. Further, the provision specifies that waivers allowed under this section in no way waive or limit the Federal Government's enforcement of tough nursing home standards, patient protections, and other provisions of OBRA '87 against the States or the nursing homes.

Under the Senate-passed bill, even if a State obtains a waiver, the Federal Government retains the authority to go into specific facilities and impose penalties. Specifically, the Federal Government can still: perform look back inspections, through which the Federal Government reinspects a percentage of nursing homes already inspected by the States to determine if the States are adequately enforcing OBRA '87; enter any nursing home facility to ensure compliance with OBRA; terminate a facility's certification for Medicaid if conditions in the facility causes an immediate harm to residents; fine a facility if the nursing home is not complying with Federal law; terminate or suspend a waiver of any State that is not enforcing the Federal nursing home standards or has standards weaker than the Federal law.

Colleagues on the other side of the aisle argue that the Secretary does not retain these rights and that the Federal Government is unable to enforce Federal standards against individual facilities. I maintain that this is simply not correct under the language of the Senate-passed provision and have been urging the leadership to clarify this in conference so there will be no doubt of the intent. Rather than working constructively to support and clarify this language, however, those on the other side of the aisle have decided that they can score more political points if they provide strained readings of the provisions, energize opposition among the nursing home patients' groups, and paint a picture of all Republicans trying to roll back standards and enforcement.

The fact is that States are now allowed to apply more stringent standards than the Federal Government under current law. So the waiver really gives nothing to a State—other than the option of requiring nursing home standards that are tougher, with the Federal Government looking over the shoulder of the State and facility every

step of the way. While I strongly share the concern of my colleague from Arkansas that States have not had a good history of enforcing standards in nursing homes, the law should not automatically assume that tough enforcement by States—with full monitoring and full enforcement by the Federal Government of standards—is absolutely impossible.

Some critics also question whether a State could receive a waiver if its standards as a whole—rather than each and every standard—for nursing homes were equal to or more stringent than the Federal standards. I believe that the language in the Senate-passed bill means that each standard must be equal to or more equivalent to the Federal standards in order to qualify a State for a waiver. Again, I would support language to even further clarify that this is the intent—but we should do this in an effort to clarify and strengthen the bill, rather than suggesting that there is a veiled effort to create loopholes for nursing homes.

In addition, under the Senate-passed bill the Secretary is given 120 days to approve or disapprove a waiver application from a State. Opponents challenge this provision as perhaps allowing a State waiver to go into effect by default if the Secretary does not act within this time frame. This interpretation is a far stretch, since as my colleagues well know, under current law similar waivers are not granted by default if the Secretary does not expressly approve the waiver.

As I stated on the floor during debate on the reconciliation bill, I am pleased that the amendment that I cosponsored to preserve the current Federal law on nursing home standards was adopted and I supported the Roth amendment to the bill only because I believe that the waiver provisions contained in it do not undermine strong Federal enforcement and standards. I assure my colleagues that I will continue to press for strong Federal standards and enforcement, and will not support a conference report on the budget reconciliation bill that I believe will dilute either Federal standards or Federal enforcement against States or individual facilities.

Mr. President, I intend to support the motion of the Senator from Arkansas, but I also want to indicate I believe that there has been a distortion of what the Senate did last week. The indication is that somehow the Republicans have been less than concerned about nursing home residents and their rights and the standard that will be applied to make sure that at the very highest levels we maintain Federal enforcement obligation.

I wish to assure my colleague from Arkansas that the measure which passed—both measures—and I supported, and the Republican substitute, will insist upon standards that States can measure up to are higher than Federal standards. We still retain Federal enforcement rights. I believe you are insisting there be no waivers, but I wish to assure you that Republicans, by no means, are going to tolerate any diminution of either standards or enforcement by the Federal Government.

Mr. PRYOR. If the Senator will yield, does the proposal that the Senator has accepted contain waivers by States?

Mr. COHEN. The proposal that was voted last week in the Senate allowed for States that either had equal to or greater standards to apply for a waiver that could be granted but only if the Federal Government retained enforcement standards, enforcement rights. That is the measure we debated.

Mr. PRYOR. That is a change of which I wish to warn my colleagues.

The PRESIDING OFFICER. All time having been consumed, the question is on agreeing to the motion of the Senator from Massachusetts.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I have a unanimous consent request. I ask unanimous consent that the votes occur in the order in which they were deferred and that there be 2 minutes equally divided between each motion to instruct.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair.

MOTION TO INSTRUCT—NURSING HOMES

The PRESIDING OFFICER. There is now 2 minutes to be equally divided on the Senator's motion.

Mr. PRYOR. I thank the Chair.

Mr. President, what we are faced with right now is whether we are going to retain the Federal standards as adopted in OBRA 1987. These are high standards. They are accepted standards. They are understood standards. They are standards that apply across this great country, across this wide land of ours in each of our 50 States.

In my opinion, to relax these standards is going to be a statement that we are making to 2 million nursing home residents that we do not care enough about their safety to retain these high standards.

I have just seconds ago been informed that even though I had been told earlier my motion would be accepted as is, there is going to be the possibility of relaxation of some enforcement provisions made by the Republicans in their so-called conference, and the conference does not even exist with the Democrats. So this is our last opportunity. I hope we will support the motion that is before the Senate at this time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I waive my 1 minute.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays are already ordered on this motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Indiana [Mr. LUGAR] are necessarily absent.

The result was announced—yeas 95, nays 1, as follows:

[Rollcall Vote No. 570 Leg.]

YEAS—95

Abraham	Feingold	Mack
Akaka	Feinstein	McCain
Baucus	Ford	McConnell
Bennett	Frist	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Gorton	Moynihan
Bond	Graham	Murkowski
Boxer	Grams	Murray
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Pell
Bryan	Hatch	Pressler
Bumpers	Hatfield	Pryor
Burns	Heflin	Reid
Byrd	Helms	Robb
Campbell	Hollings	Rockefeller
Chafee	Hutchison	Roth
Coats	Inhofe	Santorum
Cochran	Inouye	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
Coverdell	Kempthorne	Simpson
Craig	Kennedy	Smith
D'Amato	Kerrey	Snowe
Daschle	Kerry	Specter
DeWine	Kohl	Stevens
Dodd	Kyl	Thomas
Dole	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Dorgan	Levin	Warner
Exon	Lieberman	Wellstone
Faircloth	Lott	

NAYS—1

Ashcroft

NOT VOTING—3

Gramm	Jeffords	Lugar

So the Pryor motion to instruct conferees was agreed to.

MOTION TO INSTRUCT—MEDICARE

The PRESIDING OFFICER. The question now occurs on the motion to instruct conferees offered by the Senator from West Virginia [Mr. ROCKEFELLER]. The yeas and nays have not been ordered.

By a previous unanimous consent, there is 2 minutes to be equally divided to explain the amendment.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. I thank the Presiding Officer.

Mr. President, this particular motion to instruct is to say to conferees that Medicare should not be cut by more than $89 billion, which is sufficient to keep it solvent to the year 2006, and that any money necessary to ensure budget neutrality would come from the tax break. That is it.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, shortly I am going to move to table the Rockefeller motion. Let me say to all Senators on the Republican side, I would have urged that you support this but for the $89 billion limitation, because we think we can do better and we

deserve to make the fund solvent for more than just a few years.

So we are going to make it solvent to about 2010, maybe 2014. But as far as that portion of this that says we should not use Medicare to cut taxes, I can assure you that we are not doing that. We have put all the Medicare savings back into the Medicare trust fund, even those that come from the general taxpayer for part B, so we are not using any Medicare savings for tax cuts.

Mr. President, I move to table the Rockefeller motion and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from West Virginia to instruct conferees. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] and the Senator from Indiana [Mr. LUGAR] are necessarily absent.

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

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 571 Leg.]

YEAS—51

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

NAYS—46

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

NOT VOTING—2

Gramm	Lugar

So the motion to lay on the table the Rockefeller motion to instruct conferees was agreed to.

MOTION TO INSTRUCT—SOCIAL SECURITY

The PRESIDING OFFICER. The question next occurs on the motion to instruct conferees offered by the Senator from Florida, Senator GRAHAM. Under previous agreement, each Senator has 1 minute to explain the position on the motion.

The Senate will please come to order.

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAHAM. Mr. President, this motion relates to a provision that was included in the last hour of our consideration of the reconciliation bill. That provision purported to fund $13 billion of new spending by utilizing funds out of the Social Security trust fund.

This motion states that it is not our intention to dishonor the commitment that this Congress made in 1990 not to utilize the Social Security trust fund for financing the general purposes of Government and, therefore, instructs our conferees to desist from any actions that would have that effect.

I believe this amendment is acceptable to the chairman of the Budget Committee. I urge its adoption.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the first portion of his instruction we have never violated, so we can be instructed on it.

The second section, we have never violated it, so we can be instructed not to.

The third one, on $12 billion worth of Social Security, we did not think we violated it on the Senate floor. However, in the final product, we did not have to use that to get to a balanced budget, so I am recommending we vote aye on this instruction.

The PRESIDING OFFICER. All time has expired. The question occurs on the motion to instruct conferees offered by the Senator from Florida, Senator GRAHAM.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas. [Mr. GRAMM] and the Senator from Indiana [Mr. LUGAR] are necessarily absent.

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 572 Leg.]

YEAS—97

Abraham	Cochran	Gorton
Akaka	Cohen	Graham
Ashcroft	Conrad	Grams
Baucus	Coverdell	Grassley
Bennett	Craig	Gregg
Biden	D'Amato	Harkin
Bingaman	Daschle	Hatch
Bond	DeWine	Hatfield
Boxer	Dodd	Heflin
Bradley	Dole	Helms
Breaux	Domenici	Hollings
Brown	Dorgan	Hutchison
Bryan	Exon	Inhofe
Bumpers	Faircloth	Inouye
Burns	Feingold	Jeffords
Byrd	Feinstein	Johnston
Campbell	Ford	Kassebaum
Chafee	Frist	Kempthorne
Coats	Glenn	Kennedy
Kerrey	Moynihan	Shelby
Kerry	Murkowski	Simon
Kohl	Murray	Simpson
Kyl	Nickles	Smith
Lautenberg	Nunn	Snowe
Leahy	Pell	Specter
Levin	Pressler	Stevens
Lieberman	Pryor	Thomas
Lott	Reid	Thompson
Mack	Robb	Thurmond
McCain	Rockefeller	Warner
McConnell	Roth	Wellstone
Mikulski	Santorum	
Moseley-Braun	Sarbanes	

NOT VOTING—2

Gramm	Lugar

So, the Graham motion to instruct conferees was agreed to.

MOTION TO INSTRUCT - HEALTH CARE

The PRESIDING OFFICER (Mr. SANTORUM). The question is on agreeing to the motion to instruct conferees offered by the Senator from Massachusetts [Mr. KENNEDY]. Each side has 1 minute of debate.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There is 1 minute of debate time on each side on this motion before the vote.

The Senator from Massachusetts.

Mr. KENNEDY. I thank the Chair.

Mr. President, this motion retains existing law in four important areas: In the discounts which are currently available for prescription drugs for our senior citizens; second, in the prohibition against double billing that is in existing law, so that the senior citizens will not be charged a cost above that designated, for example, in Medicare; third, in anti-fraud and abuse, to make sure that the existing provisions to prevent fraud and abuse to deal with those exigencies are preserved, which they are not preserved in the reconciliation bill at the current time; and fourth, in protections against additional costs in Medicaid, to make sure that there will not be additional costs for nursing home residents on Medicaid, spouses and their families.

We preserve existing law in all four areas. This will save seniors and seniors' families billions of dollars and save billions of dollars for the taxpayer, and I urge its acceptance.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the Chair.

Mr. President and fellow Senators, frankly, it is very difficult to ascertain from this long litany of instructions to the conferees which of these we really can do and which ones we cannot, and because I cannot discern that with certainty—and a couple of them I know we cannot get done in the conference in the next 24 hours—I am going to recommend we table the motion.

Frankly, I believe we are going to get a lot of these good provisions done. I do not think we need to be instructed at this point.

So, Mr. President, I move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Let me advise Members, this is the last of the four votes on the instructions. I would recommend you take a beeper with you because if we do work out something on the CR, the vote could come any time between now and tomorrow morning.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to instruct conferees. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] and the Senator from Indiana [Mr. LUGAR] are necessarily absent.

The result was announced—yeas 48, nays 49, as follows:

[Rollcall Vote No. 573 Leg.]

YEAS—48

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

NAYS—49

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

NOT VOTING—2

Gramm	Lugar

So the motion to lay on the table the Kennedy motion to instruct conferees was rejected.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Rollcall vote be vitiated on this motion.

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

The question occurs on agreeing to the motion to instruct offered by the Senator from Massachusetts.

So, the motion was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I just want to comment in the presence of Senator KENNEDY, one of the reasons we let this happen and did not fight any harder is because we are so appreciative on the Republican side for all the help he has been in getting the reconciliation bill passed.

Mr. KENNEDY. I thank the Senator. I want to be of similar help and assistance on——

Mr. DOMENICI. That kind of help we do not need. In spite of what it was, he prevailed.

The PRESIDING OFFICER. Under the previous order, the Chair appoints the following conferees.

Thereupon, the Presiding Officer (Mr. SANTORUM) appointed:

From the Committee on the Budget for consideration of all titles: Mr. DOMENICI, Mr. GRASSLEY, and Mr. EXON;

From the Committee on Agriculture, Nutrition, and Forestry for consideration of title I: Mr. LUGAR, Mr. DOLE, Mr. HELMS (for consideration of section 1113 and subtitle D of title I), Mr. COCHRAN (for consideration of title I, except sections 1106, 1108, 1113, and subtitle D), Mr. CRAIG (for consideration of sections 1106 and 1108 of title I), Mr. LEAHY; and Mr. PRYOR;

From the Committee on Armed Services for consideration of title II: Mr. THURMOND, Mr. MCCAIN, and Mr. BINGAMAN;

From the Committee on Banking, Housing and Urban Affairs for consideration of title III: Mr. D'AMATO, Mr. GRAMM, and Mr. SARBANES;

From the Committee on Commerce, Science, and Transportation for consideration of title IV: Mr. PRESSLER, Mr. STEVENS, Mr. MCCAIN, Mr. HOLLINGS, and Mr. INOUYE;

From the Committee on Energy and Natural Resources for consideration of title V: Mr. MURKOWSKI, Mr. HATFIELD, Mr. NICKLES, Mr. CRAIG, Mr. JOHNSTON, Mr. BUMPERS, and Mr. FORD;

From the Committee on Environment and Public Works for consideration of title VI: Mr. CHAFEE, Mr. WARNER, Mr. SMITH, Mr. BAUCUS, and Mr. REID;

From the Committee on Finance for consideration of title VII and title XII: Mr. ROTH, Mr. DOLE, and Mr. MOYNIHAN;

From the Committee on Governmental Affairs for consideration of title VIII (and for consideration of the title of the House bill relating solely to abolishing the Department of Commerce): Mr. STEVENS, Mr. COHEN, Mr. THOMPSON, Mr. GLENN, and Mr. PRYOR;

From the Committee on the Judiciary for consideration of title IX: Mr. HATCH, Mr. GRASSLEY, and Mr. BIDEN;

From the Committee on Labor and Human Resources for consideration of title X: Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. COATS, Mr. FRIST, Mr. KENNEDY, Mr. PELL, and Mr. SIMON (for ERISA and other matters);

From the Committee on Veterans' Affairs for consideration of title XI: Mr. SIMPSON, Mr. MURKOWSKI, and Mr. ROCKEFELLER.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I ask unanimous consent to speak as in morning business not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

POISED FOR A SHUTDOWN

Mrs. BOXER. Thank you very much, Mr. President. I take to the floor late this evening, and I know there is other business that will be coming before the body, to talk about where we are as a country at this point when everyone seems to be poised for a shutdown, representing the largest State in the Union where, I daresay, Senator FEINSTEIN and I have more people who will be impacted by this shutdown than any other State in the Union. It is of grave concern to me. I believe the time has come for us to work together and keep this Government functioning. I believe if we cannot do that, then we are not doing our jobs.

