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# Senate

The Senate met at 11 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by Rev. Msgr. Michael J. Long, of St. Agnes Parish, Sellersville, PA. He is a guest of Senator SANTORUM of Pennsylvania.

PRAYER

The guest Chaplain, Rev. Msgr. Michael J. Long, of St. Agnes Parish, offered the following prayer:

All powerful and ever-living God, in You we live and move and have our being. We ask You to look with favor on the Members of this Senate. Give them wisdom, strength, and vision in their deliberations. We humbly admit that we cannot discharge our duties without Your supernatural help. Our own natural abilities, unaided by Your assistance, are inadequate as we struggle to bring peace and justice throughout our beloved country and our world. You are the source of all the good that is in each one of us. Give us the insight and inspiration to meet the challenges that we face.

O God, Maker and Lover of peace, to know You is to live, to serve You is to reign. All our faith is in Your saving help. We offer this day to praise and glorify You in all we say and do. Amen.

The PRESIDENT pro tempore. The able Senator from Pennsylvania [Mr. SANTORUM].

## WELCOMING REV. MSGR. MICHAEL J. LONG

Mr. SANTORUM. Mr. President, I join you in welcoming a constituent of mine and a great minister to the people of Pennsylvania in Sellersville and throughout the Philadelphia diocese, Monsignor Long. I welcome him here today to the U.S. Senate and thank him for his outstanding service, now 43 years, to the diocese of Philadelphia and 14 years at St. Agnes Parish in Sellersville.

I appreciate, also, your moving and wonderful prayer. Thank you, and enjoy the day here in the U.S. Senate.

## RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader of the U.S. Senate, Mr. LOTT, is recognized.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will be immediately resuming consideration of Senate Joint Resolution 1, the constitutional amendment requiring a balanced budget. By unanimous consent, Senator Graham of Florida will be recognized to debate his amendment. Following 90 minutes of debate on Senator GRAHAM's amendment, a vote will occur on or in relation to the Graham amendment at approximately 12:30 p.m.

Following that vote, Senator FEINGOLD will be recognized to debate on one of his amendments, and we will continue debate on several pending amendments with those votes stacked this afternoon. I do not believe we have an exact time agreed to yet when that will occur. We will notify the Members, when we have the 12:30 vote, when the next vote will actually occur.

Following those stacked votes, we will turn to Senator BUMPERS' amendment, with additional rollcall votes expected during today's session. We will also, hopefully, get a final agreement on all the amendments that may be offered, and then we will be able to give the Members some information about what to expect, if anything, on Friday and also on Monday.

Even though we had some disappointment yesterday with one of the Senators who indicated he would be voting for this amendment last year and now has indicated he will not, I encourage my colleagues to remember the vote has not been taken yet, and I still am hopeful that we are going to find a way to have the number of votes, the 67, that is required to pass this constitutional amendment for a balanced budget. We are still working on it, and I am looking forward to working with my colleagues on both sides of the aisle in this effort.

I thank the Senator from Florida. We will be look forward to hearing his comments on this amendment.

I yield the floor.

## PRIVILEGE OF THE FLOOR—SENATE JOINT RESOLUTION 1

The PRESIDENT pro tempore. The distinguished Senator from Florida.

Mr. GRAHAM. Mr. President, I ask unanimous consent Ms. Barbara Ramey, a fellow working in my office, and Mr. David Hawkins, an intern, be permitted the privilege of the floor during debate this morning on the amendment which I offered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRAHAM. I thank the Chair.

## BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDENT pro tempore. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate resumed consideration of the joint resolution.

Pending:

Hollings-Specter-Bryan amendment No. 9, to add a provision proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

Leahy (for Kennedy) amendment No. 10, to provide that only Congress shall have authority to enforce the provisions of the balanced budget constitutional amendment, unless Congress passes legislation specifically granting enforcement authority to the President or State or Federal courts.

Graham-Robb amendment No. 7, to strike the limitation on debt held by the public.

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



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Bumpers motion to refer the joint resolution to the Committee on the Budget with instructions to report back forthwith with Bumpers-Feingold amendment No. 12, in the nature of a substitute.

Feingold amendment No. 13, to require approval of the amendment to the Constitution within 3 years after the date of its submission to the States for ratification.

Feingold amendment No. 14, to permit the use of an accumulated surplus to balance the budget during any fiscal year.

Conrad (for Rockefeller) amendment No. 18, to establish that Medicare outlays shall not be reduced in excess of the amount necessary to preserve the solvency of the Medicare Health Insurance Trust Fund.

AMENDMENT NO. 7

The PRESIDING OFFICER (Mr. HUTCHINSON). The clerk will report the pending amendment.

The assistant legislative clerk read as follows:

An amendment (No. 7), previously proposed by the Senator from Florida [Mr. GRAHAM] for himself and Mr. ROBB:

On page 2, line 17, strike ''held by the public''.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. On this amendment, there are 90 minutes equally divided. The Senator from Florida.

Mr. GRAHAM. Mr. President, I am an original cosponsor of the balanced budget amendment. I support the amendment. It is an important measure, both to maintain the momentum toward a balanced budget and to assure that, once we have reached a point of balance, we will stay there. For far too long, our Nation has been living on borrowed money, the credit cards of our children and our grandchildren. Our children and grandchildren deserve better. They deserve to inherit a nation whose fiscal house is in order.

Today, every child in America is saddled with a debt at birth of more than $20,000. That debt is growing. I believe strongly that the long-term economic future of our country is in jeopardy. It is in jeopardy unless we are able to arrest this mountain of annual deficits and the cumulative national debt. Arresting this increase is the only way to assure fiscal restraint over the future decades.

This administration deserves a great deal of credit. When President Clinton came into office, he was faced with the largest annual deficit in the history of America, $290 billion. Over the past 4 years, that deficit has been reduced to $107 billion—a very significant accomplishment. However, a balanced budget amendment to the Constitution can guarantee that future Presidents and future Congresses cannot repeat the mistakes of recent history. We cannot do as we have done in the last 20 years, add $4.5 trillion to our national debt.

I believe, therefore, that in its current form, the balanced budget amendment is clearly superior to the alternative, which is the status quo that has served us so poorly over the last two decades.

That said, I want to point out that the balanced budget amendment as it is currently written is, in my judgment, flawed. Section 2 of the balanced budget amendment—and I ask my colleagues who are here today, and those who might be watching on television, if they would take this opportunity to read section 2—section 2 purports to control the limit on debt held by the public. But I believe that the complex policy implications of this section make it one of the least understood provisions of this constitutional amendment. Without a doubt, section 2 is the key to ensuring the enforcement of the balanced budget amendment. It has been referred to as the safety lock of the balanced budget amendment. But it simply does not go far enough to control the growth of the Federal debt, and it denies us some important policy objectives which could be accomplished by the adoption of the amendment which I offer.

