

Chairman of the Judiciary Committee, the General Accounting Office began a review of FBI operations in this area. In an attempt to analyze current FBI practices, the GAO chose ten FBI offices involved in varying level of domestic intelligence activity, and randomly selected 899 cases in these offices to review. FBI agents prepared a summary of the information contained in the files of each of the selected cases. These summaries described the information that led to opening the investigation, methods and sources of collecting information for the case, instructions from FBI headquarters, and a brief summary of each document in the file. After reviewing the summaries, GAO staff held interviews with the FBI agents involved with the cases, as well as the agents who prepared the summaries. GAO later did a follow up investigation in which it reviewed an additional 319 cases and held interviews with the agents involved with these cases.

3. *While Collar Crime in the Oil Industry—An Investigation of the Failure of the DOJ to Effectively Investigate and Prosecute Alleged Crimes*

In 1979, joint hearings were held by the Subcommittee on Energy and Power of the House Committee on Interstate and Foreign Commerce and the Subcommittee on Crime of the House Judiciary Committee to conduct an inquiry into allegations of fraudulent pricing of fuel in the oil industry and the failure of the Department of Energy and the Department of Justice to effectively investigate and prosecute alleged criminality. A DOJ staff attorney testified in open session as to the reason for not going forward with a particular criminal prosecution. Although a civil prosecution of the same matter was then pending, DOJ agreed to supply the committee with documents leading to the decision not to prosecute.

4. *Rocky Flats—A Review of a DOJ Plea Bargain*

In 1992, the Subcommittee on Investigations and Oversight of the House Committee on Science, Space, and Technology commenced a review of the plea bargain settlement by the Department of Justice of the government's investigation and prosecution of environmental crimes committed by Rockwell International Corporation in its capacity as manager of the Rocky Flats Nuclear Weapons Facility. The Subcommittee took testimony from the United States Attorney for the District of Colorado, an assistant U.S. Attorney for the District of Colorado, a Department of Justice line attorney and an FBI field agent. It further received voluminous FBI field investigative reports and interview summaries. According to Subcommittee Chairman Howard Wolpe, the Justice Department was not initially cooperative and agreed to the Subcommittee's requests only after the Subcommittee threatened to hold DOJ witnesses in contempt:

"Our investigation was impeded by restrictions imposed by the U.S. Department of Justice. All of the witnesses, upon written instructions from the acting assistant attorney general for the criminal division which were approved by the Attorney General, refused to answer questions concerning internal deliberations in which decisions were made about the investigation and prosecution of Rockwell, the Department of Energy and their employees."—*Statement of Chairman Wolpe, October 5, 1992.*

On September 23, the Subcommittee unanimously authorized Chairman Wolpe to send a letter to President Bush asking him either to assert executive privilege for the information that the Justice Department directed the witnesses to withhold, or to direct those witnesses to answer such questions. After

failing to receive an adequate answer from either the White House or the Justice Department, the Subcommittee declared its intention to hold the U.S. Attorney for the District of Colorado in contempt. At this point, the Department changed course and accepted an agreement which provided that:

"The Department will issue a new instruction letter to all personnel who have received prior instructions directing them not to answer questions concerning deliberative privilege. The new letter will inform them that they must answer all Subcommittee questions fully and truthfully, including those which relate to internal deliberations." *Ibid.*

5. *DOJ Influence on the EPA—A Review of DOJ Environmental Crime Prosecutions*

From 1992 through 1994, the House Subcommittee on Oversight and Investigations conducted an extensive investigation into the impact of Department of Justice activities on the effectiveness of the Environmental Protection Agency's (EPA) criminal enforcement program. Overall, the Subcommittee conducted detailed interviews with more than 40 current and former Justice Department officials concerning the management and operation of the Environmental Division and environmental criminal enforcement policies. The Subcommittee also reviewed hundreds of internal DOJ documents on these matters. As the Subcommittee wrote in its report:

"One of the most significant accomplishments of the Subcommittee's environmental crimes investigation was its reinforcement of a number of important historical precedents regarding Congressional oversight of the Justice Department. The Subcommittee withstood repeated efforts to resist the exercise of its Constitutional responsibilities to oversee Executive Branch agencies. For months, Justice Department officials stalled on Subcommittee requests to interview DOJ line attorney and sought to deny Subcommittee access to numerous primary decision-making documents as well as documents prepared in response to the Subcommittee's investigation. However, the Subcommittee ultimately obtained the interviews and comments it deemed necessary to fulfill its oversight duties in a responsible manner."—*Damaging Disarray—Organizational Breakdown and Reform in the Justice Department's Environmental Crimes Program*, a staff report prepared for the use of the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce of the U.S. House of Representatives. December, 1994.

