But today, we have a new team to add to that list: ''The Comeback Cats.''

Faced with a 10-point half-time deficit, the Cats overcame that deficit and rallied to beat Utah, a team of outstanding athletes playing under a fine coach. And by doing so, they broke the all-time record for the largest half-time deficit overcome in the NCAA Title game.

But this was not the first time the Wildcats had to make a rally in this tournament. Down to Duke by 17 in the Elite Eight and down by 10 points to Stanford in the National Semifinal, the Wildcats did what we've become accustomed to in Kentucky. They turned up the defense, they hit the offensive boards and they hit the ''threes'' when they counted.

And they did it on a team that can best be described as a celestial body—a team with no individual stars. As Washington Post sportswriter Michael Wilbon noted this morning, ''This is one of the few Kentucky basketball teams that is completely without a star player. But Coach Tubby Smith convinced the players many games ago they don't need one.''

This is a team with three seniors as tri-captains who have all sacrificed: Cameron Mills, a player who'll be long remembered for his clutch three-pointers, came to the team as a walk-on after passing up scholarships to play at other schools; Allen Edwards, a three-position player fighting on after the loss of his mother; and Jeff Sheppard, a red shirted player last year who became this year's Most Valuable Player in the Tournament.

Of course all of this would not have been possible without the guidance and steady hand of Coach Tubby Smith, a man filling the shoes of a coach who became a legend in Kentucky over a few short years, Rick Pitino.

Today in Kentucky they're talking about a man who led this team to the Championship and has shown, as a local paper noted, that ''skill, intelligence and a self-effacing gentlemanliness are enough to win games—and hearts.'' Tubby Smith has shown us that nice guys do, indeed, finish first.

For all the players, the coaches, the managers—and anyone else associated with the team—let me say congratulations on a job well done, and please know there are thousands of Kentuckians who are very proud of you.

Mr. President, I might say that of the three times the Tennessee women will have been at the White House to be honored, Kentucky will have been there two of those, and they had to go into overtime to lose the third one. I think we have an outstanding group of people.

I ask for approval of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 204) was agreed to.

The preamble was agreed to.

Mr. FORD. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, while the Senator from Kentucky is here, I appreciate the resolution that was offered and that was just passed in the Senate. In my estimation, there have never been two teams that had such good sportsmanship. The two coaches were of such high quality. In all their victories along the way, they complemented each other, and last night, even though one was a victor and one was the vanquished, they both talked as if they had won. It was very good performance and set a good standard for sportsmanship.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEARS 1999, 2000, 2001, 2002 AND 2003

The Senate continued with consideration of the concurrent resolution.

Mr. GORTON. Mr. President, we are operating under a unanimous consent agreement under which the next two amendments are to be proposed by Senator CONRAD of North Dakota and Senator COVERDELL of Georgia. Neither of them is here. We do have two Senators here who are ready to offer amendments, Senator REID of Nevada and Senator ALLARD of Colorado.

I ask unanimous consent now that we hear first from Senator REID and then from Senator ALLARD, warn the other two Senators that this will take perhaps half an hour combined, something of that sort, and they will come after that.

Mr. LAUTENBERG. If I may, in my discussion with Senator REID of Nevada, he believed about 15 to 20 minutes would be his maximum requirement, and I spoke to the Senator from Colorado, Mr. ALLARD. He also talked about the possibility of a matching 20 minutes. So in the unanimous consent agreement, why don't we do that, recognizing that one Senator may not be available to do his immediately, and as such, would the Senator from Colorado be willing to do his when there is a break in the schedule?

Mr. ALLARD. I am more than glad to work with the floor managers on this. I am set to preside over the Senate until 8 o'clock. I have to set up some charts and I am ready to go. I can be flexible, and any Member who thinks they want to go ahead and make comments, it is all right with me.

I just was hoping I could get to go this evening. If there was nobody else that was willing to go, I was ready to go so we wouldn't lose time.

Mr. GORTON. This sounds like a generous offer. I will ask now that Senator REID of Nevada be recognized to offer an amendment in spite of the existing unanimous consent agreement, and then when he is done, we will see who is here and perhaps be able to accommodate Senator ALLARD.

Mr. LAUTENBERG. If I may, Mr. President, we are expecting the unanimous consent agreement that was propounded before that includes Senator CONRAD followed by Senator COVERDELL, and we intend to follow that order, but understanding that after Senator REID presents his, at Senator ALLARD's convenience when we have a break, we will include him as part of the unanimous consent agreement.

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

The Senator from Nevada.

AMENDMENT NO. 2206

(Purpose: To express the Sense of the Senate that the landowner incentive program included in the Endangered Species Recovery Act should be financed from a dedicated source of funding and that public lands should not be sold to fund the landowner incentive program of the Endangered Species Recovery Act)

Mr. REID. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. If there is no objection, the pending amendment will be set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada (Mr. REID), for himself and Mr. BRYAN, proposes an amendment numbered 2206.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE ON OBJECTION TO THE USE OF THE SALE OF PUBLIC LANDS TO FUND CERTAIN PROGRAMS.

(a) FINDINGS.—The Senate finds that the Budget Committee Report accompanying this resolution assumes that the landowner incentive program of the Endangered Species Recovery Act would be funded ''from the gross receipts realized in the sales of excess BLM land, provided that BLM has sufficient administrative funds to conduct such sales.''

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the functional totals underlying this resolution assume that:

(1) the landowner incentive program included in the Endangered Species Recovery Act should be financed from a dedicated source of funding; and

(2) public lands should not be sold to fund the landowner incentive program of the Endangered Species Recovery Act.

Mr. REID. I ask unanimous consent that Senator BRYAN be added as a cosponsor of this amendment.

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

Mr. REID. Mr. President, this amendment is important because I think what we are doing here is setting some very important public policy. That public policy is that we should not auction off Federal land to take care of the Endangered Species Act.

In short, this sense-of-the-Senate resolution I have presented to the Senate deals with the budget resolution and its report concerning the sale of excess public lands. The provision in question

calls for financing of certain landowner incentive programs through the sale of excess BLM land. What this means, in layman's language, is that the Environment and Public Works Committee came up with an endangered species reauthorization compromise. It came out of the committee by a vote of 16–3 and received bipartisan support in the committee.

The problems that have arisen since we reported that bill are relatively minor in nature. However, one of the problems that has been talked about is some permanent means of financing the programs in the new Endangered Species Act. I support the new Endangered Species Act, but I know that there must be some form of financing for that. I am convinced this is not the way to finance it. As someone who has been involved in the negotiations on the reauthorization of the Endangered Species Act, I am aware of the need to provide a dedicated source of funding for these programs. These programs assist private landowners in carrying out the purpose, the intention, the aim of the Endangered Species Act. That is basically protection and recovery of threatened and endangered species.

I am supportive of providing the landowners with incentive for proactive efforts to conserve endangered species. However, the Federal Government's responsibility in assisting landowners carrying out this act should not be borne by Western States, and principally one Western State, at this time because the real estate market is so hot in the southern Nevada area. This responsibility should not be borne basically by one State. The Endangered Species Act covers the whole country. In that it does cover the whole country, the whole country should be involved in solving the details of it, especially the financing. It is not fair that States like Colorado, Arizona, Idaho, Nevada, and New Mexico be the cash cow for the Endangered Species Act.

The Endangered Species Act and requirements apply to all 50 States. It is a national Federal law because, Mr. President, there is a national Federal interest in the protection and conservation of endangered species. We shouldn't turn our Federal lands into a land bank that finances this important act.

I understand the importance of Federal land. The State of Nevada is 87 percent owned by the Federal Government. I repeat, 87 percent of the State of Nevada is owned by the Federal Government; 13 percent of that land is owned by private parties. We want to get more of that land in the public sector into the private sector, but we want to do it in an orderly fashion, and we have done that in the soon-to-be second largest city in Nevada. Henderson, NV, is the place where I went to high school. At that time, it was a community of about 10,000 people. It is now approaching 200,000 people and growing very rapidly—the most rapidly growing city in all of Nevada; in fact, one of the most rapidly growing communities in all of America.

Now, the reason it has been allowed to grow is because we have added Federal land to the land base of the city of Henderson. It has had a very orderly growth. We have some planned communities. One of the most important planned communities anywhere in the country is a place called Green Valley. It is a beautiful community. Mr. President, that has been done in an orderly fashion. It hasn't been forced upon anyone. It wasn't done at auction. That, in effect, is what we are talking about here. They are public lands that belong to the public for their enjoyment.

Not only has Henderson received the benefit of public lands, but other places throughout the State of Nevada, like Mesquite, Carlin, NV. We could go on with many other examples. These are public lands and they belong to the public for their enjoyment.

Are we going to auction off all the nice places in Nevada and then only people of wealth who can buy those lands will be able to use those nice places in Nevada? I hope not. That is in effect what they are doing here. They are mandating in this budget resolution the sale of public lands to meet the needs of the Endangered Species Act. Mandating the sale and using the proceeds to fund programs outside the State where the land is would be patently unfair.

This body should reject this misguided proposal and support this amendment. It is surprising to me that any Western Senator could support the underlying provision in this budget resolution saying we are going to auction off Federal lands the purpose of which is to carry out the intent of the Endangered Species Act. Apart from the regional States' specific bias, the amendment should also be rejected on environmental grounds. This will be one of the key environmental votes of this Congress, or any Congress.

Opponents of this provision in the budget resolution are Friends of the Earth, American Oceans Campaign, Center for Marine Conservation, Defenders of Wildlife Earthjustice Legal Defense Fund, Environmental Defense Fund, Grassroots Environmental Effectiveness Network, Izaak Walton League of America, National Audubon Society, National Wildlife Federation, Natural Resource Defense Council, Trout Unlimited, U.S. Public Interest Research Group, Western Ancient Forest Campaign, the Wilderness Society, the World Wildlife Fund, and many others.

The League of Conservation Voters is looking at this very closely, I am told, as they should.

We have worked closely with these groups over the past years in coming up with the Endangered Species Act. One of their strongest concerns in this period of time is to ensure that we put in place a long-term mechanism to finance these programs. The proposal included in this resolution funds these important programs only for limited times and only for the one-time revenue scheme. As a matter of public policy, this doesn't make sense. The demand to participate in the program and additional obligation to maintain incentives over time is going to create a tremendous pressure to sell additional public lands.

That isn't how we should get rid of public lands, how we should get public lands into the private sector. We should not do it on a forced sale. It should be done in an orderly process, certainly not an auction so that we need money this year because we have three endangered species listed in Florida, two in Colorado, one in Nevada, and three in Hawaii. That isn't the way it should be.

To show you how disingenuous those who are pushing this proposal are, the Bureau of Land Management sells an average of 5,000 acres per year for about $2.5 million. It is interesting to note that Congress Daily quotes an unnamed BLM official as saying the Budget Committee estimates $350 million revenue from this proposal. Absurd. It is impossible.

Mr. President, there are a number of appropriate justifications for disposal of public lands. I have talked about the city of Henderson, the city of Carlin, the city of Mesquite, and other places in Nevada. I have also worked closely with Senator BRYAN and my two colleagues from the House on the Nevada Public Lands Act, which provides for the disposal of certain public lands in Nevada—a good piece of legislation. We are going to have a hearing in May on this matter before the committee of the senior Senator from Alaska, who is the chairman of the committee. We have confidence that he will report that bill out favorably and that it will pass.

Now, why in the world would they—whoever ''they'' are pushing this budget resolution—want to undermine something that is working well? We have general support from the committee—I spoke to the chairman myself—on the Nevada Public Lands Act. And it applies not only to Nevada, but to the entire West. It would allow lands to be auctioned, and those moneys would stay in the State from where the land is sold for environmental concerns. There may be a special piece of land that the Federal Government wants. There may be some things that the Federal Government needs, and auctioning off these lands would allow them to do that.

For example, we have a number of things in the State of Nevada for which the Federal Government wants these lands. They do not want the land to be subdivided. It is a special place to be used for a park or recreational purposes. So these lands would be auctioned off, and you could purchase that land to put it in the public sector or the private sector.

So I think it is important that some of the lands we identified in our legislation—the Nevada Public Lands Act—would, of course, be used now for this legislation, the budget resolution. That is not the way it should be. I am very concerned. I have worked long and hard on the Endangered Species Act, but I am not about to be part of an Endangered Species Act if it has this as a source of funding. I think there is probably some concern about why this is put in the budget resolution. I guess it is kind of like a fire auction. You get the best you can with what you have. I think what they have in this instance is a hot real estate market in the State of Nevada, southern Nevada particularly, and they are going to sell this land as quickly as they can. I think that is wrong. The amount of public lands in Las Vegas would be the only likely source today of a significant amount of money to fund these proposed programs. Tomorrow, it may be the outskirts of Denver. Next year, it may be the outskirts of Albuquerque. These would be places they would go to raise as much money as they could as quickly as they can—fire sales to fund the Endangered Species Act. Funds would then be made available for incentives throughout the country, not just in Nevada. This is a conflict with the legislation that I have talked about earlier that is now before the Energy Committee. The resolution puts in place a public lands disposal policy that is entirely driven by the need to sell excess lands. But unlike the meritorious programs they will fund, which are temporary, the disposal of public lands is permanent.

Mr. President, I have said that this proposal is a poison pill. I believe it is intended to kill reauthorization of the Endangered Species Act. We have been negotiating the reauthorization of this monumental act for 2 years or more, along with Senators BAUCUS, CHAFEE, KEMPTHORNE, and the administration. We sought to secure a dedicated source of funding for these private land programs. This is not it. While I can't speak for the administration, I repeat that we were never consulted on this proposal. Frankly, I don't like it. I think it is a poison pill. If our amendment is defeated, as far as I am concerned, it is the death of the Endangered Species Act. I could not agree to supporting a bill which so unfairly exploits the value of Nevada public lands and undermines the legislation. It has been more than a year in the making, the Nevada Public Lands Act.

Mr. President, I would like to make part of the RECORD a letter from the group of environmental concerns, including Friends of the Earth, American Oceans Campaign, and others, dated March 30, 1998. I ask unanimous consent that this letter be printed in the RECORD, along with a letter dated March 31 from the Sierra Club dealing with this subject, and a letter from the League of Conservation Voters.

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

MARCH 30, 1998.

DEAR SENATOR: We are writing to express our concern over a proposal described in the Senate Budget Resolution to use the proceeds from the sale of public lands under the Interior Department's Bureau of Land Management (BLM) to fund the private landowner incentive programs of S. 1180.

In general, we are supportive of providing private landowners with incentives for proactive efforts to conserve endangered species and would like them funded through sustainable, long-term revenue mechanisms. However, under the proposal being developed, the landowner incentives programs in S. 1180 would be funded presumably only for a limited time from a one-time revenue scheme. Thereafter, additional revenues would need to be generated to continue funding of these programs. The demand to participate in this program, and the obligation to maintain the incentives over time, could create pressure to sell additional public land if other, more acceptable, revenue sources were not identified. We believe a more sustained funding mechanism is needed.

In addition to failing to establish a reliable source of funding, the proposal would set an unacceptable precedent regarding the sale of public lands. Our public lands are an integral part of America's national heritage, and we strongly oppose the sell-off of such important assets. Disposing of public lands may be appropriate when the planning process concludes it is in the public interest to exchange or sell certain parcels. In such cases, the lands could be exchanged for—or revenues dedicated to—acquisition and permanent protection of lands that contain important natural habitats and/or resources. However, the need for revenues should not drive the decision-making on disposal of public lands. That is exactly the wrong reason to sell off public lands. From a policy and budget perspective, it is not appropriate to tie the permanent disposal of taxpayer-owned property to temporary measures for endangered species.

While we support efforts to find the necessary resources to fund the protection of endangered species, we believe this proposal creates serious problems and we will oppose it.

Sincerely,

GAWAIN KRIPKE,
Director, Appropriations Project, Friends of the Earth.