I would like to first read the precise language of section 2. Section 2 states:

The limit of debt held by the public shall not be increased unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

That is, verbatim, the language of section 2. My amendment would strike four words from section 2. Those words are ''held by the public,'' therefore, leaving the amendment as originally written except ''the limit of debt shall not be increased unless three-fifths of the whole number.

These four words constitute less than a sentence within the balanced budget amendment. They carry with them a number of important policy implications.

Under the proposed amendment, three-fifths of the whole number of each House would be needed to raise the debt ceiling as it relates only—and I emphasize only—to that debt held by the public, not to the total Federal debt.

This provision will assist in enforcing the balanced budget amendment by creating a voting requirement of 40 percent plus 1 to increase the debt. Simply that 41 Senators will refuse to go along with the proposal to raise the debt held by the public should serve as a powerful enforcement mechanism, but it does not go far enough to halt the growth of the Federal debt.

Mr. President, let me provide a little background regarding the distinction between debt held by the public, the language that is currently in section 2, and the total national debt, which would be the application of section 2 if my amendment were adopted.

The total national debt, sometimes referred to as debt subject to limit, is divided into two categories: debt held by the public and debt that the Government owes itself.

On this chart, the blue section is that portion of our national debt which is held by the public. Today, it is approximately $3.9 trillion. Debt held by the public is that debt which is issued to individuals, corporations, State or local government, the Federal Reserve System, foreign governments, and central banks. All of that constitutes debt held by the public which today represents $3.9 trillion.

Debt the Government owes to itself is the total of all trust fund surpluses, including those of Social Security, Medicare, and Federal retirement programs. Under current law, surpluses in these trust funds must be invested in Federal Government securities. Social Security is the largest of these, currently accounting for $638 billion of trust fund balances.

Mr. President, the red component of this chart represents the amount of the total Federal debt which is owed to the Social Security trust fund. Today, it is $638 billion. The green represents the borrowing of the Federal Government from all other Federal trust funds. That number has been, over time, approximately $900 billion. And I have depicted it on this chart, for purposes of display, as a consistent $900 billion.

The total of the Federal Government debt that is not held by the public—that is, that debt which would not be subject to constraint under this amendment—is currently $1.6 trillion.

The Congressional Budget Office projects that the total Federal debt, all debt owed by the Federal Government, will be $5.4 trillion at the end of this fiscal year.

I am not surprised that there is some confusion about this arcane subject of the allocation of the total Federal debt among various categories. That confusion has permeated the committee that reported this bill, it has permeated Members of the executive branch and the media. Let me just cite some examples of that misunderstanding.

Mr. President, on our desks, each Senator has a copy of the report of the Judiciary Committee when it recommended favorably the adoption of the balanced budget amendment. Let me quote from the committee report on page 20. It states:

To run a deficit, the Federal Government must borrow funds to cover its obligations. Section 2 removes the borrowing power from the Government, unless three-fifths of the total membership of both Houses vote to raise the debt limit.

Wrong. This statement is inaccurate, because section 2 does not limit the Government's ability to borrow. In fact, as this chart indicates, under current law and the requirement that the Federal Government borrow all of the surpluses that are available from these trust funds, by the midpoint of the second decade of the 21st century, the Federal Government will have an indebtedness of $8.5 trillion, and everything above the blue line can be encumbered by a majority vote of the Congress, without the protection of the three-fifths vote. This is not speculation, this is ordained by the laws that we have passed and the absence of a three-fifths vote for all of the debt above the blue line. The Government will borrow almost $2 trillion of additional indebtedness between the year 2002 and 2019.

But it is not just our own Judiciary Committee that misunderstands the application of section 2. The Secretary of the Treasury, Robert Rubin, blurred the distinction in an opinion column he wrote in the Washington Post on February 2 of this year, where he said:

> Finally, as we saw in 1995 and 1996, the history of debt limit shows that raising the statutory debt limit is never an easy process. Yet, right now it is possible to raise the debt limit with a simple majority vote in both Houses. By requiring a three-fifths supermajority vote, the amendment would make it far more difficult.

Again, the Secretary fails to point out the distinction that the three-fifths vote only applies to that portion of the debt which is held by the public, not to that growing portion of debt which is going to be represented by borrowings from the surpluses of the Federal trust funds, especially that enormous trust fund of Social Security.

Even more, the news media has led the American people to believe that this amendment will provide a safety lock on all future borrowings. The February 21, 1997, edition of the Washington Post, for example, indicated that ''a three-fifths majority of both Houses would be required to waive the requirement and to raise the national debt limit.''

Wrong. The only three-fifths requirement would be to that dwindling portion of the national debt which is represented by that which we borrow from the general public and would not apply to the indebtedness which we borrow, essentially, from ourselves through the Federal surpluses in trust funds.

Mr. President, I believe that we should deliver to the American people what the American people expect. They expect an amendment that would provide for control on the total national debt. That is what we have led them to believe we are considering.

Probably one of the most commonly used examples of our runaway national debt is the debt clock. It is not on the floor today, but it was in the Judiciary Committee on the day that I testified in favor of the balanced budget amendment.

What are the numbers on that clock? The numbers on that clock are not the numbers that reflect debt held by the public. The numbers on that clock are those that are consistent with the national debt of $5.4 trillion. That is the debt that the American people have been led by us to believe that we are trying to control.

I believe that in order to avoid further adding to the skepticism and cynicism of the American people, we ought to give them an amendment which is consistent with what they believe we are providing to them because that is what we have told them we are trying to accomplish.

Unless there is a compelling reason to do otherwise, we should pass a balanced budget amendment that meets the expectations of the American people and places a constraint on total national debt.

It will be to those who wish to use their portion of the time to oppose my amendment to explain what that compelling national interest is that says that we should only limit one segment of the national debt and should let the other balloon to an $8.5 trillion national debt within the lifetime of most of the people who are in this room and listening to this on television.

I find no such compelling reason. I find, to the contrary, powerful reasons to deliver an amendment that the people expect. Not only would such an amendment be consistent with our representations and the expectations of the American people, this amendment would have some powerful policy benefits.

First, it would have the effect of avoiding another massive increase in national debt. Adopting the amendment that I offer would say that as of the effective date, the year 2002, that rather than have the then $6.7 trillion continue to grow to $8.5 trillion, that $6.7 trillion—an enormous, staggering national debt as it is—at least would become the plateau for our national debt, that we would not allow further growth in our total debt without a three-fifths vote of the Congress to do so. I believe that would be a tremendous benefit to the American people.

I would like to talk about some of the other policy implications that are involved in subjecting total national debt, as opposed to only that component of debt held by the public, to the three-fifths requirement.

