be clear, we are not talking about wealthy families; we are talking about a two-wage-earner couple, just married, a schoolteacher and a police officer—struggling to accumulate the necessary funds for that first downpayment.

In many high cost areas, FHA no longer covers the cost for entry-level, new starter homes. In Levittown, Long Island—which epitomized post-war expansion of homeownership for working, middle-class families, especially for GIs returning home from the war—that opportunity, unfortunately, is becoming more difficult today. Even in times where we say the economy is booming and a nationwide rise in homeownership, families in high cost areas are too often being left behind. Indeed, in many of these high cost areas, the homeownership rate is lagging far behind the nationwide average. Young families starting out on their own have to come up with $25,000 for a downpayment—which is very, very difficult to achieve, especially in an area where the cost of living places such a tremendous strain on the family budget. We are not talking about people of affluence. Nor are we talking about magnificent estates or mansions, but simply average median-cost homes.

Indeed, in Long Island, where homeownership has been such a key ingredient to permitting people to work and live as part of a community, home ownership is becoming more difficult for these working, middle-class families. It is simply beyond their reach. Thankfully, today we have helped to bring relief to families in high cost areas by raising the FHA limit. In Long Island, the area that I grew up in and live in, where there are nearly 3 million people, we will now be providing greater opportunities for young middle class families to own their own home. The current FHA limit, which is set at $170,000, is simply too low in an area where there are relatively very few homes that can be purchased in all of the island for $170,000 or less. By raising the limit up to $197,000, FHA will better reflect the reality of the marketplace where the median home prices in Nassau and Suffolk Counties were $195,000 in 1997. We will now be providing that opportunity to thousands of young families who will be looking to purchase that first home in Long Island.

Nationwide, about 21 percent of the Nation's population lives in high-income areas. Again, this FHA increase in not for the benefit of the affluent—they do not need FHA insurance and will continue to be served by the private market. Indeed, they buy homes that cost much more than $197,000.

What we have done is, I believe, struck a blow for home ownership, for young families who want to get an opportunity, from one length of the country to another.

The mayor of Albany, Mayor Gerald Jennings, he called me yesterday. He was concerned because of the outlying communities in the Albany area. The county executive from Nassau, Tom Gulotta, called me because his housing experts advised him that too many young families are being denied the opportunity to purchase a home. They need to be able to get FHA insurance for young families who are starting out on their own.

I commend the Senate for overwhelmingly supporting this provision by a vote of 69–27 to raise the FHA limits in high cost areas. I believe we achieved a big victory for home ownership throughout this country today.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KERREY. Madam President, I ask unanimous consent I be permitted to speak as in morning business until 11 o'clock.

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

SOCIAL SECURITY

Mr. KERREY. Madam President, the issue of Social Security has been given a new bit of attention this week. Senator JUDD GREGG of New Hampshire and Senator JOHN BREAUX of Louisiana announced their intent to introduce legislation that effectively takes the recommendations of a year-long study and recommends a number of changes.

I like their proposal, Madam President. Senator MOYNIHAN and I earlier introduced legislation that proceeds along similar lines. Senator GRAMM and Senator DOMENICI are working on their own proposal. The President has suggested that we have a year-long discussion of Social Security and that sometime in the latter part of this year/first of next, he will call the congressional leadership in and we will try to solve this problem in 1999. That will be very difficult to do unless these discussions are conducted in an environment where we make a real effort to educate the American people about what Social Security is and what Social Security isn't.

There was a recent Town Hall meeting on Social Security in Providence, RI. I attended the first meeting in Kansas City, MO. Indeed, the President was at Georgetown when he kicked this whole thing off earlier this year. When he was introduced at Georgetown, a woman who is a student at Georgetown did something quite interesting and quite common in the Social Security debate. She said when she took her first job, she noted on her paycheck that there was a person called FICA. She went home to her mother and said, ''Mom, who is this FICA person, and why are they taking so much money from me?'' She had discovered the payroll tax, which is the largest tax burden on working Americans today.

