

deficit. Guess what. They were wrong. We are running a \$270 billion surplus. They missed it by \$590 billion 5 years ago. They did not have a clue. They were clearly guessing based on assumptions that were just plain wrong.

I think one can understand the skepticism of many of us who say, if we are going to build on America's future, let us do it with assumptions that are honest, that are accurate, and on which we can count. When one starts off with the premise that we are going to have this fantastic surplus 5, 6, 7, 8, 9, 10 years from now, I say take care, be careful, because if we are wrong, if we commit ourselves to spending tax cuts we cannot cover, we will find ourselves not only putting our toe but our whole leg back into that red-ink deficit pool. I do not want to see that happen.

Keep in mind, the mortgage we now have on America, our national debt, is substantial. We owe over \$5.7 trillion for things we have done in the past—roads we have built, decisions we have made, programs we have funded. That \$5.7 trillion national debt costs American families, businesses, and individual taxpayers \$1 billion a day in interest. We collect that much in your taxes and mine to pay interest on old debt. That \$1 billion a day does not educate a child, does not buy a computer for a school, does not provide a prescription drug benefit under Medicare to a soul in America, nor does it buy us a new tank, a new plane, or pay for a new soldier—nothing. It is money paid on interest servicing old debt.

I believe if we have any surplus, the first thing we should dedicate it to is eliminating the national debt. Can you think of a better thing to leave our children than to say to them: We paid off our mortgage, kids; it's your America; dream your dreams and you won't be saddled with our debt. It seems pretty basic to me.

Will there be room for a tax cut if we do that? I think there will be, but I think we ought to take care that that tax cut is one that makes sense. This is where Democrats and Republicans really part company. I am sorry we get back to this debate, but the President made his choice, and now we will return to that debate: Who deserves a tax cut in this country? If we want to pick out a group of Americans who really need a helping hand in reduced taxes, where should we turn first?

Forty-three percent of the tax cut that President Bush is proposing goes to the top 1 percent income earners in this country, people making over \$300,000 a year. Take a look at this chart which gives an idea about what I am talking. This is President Bush's tax plan and the impact it has on people in different income categories in America.

The top 1-percent income—people making over \$300,000 a year, incidentally, have an average income of \$915,000. For people who are making over \$25,000 a month in income, the President wants to give them \$46,000 in tax cuts.

Then take a look down the list at how this number starts diminishing as you get closer to working families and middle-income families. It starts off with \$42 for those in the lowest income categories, the lowest 20 percent. It goes up to \$187 if you are making \$24,000; \$453 a year if you are making \$39,000 or less.

What a disparity: That if we are going to give a tax cut in America to the people most deserving, the people who need the most help, it is those who are making over \$300,000 a year.

Yesterday at a press conference in Springfield, IL, about an issue that is near and dear to people in Springfield, IL, and I think nationally—it goes back to a telephone call I received a month or so ago from my consumer advocate in Illinois. Her name is Loretta Durbin. She is my wife. She called me and said: I just got the gas bill, Senator. What is going on here?

People across America are getting heating bills and electric bills that are absolutely stopping them in their tracks. These are working families, by and large, who have seen their bills doubled and tripled, and they are calling my office and saying: What can you do to help us?

There is a limited amount we can do, but one thing we can consider and I support is providing some tax relief to these families struggling to pay their heating bills. I do not think that is an unreasonable idea. Senator HARKIN has a proposal, which I think makes sense, to give a tax credit to people for the increase in their heating bills over this last year. Do you know what the people are going to do with it? They will pay their bills or they will replenish their savings accounts, or they will decide, yes, we can go ahead and make an important purchase for our family. I think that is the kind of tax cut that really is reasonable in America.

Can you imagine the people making over \$25,000 a month having husbands calling wives, saying: Our heating bill is up to \$400 this month. I don't think so.

But I can tell you, if you are making \$25,000 a year, a \$400 heating bill, or more, is something of which you would take notice. That is why I hope if there is going to be a tax cut, that it be sensible, based on the real surplus, and that it be after we have dedicated funds to bringing down this national debt, the debt that costs us so much, and raises interest rates on everything across America and, finally, a tax cut that really zeros in on the people who need it the most.

I am worried, too, that the President's proposal, when you take a look at it, takes 85 percent of our surplus and dedicates it to a tax cut, leaving precious little for things which we value.

I just left a meeting of the heads of Illinois school boards. I think those are some of the best public servants in America, people who serve on school boards. It is a tough job. In Illinois,

they are trying to make sure they serve the needs of the children. And, of course, they are responsible to the taxpayers. They have talked to me about the needs of education in my State, which would be the same in many other States: crumbling schools, areas where they need new schools, teachers needing training, schools that have a hookup now to the Internet but need new computers and new access to new technology. They are saying to me: Senator, if there is a surplus, for goodness' sake, can't we have a piece of this for education? Isn't that important to our Nation? I think it is. But if you take 85 percent of our surplus and spend it on tax cuts, it leaves so little to consider any money for education.

In the last campaign, both candidates talked about a prescription drug benefit under Medicare. We know what seniors are facing now in trying to pay for their drug bills. We have not had a conversation about this in 3 or 4 months. Since all of the hoopla of November 7, people have not talked about it. But President Bush does not leave the money aside to take care of that necessity, as far as I am concerned, for seniors and disabled people.

There are important programs in education, in health, and in national defense that will cost us as a nation. I think we have to be prepared to look at the surplus honestly, to make certain if there is a tax cut, it is fair, and to make certain that we do keep money aside for important national priorities.

Thank you, Mr. President.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:42 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

EXECUTIVE SESSION

NOMINATION OF ROBERT B. ZOELLICK TO BE UNITED STATES TRADE REPRESENTATIVE

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, the Senate will now go into executive session and proceed to consideration of the nomination of Robert Zoellick which the clerk will report.

The assistant legislative clerk read the nomination of Robert B. Zoellick, of Virginia, to be United States Trade