Applying the three-fifths restraint to debt held by the public is going to create an unintended consequence. That unintended consequence is that there will be an incentive to borrow from these trust funds because you can borrow from the trust funds by a majority vote. It takes a three-fifths vote to issue debt to the public. Therefore, the likelihood is that we will see, as the chart indicates, a dramatic expansion in the proportion of our national debt which is held by these trust funds.

Those who are concerned about the long-term security of Social Security ought to be very concerned when they see that not only is the national debt rising to $8.5 trillion, and every one of those trillion dollars will require in the range of $65 to $75 billion a year in debt service, but also they will see that we have not accomplished what the Greenspan commission in 1983 contemplated would be accomplished in terms of the use of the Social Security surpluses.

Let me just divert for a moment to go back to where we were in the late 1970's and the early 1980's.

Up until that time Social Security was a pay-as-you-go system. Every year the Congress would look at the amount of money that was likely to be required to meet obligations in the next year, would examine how much was coming into the trust fund and, if there was a gap, would appropriate what was required in order to meet that year's obligations for Social Security.

There was recognition that as our demographics were changing and larger and larger numbers of people were coming into the Social Security system and they were living longer and therefore utilizing the system for more years, that that pay-as-you-go system was a certain railroad track to disaster.

So in 1983, under President Reagan, a commission was established to look at the long-term well-being of Social Security. That commission recommended that the United States adopt a system, which is used by most other industrialized countries which have a Social Security System, that rather than have a pay-as-you-go program, we would have a program in which the Social Security System would consciously and purposefully operate in a surplus position during those years when there was relatively less demand on the system so that when the demand increased, there would be a pool of resources in order to meet those additional obligations of the Federal Government to America's retirees.

This all occurred at a time when we were still operating in the national tradition of relatively modest national debt. As recently as 1980, we had a national debt of less than $1 trillion. That was the environment in which the Greenspan commission was making its recommendations.

So what did they expect we would do with all of these surpluses that their proposal was directing be accumulated in order to have a pool of resources to meet future demands? What they contemplated was that the Social Security surpluses would be used to buy down the debt held by the public. In fact, their calculations in the early 1980's were that we would have virtually eliminated the debt held by the public, the surpluses in Social Security would have been so great.

What they failed to anticipate was the fact that we would lose all this tradition of fiscal discipline in the country and would go into an unprecedented period of a binge of deficits that would escalate our national debt from less than $1 trillion to today's $5.4 trillion.

My amendment will return us to what was the expectation of the Greenspan commission, albeit not to the extent that they had contemplated because conditions are different in 1997 than they were in 1983.

What we will be doing with this amendment is we will be not adding to the national debt through the additions to the Social Security surplus, but rather will be buying down the debt which is currently held by the public so that when we reach the point that we will start making substantial payments to the baby-boomer wave of retirees, we will be operating from a

dramatically lower level of total national debt and an equally dramatically lower level of debt held by the public.

If you are concerned about the security of the Social Security System, if you want to say, ''I want to have a balanced budget amendment, but I don't want to have a balanced budget amendment that is excessively complex which is written in statutory terms rather than constitutional terms,'' my friends, I would suggest that the way to accomplish all of those objectives and to do what the commission that gave us our current Social Security System contemplated is to adopt my amendment and direct that these Social Security surpluses will not be used as the basis of new national debt but rather will be used as the basis for substitution for the debt that is currently held by the public.

In my opinion, and representing a State which has proportionately more Social Security beneficiaries than any other State in the Nation, this is the way to protect Social Security at the same time we protect our grandchildren against an enormous layering on of additional debt.

Mr. President, the amendment that I have offered would eliminate the current amendment's incentive to excessively borrow from Social Security because all national debt, whether it is held by the general public or held from internal accounts such as Social Security, will be treated equally in terms of the three-fifths requirement in order to exceed the level of debt that existed in the year 2002.

Mr. President, I recognize that this is a somewhat difficult subject matter, however, it is critical subject matter if we are to accomplish our objective of providing to the American people what they believe they are getting from this balanced budget amendment, to save the American people almost $2 trillion in debt between now and the year 2019.

I point out, Mr. President, that all of the numbers I have used in these charts are numbers that have been provided by the Congressional Budget Office. They are the numbers that we as Members of Congress are obligated to use in our budget analysis in our budgetary decisions.

Mr. President, I believe, in summary, that there are five reasons why we should adopt this amendment. It is honest. It limits debt as it has been defined historically. It is the same definition of debt that we use when we have to periodically pass resolutions to raise the national debt. We are raising the total national debt limit, not just that component that is held by the public. We will be doing what the American people think they have directed us to do.

Second, it is fiscally conservative. It will prevent adding another $2 trillion to the national debt in the next 25 years. In fact, this amendment is the most conservative of any amendment which is currently being considered by the Senate.

Third, it is simple. It does not add complex additional theories to the balanced budget amendment. It deletes words which may appear to be benign but which, in my opinion, have serious negative policy implications when we only restrict the national debt to that held by the public.

Fourth, it will have a very positive impact on the Nation's economy. It will release the $2 trillion, which under the amendment, the balanced budget amendment section 2 language that is currently before the Senate, will be used to fund additional national debt, will become $2 trillion that can be used to invest in the private sector, contribute to lower interest rates, stimulating economy growth and more jobs.

When the Social Security surpluses are used to buy down the debt held by the public, less private capital will be tied up in Government borrowing. Those private investment resources will be redirected to the private sector, creating positive economic growth.

Fifth, it will protect the Social Security from those in Congress who would exploit its unique standing as the easiest source of capital from which to borrow. Social Security trust funds will be treated equally and fairly under my amendment with all other sources of borrowing by the Federal Government, without giving any program any special standing in the Constitution and not creating the perverse incentive to go first to the Social Security trust fund for borrowing.

Mr. President, again, I recognize we are dealing with an arcane, frequently misunderstood section of the balanced budget amendment. From the Judiciary Committee report, to opinion columns, to leaders in the administration, there is confusion about what section 2 means and what it will do. But there is no excuse for this Senate to misunderstand what this provision means. Our whole purpose in the constitutional scheme is to be that part of the Government that can deliberate, can consider complex matters and reach resolutions that are in the national interest. Let us not allow this opportunity to pass us by.

We have the chance here to save almost $2 trillion in financial obligations for our children and grandchildren. To release that $2 trillion to help create the jobs for our children and grandchildren, to preserve the Social Security trust fund, and to give the American people what they have a right to expect from this balanced budget amendment, a restriction on the total national debt that they will be required to pay. I urge the adoption of this amendment.

