

TABLE 6.—CBO REVISED BASELINE PROJECTIONS—Continued  
[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Medicare .....	208	218	231	244	268	277	306	330	367	377	417	448
Medicaid .....	96	101	108	115	123	131	141	152	165	179	194	210
Other .....	231	257	273	293	305	319	332	344	362	370	378	399
Subtotal .....	896	951	1,004	1,060	1,123	1,176	1,250	1,322	1,417	1,477	1,570	1,672
Net interest .....	244	245	247	243	237	230	226	221	215	209	202	194
Offsetting receipts .....	-87	-82	-82	-85	-91	-103	-97	-101	-107	-113	-119	-126
Total .....	1,601	1,672	1,730	1,782	1,833	1,863	1,954	2,035	2,134	2,199	2,297	2,402
Deficit (-) or Surplus .....	-22	8	9	1	13	67	53	70	75	115	130	138
Memorandum:												
On-budget Deficit (-) or Surplus .....	-103	-92	-104	-121	-117	-72	-94	-88	-96	-64	-59	-59
Debt Held by the Public .....	3,771	3,774	3,781	3,793	3,795	3,743	3,706	3,651	3,591	3,491	3,375	3,251
Revenues:	As a Percentage of Gross Domestic Product											
Individual income .....	9.3	9.4	9.1	8.9	8.8	8.9	8.9	8.9	9.0	9.0	9.1	9.2
Corporate income .....	2.3	2.4	2.3	2.2	2.1	2.0	2.0	2.0	2.0	1.9	1.9	1.9
Social insurance .....	6.8	6.8	6.9	6.9	6.9	6.8	6.8	6.8	6.8	6.8	6.8	6.8
Other .....	1.5	1.5	1.7	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.5	1.5
Total .....	19.8	20.1	19.9	19.6	19.4	19.4	19.3	19.3	19.3	19.3	19.3	19.3
Outlays:												
Discretionary <sup>a</sup> .....	6.9	6.7	6.4	6.2	5.9	5.6	5.5	5.4	5.3	5.2	5.1	5.0
Mandatory:												
Social Security .....	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.6	4.6	4.6	4.7
Medicare .....	2.6	2.6	2.6	2.7	2.8	2.8	2.9	3.0	3.2	3.1	3.3	3.4
Medicaid .....	1.2	1.2	1.2	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.6
Other .....	2.9	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.1	3.0	3.0
Subtotal .....	11.2	11.4	11.5	11.7	11.8	11.8	12.0	12.1	12.4	12.3	12.5	12.7
Net interest .....	3.1	2.9	2.8	2.7	2.5	2.3	2.2	2.0	1.9	1.7	1.6	1.5
Offsetting receipts .....	-1.1	-1.0	-0.9	-0.9	-1.0	-1.0	-0.9	-0.9	-0.9	-0.9	-0.9	-1.0
Total .....	20.1	20.0	19.8	19.6	19.3	18.8	18.8	18.7	18.7	18.4	18.3	18.3
Deficit (-) or Surplus .....	-0.3	0.1	0.1	(b)	0.1	0.7	0.5	0.6	0.7	1.0	1.0	1.1
Memorandum:												
On-budget Deficit (-) or Surplus .....	-1.3	-1.1	-1.2	-1.3	-1.2	-0.7	-0.9	-0.8	-0.8	-0.5	-0.5	-0.5
Debt Held by the Public .....	47.3	45.1	43.3	41.7	39.9	37.7	35.6	33.5	31.4	29.2	26.9	24.8

<sup>a</sup> The baseline assumes that discretionary spending will equal the statutory caps on discretionary spending in 1999 through 2002 and will increase at the rate of inflation in succeeding years.

<sup>b</sup> Less than 0.05 percent.

Note: Numbers in the table may not add to totals because of rounding.  
Source: Congressional Budget Office.

Mr. DOMENICI. Mr. President, yesterday, the Congressional Budget Office released its preliminary analysis of the President's fiscal year 1999 Budget.

Very briefly, according to the CBO analysis, the President's budget proposal would spend \$43 billion of the federal surplus rather than save the money for social security as the President admonished us in his State of the Union Address.

This results from the fact that the CBO analysts found that his new proposed spending of nearly \$120 billion over the next 5 years exceeds his proposed spending cuts and tax increases of \$43 billion.

