

do long term to protect Social Security.

One relatively simple method of butressing that fund and also putting the Federal Government in better financial shape is to follow the advice of former Massachusetts Gov. Michael Dukakis.

He had an op-ed piece recently in the Los Angeles Times that really makes sense, which I ask to be printed in the RECORD after my remarks.

The difficulty rests with our system of campaign financing. Those who benefit by the present system of not taxing incomes above \$62,700 are the big contributors to our campaigns. Even if you do not buy the idea of lowering the Social Security tax, revising the exemption certainly makes our tax system a much more just system.

Mike Dukakis is right.

The article follows:

[From the Los Angeles Times, March 15, 1996]

A FAIR FLAT TAX TO RALLY BEHIND  
(By Michael Dukakis)

Steve Forbes hoped to ride into the White House on a flat income tax with a low-earner exemption. He apparently had a lot of company, at least on the Republican side of the street.

Of course, when you look at it closely, the flat tax is nothing more than another attempt to give a huge tax break to wealthy taxpayers like Forbes. But it sounded good at least when he first proposed it, and it transformed him, at least temporarily, into a serious challenger for the Republican nomination.

Suppose, however, that a candidate for the presidency ran on a plan for a flat tax with a high-earner exemption. We'd think he was out of his mind.

Yet that's exactly how the Social Security tax works. We pay a flat tax of 6.2% on every dollar we make, up to \$62,700. All wages above that are tax exempt.

The high-earner exemption is as regressive as it sounds. And it's taking a huge chunk out of the wages of average working Americans. A worker making \$60,000 a year pays eight times the rate paid by someone pulling in a half-million a year and 80 times the rate paid by someone making 5 million a year. To put it another way: A \$60,000 earner pays 6.2% on all her earnings; a \$500,000 earner pays the 6.2% on the first \$62,700, which is 0.78% of all his earnings, and the earner of \$5 million pays the same, which is 0.078% of his earnings.

It's bad enough that working middle class Americans are feeling less and less secure. For those lucky enough to still have a job in these days of massive corporate downsizing, the Social Security tax is the unkindest cut of all.

In fact, more than half the people in this country pay more in Social Security taxes than they do in income taxes. And you can bet they aren't among the wealthiest 20% to whom virtually all income growth has gone since 1980.

What can we do about it? It's a simple as it is common sense. Get rid of the high-earner exemption, cut the Social Security tax rate and apply it to all earned income—just what the flat-taxers say they want to do to the income tax.

If we made this one move, the Social Security flat tax rate would decrease by 12%. Everyone's earnings less than \$82,000—that's more than 97% of American workers—would get a tax break. It wouldn't increase the federal deficit one dime. But it would eliminate

the necessity for the kind of tax cut that budget negotiators are wrestling with, which would add billions to the deficit.

Lower taxes for the overwhelming majority of working Americans. Heightened fairness. A fiscally responsible tax cut for the middle class. These are the goals that all fair-minded Republicans and Democrats should be able to support.

Of course, people like Steve Forbes would have to pay the same rate as the rest of us. But wasn't that the principle behind the flat tax in the first place?•

#### TERM LIMITS

• Mr. MURKOWSKI. Mr. President, yesterday the Senate failed to invoke cloture on the resolution that would have allowed the States to decide whether the Constitution should be amended to impose term limits on Congress. I supported invoking cloture and I want to express my disappointment that we were not able to limit debate on this important issue.

Mr. President, in 1994, 63 percent of Alaskans who voted cast their ballot in favor of congressional term limits. I want to explain why I support the resolution and also cite some reservations I have concerning this idea.

As a majority of Alaskan voters believe, term limits may indeed provide for the infusion of fresh ideas and new perspectives through the Halls of Congress. Term limits may also make Congress more responsive to its constituents; decrease the possibility of corruption that some see as stemming from longevity in office; and enhance the role of merit, rather than seniority, in the distribution of power.

However, term limits unquestionably restrict the ability of voters to vote for whom they wish, thereby indiscriminately terminating the public service work of both good legislators and bad legislators, alike.

Term limits would remove many of the most competent and experienced Members from office prematurely, thereby destroying the so-called institutional memory. The only individuals who would retain an institutional memory would be professional staff. Term limits may very well enhance their ability to shape legislation and become entrenched as the permanent bureaucracy of Capitol Hill.

Similarly, the professional lobbyists in Washington may also find their influence with Members of Congress improved, as they are far more familiar with the details of issues affecting their industries than new Members of Congress.

Finally, I would note that term limits could well diminish the influence of Senators and Congressmen from States with small populations, such as Alaska. I am especially concerned that term limits in the House will increase the power of States like California, Texas, and New York, which have delegations as large as 52 Members as opposed to States such as Alaska and Wyoming, each of which only has one Representative.

Despite my reservations, Mr. President, the people of Alaska have clearly indicated their preference for term limits and I abide by that decision. I would support the constitutional term limit amendment because it would establish a uniform term-limit rule which would apply to all 50 States.

Uniformity among States is imperative not only because the Supreme Court has ruled that individual States cannot constitutionally limit mandated uniformity, but also because States with term limits would be placed at a serious disadvantage in the Congress with States that do not limit Members' terms.

A uniform term-limit amendment would place all 50 States on equal footing in representing constituents in Congress and that is why I support such an amendment. I will therefore vote in favor of the constitutional amendment approach to term limits to ensure that Alaskans are guaranteed equal representation in the Congress.

I hope the majority leader will be able to bring this measure back before the Senate this year so that we can bring this issue to a final vote.●

#### TRIBUTE TO RON VAN DE HEY

• Mr. KOHL. Mr. President, today I would like to honor Ronald Van De Hey for his outstanding service to Outagamie County and the entire Fox Valley area as he resigns from his position as county executive. Ron started his career in public service as a school board member in 1972. In 1982 he was elected mayor of Kaukauna, where he served for 9 years. His experience as mayor made him an excellent choice for the position of Outagamie County executive, where he has served with distinction since 1991.

Ronald Van De Hey has always had a strong commitment to the people of his community. He was active not only in his elected positions but as a member of charitable and professional organizations as well. Foremost in Ron's mind was always the desire to improve the lives of his fellow citizens.

His colleagues will remember his diplomatic manner. His ability to work with people on all sides of an issue and achieve a compromise everyone can feel good about will be sorely missed. While Ron was flexible, he also knew when to stick to his guns and rely on the strength of his convictions. In the role of the executive he was willing to make the tough decisions, even when it was not the popular thing to do.

Ronald Van De Hey is an excellent illustration of the quality people who serve in local government. He has set an example of public service, not only for other county officials, but for everyone who holds elected office at the local, State or Federal level.

I wish him all the best in his future endeavors. I am sure he will continue to be a valuable asset to the Fox Valley area.●