Mr. THOMAS. Mr. President, I think maybe it is appropriate that the pages brought to the floor after we went into session what is essentially 26 years of unbalanced budgets. I think this is a great symbolic pile of stuff. We ought to remember that is what this whole thing is about.

We hear people continuing to say, ''Well, let's just do it.'' We have not just done it, and here is the evidence.

I yield such time as he may consume to the Senator from Idaho.

Mr. CRAIG. I thank my colleague from Wyoming for yielding. Let me say at the outset of my comments that I am pleased to join with Senator GRAHAM today in a discussion about an area of the balanced budget amendment that he admits is not necessarily viewed with the kind of critical nature that other parts of the amendment have been. The Senator from Florida has, in a very sincere way, taken a close look at this and tried to offer an alternative that maybe on the outset bears some attractiveness. I was approached by the Senator and in good faith took a detailed look at his amendment, and my reaction in the next few minutes are as follows.

I do not question the sincerity at all of the Senator from Florida for what he is attempting to do here, to assure that the trust funds of Social Security are held solvent from his perspective and yet to deal with the issue of debt. Our amendment is straightforward.

Section 1 contains the balanced budget rule, total outlays should not exceed total receipts except by a three-fifths vote. Section 6 allows good-faith use of reasonable estimates in planning a balanced budget. In Senate Joint Resolution 1 the numbers match up. The balanced budget rule and the enforcement of that rule correspond with each other.

Over the years, as we have worked to refine this amendment, and I must say that the amendment that we have before the Senate has been well over a decade in refinement so that if we enshrine this in the Constitution we believe it will work in a total sense, while I say all of that, section 2 requires a three-fifths vote to increase the limit on debt held by the public. If the Congress balanced the budget every year, the debt held by the public will not increase. That is, in reality, the balanced budget. That is what the public would expect that is what we would accomplish by the language of the amendment.

Therefore, freezing the limit on debt held by the public directly enforces honest and accurate estimates to produce a balanced budget. That, of course, is another one of our goals, to engage the executive and the legislative branches, the Office of Management and Budget with the Congressional Budget Office and the appropriate budget members to make as accurate as possible the projections that produce the revenue to offset the expenditures.

The relationship among deficit debt and trust funds is important here and this is the crux of the Graham amendment. Debt held by public is Federal debt owed to debtors outside Government. When an official trust fund runs a surplus, by law it must invest the surplus funds in Treasury securities.

For example, the Treasury is required to borrow those funds—money moving inside Government, not outside Government.

These interagency or intragovernmental borrowings, plus debt held by public, money we borrow from the public with the selling of Treasury notes, is included in gross debt. If the budget is balanced, debt held by public does not change. If the budget is balanced and all trust funds continue to run a surplus, then the gross debt goes up. By the very nature of the money in those surpluses, of those trust funds being loaned to the Government, so the Government general fund, if you will, owes. Therefore, it has debt, debt back to the trust funds. If the budget is balanced and the trust funds run a deficit, the gross debt goes down. That is the frustration of the Graham amendment.

Under the Graham amendment the numbers, in my opinion, do not match up. The Graham amendment places a section 2 limit on debt held by the public with a limit on gross debt. That is the crux of his amendment, changing public to gross. Congress can only comply with the section 1 balanced budget rule and still be significantly out of compliance with section 2 limits. That creates the schism, if you will, in the amendment to the Constitution, in my opinion, if the Graham amendment were to become a part of it.

Therefore, if Congress precisely balances the budget, then it must either repeatedly muster a three-fifths vote to allow the trust funds to run a surplus, or to avoid a three-fifths vote on the gross debt limit raid and reduce the trust fund surpluses. That would be the ultimate outcome in my opinion of how Congress would have to react to the Graham amendment if it were to become a part.

If Congress does not want to reduce the trust fund balance, then it must run large surpluses by cutting spending in the nontrust fund part of the budget or by raising taxes.

For the years 2002 to 2007, that means up to $435 billion in additional cuts or taxes, in my opinion. Long-term impact of the Graham amendment on debt and deficit would then be as follows. It would be politically difficult for Congress to continually outperform the balanced budget rule in section 1, that is, run large surpluses. It may be much easier to muster the three-fifths vote to increase the gross debt limit and say it is a ''technicality,'' a ''necessity,'' to allow trust funds to run a surplus; therefore, there will be upward pressure on debt.

Senator GRAHAM is right, this is complicated. That is why not a lot of people focus on it. But I disagree with him not only on the frustration of it, but on the outcome of it. Without a section 2 limit on debt held by the public that directly enforces honest and accurate budget estimates, Congress and the President will continue to face political pressure to use the rosy scenario estimates; therefore, it will still be easier to deficit spend.

One of the things I believe the amendment that we have introduced on the floor forces is as accurate and as honest estimates as you can get, because if, in fact, you produce a deficit, the ability to move that deficit in the debt is a tough vote, and it really forces the fiscal constraints and the tough decisions that we want our balanced budget amendment to the Constitution to cause this Congress to deal with.

Even if the gross debt limit under the Graham amendment remains frozen at $6.7 trillion, as his chart would suggest, it still leaves room to add an additional $2.9 trillion to debt held by the public between the years 2019 and 2029.

My argument is simply this, Mr. President, and I will take the Graham chart and simply extend the line, because this is discretionary on the part of the Congress. It is arguable, by his figures, that there is a decline, but the ceiling remains upward. I know the Congress, and I think Senator GRAHAM knows the Congress. If they have room to spend, oh, boy, do they love to spend. That $2.9 trillion gives them that opportunity, to actually increase real debt. So what would happen down here in debt held by the public, potentially, under this? This line turns upward. This category of debt held by the public versus the green category, which is debt held by other trusts, and the red, of course, is the Social Security trust funds, that line begins to move up.

In the year 2029, the Graham amendment allows a $6.7 trillion debt, while our amendment as proposed, Senate Joint Resolution 1, allows a $5.8 trillion debt—almost a trillion dollars less. I figure that a trillion dollars is a lot of money, especially when it's borrowed, it's debt, and you are paying interest on it. That is one of the great frustrations we are dealing with today—that finally debt has caught up with us. We used to argue that debt was a good stimulus to the economy and, oh, well, the public owed it to themselves, it was no big deal. But, today, it is the second largest item in the Federal budget, soon to shove them all out if we continue this kind of debt creation under deficit spending.

This is why I have to oppose the Graham amendment, because I don't believe that it gets us to where we want to go. I think I now understand what the Senator from Florida tries to do, and it is not a criticism of what he tries to do; it is an observation of what he tries to do. Where I think its weaknesses rest—because, if you talk gross debt but you don't talk debt held by the public, it changes the whole dynamics of the process, as I understand it, and in this outyear period. Somebody might say, ''Senator CRAIG, why are you worried about 2029?'' We are talking about the 28th amendment to the Constitution. We are talking about a process that we have been well over a decade in trying to create, and it will not be changed easily, or overnight, if it is in error or if the Graham amendment were to become part of it and then we were to find it creates this kind of glitch. We would struggle for decades trying to solve that, with the potential of increasing the debt structure by well over a trillion dollars. The last I checked, interest on a debt of a trillion dollars is significant—probably around $50 billion a year.