I note that there is growing interest in using the surplus, that we have to use it to do some kind of a tax cut. I intend to argue that if taxes are going to be cut, it ought to be the payroll tax that gets cut. FICA is the largest tax for nearly 70 percent of Americans. The median family in Nebraska will pay twice as much in FICA taxes—in payroll taxes—as in income tax.

As this young Georgetown woman went on to say, her mother told her that FICA is a payment she is making into Social Security that she will get back out when she retires. And she hopes, she said to the President, that their discussion will lead to the protection of the money she has paid in over the years. Relevant to the discussion of Social Security, one of the things I hope the President and the Vice President will do when they are having a discussion of Social Security—is to allow workers to have just that—the ability to use a portion of their payroll taxes to create wealth for retirement.

You hear other people describe Social Security as a program with a poor rate of return. As I said, I did not go to the Providence discussion, but I sent staff to it and they reported back that numerous people expressed the view that Social Security is a savings program, that individuals are making a contribution into it, and all they are getting back is what they paid in.

It is not a savings program. You own nothing with Social Security. Social Security is a payroll tax, and it is a tax that is imposed upon people who are working. The proceeds of that tax come to the Federal Government, and are distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits. For retirees, there is an early eligibility age of 62, and there is a normal eligibility age of 65. There are also many people who actually choose to take a later eligibility of 70, where they can get a higher level of benefits.

This is very important. As the President goes forward with the discussion on Social Security, he is the principal leader in this regard. He has the bully pulpit. I praised him before and I praise him again for taking this issue on. It is an extremely important program and has benefited Americans enormously. It has changed the face of this country. It is a moral commitment that we make. But, it is not a rate of return program.

I urge the President and the Vice President, when they are leading these discussions, if there is any confusion, to say to Americans that this program is an intergenerational commitment. By maintaining the current program, those of us who are working allow ourselves to be taxed at a fixed rate, and

to let the proceeds be transferred in a very progressive fashion. As I mentioned earlier, we let the proceeds be distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits.

If the American people don't understand that, we need to inform them—especially retirees. If people over the age of 65 believe that all they are getting back is a monthly check that is based upon what they contributed, this debate will reach a dead end. I have heard many, many elected politicians essentially pander to the audience and lead the audience to believe all they are getting back is what they paid in. They let them believe that it is their Social Security—they paid it into it all their lives. In reality, it is a tax on people who are working. That young woman who introduced the President had it half right. There is a 12.4 percent tax on wages, which is transferred to people who are eligible.

If anybody right now is struggling under the burden of Social Security, it is people who get paid by the hour, particularly low income people—people who earn their living as a consequence of their work and the wages paid to them. For example, in 1996, the median household income was $35,492. A family earning that amount and taking standard deductions and exemptions, paid $2,719 in federal income taxes, but lost $5,430 in income to the federal payroll tax. What we need to be doing is giving some of this payroll tax money back to these families so they can participate in the growth of the American economy—so that they can accumulate wealth for their retirements. Since 1983, the payroll tax has been higher than necessary to pay current benefits.

I come to the floor today to praise Senator GREGG and Senator BREAUX for their proposal, for their courage, in introducing this piece of Social Security reform legislation. Most importantly, I come to the floor to urge President Clinton and to urge Vice President GORE, when they are having these discussions, to describe this program honesty. Describe it as it is. Don't allow individuals, especially people over the age of 65, to presume that all they are getting is a monthly check that represents what they paid in over the course of their working lives. It is a tax, transferred in a progressive fashion, to people who are eligible.

Furthermore, don't allow the notion to lie on the table that the age of 65 is a retirement age. It is not a retirement age—people can retire at any age they choose. Sixty-five is an eligibility age. There is an early eligibility. There is a normal eligibility. There is a late eligibility.

One of the most frustrating things that I suspect Senator GREGG and Senator BREAUX face, is people saying, ''Senator, you are trying to move the retirement age.'' It is eligibility, not retirement. There are many people who retire early, they retire later, and as a consequence their benefit levels will be adjusted. They understand these adjustments, and as a consequence they make choices based on it.