TED MORTON,
Program Counsel, American Oceans Campaign.

WM. ROBERT IRVIN,
Vice President for Marine Wildlife, Conservation and General Counsel, Center for Marine Conservation.

MICHAEL SENATORE,
Legislative Counsel, Defenders of Wildlife.

HEATHER WEINER,
Policy Analyst, Earthjustice Legal Defense Fund

MICHAEL J. BEAN,
Director, Wildlife Program, Environmental Defense Fund.

ROGER FEATHERSTONE,
Director, Grassroots Environmental Effectiveness Network.

JIM MOSHER,
Conservation Director, Izaak Walton League of America.

MARY MINETTE,
Director, Endangered Species Campaign, National Audubon Society.

SARA BARTH,
Legislative Representative, Endangered Species, National Wildlife Federation.

PHILIP M. PITTMAN,
Policy Analyst, Natural Resource Defense Council.

STEVE MOYER,
Vice President of Conservation Programs, Trout Unlimited.

KIM DELFINO,
Staff Attorney, U.S. Public Interest Research Group.

JIM JONTZ,
Executive Director, Western Ancient Forest Campaign.

FRAN HUNT,
Director, BLM Program, Wilderness Society.

CHRISTOPHER E. WILLIAMS,
Director, Endangered Species Policy and Chihuahuan Desert Conservation, World Wildlife Fund.

SIERRA CLUB,
Washington, DC, March 31, 1998.

DEAR SENATOR: On behalf of Sierra Club's over half million members, I am writing to convey our opposition to a provision currently in the Senate Budget Resolution which assumes the sale of Bureau of Land Management land in order to fund landowner incentives for endangered species programs.

While land exchanges may be appropriate for some federal lands if they have little public, ecological, or wildlife value, these exchanges should result in the acquisition and permanent protection of the scarce remaining lands that do have these values. This proposal would set a dangerous precedent regarding the management of our federal public lands and the amount and quality of public land available to future generations of Americans. The Sierra Club is firmly opposed to the selling off of these important assets.

Sierra Club is generally supportive of providing small, private landowners with incentives for proactive conservation measures, but such measures should be funded through sustainable means. The mechanism proposed in the Senate Budget Resolution is problematic because it fails to establish a reliable source of funding. Under the Proposal, funding for landowner incentives would likely come from the one-time sale of BLM lands. This would not provide a sound funding program for landowner incentives, and would create pressure to sell off additional public lands.

Some in Congress support the outright ''disposal'' of our public lands. The budget bill should under no circumstances be used as a backdoor mechanism to achieve this controversial goal.

Later this week, a Sense of the Senate amendment will likely be offered by Senator HARRY REID and DALE BUMPERS in opposition

to this provision. We strongly urge you to support this amendment and protect our federal public lands from this precedent setting provision. In addition, we urge you to refer to our previously delivered coalition letter in support Senator Frank Lautenberg's amendment to provide adequate funding for environmental protection programs. . .

Sincerely,

DEBBIE SEASE,
Legislative Director.

LEAGUE OF CONSERVATION VOTERS,
March 30, 1998.

Re Senate Concurrent Resolution 86. supporting the Latenberg amendment to fund environment and national resource protection.

U.S. Senate,
Washington, DC.

DEAR SENATOR, the League of Conservation Voters is the bipartisan, political arm of the national environmental movement. Each year, LCV publishes the *National Environmental Scorecard*, which details the voting records of Members of Congress on environmental legislation. The *Scorecard* is distributed to LCV members, concerned voters nationwide and the press.

Last year's balanced budget agreement contemplated decreasing spending every year until at least 2003 for natural resources and environmental programs. The American public has made clear that clean water, our public lands, fisheries and wildlife management, and other environmental programs require a higher priority than was reflected in this agreement.

During consideration of the Budget Resolution, S. Con. Res. 86, LCV urges you to support an amendment by Senator Lautenberg (D–NJ) that would restore funding for critical environment and natural resource programs that were proposed in the President's budget but omitted from the Resolution. This amendment would address the following crucial environmental initiatives:

The Clean Water Action Plan which will provide increased resources to states, tribes and individuals in order to address polluted runoff from urban areas, agriculture, mining and other sources.

A continuation of funding for the Drinking Water and Clean Water State Revolving Loan Funds which will help to ensure that our drinking water and wastewater treatment infrastructure can meet water quality and public health needs for the next century.

The Land, Water and Facility Restoration Initiative, which provides increased funding for ''Safe Visits to Public Lands'' and ''Supporting the Land and Water Conservation Fund Vision''.

An increase in funding to continue progress in cleanups at Superfund sites around the nation, where many communities have been waiting for over a decade to have toxic and hazardous sites restored to safety.

In addition, LCV urges you to support any amendments to address the following:

We understand that an amendment may be offered to reduce or eliminate the existing tax subsidy for mining on public and parented lands—known as the percentage depletion allowance.

The Budget Resolution assumes that landowner incentives programs for endangered species would be funded from the proceeds of the sale of public lands under the Interior Department's Bureau of Land Management. This proposal would set an unacceptable precedent regarding the sale of public lands and would fail to provide a sustainable, long-term revenue mechanism for endangered species protection.

America's land, water, fish, wildlife and plants are irreplaceable natural assets that belong to, and benefit our entire nation: their protection and stewardship warrant the modest increase in funding that Senator Lautenberg's amendment would allow. LCV's Political Advisory Committee will consider including votes on S. Con. Res. 86 in compiling LCV's 1998 *Scorecard*. Thank you for your consideration of this issue. If you need more information please call Paul Brotherton in my office at (202) 785–8683.

Sincerely,

DEB CALLAHAN,
President.

Mr. REID. Mr. President, as I have indicated earlier in my presentation, I think that Senator BUMPERS, at a subsequent time, would like to come speak on this. His not being here today does not waive his ability to come.

I yield the floor.

Mr. LAUTENBERG. Mr. President, if the distinguished Senator from North Dakota is ready, we just heard from the Senator from Nevada; he put his amendment in. Further action will occur at the appropriate time.

I would like now to ask our colleague from North Dakota to present an amendment he has been waiting for.

AMENDMENT NO. 2174

Mr. CONRAD. Mr. President, I rise to speak on the amendment on behalf of myself; Senator LAUTENBERG, the ranking member on the Budget Committee; Senator BINGAMAN of New Mexico; and Senator REED of Rhode Island.

Mr. President, this amendment will address one of the problems with the budget resolution that was passed out of the Senate Budget Committee. The Senate budget resolution says that if any tobacco revenues are forthcoming as a result of a conclusion to the tobacco controversy, that money can only be used for the Medicare Program.

I would be the first to acknowledge the critical importance of Medicare and to say that some of the tobacco revenues ought to go for that purpose. In fact, the measure that I have introduced, which has 32 cosponsors in the U.S. Senate, provides for some of the funds to go to strengthen the Medicare Program. But there are other important priorities as well. Under the budget resolution passed by the Republican majority in the Budget Committee, none of the funds can go for other purposes to address the tobacco challenge facing our country. In fact, none of the funds that could come from a resolution of the tobacco issue could be used for smoking cessation, smoking prevention, counter-tobacco-advertising programs, to expand health research on tobacco-related issues, to provide for additional funding for FDA increased regulatory authority over the tobacco industry.

That just seems to be a serious mistake. Every single expert that came before our task force on the tobacco legislation said that if you are going to be serious about protecting the public health, if you are going to be serious about reducing youth smoking, you need a comprehensive plan, a plan that raises prices to deter youth from taking up the habit; you need to have smoking cessation and smoking prevention programs; you need to have counter-tobacco advertising. You also need to expand FDA's regulatory authority. And, yes, you should have expanded health research into the diseases caused by tobacco addiction and tobacco use.

The resolution from our friends on the other side of the aisle says no to all of those other priorities. It says there is only one priority. It says all of the money should go for only one purpose. Mr. President, that is just a mistake. If we look at all of the comprehensive bills that have been introduced in this Chamber by Republicans and Democrats, every single one of those comprehensive bills provides funding for matters other than just Medicare. They provide money for smoking cessation, for smoking prevention, for counter-tobacco advertising, for expanded FDA regulatory authority, for increased health research into the problems caused by the addiction and disease brought on by the use of tobacco products.

I brought this chart that compares reality to rhetoric. If we look at the policy goals in all of the comprehensive bills that have been introduced in this Chamber, bills by three Republican chairmen—Senator MCCAIN, chairman of the Commerce Committee; Senator HATCH, chairman of the Judiciary Committee; and also Senator LUGAR, chairman of the Agriculture Committee—all of those bills provide for funding for these other priorities. In addition to my own bill, the HEALTHY Kids Act, Senator LAUTENBERG's bill and Senator KENNEDY's bill, all of them use tobacco revenue for anti-youth-smoking-education initiatives—every single one of them, Republicans and Democrats, provide for using some of the funds for that purpose. The Republican budget alternative available on the floor says no money for that purpose. All of the bills, Republicans' and Democrats', that have been introduced on the floor, use some of the tobacco revenue for public service advertising to counter the industry's targeting of our kids. But the Republican budget that is before the Senate says no money can be used for counter-tobacco advertising.

Mr. President, all of the major bills that have been introduced say use some of the tobacco revenue to fund tobacco-related medical research. That just makes common sense. But the Republican budget alternative says not one dime from a resolution of the tobacco controversy can be used for that purpose. What sense does that make? All of the major bills that have been introduced by Republicans and Democrats say some of the tobacco revenue should be used to fund smoking cessation programs. The Republican budget says no. The Republican budget says not one penny out of the tobacco revenues for the purpose of funding smoking-cessation programs. What sense does that make? All of the major bills say use part of the tobacco revenue to assist tobacco farmers.

The Republican budget resolution says no; not one dime to ease the transition for tobacco farmers that would result from the passage of tobacco legislation.

Mr. President, the Republican budget resolution would hold every comprehensive tobacco bill that has been introduced by Republicans or Democrats to be out of order on the floor of the Senate—all of them. They would all be out of order under the Republican budget resolution. What sense does that make?

I submit that we can do better. We should do better. We have the opportunity to respond by taking what is in the Republican budget resolution with respect to the funds that would be taken in, the revenue that might result if we are able to resolve the tobacco question, and, instead of only allowing those funds to be used for the Medicare Program, to broaden the use of those funds to allow them to be spent in a way the American people want to see them spent, and the way every bill which is comprehensive which has been introduced by Republicans or Democrats provides. It is in my amendment; that is, not only should the money go for Medicare; yes, some of the money should go for that purpose; but some of the money should go for public health efforts to reduce the use of tobacco products by children, including tobacco control, education, and prevention programs, counteradvertising, research, and smoking cessation.

Every expert who came before our task force—we heard from over 100 witnesses—said you have to have a comprehensive plan, you have to do some or all of these things, if you are going to be successful at protecting the public health; you have to do some or all of these things if you are really going to be successful at reducing youth smoking.

We should also provide the chance, at least for comprehensive tobacco legislation, to provide assistance for tobacco farmers. The budget resolution before us says no; no help for tobacco farmers. Not only are we not going to have any money from tobacco revenues for smoking cessation, for smoking prevention, or for health research, we have no money to assist tobacco farmers and their communities.

We also provide increased funding, or at least the chance for increased funding, for the Food and Drug Administration, which, under virtually every bill that is out here, would be asked to take on a greater role and more responsibility. If they are going to be given more obligations, they ought to be given the funding to match those obligations. They ought to be told yes, those additional resources to regulate the tobacco product will be provided. Virtually every bill that has been introduced here by Republicans and Democrats says that is an appropriate outcome. The Republican budget resolution says no—not one thin dime for that purpose, or for the purpose of the farmers, or for the purpose of smoking cessation, smoking prevention, health research, or countertobacco advertising—no tobacco revenues to be used for that purpose.

Mr. President, it just doesn't make sense. Yes, we provide that the funds which would be set aside taken from the tobacco revenues could also be used for expanded health research. If there is one thing we have heard from the experts, it is that we need to know more about the causes of the diseases which flow from the addiction and the use of these tobacco products.

The National Institutes of Health need additional funding to look into the cancers caused by the use of tobacco products, to examine the heart problems caused by the use of tobacco products, to examine the emphysema which is caused by the use of tobacco products. We need to do more research to understand the role of addiction in causing the diseases which flow from the use of tobacco products. But the budget resolution which is before us says no; not one thin dime for any of those purposes out of tobacco revenue.

That contradicts every single public health organization and every single public health leader in America. Dr. Koop and Dr. Kessler have pleaded with us: If you are going to have an effective program of protecting the public health, if you are going to have an effective program to reduce use of smoking, you have to have a comprehensive plan; you have to have one which addresses every one of these aspects. You can't just limit it to Medicare.

Yes, Medicare is very important. There is no question about it. Our legislation would provide some of the funding for Medicare. Our legislation would provide some of the funding for Social Security, which the Republican budget resolution also precludes. They wouldn't provide a penny to strengthen Social Security. They oppose providing any help to Social Security, even though we know it faces a demographic time bomb, the same demographic time bomb that Medicare faces. But they say no for any money to strengthen and protect Social Security. And they say no to any funding for smoking prevention, smoking cessation, countertobacco advertising, and additional health research out of the tobacco revenues. It does not make sense.

Mr. President, I am going to turn now to my colleagues, my leading cosponsor, Senator LAUTENBERG, the ranking member of the Budget Committee, and Senator REED of Rhode Island, who is here as well. I don't know—Senator REED has been waiting—if he would like to comment now, or if Senator LAUTENBERG would like to take this opportunity.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I ask how much time the Senator from Rhode Island would need.

I yield up to 10 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island may proceed.

Mr. REED. Thank you, Mr. President.

I strongly support the amendment proposed by Senator CONRAD, Senator LAUTENBERG, and my colleagues. The budget resolution before us today does not give us a fighting chance to do what we want to do, but more importantly, what the American people want us to do. That is to reduce teenage smoking in the United States. We know it is a curse. We know it is causing incalculable pain throughout this country in terms of health problems down the road.

But this budget resolution does not give us the tools to grapple with the issue of teen smoking. It is illogical, too, as Senator CONRAD pointed out so eloquently. All of the major legislative initiatives have specific provisions which require anti-youth-smoking efforts, increased research at the National Institutes of Health, FDA regulatory authority, State regulatory authority, and none of these can be funded from the budget resolution.

But there is something that is even more illogical, in my view. I do not want to take a brief for the tobacco industry. But with every one of these major pieces of legislation for the tobacco industry, you must reduce teen smoking by 50 percent, 60 percent, or 70 percent in so many years. Yet, if we take all of the proceeds from the increased tobacco taxes and all the other payments and we don't use them in some way to try to suppress teen smoking through counteradvertising campaigns, to try to get people who are addicted to nicotine over the addiction, there is no way that these goals can be met. We are setting up a test that is bound to fail. We have to recognize that if we are serious about mandating the reduction of teen smoking by significant percentages over the next several years, we have to provide the resources to do that job. This budget resolution does not make such a provision. It does not allow us to take the proceeds of whatever tobacco deal is ultimately reached and use those proceeds to invest in a healthier America, to invest in the health of our children.

All of these provisions, which Senator CONRAD has outlined, are so absolutely necessary in making any proposed agreement work, and also, fundamentally, to ensure that we reduce teen smoking, we have to adopt a very strong anti-youth-smoking effort. The principal means to do that is a counteradvertising campaign. Every year, the tobacco industry spends $5 billion on advertising, billboards, sporting events, teams, sponsorships, giveaways—hats, jackets, whatever, key chains—a powerful influence on the youth of America. In fact, all of us can think back through our sort of history, and, even if we do not smoke, we know we have been terribly influenced by tobacco advertising campaigns.