That is the reality of the amendment, as I see it, and certainly I stand to be corrected. Of course, he knows his amendment a great deal better than I. I tried to study it because I knew the Senator was sincere in his effort to deal with this in a legitimate way and at the same time recognize, as we all want to recognize, the protection of the trust funds, which now help finance the debt structure of this country.

I believe, if you keep it within the unified budget, if you recognize all debt, then you create the kind of honesty that you must play with in a sincere and direct way and force both the executive branch of our Government and the legislative branch of our Government, in each and every budget cycle, to produce the kind of honest estimates that drive the budget process to produce actual spending at or near balance on an annualized basis.

With those comments, I stand in opposition to the Graham amendment and certainly urge my colleagues to oppose it.

I yield the floor.

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

The PRESIDING OFFICER. The minority has 16 minutes 46 seconds remaining.

Mr. GRAHAM. I yield myself such time as is necessary.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, since this debate started, I have received a letter from the National Committee to Preserve Social Security and Medicare, dated today, which I would like to submit for the RECORD. To quote one paragraph:

> S.J. Res. 1 requires a three-fifths, supermajority vote to increase ''public'' borrowing, but since it does not require such Congressional approval for trust fund borrowing, it provides a powerful incentive for the increased use of trust fund borrowing as a means to pay for general fund programs. We support your effort to correct this definition of ''debt'' as a needed improvement.

The letter is signed by Martha McSteen, president of the National Committee to Preserve National Security and Medicare.

I ask unanimous consent that the letter 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, the Senator from Idaho raised several points. I want to focus on three.

First, he raises the issue of, are we adding a speculative element into this balanced budget amendment by applying debt to the total debt rather than

to only that component of the national debt which is held by the public. I suggest quite to the contrary—that it is exactly the definition that we are using which this Congress has written into the statute. It is the definition that we use when we are required to assess whether we are about to exceed the national debt. So it is the definition that is not speculative. It is the definition that we are accustomed to using. It is the definition that the American people understand, in part because we have helped them understand it by using things like the debt clock, which focuses on the total national debt.

Finally, and most fundamentally, the debt is not a projected amount, it is a fiscal reality. It is, as anyone knows who has ever balanced a family budget or dealt with the books of a business, the last number on the page after you have looked at what your revenues are, what your expenses are, and you can see whether you are in a profit or a debt situation. That is the circumstance that the U.S. Government is in when we look at that bottom number and say, oh, my goodness, we have just added another $107 billion of deficit in the fiscal year 1997 that will then become an additional layer on top of our national debt.

Second, the Senator from Idaho raises a very significant and interesting issue. That is what are we going to do after the year 2019.

I might say the chart that the Senator has could be replicated precisely on the chart of the balanced budget amendment as submitted. That is the amendment that only restricts debt held by the public. This constitutional amendment and the constitutional amendment with my amendment, all are going to face the very difficult issue of what do you do when you reach that point sometime in the second decade of the 21st century when, instead of running a surplus in the Social Security system, as we are today, and will for the next 20 or so years, we suddenly start to run big deficits as all of those people born after 1945 begin to retire? It is their turn to become eligible for Social Security. And enormous deficits are going to be run in the Social Security system.

Those are not speculative or imaginative. They are exactly what the 1983 Social Security Commission contemplated. Add surpluses during periods of relatively limited numbers of Americans benefiting by Social Security so that we can meet the obligations when we are in a demographic period with large numbers of retirees.

So what are we going to do when we get out here to around the year 2019? Frankly, there is no free lunch. What we have been doing is, we have been borrowing from the general fund from Social Security. Social Security does not have a great bank filled up with stocks and bonds, or real estate deeds, or other assets that have a market value. What it has is IOU's from the General Treasury.

Beginning in about the year 2019, the Social Security beneficiaries are going to be knocking on the door of that vault, saying, ''We want to redeem these IOU's.'' What are we going to do? We basically have three choices.

We have the choice of reducing spending every place else in the Federal Government sufficient to release the money to be able to redeem the IOU's and pay off this obligation. We can raise taxes sufficiently to do the same thing. Or, we can begin again to borrow from the public, in order to be able to substitute borrowing from the public, in order to meet the borrowing that we have been doing for the last three decades from the Social Security trust fund.

If somebody has another alternative to those three, or some combination, I would suggest that they might want to identify them.

What is going to be the difference between where we will be under the bill as it is introduced and where we will be under the bill as my amendment would have it? First, instead of having to repay, dealing with a Federal deficit at $8.5 trillion, we are going to be approximately $2 trillion less in debt. If you had a big obligation coming, wouldn't you feel better about your ability to meet it if you were relatively less indebted than if you were more indebted? Clearly, the Nation will be better off, better positioned to meet its obligations, if it starts from a lower position of national debt.

Under the amendment that we have, when we come to this period in the year 2019, and we elect not to cut spending and we don't want to raise taxes as the only two ways to meet this obligation to meet the payment of the IOU's that the General Treasury will owe to the Social Security trust fund, but we would like to consider borrowing from the public, what is our position going to be? For two decades we will have been operating under a constitutional amendment that says you can borrow from these trust funds by a majority vote, which is relatively not easy but past history has shown is not politically a Mount Everest to climb. But we are going to say you have to have a three-fifths vote to borrow from the public.

So we are going to find ourselves in about 20 years facing the prospect of having to, for the first time, use that three-fifths vote requirement to increase the debt held by the public, having ballooned the debt by a majority vote from our borrowings from these other trust funds. And I would suggest that is not going to be a very happy time to be a Member of the U.S. Congress.

I think that what we are doing today is leaving to our successors—not in the far distant future but just about 20 years from now—an extremely indebted America with a constitutional structure that is going to make it very difficult for us to meet our obligations to those Social Security beneficiaries.

My amendment would have us enter that period with substantially less indebtedness. We would have been applying this three-fifths vote to all borrowing, not just to that held by the public.

But the most significant difference of how we will be in the year 2019 goes to the very first point that the Senator from Idaho talked about. It is not correct to say that the only thing you can do with Social Security surpluses is borrow. If that is the case, then clearly we are locked into this chart. Clearly, we are looking like a plane that is on automatic pilot and all the members of the cockpit have bailed out.