I hope this debate will continue, but unless it continues in an honest fashion, with the program being understood for what it is, it will hit a dead end. This is a very easy program to demagogue. It is a very easy program to misrepresent. There is a large percentage of people who do not understand what this program is. Unless we increase the number of people who do understand what the program is and decrease the percentage of people who misunderstand it, it is likely this entire year's discussion will lead to nothing more than political warfare with people misrepresenting the program in order to achieve political advantage.

I yield the floor.

Mr. D'AMATO. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. D'AMATO. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SLOBODAN MILOSEVIC IS A CRIMINAL

Mr. D'AMATO. Madam President, for too long now, the world has been watching a terrible carnage take place with the changing of the former Yugoslavia, with the various factions fighting for autonomy, with the deterioration of respect for human life being so obvious, that we almost take it as a matter of fact when people are massacred, and we hear that the atrocities reach incredible levels.

It becomes commonplace to hear of tens of thousands of people who can no longer live in their homes. Indeed, estimates are that 3 million people have been forced to move. They call it ''ethnic cleansing.'' Despite the best attempts by the United States and some of our allies, we have been unable to bring about some resolve. Tens of thousands of U.S. and NATO troops are now positioned in Bosnia to attempt to keep the conflict from again affecting the lives of the innocent—women and children, people who are held hostage, people who are abducted, women who are raped, young men who are killed because of their ethnic background. It is incredible. Muslims are killed because they are Muslims. Croats are killed because they are Croats. Serbs are killed because they are Serbs. The madness that exists in this day and age is incomprehensible.

Madam President, the situation is not getting better. The situation is deteriorating. And behind it all, the motivator, the prime mover in all of this, is one man. That doesn't mean that there aren't others who are responsible on all of the sides for having had their people undertake horrific acts against humanity. But there is one person—a hard-core Communist dictator who has been able to keep power by way of appealing to the worst prejudices of people—by the name of Slobodan Milosevic. He would like to think of himself as a duly-elected President. He is the last surviving Communist leader still in power from before the wall fell. Make no mistake about it, although he may call himself a President, but he is a criminal, he is a thug, and he has been responsible for the deaths of tens of thousands of people, including his own people. This is the man, the thug, the killer.

Indeed, the resolution that I, Senator LIEBERMAN, and a number of our colleagues, including the present Presiding Officer, have worked on is one that deals with this thug. It is one that will call for the United States and others to gather the factual information necessary to pursue a trial in the international courts that have been established just for that purpose. Indeed, the United Nations Security Council, in 1993, created the International Criminal Tribunal with the former Yugoslavia located in the Hague. The tribunal has already publicly indicted 60 people for war crimes or crimes against humanity. It is horrific.

Even at this time, today, in the New York Times, we read an account of what is taking place.

I ask unanimous consent that the full text of this article be printed in the RECORD.

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

SERB FORCES SAID TO ABDUCT AND KILL CIVILIANS IN KOSOVO

(By Chris Hedges)

DECANI, SERBIA.—Serbian forces have been turning increasingly to the abduction and execution of small groups of civilians in their fight against ethnic Albanian separatists in Kosovo, according to human rights officials and witnesses.

Many of the executions took place moments after Serbian special police units concluded attacks on villages held by the Kosovo Liberation Army rebels, witnesses said.

''The number of disappearances are increasing each month,'' said Behxhet Shala, secretary of the ethnic Albanian Council for Human Rights. ''There is a mathematical logic to all this. As the Kosovo Liberation Army kills more police, the police go out and hunt down civilians who live in the areas where the attacks take place. These are reprisal killings.''

Some 300 ethnic Albanians are listed by human rights officials as missing since March, when the conflict intensified between the rebels and the 50,000 or so Serbian soldiers and policemen deployed here. Some of them may have fled to Albania or Montenegro and others may be living with relatives elsewhere in Kosovo. But some were seen by witnesses being led away by special police units, never to reappear.

As the war progresses, and as the rebels, who themselves have abducted at least 30 Serbs, increasingly make Serbian civilians their target, the fear is growing that the