I was on the floor a few weeks ago talking about the legislation which I

had, and it came to me that if I asked anyone who is roughly my age—I will be kind, about 40—if I asked them what LSMFT meant, the light bulb would go right on. If I ask these young ladies and gentleman, they would say it is gibberish. I see the shake of the head. They do not know. LSMFT means ''Lucky Strike Means Fine Tobacco.'' Through literally millions of dollars of advertising over 20 or 30 years, a whole generation, or more, of Americans understood that. We have to reverse that. We have to convince a whole generation of Americans now and in the future that tobacco is dangerous, addictive, and will ultimately kill them. We can't do it just with good wishes here on the floor of the Senate; we have to do it with real resources. This budget resolution will not give us a chance to do that.

We have to look seriously at NIH research, because there are opportunities perhaps to develop antidotes to nicotine, to the harmful effects of tobacco smoke. There are ways through science and research. We might have better ways to wean individuals off tobacco smoke. All of these things have to be done if we are going to meet our objective of using this historic opportunity, this historic agreement, to improve the public health of Americans.

We also have to ensure that the FDA has the resources to do the job of enforcing on the tobacco industry. We know every year it is a battle here through the appropriations process to fund worthwhile programs for the FDA. We know at the end of the day that there are many worthwhile programs which just do not make the cut, not because they are bad but just because we run out of money long before the public health community runs out of problem. If we do not provide within this resolution for the use of the resources of the tobacco industry to invest in FDA, we are not going to be able to give them the tools to do the job to make sure that smoking is not contagious among young people.

Add to that our responsibility to help the States provide an important part of this overall agreement. We expect—in fact, in most of the legislation it is clearly explicitly written—that the States will fund elaborate programs of access control to tobacco through licenses of clerks, thorough investigations and inspections of facilities that are selling tobacco products, ensuring that products don't mysteriously appear in the State without these controls.

All of that takes money, and the States are going to look to us and say, ''Listen. You are the folks that have all of the money. You are the ones that are getting the $500 billion over so many years from increased taxes and increased fees and penalty payments. We need this to ensure that we can control access to tobacco products.''

One of the other aspects is thrown in our face constantly when we talk about this tobacco arrangement. That is the possibility, or the probability, the eventuality, of a black market in cigarettes because the price is going up. How are we going to counteract this black market if we do not have the resources at the State level and the FDA level and through other law enforcement means to actually counteract the potential growth of black markets? Once again, I don't see within this budget resolution those types of resources being available.

We also have to fund smoking cessation programs. Mr. President, 70 percent of smokers today want to quit. But wanting to quit and being able to beat this addiction are two different things. They cannot do it without resources—without access to counsel, without access to nicotine patches, without access to those items which are going to ensure that they can avoid their present dilemma, which is smoking but wanting desperately to quit.

Then, as Senator CONRAD also pointed out, every one of these pieces of legislation includes substantial payments to farmers who are likely to lose their valuable crops because tobacco is going to be suppressed in this country—not prohibited, not outlawed—but certainly we hope the demand will begin to shrink for tobacco products as fewer people smoke, particularly fewer young people smoke. Every one of these bills has it. Both sides of this aisle are trumpeting their support for the farmer. They are not going to let these innocent victims of this industry be left adrift without any resources, cut off from a lucrative economic crop and left to their own devices. Yet, once again, within the confines or context of this resolution, there is no resource to do the job.

We have to do something. Frankly, this amendment makes so much sense. It allows for the funding of all of these provisions. It allows for other important uses of the tobacco settlement, too. But at a minimum it allows us to do what we have to do, and I am supportive, not only of this effort but overall of developing strong and tough tobacco legislation. We have an opportunity, a historic opportunity, for the first time in many, many years, to put America on the path of sense and sanity when it comes to smoking policy.

We can, we hope, empower a generation of young Americans with the knowledge and with the support to stop smoking. If we do that, we will reap a tremendous benefit in a healthier America and a healthier society. Yet, without these resources we cannot, in fact, go forward because this budget resolution does not give us the opportunity and the flexibility to go ahead and do, again, not only what I want to do, what I assume the vast majority of my colleagues want to do, but what our constituents demand that we do: Use these historic opportunities, when the industry has recognized its past mistakes, when the industry is attempting to change its culture, when we have for the first time the support not only of the American people but the cooperation, to a degree at least, of the industry, to ensure that we prevent young people from smoking.

The fear is we will have debates on this floor about all of these legislative materials and all of the different aspects of the proposed agreements, but, ultimately, when it comes down to the bottom line, when we have to put our money where our words are, there will be no money because this resolution takes that option off the table for us. So I hope all of my colleagues will join us in supporting this amendment, will join us in the continued effort to ensure that we have good, tough tobacco legislation, but legislation that not only will say the right things but have the money and resources to do the right things.

My colleague from New Jersey, I think, is going to speak in a moment. I think he is present. While he is coming forward, let me just say that we have before us a very challenging set of issues. This is a critical one, getting this budget resolution in a shape where it will support sound legislation on the floor. There are other issues, too, that will come up before us.

Many aspects of this proposed settlement are controversial, not only between the two contesting parties, the tobacco industry and those who are trying to protect the public health, but also controversial by their nature. I talked a little bit about the need for adequate resources to fund smoking cessation advertisements that will actually go out and convince young people not to smoke. That will become particularly crucial if some provisions we have in the legislation are stricken down because of the first amendment. As you realize, most of these legislative initiatives contain language which essentially asks that the industry give up their first amendment rights to advertise in exchange for immunity protection. There is always the threat that someone—perhaps not even in the tobacco industry, perhaps a third party, like convenience stores—would come out and suggest that these restrictions are contrary to the first amendment. In this regard, we would really definitely, most definitively, need resources to keep up an effective counteradvertising campaign.

So for these reasons and many others, we must, I think, support this amendment, and we must, in fact, ensure that we have the dollars as well as the legislative language to prevent teen smoking. If we do that, then we will achieve the historic conclusion to these debates.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator from Rhode Island, Senator REED. He has been one of the most dedicated members on our task force on tobacco. He has been absolutely committed to the effort to form sound national tobacco policy. Nobody

worked harder in our task force. Nobody is more thoughtful, more creative about how we approach this set of challenges and problems than the Senator from Rhode Island. I thank him personally and publicly for the role that he has played.

If we ultimately succeed in passing comprehensive national tobacco legislation, in no small measure it will be because of the contribution of the Senator from Rhode Island, Senator REED. I especially thank him for his contribution to the debate on this amendment, because I think this goes right to the heart of the question. Are we going to have a chance to write comprehensive national tobacco legislation or are we going to be foreclosed and that effort endangered because the Republican budget resolution puts at risk any chance of passing a comprehensive bill? They would create supermajority vote requirements to pass any comprehensive tobacco bill. Instead of requiring 50 votes or 51 votes, we would have to have supermajority votes of over 60 because they have created points of order against any of the major bills that have been introduced by Republicans or Democrats.

This is a matter that must be fixed. This amendment that Senator LAUTENBERG and Senator REED and Senator BINGAMAN and I have introduced is the key to unlocking the chance to have national tobacco legislation. So I especially thank my colleague from Rhode Island, Senator REED.

Mr. REED. If the Senator will yield 30 seconds, just to not only commend the Senator and thank him for his kind words, but also for his tremendous leadership with respect to the tobacco task force and also to commend the senior Senator from New Jersey for his leadership over many years. I thank both the Senators.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank my colleagues for their kind comments and would say, while this looks like a mutual admiration society, we kind of get that way because we work on an issue we care an awful lot about, something with which several of us have had a history for a long time. I particularly say what a delight it is to work with our distinguished Senator from North Dakota, Senator CONRAD. He is always very thorough in his review of budget matters or whatever the subject is. He is on the Finance Committee. He has done a lot of good work there and has earned the respect of all the people he works with because he is so thoughtful and so deliberate and so direct in the things he sees and that he wants to work on.

Senator CONRAD was designated as chairman of the tobacco task force by our leader. It was a singular honor, because what the minority leader wanted to do was to pick someone whose objectivity could be counted on because we do have different views on how we ought to treat the tobacco negotiations, deal with the tobacco companies, and deal with our constituents and the public at large. The Democratic leader, Senator DASCHLE, chose Senator CONRAD because he knew he could be counted on to do a thorough analysis, bring the parties together, and certainly that has been the case. Senator CONRAD had people there who were friends of the industry, unabashedly. They made sure the industry point of view was being represented. On the other hand, we had those from the science community, Dr. Koop and Dr. Kessler, and people who had seen the effects of tobacco directly in their homes and often on their own person.

So he has done a thorough job all the way through the discussions here. We have a chance now to finally come to the beginning of the analysis of what might take place here in the Senate as it regards a kind of comprehensive settlement. It is discouraging, I must say, at this point, to find out, despite the good intentions of our friends on the other side, that we wind up with a budget resolution facing us that totally restricts our ability to work with the problem. The problem, very simply, is how do we protect young people—kids, if I may use the affectionate expression—kids, from starting to smoke when they are 8, 9, 10, 11 years old? We had a boy, a young man, in front of our committee. I think he was 12, a young man from Iowa, 12 years old. He was pleading for help to stop his addiction—12 years old—because he didn't want his little brother to start smoking and be addicted to tobacco—12 years old. He said he was already hooked and he tried to stop several times.

I looked at him and I said, ''My gosh, how can that happen that someone that age, still in the full bloom of development and growth, how could he be hooked on tobacco?'' He told it as it was. He wasn't a city slicker. He was a boy from—kind of country. He came in with a member of the police department, as I remember, who was his friend and kind of counselor.

We have lost the mission, I think, by directing the language so that we are hamstrung. We are unable to say to the country at large that what we want to do is we want to see that the tobacco industry finally makes up for some of the terrible damage it has brought on our community, brought on our people. We lose sight of that sometimes, the damage, as we go through the debate, because we talk about immunity from the suit, protection from litigation, talking about how we can cut a deal with the tobacco industry. I, frankly, think it comes under the umbrella of nonsense.

I don't like to be casual with language. We are dealing with an industry that has taken a terrible toll on America. To put it in some frame that makes it quite clear, in all of the wars of the 20th century—World War II, World War I, Korea, Vietnam—the casualties, those killed in combat in all the wars of the 20th century, don't equal the number that die each year as a result of smoking. It is incredible when you think about it.

We know there are over 400,000 deaths a year, most of them premature, often fatal after surgery—after surgery—lungs, throat, you name it, respiratory conditions galore, gastrointestinal conditions. We found out not too long ago, via the Harvard School of Public Health, that in addition to those who we knew died from tobacco-developed illnesses, that those who have exposure to secondhand smoke, numbering over 50,000 persons a year, 50,000 persons a year have fatal heart attacks, fatal heart attacks from exposure to secondhand smoke.

We look at this and we say, ''Well, what do we do about our arrangement with the companies?''

The first thing we have begun to find out—and we are about to find out a lot more—is what they have hidden in their planning over the years, their papers over the years, their attempt to hide information from the public by pretending that there is a client-attorney relationship.

The reason I mention these things is, we have to understand who it is that we are working with, that we are talking to. This is an industry which has been a foul-play industry for decades, knowing very well that addiction was being created by the manipulation of the nicotine, trying to grow plants that have a higher nicotine content that will addict quicker and firmer.

After a lot of discussion, after the attorneys general of most of the States in the country have met and have fashioned out what they think is a settlement—which we didn't all fully agree with, but they made a start, and I give them credit—they began to lay out what the parameters might be, an arrangement which would have the companies stepping up to help us develop a proper public health policy, because that is the primary mission.

Money, in this case, while not unimportant, is certainly a secondary part of the discussion, because with that money what we want to do is stop kids from smoking. We want to teach people how to stop even after they have begun smoking. We want to do some research. We want to find out what that nicotine does to the body, to the lungs, to the digestive system—the whole thing. We want to be able to stand up face to face with the powerful tobacco industry and say, ''Hey, listen; whatever you do, understand that we are going to limit your ability to get your message out to children and to other unsuspecting people, and we want you to pay for it, but we want you to work with us to help us develop these programs.''

We thought we were doing pretty well, because that proposed settlement served as a springboard for other discussions. It served as a springboard for what else we might do, as the President so carefully and positively laid out. We saw that there would be programs as a result of an agreement with

the tobacco companies and to ask the public to join in and help pay for some of the costs that tobacco renders on our society. There are guesstimates that it goes from $30 billion, $40 billion a year, up to $100 billion a year when you talk about lost productivity and problems which arise for individuals and families which go beyond just the treatment of the health problem. We worked hard.

Mr. President, we have just been joined by the distinguished chairman of the Budget Committee, who has become a friend over the years as we worked together and with whom we had an unusually successful program last year to get to a balanced budget, to help continue the process begun by President Clinton and his policy and watch that deficit go down. We look forward to surpluses in the future, possibly over $1 trillion in the next decade. Think about what good we could do with that money.

The President laid it out very carefully. It had to do with teen smoking programs, how we stop that from happening, and all the things I just talked about to improve health, prevent people from becoming addicts, which they are, over 41 million of them—addicts. It doesn't sound pleasant, but that is the truth. As a matter of fact, it is said in some quarters that addiction to smoking is almost deeper and longer lasting than it is with some of the illegal drugs that we hear so much about in our society.

We were enthusiastic. I know I speak for the Senator from North Dakota and I speak for myself, Senator REED, Senator DURBIN, and Senator BINGAMAN, when I say we thought, ''OK, we're on a good track; we talked to our friends on the Republican side of the Budget Committee, and we worked to find a plan so that we could use whatever revenues developed effectively,'' even as we developed a good health policy, because that was outside the Budget Committee directly. But it did include the programs which would be considered as part of the budget resolution, budget planning, for fiscal year 1999.

I don't have to tell you how disappointing it was to find out we were not at all going to be able to implement the policies we thought were positive—that we thought would prevent the kids from starting to smoke, that we thought would help us counter advertising, that we thought would help us with research, the NIH—to find out that by design, certainly more than by coincidence, what we were doing was restricting the use of any funds which might derive from a fee—we might even call it a user fee—from those who smoke, but a fee, an excise tax—that it was going to be restricted to something we like, by the way.

All of us want to see a more solvent Medicare, a stronger Medicare. The President has confirmed his view of what ought to be done, because he has appointed a commission. They are going to have a chance for deliberation. In the next year, there are going to be specific recommendations on how to protect Medicare, how to create the kind of solvency which will give us all some confidence that Medicare is going to be there as a program to use for all who reach 65.

We find out, however, despite the fact that we want to see Medicare protected, what has happened is the use of funds has become so narrowed that we can't do the other programs; that we are going to be unable to take the money which was earned off the addiction, off the habit that ruined so many people's health. Out of the 41 million people who are out there, we don't know how many are going to die prematurely, but we know a lot of them are, and we know a lot of them will be wrestling with diseases which will render them unable to conduct their lives in a normal fashion, and we are not going to be able to use those funds for that.

Again, there is not a suggestion of anything underhanded— not at all, Mr. President. I want to make sure that is completely understood. It is a focus on what the programs are that we are going to be able to put into place as a result of having those funds available. Our friends on the Republican side have decided you are not going to use it for any of those things; you are not going to use it for developing an appropriate health policy program; you are not going to be able to use it to stop teen smoking. I know there are programs within the basic budget resolution to encourage that, but, Mr. President, those programs are financed to the tune of $125 million a year. That is the recommendation. My gosh, even the tobacco companies, who hate to admit they have done anything wrong, were willing to put $2 billion into the anti-teen-smoking program.

We find ourselves in the position where we agree with the interests and the effort on behalf of the majority of the Budget Committee in developing a program, but we also find ourselves saying, ''Hey, wait a second, is this going to help the tobacco companies in some way? Is this going to hurt our ability to attack the programs that we so desperately need to do? Or is it just a little bit of a disguise to say, 'Well, OK, what we are going to do is, we are going to support health programs very narrowly'?''