We know where we are heading. We are heading to an $8.5 trillion national debt, if, in fact, we are required to borrow all of the money from these trust funds and add it to the national debt. That is not what the Greenspan commission contemplated in 1983. That is not what my amendment would allow us to do; that is, instead of adding to the national debt, why don't we take those surpluses and pay off some of the debt we have already so we don't have to continually place our children and grandchildren under a greater and greater burden? But, rather, we can face the day when we will have to make substantial repayments of these Social Security IOU's. This is the best possible fiscal condition for America, and with our debt to the general public at the lowest level that our fiscal condition over the next two decades will allow us to be.

So, Mr. President, we do have an alternative. We are not obligated to have $8.5 trillion in debt. We can make that debt clock tick in the future as we are representing. We can make it a means by which we can protect our future, not enslave our future.

Mr. President, just to summarize again with greater brevity why I think this amendment is critical, it is honest. It does what the American people expect us to do. It is fiscally conservative. It saves almost $2 trillion in borrowing. It is simple and direct. It is not complicated. It will have a positive impact on our Nation's economy by releasing $2 trillion into the private sector. The only real long-term salvation of Social Security—and our retirement systems, whether they are Government or otherwise—is a strong American economy. And if we can put $2 trillion more into that private economy, we will be making a fundamental contribution to the strength of our Social Security and all of our other retirement programs.

We would avoid the temptation, as the National Committee for the Preservation of Social Security and Medicare points out, to use the Social Security system as the cash cow, as the point of first preference for borrowing for the Federal Government by saying we are not going to establish a different standard for borrowing from the Social Security fund than we apply to borrowing from the general public. Both would be subject to a supermajority of

three-fifths of the Members of the Congress in order to increase the total national debt.

So, Mr. President, for those reasons, I respectfully suggest the analysis of the Senator from Idaho is not an appropriate projection of the consequences of this amendment and that, rather, the honesty, the reduction of the total national debt and the protection of Social Security by, among other things, stimulating a higher rate of economic growth in America are the goals which are sought and I believe will be accomplished by the adoption of this amendment.

I thank the Chair.

EXHIBIT 1

NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE,
*Washington, DC, February 26, 1997.*

DEAR SENATOR GRAHAM: On behalf of its five and a half million members and supporters, the National Committee to Preserve Social Security and Medicare wishes to express our support for your proposed amendment to S.J. Res. 1, a resolution to amend the Constitution to require a balanced federal budget. Among our concerns about S.J. Res. 1 is that it would change the current definition of federal debt. Your proposed amendment would change the current language ''debt held by the public'' in S.J. Res. 1, to include all federal debt, particularly that which the government holds for itself—i.e. the federal trust funds. We appreciate your leadership on this important issue.

As drafted, S.J. Res. 1 contains a provision which intentionally removes Social Security trust fund holdings of U.S. securities from the definition of ''public debt,'' even though the trust fund money was borrowed to finance the deficit. This change would permit the Treasury to increase its debt by borrowing from the trust funds without obtaining the Congressional approval required to borrow money from other sources.

S.J. Res. 1 requires a three-fifths, supermajority vote to increase ''public'' borrowing, but since it does not require such Congressional approval for trust fund borrowing, it provides a powerful incentive for the increased use of trust fund borrowing as a means to pay for general fund programs. We support your effort to correct this definition of ''debt'' as a needed improvement.

Sincerely,

MARTHA A. MCSTEEN,
*President.*

Mr. THOMAS. Mr. President, I yield as much time as he may use to the Senator from Idaho.

The PRESIDING OFFICER (Mr. ENZI). The Chair recognizes the Senator from Idaho.

Mr. THOMAS. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. The majority has 31 minutes and 50 seconds, the minority 3 minutes and 20 seconds.

Mr. THOMAS. I thank the Chair.

Mr. CRAIG. I thank the Chair.

I will not take much more time to discuss the Graham amendment other than the disagreement that he and I might have as relates to the ceiling that is created, and while I would argue that what he wishes to accomplish is impossible to do, and that is a buy down of debt, unless by this whole character of activity here from now until the year 2019 we have changed the whole culture of political pressure in this country and interest group activity, my guess is that the pressure to spend money, if the system would allow it, beyond the balance because of the limit on the debt ceiling, would be great.

He and I recognize the tremendously laudable goal of trying to buy down debt, and I think Americans are all asking us, well, if you in fact can get the budget balanced in the timeframe that you are suggesting, does that mean then we are going to get rid of some of this debt, because interest on debt is going to be even higher by the year 2002 than it is today because we are still creating debt. Even under our scenario, as conservative as it is and as damning as this administration thinks it is, we are still going to be creating lots of debt out there because we are still deficit spending. Although ours is declining and the President's is in reality increasing, we are still creating debt. So I do not blame the Senator from Florida for wanting to find a time in which we can buy down debt. I would like to do the same. But his is not an obligation to do that; his is only an opportunity to do that. And therein lies the difference in why I think what we do today is the right thing by not amending the proposed amendment.

Social Security is a concern of all of ours and it has been, and you have heard a lot of debate in the Chamber in the last 3 weeks about Social Security. It is a social contract and a financial obligation that we hold to the senior citizens of our country. None of us want to deny it or walk away from it. We want to deal with it responsibly and straightforward and we want to create the fiscal environment in which we can honor that debt.

I am one of those who believes that if we fail to balance the budget, there will come a day when we cannot honor that debt. We should not suffer the illusion that a bankrupt government can send checks out. Tragically enough, there are some Social Security recipients who believe that somehow they will be held whole while the rest of the world collapses, the world of a Government that is so badly in debt that it cannot honor its commitments or, more importantly, at a time when the public would simply reject it.

Gross interest payments this year reached $344 billion, fiscal year 1996. The debt grows, the mandatory interest payments grow. Here are the figures. Social Security, we spent $347 billion on Social Security this year; gross interest on debt, $344 billion; defense, $266 billion; all the domestic discretionary programs, $248 billion; Medicare, $191 billion; Medicaid, $92 billion; net interest on debt held by public, a subset of gross interest or gross debt, the kind that the Senator from Florida was talking about, $241 billion.

The reality of what we do is damning the future of this country, damning the future of the obligations we hold to the seniors of our communities if we fail in balancing the budget.

The President, I believe, 12 times in his State of the Union said he was going to produce a balanced budget, and we all held our breath and did not criticize and waited for that budget to come to the Hill. And, voila, the words did not meet the fine print—$120 billion of deficit straight lined until the end of his term and then, guess what? He leaves office and says: Now it is time to do the heavy lifting. You either have to take away the tax cuts I have given or cut spending dramatically.

I am sorry, Mr. President. Once again your rhetoric just does not match up to your performance, and that budget does not work, and you have not dealt with a balanced budget in the honest and straightforward way that the Senator from Florida or the Senator from Idaho or the majority of Congress or a supermajority of the American people want us to deal with it. And that is a declining deficit structure to the year 2002 when all of this comes into balance.