The time has come for the Republican Congress to admit to something they do not want to admit to, and that is the occupant of the White House happens to be a Democrat. There is a Democrat in the White House, a Democrat who has said in every possible way that we can make bipartisan progress on the budget if Republicans moderate their extreme cuts in four areas: Medicare is one area; Medicaid is the second; education is the third; and environment is the fourth. And on the tax break side, that the Republican Congress not give huge tax breaks to the wealthiest to pay for those mean-spirited cuts.

Those are the main areas of disagreement: Medicare, Medicaid, environment and education and huge tax breaks for the wealthiest among us.

There are other smaller areas of disagreement, but those are the major ones. When you stop and think about the thousands of things that we deal with in this budget, if it can come down to four or five areas, I think there is room for us to work together. I do not think it is unreasonable for the President to simply ask for moderation on four areas crucial to all Americans, and I do not believe that the majority of Americans think that President Clinton is being unreasonable.

Why do I say that? Because it is clear, when you take $270 billion out of Medicare, you are hurting this very important and popular program. And you know that what Speaker GINGRICH said is true, they cannot kill it outright, but this will allow it to ''wither on the vine.''

''Wither on the vine,'' the very words of Speaker GINGRICH. And you know something, he cannot get out of it. That is what he said.

So the Republicans will allow Medicare—indeed, that is their plan—allow it to ''wither on the vine'' and then use the money to pay off those who earn over $350,000 a year. They will get $5,600 a year in tax breaks.

I listened to the chairman of the Budget Committee—I am on the Budget Committee, I serve there with great pride—when Senator KENNEDY of Massachusetts asked a direct question to the chairman of the Budget Committee. The answer came back, and I do give Chairman DOMENICI credit for this. He said, basically, yes to the question, ''Didn't you have to cut Medicare $270 billion to make room for your tax cut?''

Of course he did. Of course he did. That was in the budget itself. It said there has to be enough cuts to be able to afford those tax breaks.

It is symmetry, my friends, and very clear: $245 billion in tax cuts for the wealthiest; $270 billion cuts in Medicare. That is extreme. The Republicans go too far.

I think the President is being very reasonable and very rational and very correct in suggesting that they moderate those cuts, that they not harm Medicare, that they not cut Medicaid by $182 billion.

Who uses Medicaid? The disabled, the elderly in nursing homes. They still, with all the hoopla, are going to change the national standards for nursing homes. Their latest ploy is to have national standards that the States will enforce. Wonderful. We know what happened when the States were in charge of nursing homes. We remember those days.

I compliment my friend, Senator PRYOR, for his work on this issue. We are not going to go back to the days where seniors were abused, drugged, had bedsores or were given scalding baths. That is what happened in the 1980's.

I have to say when I hear colleagues on the other side say, ''Well, those Democrats just do not want change,'' yes, we want change but we want good change. We want change that is good for the country, that moves us forward, that keeps our values.

Yes, we have to look more carefully at the way we spend our dollars. Yes, we have to balance the budget. But it is a question of how you do it and the President is right to stand firm. I hope he will continue to stand firm because the American people support that.

Change in and of itself is not necessarily good. It is like if you have a teenage child. I have had a couple of them. They are past that stage. This is very good. When they were young and I said, ''You have to do better, you have to work harder''—''Yes, I will change.''

If they change for the better that is great, but if they came home and said, ''Mom I changed. I joined a gang,'' that would be a bad change.

When you repeal nursing home standards, that is a bad change. When you hurt seniors in Medicare, that is a bad change. When you cut so deeply into education and student loans that you really in essence say to our young people they are not going to have opportunity, that is a bad change. We should stand for good change.

We protect the pensions of our workers. This Republican budget goes after the pensions, allows them to be raided. That is a bad change.

This is not a revolution, this Republican revolution, that Americans can really embrace, because it is an America that loses its values, hope, opportunity, fairness. That is what I think we try to stand for on our side of the aisle. That is the kind of budget that we will support—yes, one that moves us toward balance.

How do you get there is the question. I think what is happening is that my colleagues on the Republican side want to blackmail our President and send him a debt extension, force him to sign it while at the same time a provision in there would tie his hands in future debt crises. That is not what we need for the strongest, greatest country in the world.

I used to be a stockbroker in another lifetime, and every time the President sneezed, the market would go down. People were worried. Imagine what it would be like if a President signed a bill that essentially tied his hands behind his back so he could not act in a crisis, to stand strong for the full faith and credit of the United States of America. That would be a terrible thing for him to do, and he is not going to be blackmailed into doing it. God bless him for that and give him courage and give him strength for that.

Imagine, these short-term bills having all this extraneous matter—raising Medicare premiums. The Republicans cannot even wait for the reconciliation bill, they are going to put it in this short-term bill. Raising premiums instead of looking at Medicare as a whole unit and bringing in the doctor piece and bringing in the waste, fraud, and abuse piece, as Senator KENNEDY said, and the hospital piece, and making sure the poor seniors are protected.

Why should the President sign a bill when he is up against the wall and being blackmailed into it? The President has every right to reject this. He should.

I am here to say that right now if the Republicans in this U.S. Senate wanted to, they could sit down with us Democrats. We could send a clean debt extension to the President, a clean continuing appropriations to the President, absent all this extraneous matter.

One of them even weakens environmental laws, threatening public health and safety. It is an outrage.

We do not have to shut down this Government and make people feel concerned if they want to apply for veterans' benefits or Social Security benefits that the door will be closed. It is not necessary to do that.

Send the President a clean extension of the debt. Send the President a clean continuing resolution. We have many battles that we have to fight but we do not have to fight it on this short-term bill.

I am only going to go for another 2 or 3 minutes but I really need to say that this crisis is a manufactured crisis. There is no reason for it to be happening. It is just an attempt by this Republican Congress to sneak things through here that they know they cannot get through in the light of day. They do not want to vote to raise Medicare premiums, so they stick it in on this debt extension or on the continuing resolution. On the debt extension they weaken the environmental laws. They are radical plans and their only hope of success is to slip it through.

We should not be playing a game here about who is more macho, NEWT GINGRICH or President Clinton. Frankly, I do not care. I do not care about that. What I care about is that my country functions, that my country operates, that we are not sending a signal to foreign countries that there is some problem here with us doing our work.

The full faith and credit of the greatest Nation on Earth is at stake, so we should not play the high noon games, the macho games, and the football games. We have a job to do. Keep the bills clean.

I also would like to take this opportunity to note that while the Senate voted unanimously to dock our pay if any part of the Government shuts down, the House of Representatives refused to do it. Speaker GINGRICH will not even meet with me and Congressman DURBIN in order to discuss this matter.

Here we have a situation where Federal employees who work very hard are being disrupted, their families are frightened, and yet because Speaker GINGRICH does not want to act on this, Members of Congress will get their pay. Wonderful signal. Wonderful signal. Play games with the faith and credit of the United States of America, but we get our pay.

I hope that Congressman DURBIN will be able to get his bill offered over on that side under suspension of the rules. We passed it here unanimously with Senators DASCHLE and DOLE going on my amendment.

I find it bizarre, just bizarre, that Speaker GINGRICH is very willing to give out the pain to the country but is protecting himself and his colleagues from any pain. It is wrong.

Mr. President, stand firm. You are right in what you are doing. Let us pass these short-term bills without extraneous amendments. Take the four or five areas of disagreement in the budget and hammer out agreements. This Congress has only sent the President 5 appropriation bills out of 13. They have not even sent the reconciliation bill over to him yet, and they are playing games with these short-term bills.

Get your work done. Send it to the President. He will veto it, because it

has hurtful cuts in education, environment, Medicare and Medicaid, and for its attack on working people and cozy tax breaks to the wealthiest and its raid on workers' pensions.

Send it to the President. Our founders envisioned that when there is a split in values, there will be a veto. Then there will be a veto override. And, if that fails, we will sit down and we will solve the problems before us.

Our values are clashing. In many ways, it is important for America to understand that. This is not about some small matters. This is about the heart and soul of America. Do we invest in our students? Do we care about our seniors? Do we care about our children? Do we value them? Do we want to balance the budget, but do it in a way that is humane and compassionate and fair and just? Or do we want to slash and burn and use those savings to give the wealthiest among us thousands of dollars every year?

I hope the answer to that is no. I think the answer to that is no. And when the President stands tall and vetoes this bill, we will move the debate forward. But that is a battle we do not have to have on the short-term legislation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mrs. BOXER. I ask for 30 additional seconds.

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

Mrs. BOXER. In closing, strip these short-term bills of extraneous material and let us govern.

I yield the floor.

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

Mr. KERRY. Will the Senator withhold?

The PRESIDING OFFICER. The Senator from Massachusetts.

The Senator will withhold.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY (LIBERTAD) ACT OF 1995

The PRESIDING OFFICER. The Chair will lay before the Senate the message on H.R. 927, which the clerk will report.

The assistant legislative clerk read as follows:

Resolved, That the House disagree to the amendment of the Senator to the bill (H.R. 927) entitled ''An Act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes'', and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

The Senate continued with the consideration of the message from the House.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERRY. 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. KERRY. Mr. President, I ask the distinguished acting majority leader for his attention.

I ask unanimous consent the pending resolution be temporarily set aside.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Would we add to that that the Senator speak as in morning business?

Mr. KERRY. I beg your pardon?

Mr. LOTT. Add to the unanimous consent the Senator speak as in morning business.

Mr. KERRY. I do not need to have that additional part of the request. I think it would be sufficient simply to set it aside, and I would be happy to go back in a quorum call.

Mr. LOTT. Mr. President, I think we are going to be able to work this out here momentarily. But we are not prepared at this moment to set the issue aside.

Mr. KERRY. Mr. President, I ask unanimous consent that it be set aside temporarily for purposes of speaking as in morning business.

I ask the distinguished Senator from Mississippi how long he thinks it might be before we make a decision.

Mr. LOTT. Just momentarily.

Mr. KERRY. In that case, I ask unanimous consent to proceed for such time as necessary, until the Senator has an answer, as in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

THE DEBT CEILING

Mr. KERRY. Mr. President, I congratulate the Senator from California on her comments with respect to the budget. I would like to just say a few words.

About a month ago, I came to the floor of the Senate and suggested that, as every Senator here knew, we were headed towards this inevitable moment that we are now in. I think a lot of us felt then that the American people would have been much better served if we had been able to come together on all sides of the aisle, as well as on the other end of Pennsylvania Avenue, in order to try to work out the differences between us.

But all of us understand there is a different dynamic that is working here. And that dynamic, I feel, is underscored by those things that had been attached to the debt ceiling and to the continuing resolution.

Most Americans are sitting at home today sort of scratching their heads. They are saying to themselves, what in God's name is going on in Washington yet again? We thought that in 1994 we voted for a ''change.'' Yet, here is Washington caught up in this paroxysm of business as usual. For the average Americans who thought they voted to get rid of gridlock in 1994, here they are with a kind of gridlock revisiting them. And a lot of people are probably saying a pox on both of your houses, all of you.

Undoubtedly, tomorrow, a lot of people are going to be confused as they see this definition of nonessential employees. All of a sudden the Government is going to shut down for a little while and nonessential employees are going to be sent home. I would not blame most Americans for sitting at home and saying, ''What is this? They are nonessential employees. The Government is going to function adequately for a few days—what are we doing with these people who are nonessential employees every other day of the year?'' So a whole lot of further confusion sets in by virtue of this absolutely predictable moment.

Why is this happening? As the Senator from California pointed out, it is happening because our friends on the other side of the aisle have had a responsibility to pass 13 appropriations bills. Last year, under the Democratic leadership, we passed those bills. We sent them to the President on time. Now only five of those bills have been passed, so we need to have what is called a continuing resolution, a temporarily spending measure, because they have not done their work.

Instead of just coming before the Senate and saying, give us a clean, temporary spending measure—what ''clean'' means is just pass a temporary spending measure; give us 2 more weeks to do our work. That is essentially what it means. We have not done our homework. So you go to the teacher and say, ''I need another 2 weeks.''

But, instead of just getting another 2 weeks to do the homework, they have brought back other conditions and attached conditions to the temporary extension that they simply could not get passed any other way.

They have had a regulatory relief bill here which the Senator from Kansas has introduced, which the Senate refuses to pass. The Senate refuses to pass it because it wants to attack things like letting citizens know, in their communities, what kind of toxic chemicals are released in their communities.

It is just a voluntary knowledge issue. Should Americans know that a chemical company in the town in which our good citizens live is emitting X, Y, or Z toxics into the sky? It is a very simple issue. It is totally voluntary. Once people have learned that they are emitting this, it does not forbid the emissions. It does not punish anybody. It just lets people know what they are breathing. Our friends want to do away with that. We have not allowed them to do away with that because we think it is important for Americans to know what they are

breathing, and what a chemical company might be putting into the sky. They do not.

Since they could not pass it in the normal course of business in the U.S. Senate, they have attached that kind of measure to the temporary debt ceiling, to the continuing resolution. The result is we are not going to let them pass it. The President says, no. I am not going to have legislative blackmail. I am not going to have a gun held to my head which holds hostage the default of the United States of America to an agenda that cannot be passed otherwise.

That is part of what is at stake here, Mr. President. It is only part of what is at stake here.