It is with regret that we talk about that today. Mr. President, you have seen the list that the Senator from North Dakota has alongside him there: Reality versus rhetoric. We have some work to do. We have to try to amend what it is that came out of the Budget Committee. I am the ranking member. I like working with Senator DOMENICI. I hope he will like working with me when I am the chairman. But that is the way these things go, Mr. President. Sometimes what goes around comes around.

Mr. DOMENICI. How long do you plan to be a Senator?

Mr. LAUTENBERG. Long enough to accomplish that objective. Anyway, we are going to want to amend this, and I hope we can get that done. That would be a positive start. Think about it: 3,000 young people a day start smoking; over 1 million a year. One-third of them will die prematurely, just as sure as we are standing here, if we don't make significant changes in the way tobacco is understood in our society—1 million kids a year. Wow, that is larger than some of our biggest cities. It is certainly larger than a lot of the countries that are on this globe.

It is time we reach out a helping hand and say, ''OK, we are going to help you stop before you get started on this addiction.'' I hope our friends on the Republican side will join us.

It was interesting for me to see what happened on two different occasions in these last couple of weeks. One was this very day, when a senior Member of the Senate on the Republican side, the Senator from New Hampshire, offered an amendment to say that there would be no protection for the tobacco companies, that they would have to face up to what the process is—whether it is the courts or negotiated settlements, or what have you—and take their chances. It drew a lot of votes. I think there were 75 votes in favor of the Gregg amendment.

The other was an earlier time, when we were marking up the budget resolution, when we had six members of the Republican Party stand up with Democrats and confirm the fact that we think the $1.50 price per pack of cigarettes put in place over 3 years at the rate of 50 cents a year ought to move ahead.

And that was the only amendment that had any bipartisan support—the only amendment. It meant that some of our friends on the Republican side, just as we have heard in these Capitol Grounds, just could not say no. They had to say yes. They had to say yes, we want to see a $1.50 per pack fee imposed on cigarette use.

We are looking at a lot of money. We are looking at hundreds of millions of dollars over the next 25 years. I make a plea for those who are going to be voting on this amendment tomorrow sometime: Take a look at what it is you are doing. We understand the interests in Medicare, but we want you to share our concern that the place to start in preventing disease from the use of tobacco starts with kids, starts with the youngest of them, starts with the most helpless of us, and join us in amending this budget resolution so that we can get a different kind of message out there.

Mr. President, to reiterate I strongly support this amendment, which would expand the tobacco reserve fund to allow tobacco revenues to be used for anti-tobacco efforts.

This amendment, in effect, is a test of whether the Senate is serious about comprehensive tobacco legislation. If we vote down this amendment, then

we're saying ''no'' to tackling the issue of tobacco this year.

Senators on both sides of the aisle have various visions of how tobacco revenue should be spent. But there had been a bipartisan consensus that, at the very least, we should dedicate tobacco revenue to fighting teen smoking and developing smoking cessation programs.

The majority leader, Senator LOTT, has taken that position. Senator MCCAIN is developing legislation that would use tobacco revenues for anti-smoking efforts. And other bills by Senators HATCH, CONRAD, JEFFORDS, KENNEDY, and myself all would devote tobacco revenue to anti-teen smoking programs, tobacco-related research, smoking cessation, and other tobacco related programs.

Even the tobacco industry's proposed settlement called for tobacco revenue to be used for a variety of programs, including teen education, smoking cessation and tobacco research.

Unfortunately, this budget would block all of these activities. That's wrong. And it just makes no sense.

The distinguished chairman of the Budget Committee has argued that there is enough funding available in the resolution for these activities. I strongly disagree.

The budget resolution assumes $125 million in budget authority for anti-youth smoking and cessation in fiscal year 1999. But that is far below any of the major tobacco bills. In fact, it's not even in the same ballpark.

The tobacco industry's original proposed settlement included over $2 billion per year for these programs. Senator CONRAD's bill included a similar figure. That's $2 billion versus $125 million.

That is not even close.

Also, the $125 million assumed for teen smoking reduction programs and smoking cessation in the budget resolution must be accommodated within the discretionary spending caps. And there's reason to be skeptical that this will happen. After all, those caps are very tight. And increasing funding for these activities would require cuts in other programs. Maybe that will happen. But I certainly wouldn't count on it.

The bottom line, though, is that the restrictive reserve fund language in this resolution makes it much less likely that we will pass tobacco legislation this year. That's a grave concern to me, and to most of my colleagues on this side of the aisle.

After all, 3,000 kids a day start smoking every day; 1,000 of them will die prematurely as a result. We simply must act. And this resolution would create a major roadblock.

I ask my colleagues to support the Conrad amendment, and pave the way for comprehensive tobacco legislation this year.

With that, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. What is the status of time under the Budget Act on the Conrad amendment?

The PRESIDING OFFICER. The proponents have 8 minutes remaining, and the opponents have 1 hour.

Mr. DOMENICI. I say to the Senator, my friend, the ranking member from New Jersey, when we are finished with this, however soon it is or in a half hour, the Senator from Colorado is going to be heard next. Is that what we have tentatively understood?

Mr. LAUTENBERG. Absolutely. That is what we promised him.

Mr. DOMENICI. I say to the Senator, can you let me respond a bit since there has been a little response? I will certainly not use anything like an hour.

Mr. ALLARD. Take your time, Mr. Chairman. I will be glad to wait until you are finished.

Mr. DOMENICI. For your State and mine, a half hour from now or so is a better time for your people anyway.

Mr. ALLARD. That is correct.

Mr. DOMENICI. Mr. President, let me start by saying that the Senator that has proposed this amendment, in my opinion, even though we may not have agreed on a number of things, as I have watched things evolve on matters pertaining to fiscal policy, has grown tremendously in his understanding and his forthrightness and his ability to articulate the fiscal condition of this country.

I want to acknowledge right up front that there are some who worry about this budget resolution, but there are some who worry about 10 years from now. And, frankly, we have an awful lot of new sources of information and new sources of estimating that have become very, very reliable so that as adult leaders of our country we ought to be able to look at a budget 10 years from now and 15 years from now in terms of some big big-ticket items and be able to honestly and forthrightly indicate where we are.

I just say to him, he has done a very good job in that respect, and I thank him for that. Like I say, I do not necessarily, when he gets up and makes his frequent speeches about how wonderful America has become since the Democrats voted in a budget, I join him in attributing to that the great success of the American economy. But I do acknowledge that he has a perfectly valid opportunity to so allege to the world. I have not yet really found enough time to really talk with the American people about how that is impossible in terms of having been the primary reason for America's sustained economic recovery. I am not going to do that tonight either, but in a sense—in a sense—I am going to talk about something that I believe my good friend, the proponent of the amendment that is before us, has stated as well as I will or better time and again in the Budget Committee and in the Committee of Finance.

That is what this chart before us, in back of me, shows to all of us—a very, very simple chart. You see that red line, and you see 2021. That red line is the Medicare hospitalization trust fund balances at the end of each year.

Now, you see, anything close to that zero line means that the balances are pretty close—the outgo and the intake. But look what happens to that red line out there in the future, but not so far in the future that people like KENT CONRAD would not stand up and say, with PETE DOMENICI, for all the accolades we are giving ourselves about how great we have done on fixing the fiscal policy of our Nation, if we sit back and do not fix that, where that red line can, in a year or so when we have reformed this program, start to move up and parallel the line that is at about zero, we have failed the American people in a most serious way.

Because of that we could put one up here on Social Security. We could argue about their trust fund. And, frankly, that is a very, very exciting argument for 2 or 3 hours, if we want to do it. But essentially, in terms of the impact on America, if we do not fix something, the impact is apt to be more severe if we do not fix this than if we do not fix Social Security.

Both are serious. Both are predictable. We understand all the reasons for what is happening. And we can choose, as we have in the past when we did not know any better, we could wait 10 years. We could all be running around saying how wonderful everything is. Probably 25 years ago nobody could run around after us as we campaigned and say, ''You're not facing up to the facts.'' But I tell you, they can now, because we know that red line is a pretty accurate presentation of the most serious fiscal and social problem that this country has—bar none.

Now, having said that, the budget I chose to present, after much consultation with the Budget Committee, which was adopted by the Senators on that committee, I regret, on a party-line basis—but I actually believe the total reason for that party-line vote had to do with this issue that is before us, because I do not believe that every Democrat who voted against the Domenici mark voted against it because they want to spend a lot more money on new programs.

As a matter of fact, if this tobacco settlement, as fragile and as amorphous as it is, had not come along—and it was not available either to the President in his budget or to us in our markup—there would have been little to argue over, because we do not have any money to spend unless we want to break the agreement and knock those caps on discretionary spending off of their pillars and say, ''We just made a deal, but we're going to break it.'' I do not believe that would have happened. And I do not think Senator CONRAD, who is here with an amendment tonight on the tobacco settlement—I do not think he would have joined in saying, ''We've got to invent some new programs and spend some new money and break those caps.''

Essentially, we got off on the wrong foot, because the President of the United States gave a speech called a State of the Union Address, and, in his normal manner, he was eloquent. The problem was, nobody had an opportunity to check his budget. So America got excited about an era of balanced budgets where all of a sudden we could spend a lot of money that we did not spend the year before. And it was interesting. Some of us listened and said, what's happening? I mean, we have a literal freeze on all the programs the President is talking about—more education money, classroom sizes, interest reduction so you can build more classrooms, child care—you know, on and on—oh, more health programs for children who are smoking, and a huge advertising campaign for that.

And I was thinking, ''Man, all of those belong over here on that side of the ledger where already we've agreed we can't spend any more money.'' The President said, ''Well, we'll spend it out of the tobacco settlement'' that may never occur. If it occurs, it might be very different than he assumed. And lo and behold, the Congressional Budget Office told us, he cannot spend it the way he says without breaking the Budget Act of the United States and breaking the caps by $68 billion over 5 years.

That is where we found ourselves, with everybody getting excited that we could have some new programs, we could preserve the surpluses, right—which my friend from Colorado is going to speak to in a minute—and we could spend on at least six new programs that pop in my head, and a whole bunch of add-ons, we could spend $124 billion over 5 years on things we were not paying for last year.

Mr. President, that sounded like a fairy land, that we would have tombs and beautiful songs and we could dream and say, ''Boy, isn't that just fantastic?'' Sort of like Alice in Wonderland. But we soon found out it was all predicated upon a tobacco settlement that the tobacco companies agreed to with the attorneys general. And we had no more idea up here how that was going to get resolved than the Man in the Moon.

And I regret to say, while I think we ought to try to settle that dispute—I am not averse to raising cigarette taxes—we are still not very close, when you look at the House and the Senate, to coming up with a way to do that which has enough votes to do what Howard Baker used to say, ''Whatever the rules and procedures are, don't worry about it if you've got enough votes.'' Nobody has enough votes yet. But I believe there are enough votes for this budget resolution, because it does the right thing. This Republican budget—which I wish some Democrats would vote for—says: Don't spend the surplus in the regular budget of the United States on anything but Social Security, or, as we put it, ''Social Security reform.''

My friend from Colorado has another suggestion—it is intriguing, and I hope everybody looks at it—as to the surplus. But we said that. And the President said it a little differently than us. But essentially, for the year 1999, don't touch it. For those who might think it is very big, let me remind you, ''Don't touch it '99'' means don't touch $8 billion worth of surplus, I say to my friend in the Chair, not $30 billion, not $60 billion, not $100 billion—$8 billion.

So this euphoria about, ''We've got to protect that, we can't spend it,'' with others saying, ''Let's cut taxes''—it is $8 billion. So we said two big goals: Save Social Security—and I might add, under our budget resolution that is before us, we literally use the word ''reform,'' so that we do not just contemplate putting the surplus into the Social Security trust fund; we contemplate having it available for those who will reform and rewrite Social Security to use, if they need it, to make that program one that is far better for America's retired people in the future and which has a chance of making the fund itself more solvent.

The second thing we said was once the next program that the American U.S. Government has a responsibility to pay for—not a State issue, not a city issue, one of ours—and lo and behold, we find the American U.S. problem is that one, Medicare. Medicare. We found the second big problem is that, one, that huge red line on the chart going down. It almost moves in a direction like when you are a young kid and you wondered where hell was—that is sort of looking like it is going down to hell, down into the depths of the Earth, in the red, going broke.

We said, what do we do about that? There is nothing more important than doing what we can to start fixing that. We said whatever the Federal Government keeps from the settlement—if it ever happens, and we assume the President's number, but we said whatever it is and whenever it happens—put the Government share in that fund.

What we are going to do with the amendment of my friend, whom I have just spoken to, is to say we are not going to put all the money in that hospital insurance fund for seniors that is going bankrupt; we are going to spend it on some other things. Frankly, I believe for a budget, a blueprint, that is a mistake. It will be subject to a point of order, and I will make it. It is not with any reluctance that I make it, because I think what we have planned in the budget before the Senate is better for our country, so long as we have no agreed-upon plan to do otherwise. I remind the Senators, and the occupant of the Chair was working hard and very knowledgeable about the tobacco settlement, we don't have a plan. We have a lot of people talking about a lot of things, and a lot of wonderful things we ought to buy, but we don't have a plan that has broad-based bipartisan support. I believe unless and until that happens, the money ought to go where this budget says—every nickel should go in Medicare.

Now, I am amazed—and I want to allude back and forth to other proposals—that the President of the United States in his State of the Union Address, and in his budget which followed, which not even the Democrats have used in budget debates, that budget that he told the American people about, that he sent us, I am amazed in that budget there was $124 billion in new expenditures from this, that, and the other, but a huge amount of it from the tobacco settlement and not a penny for the second worst problem that America has. Not a penny.

Not so with the budget that is before the Senate. The reverse. Not a penny for any other new program but all the money for that one.

Now, from this Senator's standpoint, I did not set about to ignore what many people said we ought to pay for if we get the tobacco settlement. Fellow Senators, I want you to know if there is never a settlement of the cigarette controversy, if it is never settled and never resolved, the budget before the Senate, because we chose to prioritize, to put first things first, has the largest increase for the National Institutes of Health over the next 5 years for research related to the effects of cigarette smoking that we have ever put together in the history of our biological and chemical research programs of America, the largest. On average, 11 percent a year. We are not waiting for a cigarette settlement to pay for that.

When you vote for the budget before the Senate that I put together—and I hope it is not just Republicans—we will have dramatically increased the National Institutes of Health because we chose to look at the President's cuts, and he had many. And we said, amen. But we want to spend it where we think we should spend it and we put it in NIH. This afternoon we argued about child care, and we put it there, too. We put $5 billion there in a new block grant to add to what we are doing, and we don't have to wait for the tobacco settlement to do it.

A number of other items, such as an advertising campaign to address the issue of trying, with advertising, to mellow the effect of cigarette advertising on young people. We don't have to wait around for the cigarette settlement. We have funded that to the tune of $825 million.

Now, frankly, we will never have enough for some. There are some who would think we should spend $2 billion a year on children's programs and on health programs for children out of this settlement. Mr. President, what is intriguing about it all is that in order to get that done, most amendments around here, and the amendment that is presently before the Senate, attempt to solve these problems by creating new mandatory permanent programs for ideas that are being implemented about which we have little certainty they will succeed. If anything, they

ought to be annually appropriated so we can look at them each year. Mr. President, you understand that can't be done without breaking the budget agreement because we don't have any more room in our budget for that kind of expenditure. So this amendment and others spend it in a new entitlement program for kids' advertising or for tobacco research or whatever the five or six programs are that are there.

Now, $825 million over 5 years for various antiteen smoking and public health initiatives—I have heard from some of my colleagues we have not put enough resources into these antismoking initiatives, without a settlement. I have even heard that we need to spend, maybe, and I repeat, ''multiple billions of dollars, perhaps even as much as $2 billion a year,'' on such a campaign. Frankly, fellow Senators, I find those proposals hard to believe. First, the President's budget identified $400 million over the next 5 years for antismoking initiatives at the Federal level through the Centers for Disease Control.