In other words, if Congress did nothing but abide by the agreement we reached last year, the surpluses projected by CBO would be \$43 billion higher than if we adopted the President's budget proposal.

But that won't even be possible, because under the Budget Act, the President's budget could not even be considered on the floor of the Senate, because it would be out of order.

The President's budget violates the agreement reached last year by proposing to break the statutory spending caps by \$68 billion, making it out of order in the U.S. Senate.

Further, CBO found that the President's budget dips us back into deficit in the year 2000.

This is disappointing. But even if the administration proposes to break our agreement from last year, I do not.

It is my intent to have the Senate Budget Committee report within the

next two weeks a budget for fiscal year 1999 that will: (1) abide by the spending caps set in law last year, (2) balance the budget and keep it in balance, (3) hold any budget surpluses in reserve to protect Social Security and provide for any future transition to a modernized system.

Mr. President, let me make it very simple in this regard. If we did nothing, in other words if the President had not submitted a budget and we just said let's continue with the policies that we have that were established in this bipartisan agreement, the Congressional Budget Office says the surplus would be \$43 billion bigger than it is. That is the simple fact which causes them to conclude, and us to concur, that in fact the President has spent \$43 billion of the surplus in his budget. It would be \$43 billion higher had he not put a budget before the people, which leads you to that one simple conclusion.

Some may recall when the President announced his budget, there was a lot less noise made about it, excepting some profound questions were asked. How can you have \$120 billion in new programs and not break the agreed-upon caps—that is the total amount you can spend for domestic discretionary spending—when that cap is a fixed dollar number? It has nothing to do with inflation; it is just a fixed dollar number. How can you say we will spend \$120 billion, more or less, more than we had planned yet we will not exceed those agreed-upon totals?

So, what we have now, in my opinion, is a President's budget that, if it were

submitted on the floor or in the Budget Committee, would be out of order because it breaches the agreed-upon caps by \$68 billion. So it seems to me that we have to go into our mark-up here with that in mind. I am sure the President and his people will explain that they thought certain things could be handled differently than CBO handled them, and they are entitled to that position. But that is what we have to follow, and their rules have to be followed by us. We cannot adopt rules that the President establishes. So I believe it is important that the Senators understand the situation we are confronted with as we move in the Budget Committee and on the floor of the Senate.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

ORDER OF PROCEDURE

Mr. CHAFEE. Mr. President, we are going to vote now. We were scheduled to vote at 10:30. I would like to stick with that if I could. I just don't want this to get into a budget discussion here on the floor of the Senate at this particular time as we are trying to dispose of this legislation.

I do not like to cut off the Senator—

Mr. CONRAD. I ask the Senator from Rhode Island, since the other side has raised the issue, the leader has given

me authority to take 3 minutes of leader time to respond, and I think just in fairness we ought to be permitted to do that.

Mr. CHAFEE. Well, if you want 3 minutes, go to it. But, please, no more than that because we are anxious. We did promise the Senator from New Mexico we would deal with three quick amendments by unanimous consent that we can dispose of very, very quickly, and then I do want to go to these votes. Senators have made an effort to be over here. Why do you not proceed for 3 minutes, then we'll do the Bingaman amendments quickly, and then go to the vote—which should not be more than 5 minutes from now.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

#### THE CREDIBILITY OF THE PRESIDENT ON THE BUDGET

Mr. CONRAD. Mr. President, questions have been raised about the credibility of this President on the budget. If anybody in this town has credibility on the budget, it is this President. When he came to office, the deficit was \$290 billion, and under the plan that was passed in 1993, the deficit is now down, on a unified basis, to zero or very close to that. That has been a dramatic improvement and a dramatic record of deficit reduction by this President.

Now they raise questions about a new CBO score of the President's budget. The President did not have that available to him when he submitted his budget. He submitted his budget based on the Office of Management and Budget projections. By the way, both OMB and CBO have been overly conservative with respect to their projections. Neither of them have been close to right in projecting the dramatic decline in the deficit. The President used the numbers in his budget that were available to him at the time he submitted his budget, and his budget projections have proved to be far more accurate in terms of deficit reduction than some others.

So I just say with respect to credibility on the budget, this President has a demonstrated record. He has done the heavy lifting. He has gotten the results that have put this country in such a strong position.