The other part of what is at stake here is a great difference that is now seeking definition in the debate in this country about what our priorities are as a Nation. I listened today. And I listened to the Speaker of the House. I listened to the majority leader. They stood up in front of the country, and they said, ''We want to balance the budget. They do not.'' I heard people say we want to just get the fiscal condition of this country under control, and they just want to spend money. That is not what this debate is about. That is not an accurate framing of what is at stake for this country. The issue is not whether or not we want to balance the budget. The issue is not whether or not we want to get control of the fiscal mess which no Republican President in the last 12 years vetoed. The issue is how are we going to balance the budget? Are we going to keep faith with the fundamental notion of fairness in America, or are we going to trample on every notion of fairness which has been part of the debate in this country since we were founded?

Is it fair to cut the money that provides summer jobs for kids who see no opportunity in their lives? Is it fair to ask senior citizens to pay a double amount in their premiums even though they are on a fixed income while you give a tax break to people earning more than $300,000 a year?

Mr. DODD. Mr. President, will my colleague yield?

Mr. KERRY. I would be happy to yield for a question.

Mr. DODD. I want to commend my colleague from Massachusetts. I hope people are paying attention to what he is saying. It might be worthwhile if our colleague would share with us the very notion. People hear the words ''continuing resolution'' and ''debt ceiling.''

As I understand it, Mr. President, the continuing resolution means that the Government is allowed to continue operating despite the fact that the Congress has not completed its business on the normal appropriations bills. As I understand it, we have completed work on 4 of the 13 appropriations bills—9 have not been completed—and that because the Congress has not completed its work on that we have a continuing resolution.

Am I not correct? I ask my colleague, if that is not the case?

Mr. KERRY. Mr. President, the Senator from Connecticut is absolutely correct. The continuing resolution is simply an extension of the budget that takes place because the budget has not been done by the people who are responsible for doing the budget.

Mr. DODD. I further ask my colleague. I understand that a minute ago he said this. Maybe people are not aware of this. Is my colleague suggesting that there are substantive pieces of legislation outside of the budget considerations that are being attached to a continuing resolution merely to allow the Government to operate until we complete our business? For instance, in the area of regulatory reform, is that being put on this kind of a bill?

Mr. KERRY. Mr. President, the Senator from Connecticut is absolutely correct. I think it is an essential component of what people in America need to understand; that while the dilemma is simply extending the budget because the homework has not been done—and I repeat in direct contrast to what happened last year under the Democratic leadership where all 13 appropriations bills were completed on time—the Republicans who were supposed to bring a revolution to the U.S. Senate and to Washington have failed to complete the work on the vast majority of these appropriations bills. Now the issue before the American people is how do you have a budget since they failed to do this work, and how do you continue to keep the Government moving for a short period of time?

But instead of just passing a short-term continuation of the budget, what they have purposely done is added to these measures a list of items that they know are calculated to punch hot buttons, and calculated to serve political purposes for campaigns at home so they can come in and say, ''Look. We tried to get this. But the President will not give it to us.''

Those items are items which could not pass here independently, and they effectively result in a kind of legislative political blackmail. They hold the gun to the head of the President. They hold a gun to the country, and they say to the country, we cannot get our way any other way. So we are going to get our way by pushing the country to the brink of default for the first time in American history, and tell the President of the United States he either gives us our way or the country be damned.

Mrs. BOXER. Will the Senator yield for a question?

Mr. KERRY. I want to finish the colloquy with the Senator from Connecticut.

Mr. DODD. I have been handed a one-page piece of paper that has just the following words:

Section 106(c) of Public Law 104–31 is amended by striking ''November 13th, 1995'' and inserting ''December 1, 1995.''

I am told that simple language would allow for the Government not to be shut down—no other bills, no other ideas, no other failed pieces of legislation—that simple clause would avoid the shutdown of the Federal Government of the United States if we would just adopt that simple language for a week or two to allow us to go about the business of negotiating all these other extraneous matters. The mere adoption of that one sentence would avoid this kind of train wreck that we are going to see later on this evening.

I ask my colleague from Massachusetts. Is that not correct?

Mr. KERRY. The Senator from Connecticut has hit the nail on the head. That is all it takes. It is very, very simple.

I might add, Mr. President, that if you want to add insult to injury for the American people, it is my understanding that the Republicans have agreed that nobody is going to forfeit any pay. So not only are we going to shut it down temporarily, but everybody is going to go home and are all going to get paid to sit at home.

What kind of a revolution is that? I mean this is the most extraordinary fakery I have ever heard in my life. We are going to shut down the Government but we are not going to shut down the Government. People are still going to get paid, in effect.

This is going to cost the American people more money, and the farce of it is the revolution is paying people not to do their jobs. Boy, that is a heck of a change in Washington, DC.

Mrs. BOXER. Will the Senator yield?

Mr. DODD. I thank my colleague.

Mr. KERRY. I am happy to yield to the Senator.

Mrs. BOXER. I am pleased to hear this discussion tonight because the Nation is very confused. They hear all of this argument, and they do not realize that the Senator from Connecticut and the Senator from Massachusetts just pointed out that with one sentence that we could move on and fight our battle on the budget, which is very legitimate. After all, we are going to see people on Medicare essentially lose at least half of their Social Security COLA as a result of this increase in their premiums.

But the question I have for my friend from Massachusetts is this: As I understand it, in this debt limit bill—I say to my friend—included in it is the House regulatory reform language. And the reason I want to ask my friend a question is this: He has been the leader in the Senate in trying to bring to the Senate a regulatory reform bill that makes sense, not one that guts the environment, not one that guts health and safety. As I understand it, the House version of regulatory reform is included in this debt ceiling.

I would like him to address for me and for others what this really means if this were to become the law and to discuss with us why on Earth he thinks the Republicans would have put a regulatory reform bill that deals nothing

with the debt on a debt ceiling increase. I would ask that question of my friend.

Mr. KERRY. Mr. President, I would be delighted to say a few words about that for my colleague from California.

The regulatory reform bill presents the most radical, overreaching effort to undo 25 years of environmental protection for the people of this country.

The regulatory reform bill that is attached to the debt limit will undo the protection of our citizens for the inspection of food for the potential of carcinogens in that food. To everybody who has read about E. coli poisoning, the incidents of people who have died or gotten seriously ill as a consequence of the lack of inspection, that will now be liberated. That will occur as a consequence of this.

I just share a list here. This is a long, rolling list. These are the 88 different openings for people to stop the process of putting out legitimate regulations within the Environmental Protection Agency. This list, which could not pass the Senate, has been attached to the debt limit.

Mr. NICKLES. We are not on debt limit.

Mr. KERRY. No, but it is attached to it. It is attached to it. What we are talking about here is whether or not the President of the United States is going to have this kind of gun held to his head or not.

Just take the continuing resolution. They have restrictions on Federal grants, lobbying to public interest groups; they have Medicare part B premium increases, abolition of certain agencies. These are not items that ought to be on what the Senator from Connecticut has adequately pointed out ought to be very simply an extension of the continuing resolution.

Mr. President, I know my colleagues on the other side of the aisle are going to say, look, we have been here for years, and we have never balanced the budget. That is correct. Some of us tried. We tried with Gramm-Rudman-Hollings. We tried with other efforts. We finally have come to an agreement that this year we are going to try to do it. The question is how are we going to do it, not whether we are going to do it.

So when anybody hears our colleagues come to the floor and say the Democrats do not want to balance the budget, I hope America will say, ''Wrong; not true.'' We voted, 39 of us, for a 7-year balanced budget on this side of the aisle. The difference is we did not do it by making it more expensive for kids to go to college. We did not do it by cutting out the volunteer corps of America, AmeriCorps. We did not do it by cutting student capacity to have summer jobs. We did not do it by taking hot lunches away from kids. We did not do it by raiding the pension funds of this country. We did not do it by denying the people at the lowest scale of income the earned-income tax credit, the ability to be able to work out of poverty.

Do you know how we did it? We did it by not giving to people this extraordinary $245 billion tax break, most of which is unexplainable in the face of this kind of a deficit.

Mr. DODD. Will my colleague yield?

Mr. LOTT. Will the Senator yield?

Mr. KERRY. I would be happy to yield, Mr. President.

Mr. DODD. I just wanted to ask——

Mr. KERRY. I yield for a question.

Mr. DODD. My colleague, did I understand him to say that we have an increase in premiums for Medicare in this continuing resolution? We are going to have Medicare put on a continuing resolution and not save that debate for the kind of attention it deserves with 37 million Americans depending upon Medicare? That is wrapped up in the continuing resolution?

Mr. KERRY. The Senator from Connecticut is absolutely correct.

Mr. DODD. Can my colleague from Massachusetts explain, what is the wisdom of taking a simple extension of the continuing resolution and incorporating a critically important program to millions of Americans and their families in something like the continuing resolution? Why not leave that for the broader debate? Is there some rationale that my colleague from Massachusetts, Mr. President, is aware of as to why we would have an increase in premium costs in Medicare put on something like this?

Mr. KERRY. Mr. President, I would say to my friend, there is certainly no legitimate or fair rationale. I can certainly explain to my colleague a political and craven rationale but not one that I think would meet the test and standard of fairness.

Now, I know that the acting majority leader wanted to ask a question. I would be happy to yield for a question.

Mr. LOTT. Mr. President, I understood when the distinguished Senator from Massachusetts started speaking he indicated he would speak until we were ready to dispense with the other issues pending, and we have gotten an agreement on that and I am ready to ask for that consent when he completes his statement.

Mr. KERRY. Mr. President, the Senator from Mississippi knows how to silence the Senator from Massachusetts. If we can get consent on this, the Senator from Massachusetts would be delighted to terminate his colloquy. So I would be happy to move to that consent if we can.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT—HOUSE MESSAGE ON H.R. 927

Mr. LOTT. Mr. President, I ask unanimous consent that the House message regarding H.R. 927 no longer be pending.

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

Mr. LOTT. I must say, Mr. President, that that is unfortunate because this is an issue which passed the Senate on October 19 by an overwhelming vote, 74 to 24. There was a lot of discussion here about the position of the Senate being preserved. This is one where we are just trying to appoint conferees on an issue that passed, three-fifths of the Senators voting for it in a bipartisan vote, and now we are being told that there is opposition to appointing conferees to go to conference on a bill that has broad support. So it is our intention to renew this motion later but not tonight so that we will be able to go to morning business at this point.

MORNING BUSINESS

Mr. LOTT. Mr. President, I now ask unanimous consent there be a period for the transaction of morning business until the hour of 12 midnight, with Senators permitted to speak for up to 10 minutes each.

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

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

FOREIGN RELATIONS COMMITTEE BUSINESS

Mr. DODD. I just want to comment briefly, if I could, and I appreciate the acting majority leaders's willingness to lay this matter aside.

Let me say to my colleagues, I understand normally appointing conferees is a relatively routine matter. While I have underlying objection to the bill, I was in the minority. The bill did pass. The Senator from Mississippi is absolutely correct; it passed with a pretty good margin.

However, I point out to my colleagues that the principal author of this legislation is also holding up 18 nominees to serve as Ambassadors for this country, every single treaty including START II as well as the chemical weapons treaty. Frankly, moving this kind of bill to the forefront while every other major piece of legislation on the Foreign Relations Committee is held hostage because of one other piece of legislation he is interested in, I say, with all due respect, this legislation does not have the kind of urgency to it that the absence of a United States representative in the People's Republic of China, in Indonesia, I think warrants.

So I have objected to this in the hopes that these holds that have now gone for weeks—I would normally not

engage in this kind of legislative maneuver, a procedural maneuver, but it has not been a question of days, it has been weeks—weeks have gone by despite the confirmation hearings in the Senate Foreign Relations Committee. Hearings on these treaties, all of these matters are being held up, all of them, just so the chairman of the Foreign Relations Committee can have a bill that he cares about be resolved to his liking.

So, with all due respect, I am going to hold up this bill until those matters are resolved. Now, cloture motions can be filed, and I can be beaten on this. But frankly, my patience has run out on this. The fact of the matter is our country's interests are not being well served by not having a U.S. representative. Vote against these nominees if you want to. Vote against these treaties if you want to. But do not deny these people the opportunity for a hearing. First of all, it is not fair to their families. They have been confirmed by the committee, awaiting action here on the floor of the Senate, and yet weeks go by.

Some of these people are career people who have dedicated their lives to the foreign service of this country. They have been sent out by committee and are waiting in limbo. Weeks have gone by. That is just wrong. Vote against them, if you will, but do not deny them the opportunity of being voted up or down in the U.S. Senate. So I will strenuously object to our naming conferees and moving forward on this bill.

I might also point out, as I mentioned earlier, we have some eight or nine appropriations bills—the Senator from Massachusetts has pointed out a regulatory reform bill—all of these things, welfare reform, Medicare, Medicaid, all of which I would argue have a far greater importance than this bill, the so-called Cuban democracy bill, that frankly is of highly questionable merit, in my view, taking priority over everything else.

So, for those reasons, I partook of the procedural vehicles available to me to slow down the naming of conferees. If there is a lift on the hold on these ambassadors and a lift on the hold on the treaties, I will lift my hold on the conferees going forward on this particular bill that is before us. For those reasons, Mr. President, I have objected.

With that, Mr. President, I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me commend the distinguished Senator from Connecticut for a statement that I think enjoys broad-based, in fact unanimous, support on this side of the aisle. This has gone on too long. There is absolutely no reason why ambassadors representing the foreign policy of this country ought not be appointed. I think you have to go back decades, if not generations, to find a time when this many ambassadors were held hostage.

I think it is unfortunate, it is wrong, it is not the way to do business. It sends exactly the wrong message, not to mention what an incredible inconvenience it is to people in the Foreign Service who are depending upon some resolution of these matters. So, whether it is the ambassadors or whether it is a number of other Federal agencies that have to be dealt with in a reasonable way, this has gone on too long. And until we resolve those matters, I think it is fair to say that it will be very difficult to resolve some of the legislation relating to foreign policy pending in the Senate.

I am very hopeful that we can resolve these matters in the not-too-distant future because what is happening today is inexcusable. I think the Senator from Connecticut speaks for all members of the Democratic Caucus in articulating very clearly our strong feelings about this matter.

THE CONTINUING RESOLUTION

Mr. DASCHLE. Let me also commend the distinguished Senator from Massachusetts as well as the Senator from Connecticut for their comments on the matter directly pertaining to our schedule tonight and the next couple of days. I think there is some misunderstanding about what is involved with both the continuing resolution and the debt limit. I think it is very important that everybody clearly understand what the circumstances are tonight.

Tonight the continuing resolution, which the President will veto, includes the lowest funding level of either the House or the Senate. No programs were zeroed out, but the floor is now set at 60 percent of the 1995 level. Funding would be approved through December 1. The funding levels are an issue of concern to a number of us. But the most important concern, and the one that I think has drawn the greatest degree of anxiety across this country, and certainly the issue for which the President has said there is no compromise, is the increase in the premium that senior citizens will pay as a result of mistakes that we made in prior years in setting that premium.

