

support. In practical terms, this means State government agencies attempting to collect child support can garnish wages and suspend drivers licenses and professional licenses. Mr. President, clearly, this bill will help State governments catch deadbeats who want to use the bankruptcy system to get out of paying child support.

Taken together, these changes will significantly advance protection for child support claimants in the context of bankruptcy proceedings. This is why the National District Attorneys Association, an organization which represents many of the prosecutors who must enforce child support obligations, supports this bill. And these changes provide yet another compelling reason to support S. 1301.

Mr. GRAMM. Mr. President, I requested some morning business time. It is my understanding that our colleague from Minnesota came over and asked unanimous consent to speak as in morning business. I also had checked with our dear friend, the Senator from Iowa, about the possibility of doing the same. If I wouldn't be delaying the important business of the Senate, I ask unanimous consent to speak as in morning business for 15 minutes.

The PRESIDING OFFICER (Mr. HAGEL). Without objection, it is so ordered.

#### EMERGENCY APPROPRIATIONS AND THE SURPLUS

Mr. GRAMM. Mr. President, I wanted to express some concern about what is happening in terms of Federal spending this year; about the fact that now, for two weeks, we have not passed an appropriations bill; about the fact that it is clear from watching the process now that the minority, operating strictly within its rights, has held up the passage of any of the remaining appropriations bills by simply drowning these bills in riders and amendments.

We are beginning to hear talk, both in the administration and the Congress, about the need for a massive expansion in spending.

I decided earlier this week to sit down and look at all the proposals that have been made under the name of "emergency spending." That is important because, as my colleagues know—the public may not fully understand—while we have a binding budget, there is a gigantic loophole in that budget. That gigantic loophole is, if the President and the Congress agree to designate an expenditure "an emergency," it doesn't count.

Since President Clinton has been in office, we have had \$31.5 billion worth of emergency spending. During election years, that level of emergency spending has ballooned to a whopping \$8.6 billion per election year.

Now, in looking at where we are and in looking at the threats of vetoing appropriations bills if we don't appropriate as much money as the President has called for, I put together the fol-

lowing list of emergency requests that have been made by the President or have been discussed in the Congress.

The first is \$2.9 billion for natural disasters. I remind my colleagues that we know at the beginning of every year that we are going to have disasters.

Now, we don't know exactly where they are going to be. We don't know whether they are going to be earthquakes in California, or hurricanes in Texas and South Carolina and North Carolina, or floods in the Dakotas. But we know, based on experience, that every year we are spending about \$5 billion on disaster relief. But instead of putting the money in the budget so that it is there, instead of setting priorities, as any family would, what we do is wait until a disaster occurs and then we designate it as an emergency, so we can spend beyond our budget. In the President's own words as he stood before the Congress in the State of the Union Address, he said: "Save Social Security first, don't spend one penny of the surplus, and don't give any of it back in tax cuts."

But what we declare spending to be an emergency, it means that we are, in fact, spending the surplus and taking money away from Social Security.

Let me go over this list of what is now being called "emergencies." The next item on the list is the fact that we are about to enter a new century and a new millennium and, in the process, we are going to incur a computer problem called the "Y2K problem." In other words, the year 2000 is coming and we are entering a new millennium. Now, is that a surprise? Is anybody shocked that every day we get closer to the year 2000? Is it news to anybody that we have a potential computer problem in the Federal Government? Yet, while we have known about this—in fact, we have known from the beginning of the calendar of Julius Caesar that we were going to reach the year 2000. We have known it since the ancient Greeks. We certainly have known that we had this problem for the last 5 or 6 years. Yet, suddenly, we have a proposal saying that there is an emergency, the year 2000 is coming and there is going to be a new millennium, so the Federal Government needs an additional \$3.25 billion to \$5.4 billion. How can anybody say that that is an emergency if it is obviously a problem we knew we would have to face? It is something that we are going to have to face in the year 2000. But why should it not be dealt with within the context of the ordinary budget?