6. *Governmental Affairs Hearing re Wen Ho Lee*

On June 9, 1999, Mr. David Ryan, a line attorney at the DOJ OIPR (Office of Intelligence Policy and Review) testified before the Senate Governmental Affairs Committee about details of the Department's handling of the Wen Ho Lee investigation. Mr. Ryan appeared in response to a Committee subpoena.

7. *Governmental Affairs Hearing re Charlie Trie*

On September 22, 1999, three FBI line agents—Roberta Parker, Daniel Wehr, and Kevin Sheridan, testified before the Senate Governmental Affairs Committee about the details of their investigation into Charlie Trie. These agents appeared in response to Committee subpoenas.

Mr. SPECTER. We are in the midst of some very serious oversight on the Department of Justice. We have seen the Wen Ho Lee case bungled badly by the Department of Justice and the chances for successful prosecution placed in real jeopardy. We have seen very seri-

ous espionage violations by Dr. Peter Lee involving nuclear power and involving detection of submarines, to which there were confessions, where a plea bargain was entered into without having a damage assessment and without having the trial attorney notified as to his authority to pursue very serious charges.

It is plain, in the context of what has gone on with the Department of Justice over the past many years in their refusal to provide information for oversight, even after the requests were made, and even after the Attorney General personally agreed to the request, that the only way to get to the bottom of it is to issue subpoenas and insist on congressional oversight so we can find out why these travesties of justice were carried out.

I thank the Chair and yield the floor.

FISCAL YEAR 2001 BUDGET— Continued

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

Mr. CONRAD. Mr. President, I want to take such time as I may consume on the budget resolution.

The PRESIDING OFFICER. The Senator may proceed.

Mr. CONRAD. Mr. President, we are now in the very happy circumstance, as a nation, to be on the longest economic expansion in our country's entire history. As this headline shows from the February 1 edition of the Washington Post, "Expansion Is Now Our Nation's Longest." This 107 months of economic growth beats the record of the 1960s.

This is a remarkable circumstance as we meet to discuss the budget resolution this year. The question before this body and the other body and the President is, What is the budget policy to pursue to keep this economic expansion going? What is the best set of policies we can adopt?

Perhaps, to make a judgment on those questions, we ought to refresh ourselves on the history of how we got to where we are. This chart shows a comparison of the last three administrations with respect to the budget deficit. It shows, going back to 1981, 20 years ago, that the deficits were rising and rising dramatically, and we embarked on a period of not only expanding deficits but expanding debt in this country—taking on enormous debt. In fact, during this period, we quadrupled the national debt. That fundamentally threatened the economic security of our country. We saw, in the Bush administration, that the deficit absolutely skyrocketed. It went from an already high level of \$153 billion all the way up to \$290 billion.

Then President Clinton came into office. In 1993, we passed a plan to reduce budget deficits, to start getting our fiscal house in order. That was a 5-year plan. We can look at the 5 years of that plan and we can see that each and every year the deficit was coming down and coming down quite sharply. Those

were very important decisions that were made in 1993. If my colleagues will permit me to sound a partisan note, not a single Republican voted for this plan of reducing the budget deficit. It was a controversial plan that cut spending and, yes, raised income taxes on the wealthiest 1 percent in this country. But let's remember what worked. It worked. It brought the deficits down. It got our country back on sound financial footing.