I think everybody needs to understand that. We made a mistake several years ago. Instead of setting the premium at 25 percent and locking that percentage in for part B Medicare recipients, stipulated a dollar amount that we believed to represent a 25 percent payment. In doing so, we overestimated the amount it would take to reach 25 percent. As a result, the real calculation was not 25 percent; it was 31.5 percent.

We realized it. We all concluded, I think virtually unanimously, several years ago when this issue came up that it ought not be 31.5 percent; it ought to be 25 percent. We locked it into law. We set a timeframe within which that should happen. And now as a result of a realization that they need additional revenue for a lot of other reasons, including this tax cut, our Republican colleagues are suggesting that we legalize the glitch indefinitely.

That is the issue. Should we lock in an amount higher than we anticipated or intended, an amount we accidentally locked in several years ago, just to come up with revenue necessary to do what the Republican agenda has dictated? Should we effectively increase that premium to provide the pool of resources that they need for tax breaks for the wealthy?

Mr. President, what the President has said is, that is not negotiable. That Medicare premium increase is not something that belongs in the continuing resolution. That is something that has to be taken out. We can negotiate funding levels, and we can negotiate other matters with regard to how the continuing resolution ought to be drafted, but there ought not be any misunderstanding with regard to the importance of Medicare premiums. That ought to be off the table. That ought not to be in the continuing resolution. And that is where we are.

Mr. DODD. Would my distinguished Democratic leader yield?

Mr. DASCHLE. I would be happy to yield to the distinguished Senator from Connecticut.

Mr. DODD. I have been asking this question for the last couple of hours, Mr. President. Maybe the Democratic leader can enlighten me. I do not understand for the life of me why we are attacking Medicare premiums in a continuing resolution.

Is there some reason why Medicare is being incorporated in a temporary extension of the continuing resolution? Why are we taking something so critically important to millions of Americans, not only to the direct recipients, but their families who depend upon this, to avoid the kind of cataclysmic crisis that can affect them if they are afflicted with some serious illness? Why are we taking that as a subject, which I think requires serious study and analysis before we make changes in that program, why is that being incorporated by the Republicans in a continuing resolution? What is the value and purpose of putting it here?

Mr. DASCHLE. Well, I will respond to the distinguished Senator, I do not know what the answer is. I have to assume that they believe increasing premiums is more important than running the Government, is more important than getting a continuing resolution, is more important than any other priority out there. It is the most important issue for them today. Raising those premiums has the priority that no other issue has as we consider all of the other complexities involved in this debate.

What is even more important to me is what this action says to the American people in general and American seniors in particular. It says that we are going to ask seniors to pay more

before we ask doctors to take less. We are going to ask seniors to pay more before we ask anybody else involved in Medicare, who may be beneficiaries in other ways, to give some, to sacrifice as well. That, to me, is the fundamental inequality here that is the most disheartening thing. We are asking seniors—many of whom can ill-afford it—to sacrifice before we have asked anybody else to contribute, before we have even come to any conclusions about what may be involved in the overall Medicare reform effort that many of us would like to see at some point this year.

We realize we have to change Medicare. We realize that the trust fund has to be made solvent. We also realize this Medicare increase in a short-term, stop-gap funding bill has absolutely nothing to do with the trust fund. Now, not one dollar of this premium increase goes to the trust fund—nothing. It all goes to deficit reduction or to the tax cut, one or the other, most likely to the tax breaks. So that is really the issue here. We are holding hostage senior citizens asking them to do something no one else is required to do. And so it is understandable, it seems to me, that the President is resolute in his determination to veto the continuing resolution as long as that is in the bill.

Mrs. BOXER. Will the Senator yield?

Mr. DASCHLE. I yield to the Senator from Nevada and then to the Senator from California.

Mr. REID. Mr. President, I appreciate the leader yielding. I say through the Chair to my friend from Connecticut, this Senator believes that the reason the premium is being maintained is to fuel money for the tax cut, the tax breaks. What other reason could there be that there is this clamor to raise all this money on a document, a piece of legislation, that it is untoward this would happen at a time when the country is about to shut down that they would hold so tight to this? It is my belief that it is to fuel the tax cuts, the tax breaks.

Mr. DODD. If my colleague——

Mr. DASCHLE. I retain the floor, and I will be happy to yield to the Senator from Connecticut to respond, and then I will yield to the Senator from California.

Mr. DODD. I raised the issue earlier. As I understand it, in this continuing resolution, so we avoid the shutdown that will occur in a few hours, there is a simple one-sentence provision that would strike ''November 13'' and put in ''December 1,'' which would avoid shutting down the Federal Government tonight, as I understand it.

What we have now sent down to the President is some 15 or 16 pages, all getting involved in Medicare language, all of this language, extraneous language.

What my colleague from Nevada is saying is if they do not include an increased cost in Medicare to the beneficiaries out there, then this tax break that goes to the top income earners in America would be in trouble; is that the point?

Mr. REID. That was the point I was making to my friend from Connecticut.

Mr. DODD. I find that incredible. I ask the distinguished Democratic leader, with all the other things going on, what is the logic of saying we are going to take care of those in the upper-income levels with tax breaks at the cost of those who, as I understand it and he can correct me if I am wrong, but the median income of a Medicare recipient in America is $17,000, unless you are a woman on Medicare and then your median income is $8,500 a year, that the premiums of those people are going to go up if this becomes law in order to provide a tax break for people who have six-figure incomes. What is the logic in all of that, I ask the Democratic leader?

Mr. DASCHLE. I tell the Senator from Connecticut, I do not know what the logic is. The numbers the Senator from Connecticut referred to are accurate. The fact is that a vast majority of senior citizens today make less than $17,000. In South Dakota, and in many rural States, they make less than $15,000. This $11 increase per month is more than many of them today have available for some of the fundamental needs they face each and every year. Their choice, in some cases, is whether they have prescription drugs, whether they pay a heating bill, whether they are able to go into town, or whether they are able to buy groceries. All that is affected by whether or not this goes into law tonight or tomorrow or the next day.

So the Senator from Connecticut is absolutely right. This is not an easy choice for many people out there who may be watching and wondering what is this all about. But that is what this fight is all about, protecting what limited purchasing power they have, recognizing a commitment we made 2 years ago that we would correct the inadvertent mistake we made in the Medicare law in the first place. That is what this is about.

Mr. DODD. I thank the Democratic leader.

Mr. DASCHLE. I yield to the Senator from California.

Mrs. BOXER. Mr. President, I just want to thank the Democratic leader for coming over to the floor, because I believe that the people of America want answers to these questions that he is raising, I say to my friend, and the Senator from Connecticut, the Senator from Nevada and others, the Senator from Massachusetts—both Senators from Massachusetts who were involved in this.

I say to my friend that 83 percent of those on Social Security earn less than $25,000 a year—83 percent. So we are talking about something being slipped into a continuing resolution which is extraneous to that continuing resolution, has nothing to do with whether this Government can function, and the reason the Republicans are doing it is they do not have the guts to vote up or down on it.

The fact of the matter is, they want to force the President of the United States into signing this thing, and he will not do it, and God bless him for that, because he is standing up for our grandmothers and our grandfathers.

I have a couple of questions for my leader. The symmetry of these cuts in Medicare and these tax breaks for the wealthiest cannot be overlooked, as brought out by my friend from Nevada, and it can, in fact, be the only answer: $270 billion in cuts in Medicare and $245 billion in tax breaks. If you earn over $350,000, I say to my leader, you get back $5,600 a year.

But I would like to address my leader's attention to this chart, because I think it is important that the people understand we are really talking about Social Security here, not just Medicare, because what happens is, this is a time for seniors on Social Security to get their cost-of-living adjustment and their Medicare premium comes out of their Social Security cost-of-living adjustment.

If the Republicans have their way, and if they slip this Medicare premium increase through—and I know that the President will not stand for it—but if they do, I ask the leader to explain this chart because what we see here is that the poorest seniors would wind up losing 98 percent of their COLA on Social Security. The seniors who average $7,000 a year would lose 66 percent of their Social Security COLA, and the wealthiest would lose 52 percent. I say wealthiest, that is over $10,000 a year.

So you can see here the devastation that is being wrought. In other words, the seniors look forward to their cost-of-living adjustment because their food bills go up, their cleaning bills go up, and now it is being eaten by the Republican increase in the Medicare premium.

So I just ask my leader to comment on this connection because Republicans are always saying, ''Well, we don't touch Social Security,'' but the bottom line is, they would do so.

I also ask my leader to comment on why he believes they would put in extraneous materials into these bills that repeal 25 years of environmental law, why they would do it this way, why they would bring in criminal law reform on this, because I think people are confused. They understand that, as Senator DODD has pointed out, one sentence can take care of the short-term problem, and then we will have the fight.

So I ask my leader to comment on the impact of Social Security recipients of this stealth increase in premium, plus the whole notion of adding these extraneous matters to what should be a very straightforward continuing resolution and debt increase.

Mr. DASCHLE. The Senator from California makes two very good points. Obviously, the increases that we are talking about here would have a devastating impact. I was home in South

Dakota this last weekend. I wish I could tell the Senator from California precisely how many people I had the opportunity to talk to about this very matter. But time and time again, people on the street, in meetings, at dinner, in restaurants would come up to me and say, ''It is so important that you win this fight. It is so important that you not let happen what we are told could happen if the President or if the Democrats in Congress lose their resolve.''

This has nothing to do with cutting growth. What this is cutting is seniors' wallets, the opportunity for senior citizens to live in some dignity. This is telling senior citizens that the commitment we made to them is over, that somehow they are going to have to give, even though no one else involved in Medicare gives at all.

We have $17 or $18 billion in fraud and abuse out there, according to the General Accounting Office. We are not going after $1 of fraud and abuse, yet we are telling seniors that they have to pay increases in their part B premiums and that they will provide the sole source of revenue increases for whatever reason? It is outrageous to make that kind of a statement.

Never mind the commitment. Never mind the impact that it might have on seniors. The very thought that seniors are the only ones being asked to give tonight, to me, is inexcusable and just flat wrong.

Mrs. BOXER. Will the Senator yield? I remember when the Republicans with great fanfare said, ''We are going to save Medicare.''

Well, we all knew what it was about. They needed to find the money for the tax cut, so they dreamed up this number of $270 billion. Even though the Democratic leader and those of us who worked on it knows it takes $89 billion to save Medicare, they are going to go after it to the tune of $270 billion.

One of the things they said which I really could not disagree with was, ''And this time we will go after the very wealthy seniors who are on Medicare and ask them to pay just a little bit more.''

I say to my leader, after we have seen their proposal, is there anything in this continuing resolution where they have laid on this increase in premiums to seniors that differentiates between those who earn under $5,000 or those who earn over $100,000? Do they have a sliding scale?

Or are they asking seniors, many of whom, as my friend has pointed out, have to choose, literally, between eating and buying a pharmaceutical product to keep them alive—is there anything in this Republican plan that makes that distinction between the poorest senior and the wealthiest senior?

Mr. DASCHLE. There is no distinction at all, I say to the Senator from California. That, really, is another part of the inequity here.

The Senator asked why would we do this on a continuing resolution? I think one of the reasons they are proposing we do it on a continuing resolution is that they hope that by holding a gun to the head of the President, the President is going to cave, the President will give up his resolve and say, ''If that is what it takes to have a continuing resolution, we will do it.''

Mr. President, the President has made it very clear that it does not matter what form a continuing resolution may take. If it comes to him with this extraneous and unfair provision in it, it will be vetoed. There is no question he will veto any version of a continuing resolution that incorporates the Medicare provision in it. It does not matter. This Republican strategy is not working. They can use as many props and news conferences as they want, golf clubs and waffles—which, in my view, are extraordinarily sophormoric and unfortunate. That belittles the congressional process. It demeans this debate. It has nothing to do with the serious, serious, consequences of what it is we are talking about here. And it will not change the outcome.

I hope that our House colleagues and the Republican leadership will understand how unfortunate it is that they would demean this debate in the way that they have over the last weekend. There is no place for that kind of sophormoric and childish behavior on national television.

That happened. It is unfortunate it happened. I hope we can raise the level of debate and take into account the gravity and the seriousness of situations that we are discussing here tonight. That really is something that I think all Americans—Republican and Democrat—can agree to. We should raise the level of debate and not use these silly props, thinking that is somehow making a point. It is not making a point.

The point is we have to get back to the real issue here. The real issue is we can pass a continuing resolution tonight. We have a few hours left. Do it before it is too late. Pass a clean CR. Leave this Medicare debate for another time. Do not ask seniors to do something you are not asking anybody else to.

If we can do that, we can go home tonight. Federal workers can come tomorrow and this issue would be resolved.

Mr. DODD. Will the Senator yield?

Mr. DASCHLE. I am happy to yield to the Senator.

Mr. DODD. There is something I would like to inquire of the Democratic leader because he made a passing reference to it. There may be those saying tonight we have to deal with entitlements. We have to deal with Medicare. We have to deal with Medicaid. I do not think anyone here is suggesting that is not a legitimate point.

The point is this: We are dealing with a 30-year old program that took people in poverty in this country—between 35 percent and 40 percent of people over the age of 65 were living in poverty in 1960 in this country; only 45 percent of them had any health insurance at all. Because of Medicare we have taken people out of poverty and given them, in their retiring years, a sense of dignity, not made them wealthy people, not provided them with great affluence, but merely taken away the legitimate fear that people have that an illness will come along and destroy life savings, make it difficult for their own children to be able to raise their families and educate their kids without having to worry about a catastrophic illness, bankrupting two generations in a family.

That is why we have Medicare. That is why it has been so successful.

As I understand it, what is being proposed here will increase the premiums for these people on Medicare. Obviously, we need to deal with the long-term health care security issues. Medicare is a legitimate subject of debate. I hear the Democratic leader saying so.

The point is you do not try to muscle this through on a continuing resolution. I ask if that is not the point he is making? that, in fact, it ought to be, even if people do not understand all of the nuances of the procedural debates, that the suspicions of average Americans ought to be raised when they see something as critical as Medicare coming along and all of a sudden it is slipped into a provision like this, a major change, a major change in Medicare, slipped into a continuing resolution that would then lock into law a fundamental change in one of the most critical programs affecting millions of Americans.

The issue is not should we debate this issue of how do we provide for long-term health security, but slipping this matter into a continuing resolution that could be adopted with a one-sentence provision, avoiding the shutdown of the Federal Government, literally thousands of people in this Federal Government not knowing whether to show up for work tomorrow, all because there is a fear about debating this issue in the normal course of congressional business.

Is that not what the Democratic leader is suggesting?

Mr. WARNER. Would the Senator consider one comment?

Mr. DASCHLE. Let me respond to the Senator and then I am happy to yield without losing my right to the floor.