Now we hear talk of emergency funding for the census. We are required by the Constitution to do a census every 10 years. Surely it doesn't come as a shock to anybody that we have known since 1787 that we are going to make preparations for doing a census in the year 2000. Yet, there it is, as if somehow there is an emergency in that suddenly we have realized that we have been grossly underfunding the census in order to fund other programs, and

now we have a funding problem in the census. But is that a shock or an emergency? I would say no.

Suddenly it has been realized that all these cuts we have made in defense are having a detrimental impact on defense. That hardly comes as a shock to me, since I and others have spoken out for the last 10 years about the level of cuts in defense readiness. But now we are looking at a potential emergency supplemental appropriation for defense readiness of between \$3 billion and \$4 billion this year.

Now the shock of all shocks: We have troops in Bosnia. You would think that as long as we have had troops in Bosnia, the President would have put in his budget this year funding for the troops in Bosnia. But what is going to happen in the next 3 weeks is that we are suddenly going to be awakened to the fact that we have troops in Bosnia and the President wants an additional \$1.9 billion of funding that will be designated as an "emergency." I submit that it is no emergency that we have troops in Bosnia. I submit that it is not a shock that we have troops in Bosnia. Everybody knows we have troops in Bosnia, and everyone has known we have troops in Bosnia. Yet, we are looking at an emergency supplemental to fund it.

We are also seeing requests—our Democrat colleagues have proposed busting the budget by \$7 billion to help agriculture. Others on my side of the aisle are talking about \$2.7 billion to \$3 billion or more. The bottom line is this. When you add it all up, we now have serious discussion at the White House and in the Congress about raising the total level of spending this year by almost \$20 billion. That is \$20 billion that we may spend over the level of the budget that we set out just last year.

I simply want to make several points. First of all, I have, because of the work I have done on Social Security, concluded that we would be well advised not to create any new spending and not adopt a tax cut until we have taken action to fix Social Security. And it is my hope that we can fix Social Security early next year, and the funds that are not required in the surplus to fix Social Security could be given back to the taxpayer in the form of substantial tax cuts.

My problem is that, having concluded that it would be best to hold the money in the surplus to fix Social Security first, I now see the specter of the Congress and the President spending that money. I want to remind my colleagues that for the \$20 billion of "emergency spending" that we are looking at this year, we could repeal the marriage penalty; we could give full deductibility for health insurance to all Americans who either don't get it provided by their employer or are self-employed; we could provide a change in the Tax Code so that farmers could income average and better shield themselves against the kinds of fluctuations in agriculture income that we have; we

could repeal the earnings test under Social Security. All of those things would cost less as a tax cut than the money we are talking about spending on an "emergency basis."

So I want to conclude by making the following points. No. 1, I intend to resist these emergency spending items. If somebody wants to sit down and come up with a real emergency, I am willing to look at it. But if we are talking about this kind of spending where we knew it was coming but decided to call it an emergency—and I now understand that the President is considering designating research and education spending as an emergency—if we are talking about this level of spending, I intend to resist, and we are going to have to have 60 votes in the Senate if this kind of spending is to occur.

Secondly, I have been among those who have publicly stated that we should set aside the budget surplus this year, not spend the money, not give it back in tax cuts, until we fix Social Security. But if the other side decides that we are now suddenly going to start spending massive amounts of money, I would much rather give it back to working Americans by cutting their taxes than to see the Federal Government spend it, although my first choice is to save the money for Social Security. I remind my colleagues that the tax burden on working families in America at the Federal, State, and local levels is at the highest level in American history.

So my two points are: No. 1, I intend to resist this effort to begin a massive spending spree, the likes of which we have not seen in a decade. No. 2, if this effort continues to have the government spend the surplus, the argument that we must wait to do tax cuts is over. If we are going to see one group in Congress try to spend the surplus, while asking those of us who believe it should be safe for Social Security but who also believe that giving it back to the taxpayer is a much higher and better use than seeing the Government spend it, then that argument is over.