Then, in 1997, we passed a second plan. This time, it was bipartisan. This time, we worked together and it finished the job so that we are now running substantial surpluses. In fact, as shown here in 1998, a \$70 billion unified surplus; in 1999, there was a \$124 billion unified surplus. In the year 2000, we anticipate a \$176 billion budget surplus. These are surpluses, the last 2 years, even counting Social Security as a separate trust fund. In other words, not including Social Security in the calculation, we balanced 2 years ago, last year, and will balance again this year. So we have made enormous progress in this country.

What a difference it has made. Because we got on a sounder financial footing, that took pressure off of interest rates. Lower interest rates contributed to making our economy more competitive. It took Government out of the position of competing with the private sector for funds, so interest rates came down. That made room for more productive investment. What we saw was an explosion in jobs. Over 20 million new jobs were created during this period. But the good news didn't stop there. We saw the unemployment rate drop to its lowest level in 42 years.

The point I am making is that we are pursuing an economic strategy that is working. It is working well for our country. We should not abandon it for risky schemes that some might propose. The unemployment rate is the lowest in 42 years. The inflation rate is at the lowest sustained level since 1965. These are facts. These tell us the economic game plan and strategy we embarked on in 1993 is working and working well. We have talked about deficits—and, of course, the deficits are the annual difference between the spending of the Federal Government and the revenue of the Federal Government. We also need to talk about the national debt. The debt is the cumulative total of the deficits. People often get confused about this question. But that is the difference. The deficits are the annual difference between spending and revenue. Of course, we don't have deficits anymore. We are in surplus, very significant surplus. The debt is the cumulative total of all those annual deficits. Even that debt is starting to come down. You can see we are right here on the line, so we have turned the corner.

We are actually starting to pay down the national debt. That is a course we must continue. It is absolutely critical for our economic future to keep paying down this debt. In fact, we are now in

a position where we could pay off the national debt, completely retire the publicly held national debt, by the year 2013.

That is precisely what we should do to put our country in a strong position for when the baby boomers start to retire. We all know what is going to happen then. We are going to see a substantial increase in pressure on Social Security, Medicare, and other Federal programs. The best way to prepare for that day is to grow the economy so that it is best positioned to take that burden. How can we do that? Well, central to doing it is to get rid of this debt, dump this debt. That ought to be on the top priority list of every Member in this Chamber.

That is the record—a very positive record—of what has occurred. It doesn't end there because not only have we seen extraordinary periods of economic growth, not only have we seen the lowest unemployment, the lowest rate of inflation in many, many years—in fact, in decades—we have also seen Federal spending put under control. We now see that Federal spending is at the lowest level since 1966 as a share of our national income. This is as a percentage of our gross domestic product. We can see that we got to a period back in the 1980s where Federal spending was over 23 percent of our gross domestic product. Look where we are now. We are down below 19 percent and headed lower if we stay on this course. It is remarkable what has happened.

If we look at what the priorities are now of the various budget resolutions before us, this is what we see by way of comparison. Over the next 5 years of this budget resolution, we project a non-Social Security surplus of \$171 billion. That is based on the assumption of no real growth in the Federal budget. That is what is called a real spending freeze. It adjusts for inflation, but nothing more. So over the next 5 years, we would have \$171 billion under that set of assumptions—a real spending freeze and adjustments for inflation, but no more. Our Republican friends believe we ought to use nearly all of that money for a tax cut. This is the Senate plan, a \$150 billion tax cut. With the \$18 billion in interest that would cost, it would be a total of \$168 billion.

On the House side, you can see their plan: \$223 billion, a tax cut of \$150 billion, plus they have a \$50 billion reserve for a tax cut, plus the \$23 billion of interest costs that would be entailed in that plan, for a total of \$223 billion.

You see that the problem with the plan is they use more than the surplus going is available. Where is the money going to come from? I think we all know what will happen. They will be right back to the bad old days of raiding the Social Security trust funds. That is what they will do. That would be a profound mistake. We can't let them do it.

That is why these votes that are to come are so important.

It is one reason you see these headlines that the Republicans have avoided the vote on the Bush tax cut. They avoided it in the House, and they avoided it in the Senate because they know the Bush plan is even more skewed than the plans they have passed. The Bush plan has a much larger tax cut. There can be no question that his plan must raid Social Security in order to add up. There is no money left over under his plan for further reduction of the debt. There is no money under his plan to extend the solvency of Medicare. There is no money under his plan for other high priority domestic needs because he is taking all the money and all the non-Social Security surplus and much more and giving it in a tax cut to the wealthiest among us.