The Senator from Connecticut said it as clearly and succinctly as anyone has tonight. The issue is not, should we address real reform in Medicare? The issue is, is this the vehicle on which to do it? Is this the night to do it? And, when we get to the proper vehicle, we must ask ourselves, is this the right way to do it?

Do we hold all Federal employees hostage to a resolution of this fundamental question about whether we ought to change Medicare at all, tonight, under these circumstances?

The Senator would conclude, as I concluded, that this is not the time,

this is not the place, this is not the forum, this is not the right way, this is not sending the right message to seniors. This provision ought to be stricken.

That is what we are suggesting. I think the Senator is absolutely correct in his assumption as he proposes the question tonight. I am happy to yield to the Senator.

Mr. WARNER. Mr. President, I just hope as my two colleagues are discussing an issue of Medicare, particularly the Senator from Connecticut, I find that you omitted any reference to the report of the trustees, trustees appointed by the President of the United States, who came back and clearly provided this body, the Congress, with a report saying that Medicare is going broke and that something has to be done. I hope the Senator, as he addresses this issue, would include reference to that report.

I, myself, am still hopeful. I just had a brief meeting with the majority leader. There are conscientious efforts underway to resolve this impasse. I am privileged to represent a great many Federal employees. I would like to see it resolved.

When I hear debate like this and no reference to that trustees' report, I feel it is selective argument.

Mr. DASCHLE. Let me retain the floor and say the answer to that comment is very simple: The increase in premium that the majority has included in the continuing resolution does not solve the solvency problem by one nickel. It has absolutely nothing to do with solvency. It has nothing to do with the trust fund. It has nothing to do with the long-term projections of the future of the trust fund. It has nothing to do with the trustees' report.

The trustees said we have to resolve the trust fund solvency issue and, toward that end, we have to find ways to save $89 billion. Nothing in part B changes or premium increases has anything to do with the trust fund, which is in part A.

That is why both of us have expressed our grave concern about what we are doing here. Perhaps if the premium increase had something to do with the trust fund, we could better understand—though I would still argue that this should be decided in the broader context of Medicare reform—the emergency need to include it in a continuing resolution. But it does not. There is absolutely no connection.

That makes it all the more critical, it seems to us, to take some time to consider whether or not it is fair to ask seniors to do something that we are not asking anybody else to do, to determine whether or not even in the overall context of Medicare reform this has a place. Certainly, I hope the Senator from Virginia would agree.

Just to finish, certainly the Senator from Virginia would agree that without hearings, without any full appreciation of what it is we are doing here, to add it to the continuing resolution is not a prudent thing to do.

I yield again to the Senator from Connecticut.

Mr. DODD. I appreciate the Senator's yielding.

My good friend from Virginia has raised the issue of the trustees' report. The trustees' report from last year painted a darker picture than this year, but I did not hear a single voice being raised about the condition of the trust fund a year ago. That is No. 1.

No. 2, we are now cutting $270 billion in the proposal out of the Medicare trust fund, as the distinguished Democratic leader has pointed out, Mr. President. No one can explain to anyone why that number was chosen, except in the context of the tax breaks of $245 billion. The only way you can pay for them is that size of a cut in Medicaid. There is no relationship between the size of that cut and what the trustees reported were the proposals with Medicare. That is point No. 2.

Point No. 3 is the one the Democratic leader has made in the discussion here, that matter that is included in this resolution deals with part B, which does not have anything to do with the trust fund whatsoever. So it is totally unrelated.

The last point I would make is this one. Normally, here, when there is a matter of this import involving this many Americans and something as critical as their health care, you would think there might be a set of hearings where we, as Members of this body, would enjoy the benefit of people who spend every day working at these issues as to how we might fix this problem.

There has not been a single day of hearings, not one, on this issue. We have had 27 days of hearings on Whitewater. We had 11 days of hearings on Waco. We had 10 days of hearings on Ruby Ridge. And not 1 day, not a single day, not 1 hour, not 1 hour of hearings on Medicare.

Mr. President, for 37 million Americans, their safety net in health care is being written into this piece of paper, passed without even the considerations of what the implications are for people. That is not the way to legislate. That is not the way to deal with a legitimate issue of how you bring some trust and some faith and some soundness to the Medicare trust funds.

So for those reasons some of us, as I said a moment ago, object to this because, frankly, we are just writing this into this particular proposal. We are not really examining how to fix this issue.

As I said a moment ago, the debate is not whether or not we ought to do something about the trust fund. The Democratic leader has spoken on numerous occasions about the importance of doing that. We all understand that. But that is not what this proposal is. It is written in here primarily, as was pointed out earlier by the Senator from Nevada, to provide the resources for a tax break.

Here we are, going to shut down the Federal Government in 3 or 4 hours, thousands of people are either going to lose pay or be sitting home wondering what is going to happen tomorrow, and it comes down to this issue: Whether or not you can muscle the President into signing a continuing resolution which goes right at the heart of senior citizens, when a simple resolution extending the continuing resolution for a week or two would avoid the problem altogether.

It is a backhanded way of dealing with a very serious, very legitimate issue that must be dealt with in a more profound way than we are this evening. I thank the Democratic leader.

DISCUSSIONS ON THE PRESIDENT'S TRIP TO ISRAEL

Mr. DASCHLE. Mr. President, let me add another point that I think is important. It has been discussed over the weekend again, and for the life of me I cannot understand how this got started, but there has been some discussion, led particularly by the Speaker of the House, that on the trip to Israel last week the President did not come back to discuss any of these matters with leadership.

I must tell you, I was there. The minority leader of the House, DICK GEPHARDT, was there. The majority leader was there, and the Speaker was there. The Israeli Ambassador was there. So there are a number of people who were there who can vouch for what I am about to tell you.

The fact is that, not once, not twice, but on a number of occasions throughout that trip, both going and coming back, the President came back and expressed himself, talked with us, hoped we could work something out. We did not talk specifics, but we talked very specifically about the desire to resolve these differences. Not only did the President come back to talk to us, but on a number of occasions his Chief of Staff, Leon Panetta, came back.

As I say, I do not know how this got started. But there ought to be no question, and we ought to put to rest once and for all this rumor, this innuendo, this statement on the part of Republican leadership, especially the Speaker, that the President did not express any interest in open discussion of this issue.

He was there with some frequency. He came back on a number of occasions. And, of course, it was the Speaker's prerogative to seek the President if he felt so strongly about the need to talk. He could have come up. If he did not think it was enough, as many times as the President came back and as many times as his Chief of Staff came back—if that was not enough—he could have sought out the President. There was no ''do not enter'' sign in the quarters. There was no statement, ''you are not welcome up here.'' There was every opportunity for people to come, every opportunity to talk with

the President, every opportunity to express themselves to the Chief of Staff or to the President.

So I must say, again, it does a real disservice to this dialog and, really, to a factual and honest accounting of what happened on that trip. The President came back on a number of occasions, and I have yet to see anyone else dispute that fact.

I hope that the Speaker would admit that on a number of occasions he had conversations directly relevant to the budget with the President of the United States on the trip and coming back from Israel just last week, in fact, a week ago tonight.

THE DEBT LIMIT

Mr. DASCHLE. Mr. President, I also want to address, while I have the floor—I know the Senator from Virginia is seeking recognition—but we have not had the opportunity yet tonight to talk briefly about the debt limit, at least I have not. I know some of my colleagues have addressed the matter.

The President, as you know, vetoed the debt limit bill this afternoon. He did so for good reason. Let there be no doubt, we need to increase the debt limit. We recognize how critical it is that the Government of the United States not go into default.

Let me offer praise for the Secretary of the Treasury for all that he has done to educate, to inform, to bring everyone to a better understanding of the ramifications of default, beginning Wednesday, if nothing is done. As I understand it, there is some hope now that we might be able to have yet another auction to move us back yet perhaps another 3 days. But while the Secretary of the Treasury and the administration appear to be doing virtually everything they can to see that this country does not default, our Republican colleagues, at that moment when they should cooperate and find some way with which to resolve this crisis, have chosen to do just the opposite.

On what ought to be a very simple extension of the debt, our Republican colleagues have added a complete elimination of all the opportunities the Treasury Secretary has to manage the debt, to use short-term tools, to do what every single Treasury Secretary has been able to do for decades. They have sought to strip him of all those responsibilities and opportunities for debt management at the very time he needs them the most. Can you think of anything more irresponsible than that? Anything?

It is just outrageous that, at the time when we ought to be pulling together with a full appreciation of the magnitude of the problems we may face if we go in default, what do our colleagues on the other side of the aisle do but say we are going to make it even harder. We are going to make it even more challenging, create even more problems.

And then, to add insult to injury, they add a provision that we have debated on the floor many, many times regarding what ought to happen on appeals for death row inmates; whether or not we ought to have this legal term ''habeas corpus'' modified in some way. What in the world does that have to do with dealing with the default this country may find itself in as early as Wednesday?

How is it that anyone can rationalize, anyone can explain, anyone can find any reason why habeas corpus belongs on an emergency debt limit bill?

And then we have had some healthy debates on the Senate floor now for months about regulatory reform. We have had some cloture votes, and in every single case Democrats have said very simply: You give us regulatory reform that does not endanger the public health and safety of Americans, and we are with you. You are going to get a vote with maybe 70, 80, 90 votes. But you offer regulatory reform that endangers the health and safety of Americans, and we are not with you. That issue has not been resolved. We have reached a stalemate until we resolve it, and there have been good-faith efforts on both sides to try to resolve it, good-faith efforts that are going on right now.

So what happens? Our Republican colleagues add the entire regulatory reform language, all of the comprehensive issues relating to the most detailed threats to public health and safety and all the questions we have debated for months now on the debt limit—on the debt limit—with no opportunity for debate and no opportunity for amendments. It is a take-it-or-leave-it deal. It is accept this or accept default.

Mr. President, for the life of me, I do not understand. I cannot contemplate what may have motivated our Republican colleagues to do that on this bill.

I will yield to the Senator from Nevada in just a minute, but I want to add the last list. In addition to that, the agencies terminated in this short-term legislation include the Interstate Commerce Commission, the Rural Abandoned Mine Program, Land and Conservation Fund, Pennsylvania Avenue Development Corporation, the Advisory Commission on Intergovernmental Relations, the Administrative Conference of the United States—all of that added on top of everything else. Yet, they would like to have the American people believe that this is an emergency, that somehow the President is not cooperating, that somehow all of this has to be done in the context of a continuing resolution, or the debt limit, or it is just not possible.

Mr. President, this is just not the way to legislate. This is not responsible. We know better than this. In our heart of hearts, we know we have to run the country, we have to govern, and we have to do the things necessary to make this country work better. And this is not it.

So I hope at some point before midnight tonight we could come to our senses, and at some point in the next 3 hours we could say, look, let us save these debates for later. Let us conclude that we are going to agree to disagree for as long as it takes to work out the larger issues. Let us admit that this strategy is not going to work, and say that rather than shutting down the Government, rather than bringing this country to a default, we are going to strip them all, we are going to send a clean resolution, we are going to send a clean debt limit, we are going to resolve these matters at another time, and we are going to do the right thing.

Mr. REID. Mr. President, will the Senator yield for a question?

Mr. WARNER. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Is there a 10-minute limit on statements by individual Senators?

The PRESIDING OFFICER. That is correct. We are operating in morning business.

Mr. WARNER. I think the distinguished minority leader has now used in excess of his 10-minute allocation?

Mr. REID addressed the Chair.

Mr. DASCHLE. Who retains the floor, Mr. President?

The PRESIDING OFFICER. The Democratic leader has the floor. If he wishes to yield for an inquiry, he has that opportunity.

Several Senators addressed the Chair.

Mr. WARNER. Parliamentary inquiry: Are not Senators under a 10-minute rule?

The PRESIDING OFFICER. The Senator from Virginia is correct.

Mr. DASCHLE. I did not think the parliamentary inquiry was in order if I did not yield time for such an inquiry. Is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DASCHLE. I yield to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. Is the Senator yielding for a question?

Mr. REID. I am asking a question of the leader.

Mr. DASCHLE. I yield for a question.

Mr. REID. I ask the leader. Is it not true that we have 13 different appropriations bills that should pass?

Mr. DASCHLE. The Senator from Nevada is correct. Thirteen appropriations bills, and only five have been passed so far.

Mr. REID. Is not it true that the President has signed only two of those?

Mr. DASCHLE. As I understand it, he has signed two and five have passed.

Mr. REID. Is it not true that we have been waiting for conferences to be completed sometime in some instances for months?

Mr. DASCHLE. The Senator is correct. I would add that in all the time

we have been under this budget process—since 1974 —this may be the latest, if not one of the latest dates that Congress has gone prior to the time it has completed its work.

Mr. REID. I also ask this question of the leader. Is it not true that when one of the elements of the Contract With America was sent to us from the House that we in the Senate acted upon that with an amendment and that the Senate adopted regulatory reform? In effect, what it said is, if there is a regulation promulgated to have a financial impact over $100 million, that there would be the ability for a legislative veto for 45 days, and the regulation would not become effective for 45 days?

Mr. DASCHLE. The Senator is correct. In fact, the Senator from Nevada was the author of the legislation.

Mr. REID. Is it not true that if a regulation was promulgated for less than $100 million, it would become effective immediately but that we would have the opportunity to in effect veto that within 45 days?

Mr. DASCHLE. The Senator from Nevada is exactly correct. His memory is perfect.

Mr. REID. Is it not true that amendment was offered by a Republican Senator, Senator NICKLES, and this Senator, and passed by a vote of 100 to nothing?

Mr. DASCHLE. The Senator is correct.

Mr. REID. Is it not true that took place approximately 5 months ago, and conferees have not been appointed as a result of inactivity of the majority?

Mr. DASCHLE. The Senator is correct.

Mr. REID. So we in effect have tried to do regulatory reform, have we not, in this body, and we passed comprehensive regulatory ''reform,'' in some people's minds, by a vote of 100 to nothing?

Mr. DASCHLE. The Senator is absolutely correct. We passed a line-item veto, a legislative veto, and we passed a number of issues relating directly to changing the regulations under which Congress must operate, changing the regulations under which we deal with States, and unfunded mandates. We have had a series of regulatory reform measures already passed, unfortunately many of which have not been passed into law as a result of the Republican opposition.

Mr. REID. And, in fact, I say to my friend, is not it also true, I repeat, that we have been waiting for conferees to be appointed on the regulatory reform that passed this body by 100 to nothing for 5 months?

Mr. DASCHLE. The Senator is absolutely right. There has been no consideration of legislation in conference because the conferees have not been appointed.

Mr. REID. I also say to my friend in the form of a question, is it not true that habeas corpus has been debated on this floor not for hours, not for weeks, but for months, if we add up time over the last 3 or 4 years?