Let me quote from the HHS 1999 budget press release. This was when the President was still living off the budget that turned out not to be doable because it violated the budget but they had money to spend. It said, ''We will expand our support for State and community programs from $34 million in 1998 to $51 million in 1999,'' a 50 percent increase. ''The Centers for Disease Control,'' the quote continues, in their public relations submission, ''will now fund all States and the District of Columbia to implement innovative tobacco prevention programs as a core component of the public health.'' We fund that much and more without waiting around for the tobacco settlement. Now, it more than doubles the funds identified in the President's budget for this initiative.

Let me also point out that we have some history with public campaigns aimed at youth. According to this administration, we have increased our efforts to prevent and treat drug use from $4.1 billion in 1992 to $5.4 billion in 1998. Much of that funding was aimed at young Americans. Nonetheless, teenage drug use has increased from 15 percent in 1992 to 22.2 percent in 1995, the last year we have evidence, and everyone here knows it is higher now than 1995, and the campaign continues to spend money, to affect their lives on drugs, with advertising and other programs.

I only say that not because I do not think we should continue trying, but I firmly believe it would be wrong to put huge amounts of money in an entitlement program in this area and just say for the next 5 to 10 years, that is where it goes. So, wherever I look and however I think about this, I say to those committees and those assigned by our leadership to try to work a tobacco settlement—good luck. I also say, if you put it together and you can find 60 votes, you will pass your program in the Senate. And if you do, who knows? I may be one of the 60. I haven't said I would not, but I believe since we are not anywhere close to that and we have no consensus on that, that we ought to do what is the most prudent thing.

I have failed to discuss and I have failed to put up the chart that clearly depicts what is happening to Medicare spending on tobacco-related illnesses. It is there now. It is simple and frightening.

The hospital insurance trust fund for the seniors of America has been made stable for about another 10 years. But we didn't really reform the program; we reformed the payment plan. It will, once again, as that red line on the previous chart, it will start to go down again, and when the baby boomers hit entitlement age, it will go broke. But look at that, one of the reasons it has gone broke is we never could have estimated the costs that program would bear on its shoulders from tobacco-related illnesses of senior citizens. And there it is, $25.5 billion, 14 percent of total Medicare spending, in 1995. Mr. President, 1995 is the best we can do. Say it got better. I don't believe so. In fact, I am prepared to speculate with a bit of intuition that I think is right that it is higher now, not lower.

So I submit the budget that is before us is better for America and has a better chance of solving our serious problems than a budget with the amendment before the Senate added to it, because I do not believe there is a better way to spend that money than on the program that is going bankrupt and is so necessary and was so infringed upon by smoking costs that we cannot ignore the reality of the relationship between the smoking and the bankruptcy of the hospital insurance program.

Now, this does not mean, Mr. President, that the Senator from New Mexico thinks the distinguished Senator, whom I have spoken of this evening with great affection and as honestly and positively as I have spoken about a Democrat Senator since I have been here— perhaps my friend Sam Nunn has had me do that once before, and perhaps my friend, the ranking member, has had me do that before. But in any event, that is not to say that this is a wild idea. It is just that I believe if you have the facts before you and you don't know how the tobacco is going to come out at all, we have no idea—and there are all kinds of things people want to spend it on, right? We could add to this list here, in the next 48 hours, another six or seven things, and we might, I say to my friend from Colorado. If this amendment fails, we are going to see more. They won't all try to do the same things. They will have other things we ought to do and pay for it out of this fund.

So the best I can do is to say that I believe the best budget we can do is to save the surplus for reform and solvency of Social Security, save the Government's share of the cigarette tax to save Medicare, increase the National Institutes of Health, put some additional money in child care, add about $9 billion to education. A whole bunch of amendments are going to say we didn't do enough about education. I just want to say to everybody that we will take those one at a time, one at a time. But we put everything in this budget on education that the bipartisan administration budget agreement contemplated for the year 1999. There is an $8 billion-plus increase year after year on education, which is exactly what we contemplated. It is there. When the appropriators finally do it—we don't know what they are going to do, but we suggested some things that were very interesting. We don't wait around for the settlement of the tobacco issue for those educational add-ons. The President did. We don't. We put $2.5 billion in IDEA or disability education to try to move forward in our commitment to pay our share. It is embarrassing that we have mandated that disabled young people be educated in a certain way from here down to our school districts and we are supposed to pay 40 percent of the tab. Senator, if you are not embarrassed that your schools have never seen the Government put up more than 9 percent of that program, I am. We are going to start putting more in there, and do you know what. They are going to be relieved of expenditures and be able to hire new teachers, as they see fit, and do the other things they may need. We will live up to our responsibilities. They will have money left over to do theirs. That is in our budget.

Yet, whatever you do, it isn't enough. Tomorrow, we will speak about building classrooms. Let me suggest, for those who want to build classrooms and think the President is for it, you will have a surprise tomorrow. Two budgets ago, the President said in his Department of Education that it is no business of the Federal Government to build schools in the school districts of America. He said it even better than that. And then he canceled the $100 million worth of programs to build schools. All of a sudden, it's the greatest program ever and we better do it from up here, even though we have never done that in any big way as part of American Government's help to our schools. We will debate that. Some will say we should pay part of that out of the cigarette settlement. Can you imagine. If you are talking about things related to cigarette smoking, isn't that one more related? Isn't that fund more bankrupt than any other fund around and any other obligation? So, Mr. President, when the time comes after tomorrow—we have a few more minutes, and I hope some people listened tonight—we will vote. The point of order will be the issue. I have no doubt that significant numbers of Senators will vote with my friend. I have nothing but praise for him, and if they do that, that is OK. But I don't believe there are going to be enough votes to get around the point of order.

We will be back to where we started, which we think is a very good place to be. That is, we are going to spend the money, if we ever get the tobacco settlement, to pay for making that Medicare Program solvent.

Mr. President, make no bones about it; we have appointed a national commission. It is bipartisan. I have already seen them on C-SPAN, and they disagreed violently. I don't know if the chairman is going to be able to ever get them together. We were all wondering who ought to be chairman and we said, ''Senator BREAUX, you ought to be.'' I like him very much. He is a Democrat. Frankly, the more I look at the different views, I am glad that he is there because, frankly, it is going to be hard to put them together. If we have a few tens of billions of dollars to help them get this reform put together, it will be one of the best things we have ever done. It may just be the ointment, along with reforms, that will glue it together. And, conversely, if we throw it away on programs that we are not sure will work, we will be real sorry if they can't put together a Medicare reform package because we spent the money that might have helped them do it.

With that, I don't know how much time remains, but from my standpoint, I yield the floor on this. I will shortly be prepared to move with the distinguished Senator from Colorado.

Mr. LAUTENBERG. Mr. President, I wonder if we can get the Senator's question answered as to how much time is left on both sides.

The PRESIDING OFFICER. The proponents have 7 minutes 42 seconds. The opponents have 24 minutes 42 seconds.

Mr. LAUTENBERG. Mr. President, the Senator from New Mexico just volunteered to give us 5 minutes on our side, with the understanding that the rest will be yielded back. What I would like to do is ask my colleague from North Dakota to say what he wants to do. Does he want 7 minutes or so? I would like 5 minutes. If that would be all right, I would agree with the proposal offered by the Senator from New Mexico.

Mr. CONRAD. That would be acceptable.

Mr. LAUTENBERG. I thank the Senator from Colorado thus far for his ever-present indulgence.

I will take my 5 minutes first, and I ask the Chair to remind me when my 5 minutes is up so that I can give the remaining 7 minutes to the Senator from North Dakota.

First of all, I am not personally insulted, I promise you that, not at all. I heard the chairman of the Budget Committee talk about what a great guy and a good friend and a nice Democrat and everything else the Senator from North Dakota was. Then he talked about the Senator from Louisiana. It doesn't bother me. It is just one of those things, Mr. President, two Democrats being described as great guys and all that. But we will go on from there.

Mr. DOMENICI. Will the Senator yield?

Mr. LAUTENBERG. Yes.

Mr. DOMENICI. Let me say, Mr. President, whatever I have said about other Senators from the other side of the aisle, it is quite obvious that the most significant achievement that I have participated in was the balanced budget agreement of last year, and without my good friend, Senator LAUTENBERG from New Jersey, we could not have achieved that result. So he knows with that statement that I am very proud to work with him. You got it, Senator.

Mr. LAUTENBERG. We are together, believe me. As a matter of fact, I want to tell you something, Mr. President. You have no idea—few have—how hard I worked to get this man to stop smoking. It showed my true affection for him because I wanted him to be around here. Even when I disagree with him, I like him here because he stimulates reactions and gets us going at times, if you know what I mean.

Mr. President, I ask people to consider this question with me. What grandparent, I ask you, would not say: Take care of my grandchild first, help my grandchild so that when he or she grows up, they are healthy, help my grandchild to not become an addict to tobacco or other drug substances? What grandparent would not stand up and proudly say ''take care of them first'' because eventually they will be the ones who will shoot the Government programs and health insurance programs up through the roof?

Yes, there is $22 billion worth of spending in Medicare on tobacco-related illness. We are not sure, but there is a significant amount, perhaps a like amount, in Medicaid tobacco-related illness. But if we don't inhibit smoking among the youngsters today, this price will continue. Sometimes you have to make an investment in the long term before you can obtain the result that you want. You can't always do it overnight.

So I submit, Mr. President, that we are determined not to break the caps. We are determined to abide by CBO accounting. We are determined not to spend money that we don't have. And to correct something the Senator from New Mexico said a moment ago, he said the surpluses should be used for Medicare. I think he didn't quite mean it that way because, technically, the words are, ''surplus is going to Social Security,'' and hopefully the proceeds from the tobacco legislation would go toward creating a more solvent Medicare.

So, Mr. President, I kind of rest the case here. My colleague from North Dakota is going to want to wrap up, as they say, but I say as an experienced grandparent—and if anybody wants to see the pictures of my five grandchildren, I have them here in my pocket. But I tell you that there is nothing—nothing—in my life that I would not give to prevent sickness or illness to any one of my grandchildren. There is no price that is too high to pay. I will take care of myself, but I want to make sure I give my grandchildren a chance to grow, develop, and be healthy.

With that, Mr. President, I yield the floor for my friend from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, first of all, I want to say to the chairman of our committee, he knows that I have the utmost regard for him for the way he conducts our committee. I have real respect for the chairman. I have, as well, an affection for the chairman. That really is not the issue before us tonight. We work together, and on the larger issues of where we are going for the long term, there is much more that unites us than divides us because we are both persuaded that if we don't address the long-term entitlement changes that are necessary in this country, we put this country at risk.

We are talking about the national security of our Nation because, fundamentally, that cannot be preserved if we don't get our long-term fiscal house in order. We are united on that question. Mr. President, the issue before us tonight is a reserve fund in the budget for tobacco revenue. The chairman of our committee says that he believes if we get a tobacco settlement, all of the revenue ought to go for Medicare. I would be swift to acknowledge that Medicare is a priority, but it's not the only priority. Medicare does not represent the national tobacco policy. We have to do more with those tobacco revenues than just strengthen the Medicare Program. And, in fact, I think the chairman would be quick to acknowledge that even if we took all of the revenue from tobacco, we would not do the job that needs to be done with respect to Medicare. We need fundamental reform of Medicare, and I voted in the Finance Committee very controversial votes to do precisely that, because I deeply believe we do need to reform the Medicare Program, to preserve it and protect it for the long term.

Mr. President, the tobacco revenues won't do that job. In fact, in an odd way, they actually may retard our facing up to the long-term challenge of Medicare. But there are other challenges we face as well. One of them is, if we get the tobacco revenue, how should it be used? The Republican budget resolution says none of it should be used for youth-smoking-reduction-education programs. None of it should be used for public service advertising to counter the tobacco advertising of the industry. Their resolution says none of it should be used for tobacco-related medical research; that none of it should be used for smoking cessation and prevention programs; none of it should be used to assist tobacco farmers in their communities in the transition. That is an honest disagreement.

In the bill I introduced, some of the money was used for Medicare, some of it was used to strengthen Social Security. But we also believe that, just as every comprehensive bill that is before this body by Republicans and Democrats has said, some of the money has to go for tobacco control problems, smoking cessation, smoking prevention. The chairman says he has money elsewhere in the budget. Let me just say that what he has elsewhere in the budget is wholly inadequate. That is not just my judgment; that is the judgment of the public health community on a united basis.

In the budget resolution, there is $125 million a year for smoking cessation, smoking prevention, counter-tobacco advertising, and health research that is specific to the question of tobacco issues. That is apart from the NIH money. But in every comprehensive bill that is out here by Republicans, or Democrats, it is not $125 million for those purposes. It is $2 billion a year to $4 billion a year. The chairman elsewhere in the budget has provided for $125 million, and the truth is that under the budget resolution it may be the result that not a single dime is available for any of those programs because the Budget Committee doesn't make that decision. All the money goes in a pot and the appropriators determine what are their priorities. If they have a difference on that question, they may decide not to provide one thin dime for smoking cessation, smoking prevention, counter-tobacco advertising, or even health research. That is the hard reality.

That is why some of us believe deeply that we have to broaden out this reserve fund to accommodate the other priorities, to have a chance to have comprehensive tobacco legislation without a supermajority requirement here on the floor of the U.S. Senate. A 60-vote point of order lies against any of these comprehensive tobacco bills that have been offered by three Republican chairmen on that side and every comprehensive tobacco bill on our side. We do not believe we should put supermajority hurdles in the way of accomplishing national tobacco legislation.

I will just conclude by saying I respect our chairman, I respect the work of his staff, I respect the work of our ranking member, and his staff. Let me just say with respect to our ranking member that no one has been more dedicated on the question of reforming our Nation's policy with respect to tobacco than the Senator from New Jersey. If people on airplanes like the fact that they are smoke free, there is one person who is responsible for it—more responsible than any other individual—and that is the Senator from New Jersey. We can all thank him for the contribution he has made to try to do something to get our kids off the tobacco habit, off the addiction, and the diseases that it causes. I think we should recognize his leadership in this regard. Nobody has been a more forceful advocate of changing the tobacco culture than the Senator from New Jersey.

At some point we are all going to be on the same page because I believe we are going to find a way to get together on national tobacco legislation. But I hope that we do not put in the way as a roadblock the budget resolution. We could broaden that reserve fund so that if we do get tobacco revenue it can be used, yes, for Medicare, and, yes, to help strengthen Social Security, as my bill also provides, but in addition to that provide for smoking cessation, smoking prevention, counter-tobacco advertising—all of the things that the public health community has told us is important to a comprehensive approach to protecting the public health.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from ENACT, a coalition of more than 45 major public health organizations with millions of volunteers and members who support comprehensive legislation that will prevent children from taking up tobacco and will dramatically reduce tobacco use among adults. They support the type of amendment which I have offered.

I ask unanimous consent to also have printed in the RECORD a letter from the American Lung Association, who say in their letter, ''As you know, the budget resolution recently approved by the Budget Committee is a disaster for public health.''

I also ask unanimous consent to have printed in the RECORD a letter from Public Citizen making the same point; finally, a letter from Smoke Free 2000, a coalition interested in advancing the public health with respect to the question of tobacco policy.

So, we will have those letters in the RECORD demonstrating the support of the public health community for broadening our tobacco reserve plan so that a comprehensive bill is possible.

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

ENACT,
March 27, 1998.

DEAR SENATOR: The ENACT coalition of more than 45 major public health organizations with millions of volunteers and members supports comprehensive legislation that will prevent children from taking up tobacco and dramatically reduce tobacco use among adults.

We are writing to express our serious concerns regarding the restrictions contained in the Budget Resolution that limit the use of money in the Tobacco Reserve Fund to the Medicare Hospital Trust Fund. These restrictions will hinder efforts to enact effective and comprehensive tobacco legislation by requiring 60 votes to include funding for key anti-tobacco programs. We believe that the Budget Resolution should be changed to allow the Tobacco Reserve Fund to be used for programs that will reduce the use of tobacco and its harmful effects.