Now we have a question of a difference of projections. Both of the projections of OMB and CBO have been off the mark. They have underestimated what a good job we have done in reducing the deficit. So when the President's credibility is called into question, I think in fairness we ought to say he based his budget on the projections that were available to him at the time he submitted his budget and he has a record and the record stands clearly as one that has produced the most dramatic deficit reduction we have ever seen.

I hope when we start talking about people's credibility, we do not do it in

a loose fashion on the floor of the Senate.

I thank the Chair and yield the floor.

#### INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1997

The Senate continued with the consideration of the bill.

Mr. CHAFEE. I thank the Senator from North Dakota. Now the Bingaman amendments, if we could deal with those quickly?

AMENDMENTS NOS. 1699, 1700 AND 1701, EN BLOC,  
TO AMENDMENT NO. 1676

Mr. BINGAMAN. Mr. President, I send three amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico (Mr. BINGAMAN), for himself and Mr. DOMENICI, proposes amendments numbered 1699, 1700 and 1701, en bloc, to amendment No. 1676.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 1699 TO AMENDMENT NO. 1676

(Purpose: To clarify that Federal laboratories are eligible to receive grants or to enter into contracts, cooperative agreements, or other transactions)

On page 310, strike lines 9 through 17, and insert the following:

#### "§5211. Transactional authority

"To further the objectives of this chapter, the Secretary may make grants to, and enter into contracts, cooperative agreements, and other transactions with—

- "(1) any person or any agency or instrumentality of the United States;
- "(2) any unit of State or local government;
- "(3) any educational institution;
- "(4) any Federal laboratory; and
- "(5) any other entity.

AMENDMENT NO. 1700 TO AMENDMENT NO. 1676

(Purpose: To clarify that information on transportation-related research and development activities at Federal laboratories shall be included in the general exchange of information being promoted by the Secretary of Transportation)

On page 312, strike line 20 and all that follows through page 313, line 2, and insert the following:

"(B) to promote the exchange of information on transportation-related research and development activities among the operating elements of the Department, other Federal departments and agencies, Federal laboratories, State and local governments, colleges and universities, industry, and other private and public sector organizations engaged in the activities;"

AMENDMENT NO. 1701 TO AMENDMENT NO. 1676

(Purpose: To clarify that innovative research performed by Federal laboratories shall be identified and applied to the intermodal and multimodal transportation research, development, and deployments needs of the Department and the transportation enterprise of the United States)

On page 317, strike lines 1 through 6, and insert the following:

"(2) identify and apply innovative research performed by the Federal Government, Federal laboratories, academia, and the private sector to the intermodal and multimodal transportation research, development, and deployment needs of the Department and the transportation enterprise of the United States;"

Mr. BINGAMAN. Mr. President, I offer these on behalf of myself and Senator DOMENICI. They are very simple, conforming amendments to make it clear that the research activities that the Department of Transportation is engaged in are ones where they can call upon all of the scientific capability in our country, our Federal laboratories as well as our educational institutions, to get that research done. I do not think there is any opposition. I appreciate the chairman's allowing me to offer them at this time, and I urge Senators to support them.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. These amendments are acceptable on this side.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. We have also reviewed the amendments and find them acceptable.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 1699, 1700 and 1701) were agreed to en bloc.

VOTE ON AMENDMENT NO. 1697

The PRESIDING OFFICER. The question is on agreeing to the Dorgan amendment, amendment No. 1697.

Mr. DORGAN. 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.

The PRESIDING OFFICER. The question is on agreeing to the Dorgan amendment, amendment No. 1697. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCAIN (when his name was called). Present.

The result was announced, yeas 52, nays 47, as follows:

[Rollcall Vote No. 21 Leg.]

#### YEAS—52

Akaka	Faircloth	Moseley-Braun
Biden	Feinstein	Moynihan
Bingaman	Glenn	Murkowski
Boxer	Gorton	Murray
Bryan	Harkin	Reed
Bumpers	Hatch	Reid
Byrd	Hollings	Robb
Chafee	Inouye	Rockefeller
Cleland	Johnson	Sarbanes
Coats	Kennedy	Smith (OR)
Conrad	Kerrey	Specter
D'Amato	Kerry	Stevens
Daschle	Kohl	Torricelli
DeWine	Lautenberg	Warner
Dodd	Levin	Wellstone
Domenici	Lieberman	Wyden
Dorgan	Lugar	
Durbin	Mikulski	

#### NAYS—47

Abraham	Baucus	Breaux
Allard	Bennett	Brownback
Ashcroft	Bond	Burns