

The stock market is not something I profess to understand. But when it drops precipitously, I start saying, well, what could possibly be the reason? I think most people would say they are worried now, that this is troublesome news.

It is described as a recess. But is it really a recess or is it the beginning of the end of the budget negotiations? And they are beginning to say, well, after weeks, months of believing and acting on the assumption that we were going to get a balanced budget agreement, and in fact tax cuts for individuals that deserve it—it is, after all, the people's money that we are talking about allowing them to keep.

The idea now that these talks have taken at least a break is troublesome. They are worried that we will not get these commitments agreed to that we worked on all year long. So I think we should be very conscious of that. I hope we will see a return to the negotiations, that the President will move toward the majority's position in Congress.

I think we have been very responsible in the positions we have taken. In fact, we have offered not one, not two, not three, but four budgets in effect, three since the one that passed the Congress. So there has been a significant shift to try to get the job done, but to do it in such a way that a bipartisan Congress could support it.

I hope that they will get back together and there will be additional improvements in trying to control the Washington growth that we are battling against. And failing in that, certainly we will look to the appropriation process to keep the Government operating, but to control spending as much as we can through that process.

THE PRESIDENT'S VETO OF THE WELFARE REFORM BILL

Mr. LOTT. I want to say also in closing, Mr. President, that I, too, am very much concerned that the President vetoed the welfare reform package. After talking a great deal about how we were going to end welfare as we have known it, we have, in fact, not done it. He did veto the bill last night. There has been suggestions that there are major problems with this bill. But the Congress did add back some \$10 billion from where the House position was to try to get a bill that the President could sign. It does have genuine reform.

There is complaint in effect from the minority leader that we are giving States more authority. That has been one of our goals, to give more flexibility to the States. As a matter of fact, States have been getting waivers to have this flexibility.

So we need to get work back into welfare. We need genuine welfare reform. The President has vetoed this bill. I think it is a big mistake. But I think it is incumbent upon Congress that we immediately get back together to try to come up with a welfare re-

form that in fact saves money, that does not spend more money, and that does retain the work requirements that we have been committed to throughout the year.

I believe my time has expired. I yield the floor at this time, Mr. President.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The minority whip is recognized.

THE PRESIDENT'S VETO OF THE WELFARE REFORM BILL

Mr. FORD. Mr. President, I agree with my friend from Mississippi that the recess probably will be important where we can, as the President said, take a deep breath, step back, and look at where we are.

Mr. President, we talk about the veto by the President of the United States of the welfare reform bill. Well, I think the Democratic leader said very emphatically today that the 25-percent maintenance level where the Senate had voted 80 percent maintenance level by the State was an important factor that was changed.

The President said when we passed the bill on welfare reform in the Senate that he would sign that bill. Well, I have been around here a few years and usually when you cannot get together and you find something that can be signed and you are not too far apart, then I think we can come back to the table and work it out.

Instead of putting all the blame on one place—the Democrats in the House, the Democrats in the Senate, the Republicans in the Senate, are all in favor of one item; and we wind up that there is a group in the House that will not let us move forward. So I think that becomes the stumbling block.

Even in the House an amendment was put on one of the bills where you were sending the block grants back to the States that none of this money could be used by the States to build roads. That gives you some idea. I happened to have been a Governor when we got an avalanche of money. President Nixon pigeonholed the money after we overrode his veto. Then they went to court, and the court released 2 years of appropriations. We were the beneficiary of that.

I understand Federal money coming into States. I understand the matching money. I understand what the States can or cannot do. I also understand the pressure on a Governor in a State by his constituents and what they would like to have him do.

We talk about big interstate highways. We call it, down in the States, get-to-it roads. The interstates are fine, but if you cannot get to it, then you cannot ride on it. So they want us to build get-to-it roads. And so therefore there will be pressure to use this money to build get-to-it roads.

THE PRESIDENT AND THE DEMOCRATS WANT A BALANCED BUDGET

Mr. FORD. Mr. President, let me just make two points. I think we have maybe a couple minutes left. Two points. One, for the last 3 years the deficit, under President Clinton, has been reduced by 50 percent. There will be fewer Federal employees, 272,000 under that proposal that was passed and signed in 1993. And today, we have about 200,000 fewer employees than there were 3 years ago.

There is no question to what the President and the Democrats have agreed to, that we want a balanced budget and, two, that it would be in 7 years and, three, it would be certified by CBO.

The President has laid two budgets on the table, one, balance the budget in 7 years, as certified by CBO. Last evening, the second was put on the table to balance the budget, approved by CBO. The only difference here now is whether we give a huge tax cut or not.

My friend from Mississippi says that they have cut it to a \$177 billion tax cut. My figures are, when you put it together, that it is \$203 billion they are still holding on to and clinging to, which would be the tax cut they want to put in. If you look at the coalition in the House, they do not want to give any tax cut. It is zero. We hear a lot about the Blue Dogs in the House. Their tax cut is zero. The bipartisan group's over here is somewhat higher. But there is \$87 billion that the President has agreed to in tax cuts and \$203 billion that the Republicans want in tax cuts. We feel like this is not the time to give the huge tax cuts, and that we ought to try to be compassionate and take care of the elderly. We do not need to cut Medicare or increase the premium on part B of Medicare. We do not need to increase the deductible on part B in order to give the tax break.

Mr. President, the budget is not balanced under the Republican balanced budget because if you look on page three of the reconciliation bill, it is \$108.4 billion of money used from Social Security. I put into the RECORD last week two things—one statutory and the other in the law—relating to Social Security. You cannot use that money other than what it is collected for.

So we have a lot to work on. But the work is only between \$87 billion and \$203 billion, and where you cut more or less and who gets the tax break. The hour of 1:50 has arrived.

I yield the floor.

Mr. LOTT. Mr. President, we have no further requests for time. All time has expired under the agreement. We have some unanimous-consent requests, and I believe the majority leader may want to come to the floor and do that.

At this point, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.