So I wanted to alert my colleagues to this problem. I hope that we can serve the public better than we would be if we simply ignite a new spending spree, because for the first time since 1969 we have a surplus.

I think that is wrongheaded policy.

Let me say also to the threats that the administration might veto appropriations bills if we don't spend enough money that I think the Congress should stay in session, pass appropriations bills at reasonable and responsible levels, and, if the President wants to veto them, let him veto them. And then we can be here and we can pass them again; then pass them again, pass them again. I believe at some point that the public would awaken to the fact that this is a debate about how much money is being spent, and that what we are seeing here is a very subtle blackmail where the administration says, "If you do not spend more money,

I am going to veto bills, and I am going to shut down the Government."

I believe, if we will stand our ground on fiscal principle, if we will save the surplus for Social Security, that we will serve the public interest well. But, if the money is going to be spent—if that is the alternative—then I would much rather move ahead with a major tax cut and give the money back to the American worker than to see the Government spend it.

I yield the floor.

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

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

#### CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with the consideration of the bill.

##### UNANIMOUS CONSENT AGREEMENT

Mr. GRASSLEY. Mr. President, for our majority leader, I make this request: I ask unanimous consent that pursuant to the consent agreement of September 11, at 10:30 a.m. on Tuesday, September 22, the Senate resume S. 1301, and Senator KENNEDY be immediately recognized to offer his amendment relative to the minimum wage. I further ask that at 2:15 on Tuesday there be 5 minutes equally divided, to be followed by the vote on the motion to table that amendment.

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

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

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Mr. REED. Mr. President, I also ask unanimous consent to lay aside the pending managers' amendment.

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

##### AMENDMENT NO. 3596 TO AMENDMENT NO. 3559

(Purpose: To prohibit creditors from terminating or refusing to renew an extension of credit because the consumer did not incur finance charges)

Mr. REED. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] proposes an amendment numbered 3596 to amendment No. 3559.

Mr. REED. Mr. President, I ask unanimous consent 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 in title IV, insert the following:

#### SEC. 4 . PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.

Section 106 of the Truth in Lending Act (15 U.S.C. 1605) is amended by adding at the end the following:

"(g) PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.—A creditor may not, solely because a consumer has not incurred finance charges in connection with an extension of credit—

"(1) refuse to renew or continue to offer the extension of credit to that consumer; or  
 "(2) charge a fee to that consumer in lieu of a finance charge."

Mr. REED. Mr. President, my amendment would prohibit credit card companies from terminating a customer's account or imposing a penalty solely because the customer pays his or her bill on time and in full each month. It seems amazing but there are actually some companies out there that will terminate credit because the borrower, the debtor, pays the full amount each and every month on time.

This amendment is narrowly tailored and would not otherwise affect the ability of the credit card company to terminate accounts or charge any fees or do anything with respect to penalties, but it would restrict and, indeed, eliminate this practice of terminating the best creditors that they have simply because they are not making any money on finance charges.

I am offering this amendment in response to this very troubling practice which finds many credit card companies discriminating against the most responsible borrowers, those who pay their balances on time each and every month. Specifically, several companies have started to terminate a customer's card or impose a penalty if the customer pays his or her credit card bill in full each month.

For example, in my home State of Rhode Island, many consumers with a credit card issued by a popular national discount store were alarmed to receive letters which stated:

Our records indicate this account has had no finance charges assessed in the last 12 months. Unfortunately, the expense incurred by our company to maintain and service your account has become prohibitive, and as a result, in accordance with the terms of your cardholder agreement, we are not re-issuing your credit card.

One couple who received this letter has been married for 49 years and had never been late on any mortgage payment or denied any loan or been late in any type of credit arrangement that they had. Yet, with this note, the company was informing them that they were effectively being denied credit solely because they were responsible borrowers.

Now, the message from credit card companies in this case is if you are too good a risk we won't give you any credit. That is illogical and, I think, should not be the practice of these companies.