To reduce tobacco use among children and adults, comprehensive tobacco legislation must contain funding for tobacco-related public health programs, including:

1. A nationwide public education and counter advertising program as well as state and local tobacco control programs and projects.
2. Cessation programs to help children and adults who want to quit.
3. Regulation of tobacco products by the Food and Drug Administration.
4. Research into how we can best prevent tobacco use and help those who want to quit—this research will build on what we already know and ensure that our efforts to drive down smoking rates are effective.

Funding for tobacco-related public health programs should be the first priority for any funds raised through tobacco legislation; we are therefore opposed to the current provision in the Budget Resolution that limits the use of such revenue to the Medicare Hospital Trust Fund.

We recognize that the Budget Resolution includes funding for teen smoking prevention and cessation programs, but these programs would have to compete for limited discretionary dollars available in the Labor-HHS-Education appropriations bill. Additionally, the funding called for in the Budget Resolution under the discretionary caps is far below the funding levels recommended by virtually every major public health organization and below what was outlined in the proposed Attorneys General agreement.

The undersigned groups support amending the Budget Resolution to ensure that funds in the Tobacco Reserve Fund can be used to support critical tobacco-related programs that will help drive down smoking rates. This is a historic opportunity to achieve fundamental change in tobacco addiction and disease and to save lives. We are committed to working with you and other members of Congress to pass a Budget Resolution that will help protect America's children from the dangers of tobacco addiction.

Sincerely,

Allergy & Asthma Network—Mothers of Asthmatics, Inc.; American Academy of Family Physicians; American Academy of Pediatrics; American Association for Respiratory Care; American Cancer Society; American College of Chest Physicians; American College of Preventive Medicine; American Heart Association; American Psychiatric Association; American School Health Association; American Society of Internal Medicine; Campaign for Tobacco-Free Kids; College on Problems of Drug Dependence; Family Voices; Federation of Behavioral, Psychological and Cognitive Sciences; The HMO Group; Interreligious Coalition on Smoking or Health; Latino Council on Alcohol & Tobacco; National Association of Children's Hospitals; National Association of County and City Health Officials; National Association of Local Boards of Health; National Hispanic Medical Association; Oncology Nursing Society; Partnership for Prevention; and Summit Health Coalition.

AMERICAN LUNG ASSOCIATION,
New York, NY, March 25, 1998.

Hon. FRANK LAUTENBERG,
Ranking Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: As you know, the Budget Resolution recently approved by the Budget Committee is a disaster for public health.

Instead of allowing the use of tobacco revenues for public health programs, as is the case with every major piece of tobacco control legislation before the Congress, the committee bill actually precludes the use of any new tobacco revenues for public health. Moreover, the provisions of committee bill will set up procedural barriers that will hamstring the use of these new revenues for preventing youth smoking, lifesaving research

at the National Institutes of Health, or FDA efforts to rein in the tobacco industry. Monies that are provided—$800 million over five years, is way below most other bills. For example, the Health Kids Act, (S. 1638) calls for over $2 billion per year for tobacco control efforts.

The American Lung Association strongly supports an amendment to the Budget Resolution that would include funding for public health programs in the tobacco reserve fund established by the Budget Committee. We believe that the goal of tobacco control legislation should be to control tobacco use—not raise revenue.

Lastly, we support any amendment expressing the sense of the Senate opposing immunity and supporting full FDA authority to control tobacco. Recent public opinion polls conducted by the American Lung Association indicate the American people strongly oppose granting special protections to the tobacco industry. The Senate should follow their lead.

We look forward to working with you to craft tobacco control legislation that protects the public health without creating special protections, like immunity, for the tobacco industry.

Sincerely,

FRAN DU MELLE,
Deputy Managing Director.

PUBLIC CITIZEN,
Washington, DC, March 26, 1998.

Hon. FRANK LAUTENBERG,
Ranking Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: Public Citizen has long supported efforts to reduce the death and disease caused by tobacco products and has worked for years against legislation that would protect corporate wrongdoers from legal accountability for the harm caused by their dangerous products. We applaud your work in pursuit of the same public health goals.

We are concerned that the Budget Resolution recently approved by the Senate Budget Committee does not reflect sound public health priorities. The measure contains no funding for many of the health related programs that should be funded by new tobacco revenues. Instead, the Budget Resolution proposes that these new tobacco revenues be earmarked for Medicare. In addition, the money the Budget Resolution provides for tobacco control—$800 million over five years—is well below the amount that would be generated by most of the tobacco bills now before Congress. For example, the Healthy Kids Act, (S. 1638), calls for over $2 billion per year for tobacco control efforts. We urge that these deficiencies be corrected.

Further, Public Citizen strongly supports a floor amendment expressing the sense of the Senate that the tobacco companies must not be given any special protection from legal liability as a *quid pro quo* for its payments—or for anything else. We oppose any sweetheart deal for this industry that lied to and cheated the American public and costs the U.S. economy over $90 billion each year in health care costs alone.

Finally, Public Citizen believes that the FDA must be given full authority to regulate nicotine and tobacco products, and we would also support a sense of the Senate amendment advancing that position.

Thank you for your leadership on these important issues. We look forward to working with you to craft tobacco control legislation that protects the public health without creating special protections, like immunity, for the tobacco industry.

Sincerely,

JOAN CLAYBROOK,
President.

SMOKE FREE 2000 COALITION,
St. Paul, MN, March 25, 1998.

Hon. FRANK LAUTENBERG,
Ranking Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: The Minnesota Smoke-Free Coalition strongly supports an amendment to the Budget Resolution that would include significant funding for public health programs in the tobacco reserve fund established by the Budget Committee.

In order to reduce tobacco and prevent tobacco use, a comprehensive approach is needed including, counter-advertising and education campaigns, reducing illegal sales to minors, smoking cessation for those who want to quit. The goal of tobacco control legislation should be to control tobacco use—not just raise revenue.

The budget resolution recently approved by the Budget committee prohibits the use of tobacco control revenues for public health programs. This would be a disaster for public health and exactly what the tobacco industry would support.

The Minnesota Coalition represents more than 60 health, education, consumer and civic organizations from across the state of Minnesota. Collectively, we urge your support of an amendment to the Budget Resolution that would include funding for public health.

Sincerely,

A. STUART HANSON, M.D.,
President.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, is it fair to assume now that we have both yielded our time on this?

Mr. LAUTENBERG. Yes.

AMENDMENT NO. 2209

(Purpose: To express the sense of the Senate that the Committee on Finance shall consider and report a legislative proposal this year that would dedicate the Federal budget surplus to the establishment of a program of personal retirement accounts for working Americans)

Mr. DOMENICI. Before our friend from Colorado proceeds, I send to the desk an amendment on behalf of Senators ROTH, BREAUX, GREGG, ROBB, HATCH, NICKLES, GRAMM, GORDON SMITH, and SANTORUM, and ask it take its place among the amendments to be determined in the future as to when a vote will occur.

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

The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, and Mr. ROTH, Mr. BREAUX, Mr. GREGG, Mr. ROBB, Mr. HATCH, Mr. NICKLES, Mr. GRAMM, Mr. GORDON SMITH, and Mr. SANTORUM, proposes an amendment numbered 2209.

At the end of title III add the following:

SEC. ___. SENSE OF THE SENATE ON SOCIAL SECURITY PERSONAL RETIREMENT ACCOUNTS AND THE BUDGET SURPLUS.

(a) FINDINGS.—The Senate makes the following findings:

(1) The social security program is the foundation of retirement income for most Americans, and solving the financial problems of the social security program is a vital national priority and essential for the retirement security of today's working Americans and their families.

(2) There is a growing bipartisan consensus that personal retirement accounts should be an important feature of social security reform.

(3) Personal retirement accounts can provide a substantial retirement nest egg and real personal wealth. For an individual 28 years old on the date of the adoption of this resolution, earning an average wage, and retiring at age 65 in 2035, just 1 percent of that individual's wages deposited each year in a personal retirement account and invested in securities consisting of the Standard & Poors 500 would grow to $132,000, and be worth approximately 20 percent of the benefits that would be provided to the individual under the current provisions of the social security program.

(4) Personal retirement accounts would give the majority of Americans who do not own any investment assets a new stake in the economic growth of America.

(5) Personal retirement accounts would demonstrate the value of savings and the magic of compound interest to all Americans. Today, Americans save less than people in almost every other country.

(6) Personal retirement accounts would help Americans to better prepare for retirement generally. According to the Congressional Research Service, 60 percent of Americans are not actively participating in a retirement plan other than social security, although social security was never intended to be the sole source of retirement income.

(7) Personal retirement accounts would allow partial prefunding of retirement benefits, thereby providing for social security's future financial stability.

(8) The Federal budget will register a surplus of $671,000,000,000 over the next 10 years, offering a unique opportunity to begin a permanent solution to social security's financing.

(9) Using the Federal budget surplus to fund personal retirement accounts would be an important first step in comprehensive social security reform and ensuring the delivery of promised retirement benefits.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that this resolution assumes that the Committee on Finance shall consider and report a legislative proposal this year that would dedicate the Federal budget surplus to the establishment of a program of personal retirement accounts for working Americans and reduce the unfunded liabilities of the social security program.

AMENDMENT NO. 2210

(Purpose: To express the sense of the Senate regarding repair and construction needs of Indian schools)

Mr. LAUTENBERG. Mr. President, before we go on to the Senator from Colorado, I, too, have an amendment to be sent up to the desk on behalf of the Senator from South Dakota, Senator JOHNSON, and ask that it be placed in the order for such time as it is called up.

Mr. DOMENICI. Is that the amendment on Indian schooling?

Mr. LAUTENBERG. Yes. We should note that the Senator from New Mexico is a cosponsor of that amendment, and please note that carefully.

Mr. DOMENICI. Thank you.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey (Mr. LAUTENBERG), FOR MR. JOHNSON, Mr. DOMENICI, Mr. DORGAN, Mr. DASCHLE, Mr. BINGAMAN, Mr. WELLSTONE, and Mr. MCCAIN, proposes an amendment numbered 2210.

The text of the amendment follows:

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE REGARDING REPAIR AND CONSTRUCTION NEEDS OF INDIAN SCHOOLS.

(a) FINDINGS.—The Senate finds that—

(1) many of our nation's tribal schools are in a state of serious disrepair. The Bureau of Indian Affairs (BIA) operates 187 school facilities nationwide. Enrollment in these schools, which presently numbers 47,214 students, has been growing rapidly. A recent General Accounting Office report indicates that the repair backlog in these schools totals $754 million, and that the BIA schools are in generally worse condition than all schools nationally;

(2) approximately 60 of these schools are in need of complete replacement or serious renovation. Many of the renovations include basic structural repair for the safety of children, new heating components to keep students warm, and roofing replacement to keep the snow and rain out of the classroom. In addition to failing to provide adequate learning environments for Indian children, these repair and replacement needs pose a serious liability issue for the Federal government;

(3) sixty-three percent of the BIA schools are over 30 years old, and twenty-six percent are over 50 years old. Approximately forty percent of all students in BIA schools are in portable classrooms. Originally intended as temporary facilities while tribes awaited new construction funds, these ''portables'' have a maximum 10 year life-span. Because of the construction backlog, children have been shuffling between classrooms in the harsh climates of the Northern plains and Western states for ten to fifteen years;

(4) annual appropriations for BIA education facilities replacement and repair combined have averaged $20–$30 million annually, meeting only 4% of total need. At the present rate, one deteriorating BIA school can be replaced each year, with estimates of completion of nine schools in the next seven years. Since the new construction and repair backlog is so great and growing, the current focus at BIA construction must remain on emergency and safety needs only, without prioritizing program needs such as increasing enrollment or technology in the classroom; and

(5) unlike most schools, the BIA schools are a responsibility of the federal government. Unfortunately, the failure of the federal government to live up to this responsibility has come at the expense of quality education for some of this nation's poorest children with the fewest existing opportunities to better themselves.

(b) SENSE OF THE SENATE—It is the sense of the Senate that the assumptions underlying the functional totals in this budget resolution assume that the repair and construction backlog affecting Bureau of Indian Affairs school facilities should be eliminated over a period of no more than five years beginning with Fiscal Year 1999.

Mr. DOMENICI. I yield the floor so the Senator from Colorado can call up and debate his amendment.

Mr. ALLARD addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I ask that the pending amendment be laid aside.

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

AMENDMENT NO. 2170

(Purpose: To require the reduction of the deficit, a balanced Federal budget, and the repayment of the national debt)

Mr. ALLARD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado (Mr. ALLARD) proposes an amendment numbered 2170.

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

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

The amendment is as follows:

At the end of title II, add the following:

SEC. . REDUCTION OF NATIONAL DEBT.

(a) IN GENERAL.—In the Senate, beginning with fiscal year 1999 and for every fiscal year thereafter, it shall not be in order to consider any concurrent resolution on the budget, or amendment thereto or conference report thereon, that—

(1) that would cause budgeted outlays for that fiscal year to exceed budgeted revenues; and

(2) does not provide that actual revenues shall exceed actual outlays in order to provide for the reduction of the gross Federal debt as provided in subsection (b).

(b) AMOUNT.—The amount of reduction required by this section shall be equal to the amount required by amortize the debt over the next 30 years in order to repay the entire debt by the end of fiscal year 2028.

(c) WAIVER.—The Senate may only waive the provisions of this section for a fiscal year in which a declaration of war is in effect.

(d) PASSAGE OF REVENUE INCREASE.—No bill to increase revenues shall be deemed to have passed the Senate unless approved by a majority of the total membership of each House of Congress by a rollcall vote.

Mr. ALLARD. Mr. President, first of all, I would like to commend the chairman of the Budget Committee, the Senator from New Mexico, for his very laudable statement, which he made earlier on in the debate this evening. I think we are very fortunate in this body to have somebody who is trying to bring accountability to the process. I hope that America was listening, because I think he made some very good points, and I think as Americans we need to stop to think about our priorities and how we would like to see those priorities come down in the budget and how we would like to see those priorities in the budget reflect how we want to live our lives as Americans.

I have an amendment that I would like to see added to the budget plan that this chairman and his committee has put forward, the plan to pay down the American debt.

I think back last year when I proposed an amendment to the then-budget, a sense-of-the-Senate resolution, that asked the President of the United States to come forward with a plan on how he might want to pay down the debt that we have. I think we ought to take a little time to define the terms. The deficit is how much more we spend in any 1 year than what we bring in in revenue. The debt is an accumulation of all of that excess spending over the years—the accumulation of all of these deficits. So I am of the view that we need to do something; we need to have a plan before us to pay down that debt.

The President ignored the sense-of-the-Senate resolution that was part of the budget resolution last year, and we got into the budget debate this year. There was simply not any plan coming from the President, or anybody else at that point, on how we might pay down our national debt running somewhere around $5.6 trillion.

So I have decided I will put forward my plan on how I think we might be able to pay down the debt. As we go through the discussion and the debate, I will show that we will even have some money left over as we pay down the debt to provide some tax relief for Americans.

I think we are very fortunate that we have somebody like the chairman of the Budget Committee who really believes we need to work to eliminate the deficit and to balance the budget. It brings forth a certain amount of accountability to the process. I think we need to have leaders like him due to the fact that we do not have a balanced budget amendment.

I was very disappointed last year that a balanced budget amendment did not pass, because I think we needed that accountability in order to assure that the Members of this Senate would work hard to set priorities and not ignore deficits that have been accumulating over the years out into the future and to continue to allow the debt to grow year after year.

I would like to move forward by beginning to congratulate, again, Chairman DOMENICI and the Budget Committee on crafting a sensible resolution that maintains the discretionary spending caps previously set forth. I reemphasize that is very key in this debate to assure that we have protected the future for our children and grandchildren by having a responsible budget which holds the promise that we made to the American people.

