

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 a.m. having arrived, the Senate stands in recess until the hour of 2:18 p.m.

Thereupon, the Senate, at 12:39 p.m. recessed until 2:18; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ROBERTS).

Mr. REID. 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. CONRAD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The distinguished Senator from North Dakota is recognized.

 THE NOMINATION OF MITCHELL E. DANIELS, JR.

Mr. CONRAD. Mr. President, I want to speak briefly about the nomination of Mitch Daniels to be the head of the Office of Management and Budget. First of all, I want to say Mr. Daniels called me when he had been named and we had a brief, frank visit about the responsibilities of the Director of the Office of Management and Budget. I want to indicate that I will vote for his confirmation.

That is not the reason I rose to speak on his nomination. At his confirmation hearing Mr. Daniels indicated, in response to a question, that he would not support giving the same protection to the Medicare trust fund surpluses that we have agreed, on a bipartisan basis, to give to the Social Security trust fund surpluses. I want to indicate my strong disagreement with Mr. Daniels on that position. I think that is the entirely wrong position to take.

In fact, in the U.S. Senate, on a bipartisan basis, we voted overwhelmingly, last year, on a provision I offered to protect both the Social Security trust fund and the Medicare trust fund surpluses, to protect them against raids for other purposes.

Now Mr. Daniels has announced a policy of being willing to protect the Social Security trust fund but not the Medicare trust fund. I hope he will rethink that issue. I hope he will agree with what was a strong bipartisan vote here in the U.S. Senate last year, to protect both the Social Security trust fund and the Medicare trust fund surpluses. We should not permit raids of either one of them. We should not allow those funds to be used for any other purpose. Social Security funds should not be used for other spending. They should not be used for a tax cut. The Medicare trust funds should not be used for other spending. They should not be used for a tax cut. Those funds ought to be reserved for the purposes for which they were raised, which is to support the Social Security Program and the Medicare program.

I was disappointed when Mr. Daniels indicated he would not support protection of the Medicare trust fund. I think that is a profoundly wrong position to take. I hope he will rethink it. I certainly hope he was not speaking for this administration.

Again, I remind him and remind this administration that, on a bipartisan basis, last year on the floor of the Senate, we had 60 votes for the proposition that we ought to protect both the Social Security trust fund and Medicare trust fund. That is a policy supported by the American people that ought to be supported by the Office of Management and Budget. It was supported here on the floor of the Senate and I hope this administration will think very carefully about its position before they conclude they are going to adopt the position of Mr. Daniels.

Mr. REID. Will the Senator yield for a question?

Mr. CONRAD. I am happy to yield.

Mr. REID. The Senator from North Dakota and I, I think the ranking member of the Banking Committee, and others, were part of a debate that took place just a few years ago, where the then majority, the Republicans, were trying to use Social Security surpluses to offset the deficit. Does the Senator recall that?

Mr. CONRAD. I remember it very well. In fact they had what they called a balanced budget amendment to the Constitution but what they were doing to balance the budget was to raid the Social Security trust funds to achieve balance. That would have been an entirely phony balancing of the budget, I believe.

Mr. REID. So, as I hear what the Senator is saying, what he is afraid of is they are trying to use, now, the surpluses from Medicare to spend for other programs. Is that what the Senator is afraid of?

Mr. CONRAD. That is exactly what the new head of the Office of Management and Budget has announced in a hearing before Members of the United States Senate in the Government Affairs Committee. He said he is willing to protect the Social Security trust fund but he is not willing to protect the Medicare trust fund. They both ought to be protected. Neither one of them should be raided.

Mr. REID. I say to my friend from North Dakota, who is the Democrats' leader on the Budget Committee, that, as usual, when it deals with matters of finance—this is my personal opinion—there is no one better than the Senator from North Dakota. I appreciate very much his bringing this to the attention, not only of the Senate but the American people. We cannot let the Social Security trust fund moneys be used for anything other than Social Security. And we cannot let moneys set aside for Medicare be used for anything other than working to solve the terrible problem we have with seniors paying for their medical programs, including that which we want to do deal-

ing with prescription drugs. So I personally appreciate the statement made by the Senator of North Dakota, focusing on this very vital interest.

Mr. CONRAD. I appreciate the comments of my colleague. I want to say we are talking about real money here. The forecast of the Social Security trust fund surpluses over the next 10 years is \$2.7 trillion. The forecast of the Medicare trust fund surplus over the next 10 years is \$400 billion. We ought to protect them. We ought to wall them off. We ought to prevent anyone from using those funds for any other purpose.

That is why I was so disappointed in the statement of Mr. Daniels, the designee to head the Office of Management and Budget, when he indicated in response to a direct question that he would be willing to protect the Social Security trust fund but he would not be willing to protect the Medicare trust fund. What is the difference? It is just a difference in programs. They are both trust funds. It is not very trustworthy if you raid them and we should not permit any raid on them.

I just want Mr. Daniels and the administration to know that if they have an idea they are going to raid the Medicare trust fund, we on this side are going to oppose them every step of the way.

Mr. REID. I say to my friend, these should be trust funds, not slush funds. I know, being the person he is, monitoring the money for the Democrats in the budget process, and where it should go and should not go, he will be vigilant because he is, in effect, protecting not only the Senate, but the American people.

The PRESIDING OFFICER. The distinguished Senator from Maryland.

 THE NOMINATION OF MELQUIADES RAFAEL MARTINEZ

Mr. SARBANES. Mr. President, I understand shortly the nomination of Mel Martinez to be Secretary of the Department of Housing and Urban Development will be before us. I rise in support of this nomination.

Mr. Martinez appeared before the Committee on Banking, Housing and Urban Affairs on January 17, where he made clear his commitment to providing affordable housing and economic opportunity for all Americans, both in his oral testimony and in his response to questions. His nomination was brought to the Senate floor with a recommendation for approval—a unanimous recommendation for approval in the committee.

Mr. Martinez has a compelling life story. His parents sent him to this country at the age of 15, with thousands of other Cuban children, as part of the "Pedro Pan" operation, in an effort to security the liberty and opportunity that we enjoy as Americans.

He lived with a foster family, learned English, went to college and law school, practiced law for 25 years, and