Mr. DASCHLE. The Senator is correct. We have had countless hearings and extraordinary debate on the Senate floor. We have had countless amendments offered as alternatives to legislation that passed. This has been an issue that has been hotly debated for not only weeks and months but for years now in prior Congresses.

Mr. REID. I say to my friend, the distinguished minority leader, is it not true also that habeas corpus reform is not a partisan issue? Is that not true?

Mr. DASCHLE. That is correct. The Senator from Nevada is correct in stating that there are Democrats and Republicans on both sides of the issue.

Mr. REID. In fact, I say to my friend from South Dakota, is it not true that on occasions this Senator has joined my colleagues on the other side of the aisle for habeas corpus reform?

Mr. DASCHLE. I would have to go back and check the record, but I will take the Senator's word for it.

Mr. REID. I would ask if you can give this Senator, or the people of this country, any reason why on extending the debt limit we would have habeas corpus, regulatory reform, or termination of these agencies—some of which I agree to—but should we not vote those up or down?

Mr. DASCHLE. I think the Senator makes a very good point. The answer can be provided in one word. The word is ''coercion.'' This is the Republican effort to coerce the President to sign legislation that otherwise he would veto; to sign legislation that he philosophically finds at fault; to sign legislation that many of us on this side of the aisle are very uncomfortable with; to sign legislation that has not been resolved in the case of regulatory reform. It is to finish unfinished business that ought not be finished for good reason—because we have not been able to resolve our differences.

So they are putting it in this language in the hope—and it is only a hope, because the President made it very clear today when he vetoed the bill, it is a false hope that somehow we can resolve these issues by loading up a bill as critical as it is, as the debt limit and the continuing resolution are.

The PRESIDING OFFICER. The Chair would like to remind the Senator from South Dakota that the 10 minutes allotted to him under morning business has expired, and in fact you have controlled the floor for nearly an hour. It would take unanimous consent in order to continue.

Mr. DASCHLE. I thank the Presiding Officer. I appreciate the indulgence of the Senator from Virginia. I know he wishes to speak. I will regain the floor at a later time.

I yield the floor.

RETIREMENT OF MAJ. GEN. JERRY C. HARRISON

Mr. THURMOND. Mr. President, Napoleon once said that ''An army marches on its stomach.'' While Napoleon was commenting on the need of soldiers to have secure and dependable supply lines, combat arms personnel also require a multitude of other support services to ensure they have the means to accomplish their missions.

In the U.S. Army, a service of 495,000 men and women, one thinks of branches such as quartermaster, transportation, and finance when the role of ''support'' is mentioned. One support element that is largely unknown outside of Washington, DC, but is critical to the success and readiness of our soldiers, is the Army's Legislative Liaison Office. For the past 3 years, Maj. Gen. Jerry Harrison has headed this office, which represents the Army's interests on Capitol Hill.

Jerry Harrison's 32-year Army career began with his schooling at the U.S. Military Academy, and has included some of the Army's key postings. His assignments brought him to many billets, both here and abroad, and include Germany, Korea, Washington, DC, and Vietnam, where his efforts in defending a firebase earned him a decoration for valor. His career assignments reflect a high level of professional competence and include valuable command time in some very visible positions, perhaps the most prestigious being his tour as commander, 2d Infantry Division Artillery.

As a product of West Point, an institution respected worldwide for its high standards, General Harrison had instilled upon him the importance of education, and throughout his career, he sought additional civilian and military educational opportunities. A commissioned officer in the field artillery, he graduated from the field artillery basic and advanced courses; the infantry officer advanced course; the Command and General Staff College; and earned a master's degree from the Georgia Institute of Technology. He also returned to his alma mater to teach in the department of mechanics.

Mr. President, today's warrior is an individual who is educated, fit, adept at many different tasks, and a patriot. Gen. Jerry Harrison certainly possesses these characteristics. As the chairman of the Senate Armed Services Committee, I am pleased to offer him my congratulations on a distinguished career, and I wish him good health and happiness in the years ahead.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

NONESSENTIAL SENATE OPERATIONS

Mr. WARNER. Mr. President, I wish to address the Senate in my capacity as chairman of the Rules Committee.

Earlier today the Sergeant at Arms, the Secretary of the Senate, together with the acting staff director of the Rules Committee, addressed the various staff leaders of the Senators. But I wish to place in the RECORD a memorandum prepared by Secretary of the

Senate and the Sergeant at Arms, and once again remind all Senators, their staffs, and others that if this impasse is not resolved tonight, it will be a lapse in appropriations, and therefore it will be necessary to shut down non-essential Senate operations effective at midnight tonight.

In brief, the Secretary of the Senate, at the direction of the Rules Committee, has advised all Members that they will be required to determine which of each Senator's staff are necessary in that Senator's judgment to support the Senate's legislative and other constitutional activities.

Further, Mr. President, I ask unanimous consent to have printed in the RECORD the memorandum of the Secretary of the Senate detailing which departments of the Secretary's office will remain open and those that will be closed. Specifically, I would like to point out that the Office of Public Records will by necessity be closed; also, to include a memorandum of the Sergeant at Arms detailing departments and offices under his jurisdiction, and kindly note that the Capitol and Senate office buildings will be open but there will be no Capitol guide service to facilitate our visitors. Members and staff should be advised that all food and beverage services in the U.S. Capitol under the jurisdiction of the Senate and in the Russell, Hart and Dirksen buildings will be suspended until further notice.

Lastly, I wish to emphasize that although many functions will be suspended, the U.S. Senate security will be at its full operational level.

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

U.S. SENATE,
OFFICE OF THE SERGEANT AT ARMS,
Washington, DC, November 13, 1995.

To: All Senate Offices.
From: Howard O. Greene, Jr., Sergeant at Arms
Re Sergeant at Arms services during anticipated furlough

In the likely event of a lapse in appropriations to the Legislative Branch of the Federal Government, furloughs will be implemented in certain areas of the Office of Sergeant at Arms (SAA). Those service areas which directly support the legislative and other Constitutional activities of the Senate will be fully staffed.

Most SAA departments will be open during this period, however, some departments will operate at reduced staffing levels.

Listed below are SAA offices that will be closed during the furlough period: Capitol Guide Service; Cabinet Shop; SAA Procurement Office; SAA Counsel Office; Congressional Special Services, (Exception: Interpreter will be on duty); Placement Office; All Drivers; Beauty and Barber Shop; Elevator Operators; Employee Assistance Program.

Partial Staff: Appointment Desk: Half staff. Garage: Half staff. Computer Center: Half staff. Human Resources: Half staff. ID Section: Half staff. Post Office: Half staff. Photographic: Half staff. Service Dept.: Half staff. Telecommunications Dept.: Half staff.

U.S. SENATE,
OFFICE OF THE SECRETARY,
Washington, DC, November 13, 1995.

To: All Members.
From: Kelly D. Johnston.
Re potential lapse in appropriations.

At the direction of the Committee on Rules and Administration, I am writing to share with you some guidance on the furlough that will be required in the event of a lapse in appropriations to the Legislative Branch of the Federal Government. Each Member and each committee chairman will be required to determine which of his or her staff members are essential in the event of a lapse in appropriations.

If there is a lapse in appropriations, it will be necessary to shut down non-essential Senate operations, effective at 12 a.m. November 14, 1995. In that event, all non-essential staff will be placed in a furlough status until appropriations are made available.

Essential staff includes only those employees whose primary job responsibilities are directly related to or in support of legislative and other Constitutional activities. Any disruption in the employment of essential employees would render the Senate unable to exercise its powers as specified in Article I of the Constitution of the United States.

For your information, attached is a list of the essential personnel under the Secretary of the Senate, as prepared in consultation with the Senate Chief Counsel for Employment and the Senate Legal Counsel. This list may assist you in identifying which of your staff members are essential.

Please contact me if I can be of any assistance in this matter.

Attachment.

OFFICE OF THE SECRETARY OF THE SENATE—ESSENTIAL PERSONNEL LIST

Executive Office: Should be staffed to the extent necessary to administer other offices under the jurisdiction of the Secretary that remain open during the furlough. Also should be staffed to the extend necessary to ensure the continuation of computer services essential to allow the Senate to legislate during the furlough period.

Clerks: These offices should be staffed only to the extent the clerks are required to be on the Senate floor to allow the Senate to legislate during the furlough period.

Parliamentarian: Should be staffed only to the extent required to allow the Senate to legislate during the furlough period. Therefore, it should not be necessary to fully staff the office.

Captioning Services: All staff will be furloughed.

Historian: All staff will be furloughed.

Library: Should be staffed only to the extent required to allow the Senate to legislate during the furlough period. Therefore, it should not be necessary to fully staff the office.

Office Services: All staff will be furloughed.

Public Records: All staff will be furloughed.

Interparliamentary Services: All staff will be furloughed.

Daily Digest and Printing Services: Should be staffed only to the extent required to print the Congressional Record and to perform other legislative responsibilities in a timely manner.

Senate Gift Shop: All staff will be furloughed.

Stationery Room: All staff will be furloughed.

Senate Page School: Classes will be held.

Senate Security: Should be staffed only to the extent required to allow the Senate to legislate during the furlough period. Therefore, it should not be necessary to fully staff the office.

Conservation and Preservation: All staff will be furloughed.

Curator: All staff will be furloughed.

Document Room: Should be staffed necessary to ensure the delivery of documents needed on the Senate floor during the furlough period.

Official Reporters: All staff are essential.

Human Resources: Should be staffed to the extent necessary, if at all, to effectuate the furlough.

Senate Chief Counsel for Employment: Should be staffed to the extent necessary, if at all, to effectuate the furlough.

Disbursing: Should be staffed to the extent necessary to continue financial operations directly related to the functions of the Senate floor and to resolve financial issues relating to the furlough.

REPORT OF PROPOSED LEGISLATION TO INCREASE THE PUBLIC DEBT LIMIT—MESSAGE FROM THE PRESIDENT—PM 95

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To The Congress of the United States:

In disapproving H.R. 2586, a bill that would have, among other things, provided for a temporary increase in the public debt, I stated my desire to approve promptly a simple increase in the debt limit. Accordingly, I am forwarding the enclosed legislation that would provide for such an increase.

I urge the Congress to act on this legislation promptly and to return it to me for signing.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 13, 1995.*

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on November 10, 1995, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House agrees to the amendments of the Senate to the joint resolution (H.J. Res. 115) making further continuing appropriations for the fiscal year 1996, and for other purposes, and that the House concurs an amendment of the Senate with an amendment.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 2394) to increase effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 2586) to provide for a temporary increase in the public debt limit, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 2002. An act making appropriations for the Department of Transportation and related agencies for the fiscal year September 30, 1996, and for other purposes.

H.R. 2394. An act to increase effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

H.R. 2492. An act making appropriations for the Legislative Branch for fiscal year ending September 30, 1996, and for other purposes.

H.R. 2586. An act to provide for a temporary increase in the public debt limit, and for other purposes.

H.R. 2589. An act to extend authorities under the Middle East Peace Facilities Act of 1994 until December 31, 1995, and for other purposes.

Under the authority of the order of the Senate of January 4, 1995, the enrolled bills were signed on November 10, 1995, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 6:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.J. Res. 115. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 8:16 pm., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker appoints the following Members as additional conferees in the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996:

From the Committee on Commerce, for consideration of title XVI of the House bill, and subtitle B of title VII of the Senate amendment, and modifications committed to conference: Mr. BRYANT of Texas and Mr. TOWNS.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works:

Phillip A. Singerman, of Pennsylvania, to be an Assistant Secretary of Commerce.

Rear Adm. John Carter Albright, National Oceanic and Atmospheric Administration, to be a Member of the Mississippi River Commission.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. D'AMATO (for himself, Mr. MACK, and Mr. BRYAN):

S. 1409. A bill to amend section 255 of the National Housing Act to extend the mortgage insurance program for home equity conversion mortgages, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO (for himself, Mr. MACK and Mr. BRYAN):

S. 1409. A bill to amend section 255 of the National Housing Act to extend the mortgage insurance program for home equity conversion mortgages, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE HOME EQUITY CONVERSION MORTGAGE PROGRAM EXTENSION ACT OF 1995

● Mr. D'AMATO. Mr. President, I introduce The Home Equity Conversion Mortgage Act of 1995 and express my appreciation to Senators MACK and BRYAN for their cosponsorship of this important bill. This legislation would provide a 5-year extension for a much needed Federal Housing Administration [FHA] mortgage insurance program which is of great benefit to elderly homeowners.

The Home Equity Conversion Mortgage [HECM] Insurance Demonstration Program offers elderly homeowners the opportunity to borrow against the equity in their homes. This effective program is designed to assist our Nation's elderly who have substantial equity in their property but have incomes too low to meet ordinary or extraordinary living expenses. A senior citizen can receive cash through this reverse mortgage in the following four ways: A lump sum; a lifetime guaranteed monthly payment; a line of credit to be accessed by personal checks; or a combination of monthly payment and line of credit options. These mortgages are originated by FHA-approved lenders, insured by the FHA and purchased by the secondary mortgage market. The HECM program represents an ideal public/private partnership in which needy citizens are aided without cost to the Federal Government.

The HECM program allows our Nation's elderly to draw an income from their home investment. It offers seniors aged 62 and older the opportunity to support themselves without having to leave the homes they love. Without this program, elderly homeowners with insufficient incomes might be forced to sell their homes and spend their golden years elsewhere. Since the program's inception, over 14,000 loans have been closed or are pending. The median age of program participants is 76 years old. Borrowers are generally low-income and dependent on Social Security benefits.

The Home Equity Conversion Mortgage Insurance Demonstration Program was authorized by the Housing and Community Development Act of 1987. The Federal Housing Administration's authority to insure reverse mortgages lapsed on October 1 of this year. The legislation which I am introducing today would reauthorize this successful program and allow it to continue for an additional 5 years, until September 30, 2000. In addition, it would broaden the definition to include one- to four-family homes in which the owner resides and expand insurance authority to cover 50,000 reverse mortgages.

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

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

S. 1409

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 ''Home Equity Conversion Mortgage Act of 1995''.

SEC. 2. EXTENSION OF FHA MORTGAGE INSURANCE PROGRAM FOR HOME EQUITY CONVERSION MORTGAGES.

(a) EXTENSION OF PROGRAM.—The first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended by striking ''September 30, 1995'' and inserting ''September 30, 2000''.

(b) LIMITATION ON NUMBER OF MORTGAGES.—The second sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended by striking ''25,000'' and inserting ''50,000''.

(c) ELIGIBLE MORTGAGES.—Section 255(d)(3) of the National Housing Act (12 U.S.C. 1715z–20(d)(3)) is amended to read as follows:

''(3) be secured by a dwelling that is designed principally for a 1- to 4-family residence in which the mortgagor occupies 1 of the units;''.●

ADDITIONAL COSPONSORS

S. 256

At the request of Mr. DOLE, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 1220

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1220, a bill to provide that Members of Congress shall not be paid during Federal Government shutdowns.