The reality of the obligation to Social Security does not go away, but the honesty of budgeting materializes, and because we have created a unified budget the real pressure to cut so that we can honor the debt obligation to Social Security is there. We must get our fiscal house in order. We cannot, nor should we ever, allow interest on gross debt to become the greatest single expenditure in the Federal budget, and yet we are clearly headed in that direction. By most reasonable budget guesstimates we have missed that by only $3 billion this year.

I know what any good business person or any good analyst of a business would say if the figures were like this in a business. They would say you are out of business; you are bankrupt; you cannot service your debt; you cannot afford to operate in this manner. However, because we can create debt in the nature that we have now for nearly 30 years, we continue. Of course, that obligation gets immediately transferred outward into the future to our children, to our grandchildren, and somehow we are fair weather; we just go on saying we have done our job in a responsible way.

I was saddened yesterday that the Senator from New Jersey would not honor his obligation and his verbal commitment to the citizens of his State. That is a tragedy, but he has made his choice. We all make our choices. Those are tough choices. The pressures are great here, but they are not so great as to walk away from your commitment to your citizens, to your public and to the oath of office. What we are trying to do is enshrine within the Constitution an obligation that Thomas Jefferson was so very clear about when he said there should have been an 11th amendment to the Bill of Rights and that was that we could not borrow. Now, we could have borrowed inside the budget but we could not borrow from outside the budget.

What we are suggesting is that we cannot borrow from outside the budget.

We can borrow from inside the budget, and that is what we are doing now, and that is the unified budget. It does not make the obligation go away. It does not make the legal commitment go away. It does not say to the baby boomers that, when you get ready to retire your check won't be in the mail. What says to the baby boomers that your check may be threatened and may someday not be in the mail is the perpetual increase of debt, that which the Senator from Wyoming pointed out a few moments ago with all of those books stacked before him. It is one budget piled upon another budget piled upon another budget.

Regarding half of those 28, half of those 28 budgets, the politicians who assembled them, interestingly enough, had the public tenacity to say they are heading toward balance. For 3 years we have been saying we are headed toward balance. The President's State of the Union Address before the American people assembled: ''I will produce balanced budgets.'' Oh, come on, Mr. President. We have read the fine print. You do not produce a balanced budget and you are not trying. You raise taxes, you raise revenue, you spend more for new programs, and after you have left office you say, ''Now, if you want to get it balanced, you either raise taxes or you cut spending.'' Big-time stuff, $50-billion, $60-billion-type stuff—tough to do. Most important, he knows it's impossible to do. It is impossible to do unless Senate Joint Resolution 1 is the organic law of the land.

It is the Constitution through which the public views its Government and controls its Government and tells its Government what to do. That is the test before us.

While the Senator from Florida in a responsible way attempts to address that, I ask that we reject his amendment because of the risk of increasing debt by at least another $1 trillion or more inside what we could definitionally call a balanced budget. We dare not do that to our public. Most important, we dare not allow that kind of latitude in future Congresses. I am not going to be here then. The Senator from Florida is not going to be here then. But his action, my action, the action of this Senate, whether it is on Senate Joint Resolution 1 amended by the Senator from Florida, or if it is left as it is presented, will be the law of the land that dictates to the Congress and to the Senate in the year 2019 or 2028: This is how you operate. These are the parameters within which you must perform, in which you must make priorities for spending. It must be balanced, it must be honest, it must be fair.

What we do here is going to be important both in the short term and in the long term. What we do must be honest and must be clear and undefinitional to future Congresses so, just like the first amendment or the second or the third, they are not arbitrary, they are not capricious, they do not create those kinds of actions. They are real and we honor them. So our language must be clear and unambiguous.

Mr. President, I hope my colleagues will join us in opposing the amendment by the Senator from Florida. I do not believe it creates the environment in which we must operate. I yield the remainder of my time.

Mr. THOMAS. How much time remains, I ask the Chair?

The PRESIDING OFFICER. The time remaining for the majority is 19 minutes 20 seconds. The Chair recognizes the Senator from Wyoming.

Mr. THOMAS. Mr. President, I want, first of all, to congratulate the Senator from Idaho for his leadership in this matter. I don't think there is a more important issue before us than the idea of being financially and fiscally responsible. I say that also to my friend from Florida, who supports this concept of accountability as well. Certainly there will be a lot said—there has been a lot said, maybe everything has already been said but maybe not everyone has said it—but it is broader than the books, it is broader than the numbers, it is broader than math. It is a question of being responsible to ourselves, being responsible to our children, being responsible to the future. It is a question of priorities. It is a question of, really, dealing with the issue rather than what has been done over the last 30 years, by saying, yes, we are going to balance, yes, we are going to balance the budget, yes, we are going to do it, and not doing it.

I think one of the ironies is many of those who oppose this balanced budget amendment say, ''Oh, yes, we are going to do it,'' and point to the President's budget—which does not do it. It does not achieve balance by 2002 and stay in balance. It does not provide permanent tax relief. It does things in Medicare that are strictly gimmicks. It spends $21 billion more on welfare and raises taxes by $80 billion. It has $60 billion in new entitlements.

So let us be clear that, if we want different results, we have to change the way we do things, and that is what this amendment is all about.

Let me yield to my friend from Missouri. We have approximately 18 minutes left, and I will yield as much time as he requires.

The PRESIDING OFFICER. The Chair recognizes the Senator from Missouri.

Mr. BOND. Mr. President, I thank the distinguished manager of the bill. I have asked for this time to spend about 5 minutes to introduce a piece of legislation, so, while it will count against the time, I ask unanimous consent to be permitted to proceed as in morning business for that 5-minute period.

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

Mr. BOND. I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of S. 368 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BOND. Mr. President, I reserve the remainder of the time, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I believe I have approximately 3 minutes remaining, which I would like to use to close after the opponents of the amendment have completed their arguments.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I think this side has said everything it needs to say. I will be happy to yield any time of our remaining time, unless somebody else wants to speak, to our friend from Florida.

We have to oppose this amendment. We know how helpful the Senator from Florida is and how much this means to him. We have appreciated the support he has provided in this debate and certainly will listen to what he says here.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida has the remaining time of 3 minutes and 1 second.

Mr. GRAHAM. Mr. President, to close briefly, let me underscore that I support the balanced budget amendment. I will vote for the balanced budget amendment in the form it was reported by the Judiciary Committee. I do so because I believe it is superior to the alternative of continuing with the status quo, a status quo that had added $4.5 trillion to our national debt in less than 20 years.