Even though it appears that we will realize a surplus before the year 2002, I believe that it is essential for this Congress to show restraint when it comes to budget surpluses. The future solvency of the Federal Government will likely rest on what we do in the next 3 years. There is simply no doubt that the economy is performing well—much better than anyone has expected. But today's rosy predictions could turn out to be a black future if we do not plan appropriately. We must begin the process of paying down the Federal debt and preparing for an investment-based Social Security system. Some have said that they would like to see the surplus used for Social Security. I say let's do it. The fact of the matter is that making payments on the national debt is the best way to provide flexibility for changes in Social Security in the short term. The last time I came to the floor to discuss the national debt, it stood at $5.476 trillion. Yes, $5.476 trillion. Today, even as the U.S. economy continues to grow, we have added $114 billion to the debt, which is now over $5.59 trillion. I believe to not apply at least a portion of any surplus to pay down the debt is simply unconscionable.

In February, Senator ENZI and I introduced the American Debt Repayment Act legislation. It is legislation that I believe is integral to the future of this country. I am a realist. I understand that we cannot retire the Federal debt immediately. What we can do is create a plan which I hope will become a part of the budget plan by which we pay down the debt over a set number of years.

This is just a minimal plan. There is nothing in it that says we cannot do more. In fact, I hope we can do more because we need to sign on to a plan to pay down the debt. The American Debt Repayment Act provides such a plan. Senate bill 1608 would amortize and pay off the debt in the year 2028.

Frankly, this is as simple as it gets. The plan puts the Federal Government on a 30-year mortgage to pay its creditors and place our country on sound financial ground.

Because I believe that we must have a plan when dealing with the debt, I am offering this legislation today as an amendment to the budget resolution. By approving this amendment, we have made the initial commitment to pay down the debt. We are saying to the American people that the Federal Government has finally recognized the time has come to begin to pay off our Nation's credit card balance.

I realize that there are many competing interests when it comes to using the surplus, and I am willing to meet my colleagues halfway. Anything above the amortized payment is not affected by my amendment and can be used in any way that Congress may deem appropriate. While I advocate tax relief for the American family from any surplus above the required payment, my colleagues might decide differently. This amendment proves that debt reduction and tax relief are not mutually exclusive.

I would like to take just a moment and refer to the chart that I have here on the floor with me and talk a little bit about the chart. This is an amortization schedule, much along the lines of what you would be shown if you were to buy a new home. Say you are a new American family; you have just been married; you decide to make probably the first big investment of your marriage, and you will make a commitment to pay that down over 30 years. Your banker may very well give you a similar chart which shows how you are going make that payment year after year to pay down the mortgage on your home.

This is the plan where we talk about paying down the mortgage of the Federal Government year after year. It is a 30-year plan, just pretty much like everybody's home mortgage. To keep things simple, I have just adopted in this proposal pretty much what the Budget Committee has estimated will be the surpluses for their 5-year plan. I say fine, we will not argue with the Budget Committee. We will keep that in place. But after that period of time, we ought to set $11.7 billion a year, in addition to what we did the year before, towards paying down the debt. This accelerates and accumulates over time.

If we do that, let's look at the year 2004, after the current plan has been adopted. In the year 2004, we have $616 million left over for tax relief, or maybe program growth or some other needs. When we drop into 2005, that comes up to $2.1 billion over and above what I put together on this amortization part for program growth or to reduce the tax burden. My personal preference, as I stated earlier, is to reduce the tax burden on the American family.

What happens over a 30-year period? We save $3.7 trillion. I think that is a pretty substantial step, savings that we can use for Social Security reform or maybe doing something with our Medicare problems. This is a plan that shows how we can begin to address those very serious problems we have before us, but to also keep as a top priority of this Congress and this Senate a commitment to pay down this national debt. This plan reflects the amount of savings we are going to save for the future generations, our children and our grandchildren.

The important point I want to make here is to have a commitment to pay down the debt. With even a minor commitment with a 30-year payment, where we are setting aside $11.7 billion a year, we can accomplish this. We can accomplish this with just a simple, straightforward commitment. I remind everybody, our total budget is somewhere around $1.7 trillion. It is not much of the total picture.

I believe an excerpt from an article on March 23, 1988, in Newsday strikes right at the heart of the issue. I have a quote out of that particular article. I will read part of it. I have it up here on the floor. It says:

> * * * if Congress and the President agreed to toe the line and direct all surpluses to pay down the debt for the next 30 years [apparently he has thought about this, too] and if the economy remained on a steady, moderate growth path, the government could pay off its entire debt while covering Social Security and other costs.

Mr. President, I have that article. I ask unanimous consent it be printed in the RECORD.

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

[from Newsday, March 23, 1998]

DEAR UNCLE SAM: USE CASH SURPLUS TO PAY OFF DEBT

(By Clay Chandler and John M. Berry)

Imagine that after years of struggling to gain control of your finances, you suddenly come into some extra money. Even better: Suppose you're likely to earn more money than expected every year for the next decade.

How best to use the windfall? A good financial planner might recommend you start by cutting debt.

''One of the very first things I tell my clients is to get rid of debt,'' says L. Edward O'Hara, a financial planner in Silver Spring, Md. ''A lot of people are reluctant until I show them what a huge difference it can make to their financial situation over a long period of time.''

Economists are offering much the same advice to Uncle Sam.

With the federal government suddenly expecting surpluses estimated between $660 billion and $1.1 trillion over the next decade, a large contingent of fiscal experts is recommending that President Bill Clinton and Congress resist calls for new tax cuts or increased government spending. Instead, many economists argue, the government is likely to get the highest economic return from future surpluses by using them to whittle down the $3.8 trillion in federal debt held by the public.

''Pretty much all macro-economists would be in the debt-reduction camp,'' asserts N. Gregory Mankiw, a professor of economics at Harvard University and author of one of the most popular economic textbooks for undergraduates. ''For most of us, the choice seems clear.''

Others aren't so sure. Supply-side economists and GOP presidential hopefuls Jack Kemp and Malcolm (Steve) Forbes Jr. blast debt reduction as a ''castor oil'' remedy of no benefit to the economy. A recent Wall Street Journal editorial excoriated Republicans who would ''stand for an abstraction of paying down the national debt . . . even if it means taxing Americans at higher rates than needed to balance the federal books.''

At the opposite end of the political spectrum, liberals such as Sen. Paul Wellstone (D–Minn.) and Northwestern University economist Robert Eisner decry the folly of extinguishing Treasury IOUs with money that might otherwise be ''invested'' in new schools or health care for needy children.

Meanwhile, lawmakers from both parties, rallying behind House Transportation Committee Chairman Bud Shuster (R–Pa.), can tick off reasons why using the surpluses to fund construction of new roads, bridges or other projects in their districts will make the economy more productive.

Still, a little-noticed set of long-term projections prepared by the White House Office of Management and Budget makes a tantalizing case for the benefits of using projected surpluses over the next 30 years to pay down the debt. If Congress and the president agreed to toe the line and direct all surpluses to pay down debt for the next 30 years, and if the economy remained on a steady, moderate growth path, the government could pay off its entire debt while covering Social Security and other costs.

Such an optimistic scenario hasn't been previously envisioned, in part, because official economic projections rarely go out longer than 10 years. But also, pragmatic economists note that it is unlikely a government would direct all surpluses to paying down the debt rather than funding important programs.

''From a political standpoint, the problem is simple: Paying down the debt doesn't get your picture in the paper,'' says economic historian John Steele Gordon. ''There are no ribbon-cutting ceremonies,'' no throngs of grateful constituents.

Brookings Institution economist Henry Aaron said the OMB projections—while they are based on conservative economic assumptions—may be overly optimistic because they do not incorporate the distinct possibility of a recession. ''The right way to look at this is to say that there has been a distinct change in the budgetary climate,'' Aaron said, noting that he believes current tax and spending policies could produce surpluses for the next 20 years. ''The sun is shining, but that does not mean we won't have deficits

arising from recessions . . . It does mean we have more elbow room to plan for the restructuring of Medicare and Social Security than we had just a few years ago.''

One reason the OMB projections turn out to be so favorable is the enormous saving on interest payments as the size of the debt is reduced. If paying down the debt also caused interest rates to fall somewhat, as some economists believe it would, the fiscal picture would be even brighter.

Debt-burdened U.S. families last year used an average of 17 percent of their after-tax income to make interest payments. Similarly, last year the government paid out $244 billion, more than 15 percent of its income, to cover interest on the debt owed to the public.

Paying down debt triggers a sort of virtuous cycle: As the amount owed drops, so does the interest due on the remaining unpaid balance, and the saving on interest leaves still more money available to reduce the debt.

May economists in the debt-reduction camp concede, however, that their position of pay-down-the-debt-first is colored by assumptions about the mechanics of American democracy. In theory, they acknowledge, it might be possible to craft tax cuts or new spending programs that would harness projected surpluses as efficiently as shrinking the debt. But as a practical matter, they say, such ideas aren't likely to emerge from the legislative sausage grinder in an economically rational form.

Mr. ALLARD. I say to my colleagues, this is exactly what my amendment does, what is talked about in this article. It creates future flexibility to deal with the impending Social Security crisis by paying down the debt over 30 years. I understand we cannot budget 30 years out—the free market economy does not allow us to do that—but what we can do is adopt a blueprint for the future, a blueprint that Congress can follow to eliminate the debt and show the American people, with a little bit of discipline, we can do that—and a little bit of accountability. The American people know how difficult it is to make a living and pay the home mortgage. Let's give them a hand by retiring the national debt and thereby decrease the interest rates that we pay on everything from a home loan to a student loan.

If somebody asks you, ''How am I going to benefit if you pay down the debt?'' they are going to benefit because we have lower interest rates with tremendous savings for home loans and student loans. A tax cut would most certainly be beneficial, but we cannot cut taxes at the expense of our children's future and our grandchildren's future. I ask that each and every one of my colleagues join me in this effort and make a commitment to retiring the Federal debt by voting to pass this simple, commonsense proposal.

Mr. President, if we don't have any further debate on this on either side, I yield back the time, if that is appropriate at this particular point, so the Senator from Idaho can be recognized.

Mr. DOMENICI. Mr. President, I suggest the Senator not yield back his time but, rather, let us set his amendment aside, reserving whatever time he has, and we will proceed with the next debate. So tomorrow, if my colleague wants to pick it up when we are in session and use another period of time, maybe that will give the opponents a chance and we will have a good debate. If we don't need it, we will yield it back then.

Mr. ALLARD. I thank the chairman for his suggestion. Mr. President, I will amend my unanimous consent request. I will just yield the floor and reserve my time until tomorrow. I may use it at that time.

The PRESIDING OFFICER. The Senator's time is reserved.

Mr. DOMENICI. I understand the distinguished Senator from Idaho, Mr. CRAIG, would like to speak for about 5 minutes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. How much time did the distinguished Senator from Colorado have under the unanimous consent agreement?

The PRESIDING OFFICER. He had 45 minutes remaining.

Mr. DOMENICI. Remaining?

Mr. LAUTENBERG. That is with an hour allowance.

Mr. DOMENICI. Yes.

Mr. President, I ask unanimous consent whatever time the Senator has, he reserve that time and we set aside his amendment so Senator CRAIG can introduce an amendment and speak to it.

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

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I ask unanimous consent the pending amendment be set aside.

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

AMENDMENT NO. 2211

(Purpose: To modify the pay-as-you-go requirement of the budget process to require that direct spending increases be offset only with direct spending decreases)

Mr. CRAIG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for himself, Mr. ALLARD, Mr. GRAMS, Mr. HELMS, Mr. INHOFE, Mrs. HUTCHISON, and Mr. THOMAS, proposes an amendment numbered 2211.

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

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

The amendment is as follows:

At the end of title II, add the following:

SEC. ___. REQUIREMENT TO OFFSET DIRECT SPENDING INCREASES BY DIRECT SPENDING DECREASES.

(a) SHORT TITLE.—This section may be cited as the ''Surplus Protection Amendment''.

(b) IN GENERAL.—In the Senate, for purposes of section 202 of House Concurrent Resolution 67 (104th Congress), it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that provides an increase in direct spending unless the increase is offset by a decrease in direct spending.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of direct spending for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

Mr. CRAIG. Mr. President, as I debate this amendment this evening, let me first recognize my colleague from Colorado, who has just brought before the Senate an almost unbelievable proposal. I say that because it is difficult for us to fathom a savings of $3.7 trillion to the American taxpayer and to future generations in this Nation by taking it upon ourselves to pay down the Federal debt over a 30-year period. I am proud to support my colleague from Colorado. It is these kinds of initiatives that I think reflect to the American people that we really are sincere about getting the spending habits of this Government, and the debt we have accumulated over the last good number of years, under control. It is also very reflective of the kind of impact that controlling deficits and debts has on our economy and on our future generations.

So, in my offering of the amendment this evening, I am proud the Senator from Colorado has joined me along with Senator HELMS, Senator HUTCHISON, Senator INHOFE, Senator GRAMS, and Senator THOMAS. Mine is a similar measure to once again shape the spending habits of this Congress. My amendment is entitled the ''Surplus Protection Amendment,'' because it does just that; it protects the surplus from irresponsible spending.

Current budget policy as we know it, pay-as-you-go—so-called PAYGO—budget enforcement rules were established to help put Washington's fiscal house in order. Since fiscal year 1994, the Senate has had a point of order requiring 60 votes to waive against any legislation which would result in mandatory spending increases that would increase the deficit. Mandatory spending in Washington's version of a fiscal autopilot. Once enacted, it requires no

further congressional action to operate. And we know that. We see it happening right here. It is a part of this budget resolution. Rather than a perpetual motion machine, mandatory spending is a perpetual spending machine. It is the Energizer Bunny of budgeting, and it has kept this budget growing and growing and growing.

What does all of this mean? Any increase in mandatory spending must be paid for with a tax increase, and any tax cut must be paid for by a mandatory spending cut. We wonder why taxes are high. We wonder why it is so difficult to cut taxes. Those are the reasons. As anyone can tell, PAYGO—that is what we call this provision in its present form—isn't sufficient. Mandatory spending has increased dramatically and will continue to increase dramatically as far as any of us can sense it.

According to the Congressional Budget Office, in 1987, mandatory spending accounted for 47 percent of the Federal budget. In 1997, it accounted for 56 percent of the Federal budget, and in the year 2008 under this budget resolution, it will account for about 70 percent of the total Federal budget.

Now remember, that is the portion that is on auto pilot; that is the portion that just keeps growing and growing and growing. This means that there has been and will increasingly be a crowding out of what the Federal Government can spend on schools, on roads, on law enforcement, and some of those fundamental things that keep our country operating in a civil way, the kind of things for which historically our Government was envisioned to have a responsibility.

I believe because of that it is time that we try to make a change. Current estimates are that the budget will be balanced this year, and the budget chairman, my colleague from New Mexico, the senior Senator who has done such a marvelous job shaping and nurturing and bringing this balanced budget along, is going to see that that happens. We are going to help him, and of that we are proud.

As far as we can see out there, we are 4 years ahead of schedule on balancing the budget, and I applaud it. I am proud to have been a part of it, and I think it is wonderful for the American people, for our economy, for job creation and all that that means. The Senator from New Mexico can be rightfully proud of it, and I know he is. However, we must look not just at the horizon of the current budget, but we ought to look beyond it, beyond the 4 years. I know we can't get beyond it in the budget process, but we can get beyond it in the policy. We can get beyond it in how we operate moving toward the future.

To avoid what will happen in the future, we must change the way we work now. I am proposing, as a modest first step, that like a good doctor, we first pledge to do no harm, and I believe my modest first step does no harm.

My surplus protection amendment establishes a point of order that requires new mandatory spending programs be paid for by mandatory spending savings. Let me repeat that.