S. 1228

At the request of Mr. D'AMATO, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

S. 1247

At the request of Mr. GRASSLEY, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1247, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a medical savings account by any individual who is covered under a catastrophic coverage health plan.

S. 1289

At the request of Mr. KYL, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1289, a bill to amend title XVIII of the Social Security Act to clarify the use of private contracts, and for other purposes.

S. 1342

At the request of Mr. AKAKA, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1342, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to make loans to refinance loans made to veterans under the Native American Veterans Direct Loan Program.

S. 1346

At the request of Mr. ABRAHAM, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1346, a bill to require the periodic review of Federal regulations.

S. 1396

At the request of Mr. PRESSLER, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Texas [Mrs. HUTCHISON], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 1396, a bill to amend title 49, United States Code, to provide for the regulation of surface transportation.

NOTICE OF JOINT HEARING

SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES AND HOUSE COMMITTEE ON RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that the time of the hearing scheduled before the Senate Committee on Energy and Natural Resources, the House Committee on Resources and the Senate Committee on Indian Affairs has been changed.

The hearing will take place Thursday, November 16, 1995, at 10:30 a.m., instead of 11 a.m., in room 1324 of the Longworth House Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on the Alaska Natives Commission's report to Congress, transmitted in May 1994, on the status of Alaska's Natives.

Those wishing to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510 . For further information, please call Brian Malnak at (202) 224–8119 or Judy Brown at (202) 224–7556.

ADDITIONAL STATEMENTS

NEW ON-LINE CASINOS MAY THWART U.S. LAWS

● Mr. LUGAR. Mr. President, I ask that the following article be printed in the RECORD.

The article follows:

[From the Wall Street Journal May 10, 1995]

NEW ON-LINE CASINOS MAY THWART U.S. LAWS

(By William M. Bulkeley)

Two companies are setting up on-line betting emporiums in Caribbean countries to skirt U.S. laws that bar interstate gambling from home.

The cyberspace casinos, which will be available on the internet, won't have Paul Anka, scantily clad showgirls or cigar smoke. But they will offer a chance to win or lose money from the comfort of the bettor's own keyboard, using credit cards or money predeposited with the house.

The Justice Department says cyberspace casinos are illegal. But the companies' offshore venues may protect them. And authorities will have a tough time detecting who's actually betting because many other people will be playing the same games for free.

Internet gambling could be immensely popular, ''If regulatory obstacles were put aside, gambling would be huge on the Internet,'' says Adam Schoenfeld, an analyst with Jupiter Communications, a New York market researcher. Jason Ader, an analyst with Smith Barney, says legalized on-line betting could be a $10 billion-a-year industry.

Antigambling activists fear that addicted gamblers and children using credit cards will bankrupt themselves from their PCs. Rachel Volberg, president of Gemini Research. Roaring Spring, Pa., who studies problem gambling, says the young, affluent males who populate the Internet are people ''we know from research are probably most likely to develop difficulties related to gambling.''

Nonetheless, Warren B. Eugene, a 34-year-old Canadian, says he will open the Internet Online Offshore Electronic Casino this month using computers in the tax haven of the Turks and Caicos islands, Mr. Eugene, who says his business experience is in video games, already has a page on the Internet's World Wide Web where bettors can play blackjack with play money. ''This can be a trillion-dollar world-wide business,'' he says.

Mr. Eugene predicts there will someday be a virtual Strip with dozens of different casinos offering different games, different odds and varying amenities such as direct deposit of winnings in offshore accounts and the acceptance of virtual checks. He's offering to sell the casino software he has developed to other would-be gambling tycoons for $250,000 and a 15% cut of the profits.

Meanwhile, Kerry Rogers, a 38-year-old Las Vegas computer expert, is working on WagerNet, a sports betting service that plans to locate its computers in Belize. WagerNet is awaiting enabling legislation there, but Mr. Rogers is optimistic. ''This is a way for a country to make revenues off of gambling,'' he says. Imagine the millions of dollars bet world-wide on the WorldCup'' in soccer.

WagerNet is designed as a kind of gambler's Nasdaq, matching people who bet on sporting events rather than setting a line and taking bets. A bettor, who must deposit $1,000, will put a proposition on the computer, and other bettors can take the bet if they want. WagerNet will charge a 2.5% transaction fee (far less than the 10% vigorish that Mr. Rogers says current sports books get), and it may bar U.S. gamblers if the legal risk is too great.

The planned betting parlors face huge obstacles in gaining consumer confidence. After all, if a bettor wins big, the cyberspace casino may disappear. And bettors will have little assurance that unregulated electronic roulette wheels aren't rigged.

U.S. laws prohibit people in the gambling business from transmitting by wire any wager information ''in interstate or foreign commerce. ''Violations are punishable by two years in prison and possible forfeiture of assets under organized crime statutes. Some states, such as California, have laws prohibiting individuals from placing bets by wire.

Mr. Eugene says that as Canadian citizen whose business is in a foreign country, he isn't subject to U.S. laws, even if his biggest market turns out to be U.S. gamblers. After he starts the real casino, he promises to keep taking play-money bets so that U.S. wiretappers won't be able to tell which players are actually gambling.

I. Nelson Rose, a gambling law expert and law professor at Whittier School of Law in Los Angeles, says he gets several calls a week from people investigating the legal status of on-line gambling. He says Mr. Eugene's theory may be right: ''If you are a foreign national sitting in a foreign country, there's a question whether the U.S. law would apply to you.'' He adds that ''there may be a way to do it on an Indian reservation'' as well.

Mr. Eugene styles himself as the Bugsy Siegel of cyberspace, harking back to the mobster who helped build Las Vegas into a gambling mecca. And his Electronic Casino is like the early Las Vegas casinos—a big flashy sign fronting a tiny drab facility. The casino's main screen, known as a home page in Internet parlance, is an enticing graphic display of a pirate chest full of booty. For now, only the blackjack game is operating.

Mr. Eugene says he is negotiating with an accounting firm to certify the legitimacy of his games and his bankroll. He says he has a $1.5 million line of credit with a bank in St. Maarten, a Dutch island in the Caribbean, but he declines to name the bank. Mr. Eugene adds that casino authorities in St. Maarten ''have the right to review our books. It's a new area. They said 'until you violate it. we like you. We trust you.' ''

If nothing else, Mr. Eugene's Internet Casino plan shows how easily small operators can establish themselves in cyberspace. After he issued a news release in March, he received publicity from newspapers and TV stations in the U.S., England and Canada. ''I became a multinational overnight,'' he says. Already, he adds, some 2,000 people have preregistered their interest in gambling at the Internet Casino.

Mr. Eugene says players will be able to wire funds to individual offshore bank accounts that the casino will establish or send cash through such companies as First Virtual Holdings Inc., of Arlington, Va., one of several companies trying to set up a secure payment system for the Internet.

First Virtual lets people establish credit-card accounts and use personal code numbers to perform transactions that are confirmed by messages back and forth to the owner's computer. One advantage of First Virtual is that it permits very small transactions, so Internet Casino will be able to operate even nickel slot machines. ''Internet gambling is a very important, very interesting experiment,'' says Thomas Feegel, vice president, marketing, at First Virtual.●

ON THE GOVERNMENT SHUTDOWN

● Ms. MIKULSKI. Mr. President, I rise today to express my deep concerns about the brinkmanship that has brought us to a government shutdown.

I think it is absolutely crucial that we keep our faith with Federal employees. Using them as pawns in a political game by sending them home without pay is the ultimate breach of the Government's faith with these hard working people. This is the crowning achievement in the Republicans' relentless string of attacks on Federal employees. The motto of these attacks has been promises made, promises broken.

Well, Mr. President, my motto is that promises made should be promises kept. That is why Senator SARBANES and I have introduced legislation to protect Federal employee pay and benefits during a government shutdown. Our legislation will ensure that Federal employees in Maryland and across the Nation will be able to make their mortgage payments, put food on the table, and provide for their families.

A shutdown of the Federal Government, no matter how short, would disrupt the lives of thousands of Federal employees and their families. In my state of Maryland alone, there are more than 280,000 Federal employees. Sending them home would cost Maryland millions of dollars per day.

And let us take a close look at who we are talking about sending home. We are talking about some of the most dedicated and hardest working people in out Nation. Federal employees have devoted their careers and lives to public service, and they help make America a better and safer place. They are the people that keep our Social Security system up and running; do the essential research on disease at the National Institutes of Health; and help ensure public health and safety. They are the people that keep Maryland and America on time with public transportation.

Whenever the subject of deficit reduction comes up, the first people to take a hit are Federal employees. Over the last several years they have been the target of unending attacks. Downsizing, RIF's, diet COLA's, and the threat of furloughs have damaged morale at nearly every Federal agency.

At the same time, employees have been asked to do more with less. I am proud to say that they have accepted this challenge with extraordinary dedication. It is easy to see the results. Just look at the excellent work that is being done at any Federal agency in Maryland. The crucial advancements in science at Goddard Space Flight Center and the incredible research on disease at the National Institutes of Health are two examples.

I do not want to go back to these dedicated Federal employees and tell them ''While you people at Goddard do the research that will bring us into the 21st century, and while you people at NIH launch your assault on deadly diseases, we are going to launch our own assault on your jobs, your pensions and your benefits.''

These assaults must stop. We cannot continue to denigrate and downgrade Federal employees and at the same time expect government to work better. We cannot shut down the Government and then expect the same high level of dedication from Federal employees that we have now.

Our Federal employees have a contract with their Government. I urge my colleagues to work to ensure that this contract is honored and Federal jobs and benefits are not put in jeopardy.●

HONORING THE BLACK REVOLUTIONARY WAR PATRIOTS

● Ms. MOSELEY-BRAUN. Mr. President, Saturday was Veterans Day, a day we set aside to honor those brave men and women who have risked their lives for our freedom. I want to call your attention to a group of soldiers who are often forgotten in Veterans Day tributes; namely the 5,000 African-Americans who fought in the Revolutionary War. I also want to make you aware of the efforts underway to finally honor these men with a monument on The Mall. Lastly, I want to speak of a family in my State who is working to make this memorial a reality.

Most Americans remain unaware of the black patriots who gave their lives for the freedom they themselves could not fully enjoy. About 20 percent of the soldiers who drove the British from American soil were African-Americans. Few schoolchildren know that the first victim of the Revolutionary War was an African-American, Crispus Attucks, killed in the Boston Massacre in 1770. Peter Salem, James Armisted, Salem Poor, and Prince Whipple, are just a few of the other black men who served, fought and died in our Nation's war for freedom and independence. Valor and fortitude in battle are especially awe-inspiring when one takes into account the hostility and oppression that African-Americans faced from the nation for which they fought. These men have received little recognition of their sacrifice for their country. Indeed, their contributions have been, ''very carefully kept out of sight by orators and toast-drinkers,'' according to poet John Greenleaf Whittier.

We now have an opportunity to honor and salute the men and women whose actions contributed to the birth of our Nation, a nation whose Constitution now embodies the very ideals of freedom these patriots risked their lives for. Only in the 150 years since their deaths has this Nation begun to secure and enforce the truths we holds to be self evident: life, liberty; and the pursuit of happiness, for all Americans. The Nation owes a tremendous debt of gratitude to them for their courage to stand with little or no hope of realizing the fruit of their accomplishments.

In 1986 and again in 1988, Congress passed legislation authorizing construction of a monument to these men. The site selected is on The Mall, just north of the Reflecting Pool. Since no taxpayer funds are being used for this monument, Senator CHAFEE and I introduced the S. 953, the black Revolutionary War patriots commemorative coin bill. The bill proposes the minting of 500,000 commemorative coins, which should raise approximately $5 million for use in financing the monument.

All proceeds over and above the cost of minting the coin will go toward constructions of the monument. This bill is revenue-neutral; it will cost the Federal Government absolutely nothing. The funds are needed to support a monument that will both honor and educate. It will symbolize the struggle of all individuals who have not previously been recognized.

Mr. President, I would now like to speak briefly about some constituents of mine, the Bailey family of Waukegan, IL. Marina Bailey and her three daughters learned about the proposed monument 4 yeas ago, and they have turned a bedroom of their house into an office for their fundraising efforts. They launched a public awareness campaign in support of the memorial and to make the history of the black Revolutionary War patriots more widely known. Jamila Bailey spoke to neighboring schools from the time she was 16 years old. They have constructed and mailed information packets to schools starting in Illinois, then all over the country, asking students to send funds to the Patriots foundation. The Bailey family has been responsible for thousands of dollars raised for this memorial. Marina Bailey said that her dedication to this project is to promote awareness and celebration of our diversity and the contributions we have all made to our Nation. ''We are a quilt,'' she said, ''We are not a sheet. All of us together make up the beauty and diversity of the American people.''

Like the Bailey family, I want this memorial to become a reality. The best way to ensure that is through swift passage of the Black Revolutionary War Patriots Commemorative Coin Act. As citizens who benefit daily from the sacrifices made by those previously unrecognized soldiers, I call upon my colleagues for their cosponsorship and help in expediting the passage of S. 953. The passage of this bill will ensure swift construction of this memorial, so that America may finally bestow honor

on these traditionally overlooked veterans. ●

ADMINISTRATION STUDIES ON WELFARE LEGISLATION

● Mr. MOYNIHAN. Mr. President, on Thursday, November 9, 1995, the Office of Management and Budget released a study requested on October 24 by the Senator from New York and 11 other members of the conference committee on the welfare legislation. The OMB study concludes that the Senate welfare bill would push 1.2 million children into poverty, while the House bill would force 2.1 million children into poverty.

Also on November 9, the Department of Health and Human Services released a separate report containing data on the number of children who would be cut off from welfare benefits as a result of the time limits in both bills. Under the 5-year time limit required by the House welfare bill, 4.3 million children would become ineligible for Federal benefits by the time of full implementation. The Senate bill would cut off 3.3 million children.

Mr. President, I ask that excerpts from both studies be printed in the CONGRESSIONAL RECORD.