That is the question before us as a people. What are we going to do with these forecasts of surpluses?

Let's remember their projections are over an extended period of time—5 years. Many of us believe these projections will change and that they are not something on which we can count.

We look at the plan Mr. Bush has put before all of us as a people. We can see that over 5 years he proposes \$483 billion in tax cuts. But we only have \$171 billion available in non-Social Security surpluses. Where is the rest of the money going to come from? It can only come from one place: He is going to have to raid Social Security. He is going to have to go back to the bad old days of dipping in the till on Social Security. That is a profound mistake. It is no wonder they have avoided votes on that tax cut plan on both the House and Senate sides.

Beyond that, the Bush proposal is unfair because he is saying take 60 percent of the benefit of his massive tax cut and give it to the wealthiest 10 percent in the country. That is his plan. Senator MCCAIN said it very well during his campaign. He said over and over again that 60 percent of the benefit in the Bush tax cut goes to the wealthiest 10 percent. I even heard Senator MCCAIN make the statement that 36 percent of the benefit goes to the wealthiest 1 percent. Mr. Bush has made the point over and over that these surpluses belong to the American people. They do not belong to the Government. He is exactly right about that.

These surpluses belong to the American people. The question is, What do we do with them? Do we give them to the wealthiest among us, or do we put the highest priority on taking a significant chunk of those funds and pay down the people's debt? I submit to you the better approach is to take the significant majority of these funds and pay down our national debt. That is what we ought to do. That is in the best interests of the American people—not take the big chunk of this non-Social Security surplus—in fact, under the Bush plan take more than there is in the surplus—and hand it out to the wealthiest among us. It is much better to pay down the people's debt.

If we look back and remember the history of what occurred, if we go back to the 1980s when we had those massive deficits, the blue line shows the outlays, the expenditures of the Federal Government. The red line shows the revenue of the Federal Government. It is not hard to figure out why we had massive deficits. The spending line was much higher than the revenue line.

It wasn't until 1993—we passed a 5-year plan that took down the spending line and raised the revenue line—that we were able to balance the budget. That is the history of what has worked. We should stay on this course. We shouldn't go out and go on a big new spending binge. We shouldn't go out and have a massive, risky tax scheme that threatens this economic expansion and this economic success story. Why would we do that? We have a plan that is working. We have a plan that is producing results for this country.

As we look ahead, some say because the revenue line has gone up that we have the highest taxes in our country's history; not true. We have the highest tax revenue. We don't have the highest taxes. I know that seems odd to people. How can that be? How can you have high revenue but not high taxes? The reason is this economic boom has generated dramatic revenue. We are in a virtuous cycle where good fiscal policy and good monetary policy have helped this economy grow. And the genius of the American people has developed the circumstance in which our economic expansion is extraordinary. Because we have this revenue, we are in a situation that has allowed us to actually reduce taxes on individual taxpayers.

That is not just KENT CONRAD's statement. That is a review of the Federal tax system that shows that the Federal tax level falls for most people. The studies show the burden now less than 10 percent. In fact, as this newspaper story says, for all but the wealthiest Americans, the Federal income tax burden has "shrunk" to the lowest level in four decades.

Those who come out here and say we have the highest tax ever—no, no. We have the best tax revenues ever. We have the most income ever. We don't have the highest taxes ever. Tax rates for individual American taxpayers have gone down. That is not the result of some study by some liberal think tank. This is a result of the work of the Congressional Budget Office. This is the work of the Treasury Department. This is the work of the conservative Tax Foundation. These are their conclusions—that tax rates have actually gone down.

Let's look at what those studies reveal. This is for a family of four earning \$39,000 in 1999. This is according to the Congressional Budget Office. This is their total tax burden for Federal income taxes. You can see their Federal income taxes have gone down from 8.3 percent to 5.4 percent from 1981 to 1999. It is not just a family earning \$39,000, but this is what happened to the in-

come tax burden for a median-income family earning \$68,000 in 1999. Their tax burden has gone from 10.4 percent in 1957 to 8.9 percent in 1998. This is according to the very conservative Tax Foundation.