I believe, however, that the balanced budget amendment can be improved. I have suggested what I think is an important area of that improvement, and that is that after we have achieved the objective of section 1 of the balanced budget amendment, which is to see that we will bring as rapidly as possible our annual accounts into balance, we will not be adding to the national deficit, that we will then place a safety lock on that gain by saying there shall not be any further increases in the national debt without a three-fifths vote of both Houses of Congress.

The amendment that is before us does not do that, although there are many who believe that it does that, because the three-fifths vote only applies to that portion of the national debt which is held by the public, by individuals, by corporations, by State and local governments, by all the people who buy Federal securities.

My amendment would strike that limitation and have the requirement of a three-fifths vote of both Houses of Congress apply to all of the national debt. It would apply to the totality of the $5.4 trillion national debt that we now have.

Mr. President, there was some suggestion in the concluding remarks of the Senator from Idaho that in some

way by my amendment I had weakened the existing three-fifths requirement that is in the constitutional amendment as it relates to debt held by the public. Absolutely to the contrary. I am extending the same three-fifths requirement to the rest of the debt of the Federal Government, continuing to apply it to debt held by the public, but also applying it to that debt which the Federal Government borrows from its own trust funds.

In brief summary, Mr. President, I believe the following reasons are why this amendment should be adopted:

It is honest.

It comports with what the American people believe we are doing when we say we are restricting national debt.

It is fiscally conservative. It will result in almost $2 trillion less national debt over the next 20 years than will be almost certainly the case if we do not adopt this amendment.

It is simple. It does not add new or complex concepts to the balanced budget constitutional amendment.

It will have a very positive effect on the Nation's economy. The result of releasing $2 trillion that otherwise would be used to finance unnecessary and excessive national debt into the private sector will increase our Nation's economic growth and strength.

Mr. President, I ask unanimous consent for 60 seconds to conclude my remarks.

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

Mr. GRAHAM. Mr. President, finally, by using these surpluses, as the 1983 Social Security Commission had anticipated they would be used, to reduce the amount of Federal debt which is currently owed to the general public and, therefore, place our Nation in a stronger fiscal position to meet our future obligations to Social Security, we will be strengthening the Social Security system. And for that reason, the National Committee for the Preservation of Social Security and Medicare has endorsed this amendment.

I urge the adoption of this amendment which I believe is exactly consistent with the purposes of the balanced budget amendment, will add to its strength, and will add to the acceptance of the American people, because it will be the amendment that they believe we are about to adopt and submit to the States for ratification. I urge the adoption of this amendment.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I compliment the distinguished Senator from Florida. He has been one of the great leaders on the balanced budget amendment, prior to this debate and certainly during this debate. I believe he deserves a lot of commendation from both sides of the floor for his steadfastness and standing up on this amendment.

We cannot support this particular amendment to the balanced budget constitutional amendment, and I regret that we cannot. But, in spite of that fact, our colleague from Florida has been one of the leaders out here, and I personally just want to express my appreciation for his efforts and for the work he has done on his side of the floor, as well as our side of the floor. I appreciate it.

Mr. President, I understand that the vote cannot occur until 12:35?

The PRESIDING OFFICER. There is no order to that effect.

Mr. HATCH. I ask unanimous consent that I be permitted to move to table, with the vote not occurring before 12:35.

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

Mr. HATCH. I move to table the amendment, with the understanding that the vote will not occur until 12:35. I 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.

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

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

The question occurs on agreeing to the motion to lay on the table amendment No. 7 offered by the Senator from Florida [Mr. GRAHAM]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN] and the Senator from Louisiana [Ms. LANDRIEU] are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana [Ms. LANDRIEU] would vote ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 59, nays 39, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—59

| | | |
|---|---|---|
| Abraham | Frist | McCain |
| Allard | Gorton | McConnell |
| Ashcroft | Gramm | Murkowski |
| Bennett | Grams | Nickles |
| Bond | Grassley | Roberts |
| Brownback | Gregg | Roth |
| Burns | Hagel | Santorum |
| Campbell | Hatch | Sessions |
| Chafee | Helms | Shelby |
| Coats | Hutchinson | Smith, Bob |
| Cochran | Hutchison | Smith, Gordon H. |
| Collins | Inhofe | Snowe |
| Coverdell | Jeffords | Specter |
| Craig | Kempthorne | Stevens |
| D'Amato | Kerrey | Thomas |
| DeWine | Kohl | Thompson |
| Domenici | Kyl | Thurmond |
| Durbin | Lott | Warner |
| Enzi | Lugar | Wyden |
| Faircloth | Mack | |

NAYS—39

| | | |
|---|---|---|
| Akaka | Feingold | Levin |
| Baucus | Feinstein | Lieberman |
| Bingaman | Ford | Mikulski |
| Boxer | Glenn | Moseley-Braun |
| Breaux | Graham | Moynihan |
| Bryan | Harkin | Murray |
| Bumpers | Hollings | Reed |
| Byrd | Inouye | Reid |
| Cleland | Johnson | Robb |
| Conrad | Kennedy | Rockefeller |
| Daschle | Kerry | Sarbanes |
| Dodd | Lautenberg | Torricelli |
| Dorgan | Leahy | Wellstone |

NOT VOTING—2

| | |
|---|---|
| Biden | Landrieu |

The motion to lay on the table the amendment (No. 7) was agreed to.

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Wyoming [Mr. ENZI] is recognized.

Mr. ENZI. Mr. President, I ask unanimous consent that I be allowed to speak out of order for 5 minutes.

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

## OUR GIFT OF FREEDOM

Mr. ENZI. When we woke up this morning, I wonder how many of us paused to reflect on the great gift we have been given—the gift of our freedom. It is a special gift, but so many of us take it for granted, even though we paid for it at quite a heavy price. As we drove to work, how many of us thought about the sacrifices that were made over the years by our Nation's veterans to preserve and protect those freedoms?

Six years ago, President Bush was in the White House and he had a difficult task on his hands. The world was in crisis. The United Nations was meeting night and day to try to stop the spread of the threat of Saddam Hussein. He had invaded Kuwait and brought the people of that nation to their knees. Something had to be done.

When the cry for help went out from Kuwait, we sent our best to answer the call. Many brave men and women went to a foreign land to stop the advance of that madman in the deserts of Kuwait and Iraq.

In the days that followed, we picked up a whole new vocabulary. We spoke of Scuds, Patriot missiles, chemical weapons, gas masks, Riyadh, and so much more.

It was a war we witnessed like no other battle in our history. We charted our troops' progress with the reports we saw on the news every night. We were a part of it all. The press took us right along with our soldiers as the fighting progressed. Everything came to us live as the media brought the conflict right into our living rooms.

It was almost like watching a movie. It seemed so distant and dangerous. Yet, somehow, because of our advanced technology, we thought our young men