The excerpts follow:

TABLE 1.—PRELIMINARY ESTIMATE OF THE NUMBER OF CHILDREN DENIED AFDC DUE TO THE 60 MONTH TIME LIMIT: UNDER THE HOUSE AND SENATE WELFARE BILLS

	Projected number of children on AFDC in 2005 under current law	Number of children denied AFDC under the House bill because the family received AFDC for more than 60 months	Percentage of children denied AFDC because the family received AFDC for more than 60 months	Number of children denied AFDC under the senate bill because the family received AFDC for more than 60 months	Percentage of children denied AFDC because the family received AFDC for more than 60 months
State:					
Alabama	122,000	32,697	28	25,013	21
Alaska	30,000	9,072	32	7,902	26
Arizona	170,000	50,154	31	39,433	23
Arkansas	63,000	17,075	29	14,476	23
California	2,241,000	948,677	45	749,922	33
Colorado	101,000	30,570	32	23,259	23
Connecticut	136,000	46,386	36	32,815	24
Delaware	28,000	8,422	32	6,408	23
District of Columbia	56,000	26,086	49	19,556	35
Florida	605,000	150,149	26	111,926	19
Georgia	348,000	135,319	41	98,377	28
Hawaii	48,000	15,187	33	10,979	23
Idaho	17,000	3,997	25	3,427	20
Illinois	598,000	227,477	40	170,122	28
Indiana	177,000	59,905	36	44,914	25
Iowa	82,000	25,084	32	18,727	23
Kansas	73,000	24,005	35	19,162	26
Kentucky	187,000	52,970	30	38,398	21
Louisiana	235,000	85,702	38	66,900	28
Maine	55,000	21,934	42	16,090	29
Maryland	185,000	72,393	41	54,817	30
Massachusetts	256,000	95,402	39	71,770	28
Michigan	553,000	275,880	52	213,522	39
Minnesota	155,000	55,886	38	41,332	27
Mississippi	153,000	46,807	32	33,399	22
Missouri	218,000	79,099	38	60,813	28
Montana	28,000	7,208	27	5,677	20
Nebraska	39,000	12,461	34	9,029	23
Nevada	30,000	9,378	33	6,889	23
New Hampshire	24,000	7,664	34	5,841	24
New Jersey	302,000	121,217	42	91,373	30
New Mexico	72,000	18,521	27	14,279	20
New York	917,000	339,748	39	261,306	28
North Carolina	281,000	102,353	38	79,410	28
North Dakota	15,000	4,743	33	3,019	20
Ohio	597,000	164,001	29	130,185	22
Oklahoma	111,000	40,752	39	30,866	28
Oregon	97,000	31,974	35	24,385	25
Pennsylvania	517,000	238,855	49	189,759	37
Rhode Island	52,000	19,286	39	16,224	31
South Carolina	135,000	33,390	26	25,488	19
South Dakota	18,000	6,736	39	5,060	28
Tennessee	246,000	73,059	31	53,450	22
Texas	670,000	181,695	29	137,641	21
Utah	45,000	11,616	27	8,838	20
Vermont	22,000	7,565	36	5,561	25
Virginia	166,000	51,987	33	38,050	23
Washington	237,000	82,401	37	62,774	26
West Virginia	93,000	32,898	37	23,230	25
Wisconsin	205,000	54,127	28	40,460	20
Wyoming	14,000	4,266	32	3,115	22
Territories	173,000	44,677	27	33,806	20
Total	12,000,000	4,300,000	38	3,300,000	28

Notes: 1. HHS/ASPE analysis. States may not sum to national total due to rounding. 2. The analysis shows the impact at full implementation. 3. The analysis assumes states fully utilize the hardship exemption from the time limit: 10% in the House and 20% in the Senate.

Source: Department of Health and Human Services.

POTENTIAL POVERTY AND DISTRIBUTIONAL EFFECTS OF WELFARE REFORM BILLS AND BALANCED BUDGET PLANS

(Presented by the Office of Management and Budget, Prepared with the Department of Health and Human Services, the Department of the Treasury, and Other Agencies, November 9, 1995)

TABLE 1.—THE IMPACT OF CONGRESSIONAL PROPOSALS ON POVERTY—USING A COMPREHENSIVE POST-TAX, POST-TRANSFER DEFINITION OF INCOME

[Simulates effects of full implementation in 1993 dollars]

	Effect of 1993 changes		House budget plan		Senate budget plan		Senate Democratic welfare plan [1] (S. 1117)
	Prior law	Current law	Entire plan	Welfare bill	Entire plan	Welfare bill	
Children under 18:							
Number in poverty (millions)	10.8	10.0	12.3	12.1	11.6	11.2	10.1 to 10.5
Change from current law	.....	.....	2.3	2.1	1.7	1.2	0.1 to 0.5

TABLE 1.—THE IMPACT OF CONGRESSIONAL PROPOSALS ON POVERTY—USING A COMPREHENSIVE POST-TAX, POST-TRANSFER DEFINITION OF INCOME—Continued

[Simulates effects of full implementation in 1993 dollars]

	Effect of 1993 changes		House budget plan		Senate budget plan		Senate Democratic welfare plan [1] (S. 1117)
	Prior law	Current law	Entire plan	Welfare bill	Entire plan	Welfare bill	
Poverty rate (percent)	15.5	14.4	17.6	17.4	16.8	16.2	
Change from current law	.....	.....	3.3	3.0	2.4	1.8	
Families with children:							
Number in poverty (millions)	18.3	17.0	20.9	20.6	19.9	19.2	17.2 to 18.0
Change from current law	.....	.....	3.9	3.7	2.9	2.2	0.2 to 1.0
Poverty rate (percent)	12.6	11.7	14.4	14.3	13.8	13.3	
Change from current law	.....	.....	2.7	2.5	2.0	1.5	
Poverty gap (billions)	17.6	16.2	24.8	24.3	21.5	20.6	
Change from current law	.....	.....	8.6	8.1	5.3	4.4	
All persons:							
Number in poverty (millions)	29.5	28.1	32.6	32.1	31.6	30.7	28.3 to 29.3
Change from current law	.....	.....	4.5	4.0	3.5	2.6	0.2 to 1.2
Poverty rate (percent)	11.3	10.8	12.6	12.4	12.2	11.8	
Change from current law	.....	.....	1.7	1.6	1.3	1.0	
Poverty gap (billions)	48.6	46.8	57.4	56.2	54.0	52.3	
Change from current law	.....	.....	10.6	9.3	7.2	5.5	

[1] These estimates of the Senate Democratic bill are preliminary. The Senate Democratic welfare reform bill is being modeled, but results are not ready yet. The poverty effects are much smaller than that of the bills that were passed because it ensures States have adequate funding for work programs and child care, ensures that children can receive vouchers for housing and other needs after their parents reach the time limit for receiving cash assistance, ensures States have adequate funding for benefits regardless of the economy; and has much smaller cuts in SSI and food programs.

Notes.—The Census Bureau publishes a family of poverty statistics using alternative definitions of income. The definition of income displayed here includes the effect of taxes (including EITC). Food Stamps, housing programs, and school meal programs. Changes in government-provided health coverage are not included, not are there any adjustments for medical costs. Numbers may not add due to rounding.

Source.—HHS's microsimulation model, based on data from the March 1994 Current Population Survey.

TABLE 2.—THE IMPACT OF CONGRESSIONAL PROPOSALS ON POVERTY—UNDER THE PRE-TAX MONEY INCOME DEFINITION USED FOR OFFICIAL POVERTY STATISTICS

[Simulates effects of full implementation in 1993 dollars]

	Effect of 1993 changes		House budget plan		Senate budget plan		Senate Democratic welfare plan [1] (S 1117)
	Prior law	Current law	Entire plan	Welfare bill	Entire plan	Welfare bill	
Children under 18:							
Number in poverty (millions)	15.5	15.5	16.0	16.0	15.8	15.8	15.3 to 15.7
Change from current law	.....	.....	0.5	0.5	0.3	0.3	−0.2 to 0.2
Poverty rate (percent)	22.3	22.3	23.1	23.1	22.8	22.8	
Change from current law	.....	.....	0.7	0.7	0.5	0.4	
Families with children:							
Number in poverty (millions)	26.5	26.5	27.5	27.5	27.2	27.2	26.1 to 26.9
Change from current law	.....	.....	1.0	1.0	0.7	0.6	−0.4 to 0.4
Poverty rate (percent)	18.3	18.3	19.0	19.0	18.8	18.8	
Change from current law	.....	.....	0.7	0.7	0.5	0.4	
Poverty gap (billions)	41.6	41.6	50.6	50.6	47.0	46.9	
Change from current law	.....	.....	9.0	9.0	5.4	5.3	
All persons:							
Number in poverty (millions)	38.8	38.8	39.9	39.9	39.6	39.6	38.4 to 39.4
Change from current law	.....	.....	1.1	1.1	0.9	0.8	−0.4 to 0.6
Poverty rate (percent)	14.9	14.9	15.4	15.4	15.3	15.2	
Change from current law	.....	.....	0.4	04.	0.3	0.3	
Poverty gap (billions)	76.3	76.3	85.9	85.9	82.9	82.5	
Change from current law	.....	.....	9.6	9.6	6.6	6.2	

[1] These estimates of the Senate Democratic bill are preliminary. The Senate Democratic welfare reform bill is being modeled, but results are not ready yet. The poverty effects are much smaller than that of the bills that were passed because it ensures States have adequate funding for work programs and child care; ensures that children can receive vouchers for housing and other needs after their parents reach the time limit for receiving cash assistance; ensures States have adequate funding for benefits regardless of the economy; and has much smaller cuts in SSI and food programs.

Notes.—The definition used for official poverty statistics counts all cash income, but excludes the effect of taxes (and EITC). Food Stamps, housing programs, and other near-cash government assistance programs. Numbers may not add due to rounding.

Sources.—HHS's microsimulation model, based on data from the March 1994 Current Population Survey.●

ORDER OF PROCEDURE

Mr. WARNER. Now, Mr. President, I ask unanimous consent the Senate now stand in recess subject to the call of the Chair.

Mr. REID. I object.

Mrs. BOXER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WARNER. I now move the Senate stand in recess until the hour of 10 o'clock.

Mrs. BOXER. I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. FORD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll to ascertain the presence of a quorum.

The bill 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. I would ask the yeas and nays be vitiated.

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

Mr. DOLE. And the pending motion be withdrawn.

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

RECESS

Mr. DOLE. Mr. President, let me indicate that at 10 o'clock the Democratic leader, Republican leader in the Senate, and our counterparts in the House, the Speaker and I assume the majority leader and the minority leader, will go to the White House to meet with the President to see if there is something we can do yet this evening to work out a continuing resolution.

If we are going to do that, we ought to be doing it in good faith and not be engaged in a brawl up here on the Senate floor. I therefore would hope that we could recess until the hour of 11 p.m., if that is satisfactory with the distinguished Democratic leader.

Mr. DASCHLE. If the majority leader will yield, that is satisfactory. I think we need to come back and share with our colleagues whatever it is that may have occurred at the meeting, and so I think at least the two leaders will be coming back. But at that time we can make a decision about further action.

Mr. DOLE. So I ask unanimous consent we stand in recess until 11 p.m.

There being no objection, the Senate, at 9:10 p.m., recessed until 11 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. JEFFORDS).

APPOINTMENT BY THE DEMOCRATIC LEADER

The PRESIDING OFFICER. The Chair, on behalf of the Democratic leader, pursuant to Public Law 103–322, announces the appointment of Gilbert L. Gallegos, of New Mexico, to the National Commission to Support Law Enforcement.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, the leaders of the U.S. Senate, the majority leader and Democratic leader, are still at the White House with the President. Let us hope that is a good sign. And, therefore, 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. WARNER. 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. WARNER. Mr. President, we have contacted the White House. I am to report that the meeting is still in progress with the President. Accordingly, the Senate will remain in session 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. 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.

ORDERS FOR TUESDAY, NOVEMBER 14, 1995

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon, Tuesday, November 14; 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 and the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and then there be a period for the transaction of morning business until the hour of 12:30 p.m. with Senators permitted to speak for up to 5 minutes each.

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

Mr. DOLE. I further ask unanimous consent that the Senate stand in recess from the hours of 12:30 to 2:15 for the weekly policy conferences to meet.

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

Mr. DOLE. Mr. President, while awaiting the arrival of the Democratic leader, in the meantime, 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. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

DISCUSSIONS AT THE WHITE HOUSE

Mr. DASCHLE. Mr. President, we just completed our discussions down at the White House. And I think it was a very frank exchange. I must say that I had hoped we might be able to make more progress and come to some resolution to allow the Government to function in order tomorrow, but that is not going to be possible. We agreed to meet again tomorrow to continue our discussions and negotiations.

I think it was a very candid exchange. We now have a better understanding where both sides are on many of these issues. But we are a long way from any resolution. I think the President made it very clear that Medicare was not something that we can agree to, under any circumstances, with regard to the continuing resolution. And I think the discussions had a good deal to do with the way with which we might achieve a balanced budget, the timeframe within which that budget could be achieved, hopefully some understanding about how we might begin serious negotiations in achieving a balanced budget by a date certain.

So, I look forward to the negotiations tomorrow. I look forward to working with the majority leader to try to resolve the schedule for the balance of the week as we continue our work downtown. I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I think the Democratic leader, Senator DASCHLE, accurately reflected the meeting. It was a frank discussion. I, too, regret we could not come to some agreement tonight so we could rush through a 1-day or a 2-day CR, but I think it would not have been possible.

The first meeting tomorrow will be with the chairmen and ranking members of the Budget Committees in the House and the Senate, with the Chief of Staff, Leon Panetta, and I think also Alice Rivlin, the Budget Director—I am not certain—Senator EXON and Senator DOMENICI on this side. And that will be followed, hopefully, by a meeting with the principals who were there this evening—myself and Senator DASCHLE on this side.

Obviously, we have had these problems before with CR's and debt ceilings, and we have had the Government shut down for short periods in the past. I hope this will be a very short period. I am not an advocate of shutting down the Government. I just hope that by tomorrow afternoon or tomorrow evening, we will be able to say that we have reached some agreement and that we can pass a continuing resolution and maybe a debt ceiling. I am not certain we can do both tomorrow.

I think it is fair to say we talked not only about the continuing resolution, we talked about the debt ceiling, we talked about reconciliation, some discussion of how we proceed, whether you go through a veto process first with reconciliation, whether you start negotiations now on the budget package.

I think the President's concern primarily, and our concern, is keeping the Government going while we are negotiating some of these very important issues. Balanced budget is very important—very important—on this side of the aisle. I am sure it is important on the other side of the aisle. It is particularly important to many Members on the House side where it is very difficult—some of us have served in the House—to pass a debt ceiling and pass a continuing resolution, and there are some things added to it. I do not care if we have a Republican or Democrat in the White House and Republicans control the Congress or Democrats, continuing resolutions and debt ceilings have always been vehicles for extraneous amendments. That is how the famous Boland amendment was adopted on a continuing resolution or debt extension. We have had all 13 appropriations bills put on continuing resolutions. So it is not unprecedented.

But notwithstanding, I still hope we can come together very quickly tomorrow, if possible, and be able to tell everybody in Government this will be a 1-day affair. It may not happen. But at least I think we made some progress this evening, and I thank Senator DASCHLE and the others who attended the meeting.

ADJOURNMENT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 12:12 a.m., adjourned until Tuesday, November 14, 1995, at 12 noon.