Mr. President and colleagues, this is the history. This is how we have gotten to where we are today—by getting our fiscal house in order; by cutting spending; yes, by raising revenue on the wealthiest 1 percent in this country and lowering taxes on the vast majority of the American people through expansion of the earned-income tax; by the \$500 child care credit; lowering taxes on the vast majority of the American people; and now we are in this position of being able to actually retire the publicly held debt by the year 2013.

Virtually every economist that has come before us on the Budget Committee and on the Finance Committee said this is exactly what you should do—make the priority paying down the debt.

Alan Greenspan, the head of the Federal Reserve, says pay down debt first. "The best use of surplus is to reduce red ink, the Fed chief says."

RECESS

The PRESIDING OFFICER. The time is 12:30. The agreement is the Senate will go into recess at 12:30.

Mr. LAUTENBERG. I ask unanimous consent the time be extended because there are Senators who want to speak.

The PRESIDING OFFICER. In my capacity as a Senator from Colorado, I object.

Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. INHOFE].

FISCAL YEAR 2001 BUDGET— Continued

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I inquire how much time we have used up totally off the resolution?

The PRESIDING OFFICER. The majority has used 1 hour, 31 minutes; the minority, 1 hour, 23 minutes.

Mr. DOMENICI. For a total of what?

The PRESIDING OFFICER. About 3 hours.

Mr. LAUTENBERG. It is 2 hours 54 minutes.

Mr. DOMENICI. I understand from the minority they want to let Senator CONRAD complete his speech, and I am more than willing to do that. Will he be along shortly?

Mr. LAUTENBERG. I am told he will be. But I do not want to hold up the process if there is someone on the other side who seeks recognition.

Mr. DOMENICI. Senator HUTCHISON has an amendment. I have indicated to

her we are trying to work on a process for 5 amendments, and hers would probably be one of those from our side. So I would rather we not proceed with any amendments for now.

Mr. LAUTENBERG. I appreciate that. There has to be an orderly structure here. There are lots of Senators who want to offer amendments and Senators who want to just speak on the resolution itself. We will need some time to do that. If we can ask our Members to just hold off until an agreement has been reached, then I think we will have a more orderly process.

Mr. DOMENICI. Would Senator HUTCHISON like to deliver a speech about her subject rather than offering the amendment? She can do both, speak to the issue and then we can work out if hers is one of the amendments. We will know about that shortly. If not, she is going to be free to offer it, subject to a second-degree amendment, of course.

Would the Senator want to speak to the marriage penalty a little bit just as a matter of substance for the Senate?

Mrs. HUTCHISON. Let me ask a question. If I started with the speech on the marriage penalty, then Senator CONRAD would start on his speech and we would be negotiating how the amendments are handled, is that what the Senator is suggesting?

Mr. LAUTENBERG. If I might, Mr. President, Senator CONRAD wanted to finish his opening remarks. Certainly we invite anybody, from either side, to do that. But if we can hold off until he makes his remarks, assuming he will be here momentarily, then we can talk together about whether or not we can make an agreement that would constitute a specific number of amendments, equally distributed here, so we can begin a process of amendments. I would certainly like to do that.

Mr. DOMENICI. Senator HUTCHISON's remarks, if she makes them now, would not prejudice her coming along later, with reference to the same subject, and offering an amendment. But I can't assure her hers would be the first amendment up. I am trying to work out a five and five, so we can get on using up some of the time on the resolution. I can yield to the Senator if she desires. If not, I will suggest the absence of a quorum call.

Mrs. HUTCHISON. Mr. President, I would love to talk for maybe 5 minutes, prefatory, but I prefer to have my real debate on the issue come during the debate on the amendment.

Mr. DOMENICI. I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, while the negotiations are going on, I will say it is my intention to offer an amendment, which would be a sense-of-the-Senate amendment, that we would eliminate the marriage tax penalty in this country. Certainly, the sense-of-the-Senate is quite short and pretty