My amendment establishes a point of order that requires new mandatory spending programs be paid for by mandatory spending savings. In other words, it would require 60 votes in the Senate to create a new mandatory spending program that was not funded by an equivalent mandatory spending savings.

If all of the new mandatory spending programs had been paid for, as we had claimed, we would not be facing a fiscal future with exploding spending and exploding deficits in the outyears.

Why does this Senate and this country need the Craig amendment? I think the current budget path that the Senator from New Mexico and all of us have worked so hard on is truly unsustainable. As good as a balanced budget today is, without ever more fundamental changes, it will not remain balanced. And it ought to be our goal to at least strive to maintain a balanced budget.

That this path is unsustainable is no secret. We all know because of what we have been told by so many. My colleague, Senator KERREY of Nebraska, who chaired the Bipartisan Commission on Entitlement and Tax Reform has said that is impossible to do. The General Accounting Office says we cannot sustain a balanced budget under our current scenario, and the President's own budget office says so.

In its most recent report, the Congressional Budget Office states:

> Currently, more than half of the nearly $1.7 trillion in Federal spending goes for entitlements and other mandatory programs (other than net interest) . . . As a share of total outlays, mandatory spending has jumped from 32 percent in 1962 to 56 percent in 1997. If current policies remain unchanged, such spending will continue to grow faster than other spending, reaching 63 percent of total outlays by the year 2002—or twice the size of discretionary outlays. Under baseline assumptions, continued growth in mandatory outlays would raise their share of the budget to 70 percent by the year 2008.

Last year, the Congressional Budget Office wrote:

> [T]his year's budgetary news should not lull people into complacency: the retirement of the large baby-boom generation is just over the horizon—

Just beyond where this budget and all of us can see—

> . . .If the budgetary pressure from both demography and health care spending is not relieved by reducing the growth of expenditures or increasing taxes, deficits will mount and seriously erode future economic growth.

That is the reality of what we deal with. That report concluded, Mr. President:

> [C]urrent budget policy is unsustainable, and attempting to preserve it would severely damage the economy.

How serious are future projections? The Congressional Budget Office concluded that even if the budget were balanced through 2002—and that is our goal, that is the goal of this budget—if that were true, we would still have a deficit equal to 34 percent of the gross domestic product by the year 2050 and the public debt would be 283 percent of the gross domestic product.

There will be a demographic shift to an older population. We all know that. The experts show us that. I am part of that. I am a baby boomer.

In 1995, there were 34 million 65-year-old, or older, citizens. In the year 2030, there will be twice that number or 68 million. There will be more elderly. They will be living longer and using Federal services much more intensively. There will be relatively fewer workers around to pay all the bills. Let us remember that it is the current working population that generates the economy that pays the bills.

In 1950, there were 7.3 workers for every senior. In 1990, there were 4.8 to 1 senior. In the year 2030, there will be 2.8 workers per every 1 senior.

So if that senior is receiving well over $1,000 a month in Social Security benefits and maybe health care benefits, who is paying for it? Those 2.8 workers. Divide it up. Count it out. It is pretty obvious how much has to come out of their wages on a monthly basis to transfer it to that senior's well-being.

What the demographic shift means is that spending will rise rapidly relative to revenues. Quoting the Congressional Budget Office:

> Revenues will be squeezed as the number of people working—and the economy—grows more slowly. At the same time, outlays for Government programs that aid the elderly will burgeon as the number of people eligible to receive benefits from those programs shoots up.

What the fiscal squeeze means, if we don't begin to recognize it now, is enormous deficits. Just at a time when we thought the deficit battle was over, when this Congress has battled through to get to a balanced budget, where we are now, all of a sudden this begins to dramatically shift. We know it will happen because the facts, the figures and the spending programs are already in law.

The deficit last year was less than 1 percent of the gross domestic product of our country. In 2035 it would be 29.8 percent. Let me repeat that. The deficit by the year 2035 will be 29.8 percent of the gross domestic product if we don't begin to shape it down and scale it down.

The Federal debt was 50 percent of the gross domestic product last year. Now we are talking about debt. It would be 250 percent by the year 2035. These are not my figures. These are the projections of the professionals, the budget professionals—the Congressional Budget Office and others—who look at the long term, who put on the binoculars and look over the horizon to see what our spending programs must yield to benefit the citizens who are

living today who will be recipients of those benefits in the year 2035.

Those figures I have given you are truly unprecedented. We have never had to deal with them before as a percentage of the gross domestic product of this country. The deficit has been higher than 10 percent of GDP, but only briefly and during a major war. Not during peace times, not during prosperity, but at a time when we were fighting for the safety and the security of this country.

The debt exceeded 100 percent only once, briefly during World War II. The results, if we were to continue to do this with these projections I have just given you, would be economic catastrophe. Even to make the burden sustainable, in CBO's terminology, allowing debt to rise but keeping it at a constant to the gross domestic product rate would have dire consequences. In other words, we can't just sustain where we are. We have to begin to back away from where we are and do so over an extended period of time. The tax burden would have to increase 20 percent above where it is today just to continue running deficits and adding debt.

Of course, some will say that this budget agreement solves the problem. I wish it did. It solves the problem in the short term, and for that we are proud. For that all of us who vote for it and support it and support the chairman in what he is bringing before us ought to be proud. We have a right to be. But it is within the short term. It is in the foreseeable future.

It is certainly an improvement, but it only delays the same scenario that I have just sketched out. According to the CBO, even if the budget is balanced through the year 2010—and that is the Congressional Budget Office speaking—it will take less than 15 years to reach the scenario that I have just projected, and that is a debt that consumes over 250 percent of the gross domestic product of this country.

The Congressional Budget Office states:

> Regardless of how the budget is balanced in the near term, additional budgetary action. . .would still be needed to put the budget on a sustainable path.

I am offering, as I said, a modest first step. The year 2030 and the year 2050 are unreal to any of us on this floor. But if there are any young people in the galleries tonight, it is their budget. It will be their Government. It will be their responsibility to run it. And it will be their responsibility to pay for it. The Congressional Budget Office paints such an alarming picture that even the authors cannot imagine it, and they write this:

> Policymakers would surely take action before the economy was driven to such dire straits.

So even those who analyze it are willing to say surely those of us—that's me, that's you, Mr. President—as policymakers would never allow this to happen. But we are not taking steps to change it. We are dealing in the short term, and we have to deal in the short term first. For that I have already applauded the chairman and the ranking member, but we have to do more.

Now is the time for us at least to prepare for such an action. My amendment takes this first modest step that we do no fiscal harm to our children, like a good doctor would.

The first frightening thing in the CBO report is that it only addresses existing programs. It makes plain that our children cannot afford them. The existing programs are not now and will not in the future be paid for by our taxes. We certainly cannot responsibly add more.

Regrettably, the President's budget adds more: $28 billion in new mandatory spending, $118 billion in total new spending, and $43 billion less in surplus that would be saved for Social Security as the President himself has called for.

My amendment will not affect a single beneficiary for a single existing program. My amendment will not even affect anyone who would be qualified in the future for one of these programs. My amendment will not prevent a tax increase in order to reduce deficits. And my amendment will not even prevent a new spending program if a new program is so important that there is a supermajority, 60 votes in this body, to bring about a new spending program. This amendment should appeal to everyone serious about deficits. It will merely make sure that there is an overwhelming demand for a new program before we create it.

These are shared goals. By all 66 who supported the balanced budget amendment to the Constitution last year. By even those who opposed it because it included Social Security. For whatever purpose people want to use the surplus, they must first be protected. My amendment not only protects them now but will for the future. Because mandatory spending has historically failed to adhere to estimates, we must offset new mandatory spending with mandatory savings.

Good-faith first steps are something that we should all come together on. So I urge my colleagues to take a look into the future to recognize those figures that are very real, that no one disputes, whether it is the President's budget estimators or whether it is our Congressional Budget Office. My amendment is a modest first step to look beyond the horizon of a balanced budget, to recognize that our current spending programs produce deficits and debts in the future that we have not yet devised a method to respond to. And I would suggest, Mr. President, that my amendment would attempt to do just that.

With that, I have spoken about this issue all that I would care to tonight. I would be happy to reserve the balance of my time if no one else wishes to speak to this issue this evening.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. CRAIG. Before the chairman speaks, let me ask, Mr. President, that Senators SESSIONS and COVERDELL be put on my amendment as original cosponsors. I ask unanimous consent that that be done.

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

Mr. DOMENICI. Mr. President, let me just say, when we were attempting to come up with a constitutional amendment that would work with reference to a balanced budget, Senator CRAIG was the leader, and we all worked with him in an effort to get an amendment which controlled spending through controlling the amount of debt that could be issued. And, frankly, that was a lot better approach than many before it because it was actually doable, it was achievable, and it was understandable.

And it controlled spending in the right way, because essentially spending is one thing, but spending when you do not have the money is another thing. And we have such a powerful country that we can borrow and borrow and borrow. It is just in recent years that we have finally got a hold of our senses and have taken such a lead in the world, the industrial world where we have competition and capitalism and free enterprise. We have taken such a lead of late because we are getting our debt under control.

I think it is fair to say we are also getting our entitlement programs under control. We have never before, before the last decade, been so concerned—and rightly so—about entitlement programs as part of the package of expenditures that make up our budget for which we either pay or, if we do not have enough tax receipts, for which we borrow. And while I am not certain that I will support the amendment exactly as it is—I have not made up my mind—I do think it is welcome here on the floor, because we have been talking about a lot of new entitlements in an era where we are proud of balanced budgets and an era of surpluses.

While they are not totally inconsistent—to be talking about an era of surpluses and balanced budgets for many, many decades—it is obvious that the biggest danger is new entitlement programs. And since we cannot increase discretionary programs, as the Senator well knows, because we finally found a way with the caps and the automatic sequester at the end of the year—found a way to control them, and everybody now expects us to, the next front is to increase entitlements and in some way find money to pay for them, but that will just make a much bigger, bigger budget and it will be more and more dangerous than even if you increase discretionary spending.

If you increase discretionary spending 1 year, you don't have to the next year. But if you increase entitlements, you have to change entitlements. If

your estimating is wrong, you have to have an amendment. By then, you have people who have been receiving the entitlement; right? Not so easy to change.

So I commend you on the thrust of the amendment and the remarks tonight. I think they are welcome in the debate we have had for the last 2 years.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Let me thank the chairman of the Senate Budget Committee for those remarks. I think they are candid and appropriate to the very essence of my own that, at a time when we have an opportunity to begin to shape control over mandatory spending, we ought to take a look at this time, and we can do that in a unique period in our Nation's history which we all fought to get to. So I thank my colleague for those comments.

I ask to retain the balance of my time.

Mr. DOMENICI. I understand the amendment will take its place among the many amendments which will be at some point appropriately sequenced for votes.

Does the Senator from New Jersey wish to speak?

Mr. LAUTENBERG. Mr. President, I listened with interest and do not want to enlarge the debate at this time. Obviously, the hour is late, but I listened with a degree of interest and care to the comments of the Senator from Idaho. And we have this debate sometimes that centers around whether the glass is half empty or half full. And we are looking at the same matrix, but I see it differently. I do not see a nation out of control. I do not see an economy that is in great jeopardy. I do not despair over what is taking place in our economic structure. Yes, we are paying more taxes in total, but that is because people's incomes have gone up and thus they are paying a larger share of the tax burden than they used to pay.

But when we look at a time when the unemployment rate compares to all-time lows, when we see inflation so well controlled, when we see the investment climate in our country so appetizing, no one knows when this is going to change, but the fact of the matter is, lots of people, lots of hard-working, what we will call modest-income people, have made good returns on their investments. And, Lord willing, they will be protected.

But why is all that taking place? Why has the stock market galloped up like it has? It is not simply because there is some kind of a speculation fever out there. A lot of it has to do with the fact that the United States is the most attractive investment country in the world. People feel secure. They know if they invest in America that they have a better chance of keeping their money safe and getting a return than any other place because of the structure of our financial being. We cannot ignore these things.

I share the Senator's view. I would like to see us paying off the debt. I am one of those who said, yes, I want to shore up Social Security. And how are we going to do it? We are going to do it by paying down the debt. The President has forecast over $1 trillion worth of surpluses over the next 10 years. That is a pretty encouraging prediction.

So, I hope we will continue this debate on the morrow, because I think there are other people here who would also want to comment.

Mr. President, I do not think we ought to ever lock ourselves into straitjackets to say that you cannot do this unless you do that. We are sent here to exercise judgment. And when I hear the speeches of some of my colleagues, I say, well, we sound like a bunch of recalcitrant children who have to be locked in a corner or put in our seats, or we are so bad—why can't we control ourselves? I do not see it that way.

I must tell you, I have great respect for those that I disagree deeply with here. They are sent here to represent a constituency who thinks that these people, the Senators in this Chamber, are going to carry a point of view that they share. And if not, there is a test that comes every 6 years. And you can see what happens. You have either passed the test or you have flunked it; it is very decisive.

But with all of that, I just do not see this, if I might call it, self-flagellation, this beating of ourselves. Look at the facts. The economy is really good. I know that I feel better about my children's future now than I did a few years ago. I think we have proven one thing. And some would say, well, we have not, Alan Greenspan has. He is part of our crowd, whether we think we are in his league or not.

The fact of the matter is, we have inflation under control—something that was hard to believe could be done, and has not caused deflation, has not caused a crisis. Things are going along very well.

So I hope, Mr. President, we will have a chance to chat about this a little bit tomorrow, and I hope we will be able to encourage our colleagues to vote against the Craig amendment, to say that we do not have to put on the handcuffs and apologize for our behavior. I do not think I do everything right, but I know one thing: I work at what I do. And so does everybody else here.

I do not think there is anybody here who shirks their responsibility, who does not take it seriously. And I do not think I have to be put in a corner like a child and told, well, you are not going to be allowed to do this unless you do that; you are not going to be allowed to spend money. How do we know when the crisis is coming?

We have done the things we said we ought to do. We have a balanced budget. I think we are all proud of that. We can argue whether it is CBO balanced. We say, yes it is. We all kind of believe that on a unified budget basis we are going to be seeing a slight surplus in the very short period. So I hope our colleagues will stand up and say no to limiting our ability to use our heads, to use our judgment, to take the risk of our votes and to see if we can do things without limiting our ability to act.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I think we are about ready, as soon as the clock strikes 10 o'clock, to recess. I think I have a long enough list of unanimous consent requests for all those wonderfully glowing, smiling faces lined up alongside of the dais there. We will be 1 minute or 2 past 10 before we finish.

Mr. President, on behalf of the leader, I ask unanimous consent that the vote in relationship to the Conrad amendment No. 2174 now occur at 2 p.m., with no second-degree amendments in order prior to the vote.

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

Mr. DOMENICI. I also ask unanimous consent that when the Senate resumes the budget resolution on Wednesday, there be 20 hours remaining under the overall statutory time limitation. And, finally, I ask unanimous consent that when the Senate resumes the resolution on Wednesday, the Coverdell amendment No. 2199 be the pending business.

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

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business.

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

WOMEN'S HISTORY MONTH: TRIBUTE TO SISTER MAURICE CROWLEY

Mr. DASCHLE. Mr. President, today is the last day of Women's History Month.'' Throughout the month of March, we've paid tribute to the vision of women like Elizabeth Cady Stanton, Lucretia Mott and Susan B. Anthony, the founders of the first Women's Rights Convention 150 years ago in Seneca Falls, New York. We've recognized the historic achievements and celebrated the legacies of Ameila Earhart, Marion Anderson, Eleanor Roosevelt, Dolores Huerta and hundreds of other American leaders.

During Women's History Month, it is also appropriate that we pay tribute to the countless American women whose names and great works are known only to their families, neighbors and friends. These women may not grace the pages of history books, but their contributions as mothers, teachers, entrepreneurs, farmers, and scientists have