

fund. President Bush is going to put in place a rainy day fund. Some people are concerned that maybe our economy will go soft. We do not want to get into a deficit again. So he is going to suggest we have a rainy day fund. And I am going to support him all the way. I will introduce legislation to make sure we have a rainy day fund, just like every home in America will have if they have a quality budget in their homes—a rainy day fund for emergencies.

So those are the priorities we will have in our budget. But it is no less of a priority that we also pay down the debt and that we have more money for taxpayers in their own pocketbooks because they are sending too much to Washington in income taxes.

It is very important that people be able to keep more of the money they earn because people are paying higher taxes than they have ever paid in peacetime. We need to give them some relief, particularly because the economy is a little soft right now. We want people to have the confidence they can spend their money.

But we also want them to be able to save some of their money. So we are going to have a balanced plan that will pay down the debt and will give tax relief for hard-working Americans—for every hard-working American. We are going to have priority spending, and we are going to do what every household in America will do; that is, provide for the priorities in our budget and not spend more in the areas where we do not need to spend more and target those areas where we know we are going to have to do a better job than we have been doing in national defense, in education, in prescription drug options. Those are the things we will focus on in this budget.

I am so pleased our President is showing the leadership we have needed in this country to go in the right direction for responsible stewardship of our taxpayer dollars.

Mr. President, I thank you and look forward to introducing the legislation and working with others who have already introduced legislation to accomplish the goals that will be outlined tonight by the President of the United States.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BROWNBACK. I ask unanimous consent to speak in morning business for up to 10 minutes.

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

#### THE PRESIDENT'S BUDGET PROPOSAL

Mr. BROWNBACK. Mr. President, I wish to address my colleagues for a few minutes about the budget proposal that the President will put forward tonight. I look forward to the proposal. I think it is going to have a number of priorities for the country and the direction in which the country should move. These priorities include fiscal restraint, debt reduction, and responsible tax relief. It is these three areas that I want to address briefly today. The President will put forward a budget request that certainly has plenty of spending in it—in my estimation, probably too much. It is a \$1.9 trillion budget. That is a very large proposal. It includes responsible tax relief—\$1.6 trillion in tax relief over a 10-year period of time. This will set the stage for an honest discussion of taxes and needed tax cuts.

As colleagues know, the budget surplus projected by the Congressional Budget Office is lower than it would have been without the increases in spending by Congress over the past few years.

I have a chart that points out what happens with surpluses. We should be saving the surplus and cutting taxes with it, however people say: We have all this money, let's spend it. This is what happened during the spending spree in the last 6 months of last year, which reduced the 10-year surplus by \$561 billion alone. That happened during a 6-month period at the end of last year. There is an iron rule of government that if you have money lying on the table, it is going to be spent. We need to pay down the debt and cut taxes; we don't need these sizes of spending increases across the board. We need increases in some areas, and we need to cut spending in other areas.

The second point is fiscal discipline, particularly in the area of corporate welfare. Now is the time, as we look at re-prioritizing—putting more money in some areas and less in others—to address corporate welfare and zero these areas out, putting funds from these areas in such places as the President has proposed, and increasing the budget for the National Institutes of Health.

The President is proposing an increase in NIH funding of \$2.8 billion, or almost 14 percent. I think this is something for which we can all be proud. It is a basic research function. It helps us in discovering what we can do to live longer, healthier lives. That is very good. Let's take the increase in funding from places like corporate welfare and put it into NIH without a huge growth in the overall spending.

I am particularly heartened that the President is looking at doing exactly this—cutting in some areas to produce increases in other areas. Yet, at the same time, the President is trimming the growth of Government spending down to a 4-percent growth rate. This constitutes important increases in

funding for programs in Government that deserve more funding, as well as reductions in other areas of Government that need to be reevaluated.

I want to point out two other things because there are a number of people saying the size of the tax cut is too big. It is \$1.6 trillion over a 10-year period. To give the overall example of what is taking place, here is a pie chart of the Bush tax cut as a portion of the total revenue during this 10-year time period. Total revenue is \$28.4 trillion; the Bush tax cut is \$1.6 trillion. The Bush tax cut proposal is a small portion of total revenue. In a situation where we are overtaxing the public, we can afford to do this.

What about the allocation of this surplus that we have? Are we using enough to pay down the debt? The answer is, yes, we are. We should pay down the debt, and we can pay down the debt. The remaining surplus is \$1.1 trillion; the Bush tax proposal is \$1.6 trillion. The Social Security and Medicare funds set-aside are \$2.9 trillion. This is an allocation of where the overall surplus is going. Most of it is going to Social Security and Medicare.

So what we need is a good, honest debate about tax cuts.

A final point I want to make is about triggers on tax cuts. Some say, well, OK, we will do tax cuts, but if our receipts aren't as large as projected, if the surplus isn't as big as it is projected to be, let's cut the size of this tax cut. I don't think that is a good idea. Tax cuts need to be firmly in place for the community and the Nation to be able to react and say: I am going to have more confidence and wherewithal to spend if I know the tax cut will be here.

I don't think triggers are a good idea. But if triggers get put in for a smaller tax cut—say, if our receipts are lower than we project and we put in a trigger to make the tax cut smaller—we should say if the surplus is bigger than projected, let's have a trigger for a bigger tax cut. If we are going to produce a trigger for a smaller one, let's look at a trigger for a bigger tax cut if receipts are larger than currently being projected in the budget.

This is an exciting time for us in the country as we look at the prospects of the new President putting forward his budget allocations. There is going to be a lot to talk about, in a positive sense, on fiscal restraint, debt reduction, and tax relief—important topics for this body and for the American public.

I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, if there is time remaining for the majority party, I won't take their time.

The PRESIDING OFFICER. I believe there will be. The time expires at 11.

Mr. WELLSTONE. Fine.

Mr. THOMAS. Mr. President, what is the parliamentary status?

The PRESIDING OFFICER. We are in morning business.

The Senator from Wyoming is recognized.

Mr. WELLSTONE. Mr. President, I would be pleased to speak for the Republican Party if the Senator wants me to.

Mr. THOMAS. If the Senator would care to, I would be surprised but certainly happy about it.

Mr. WELLSTONE. I will follow the Senator.

#### THE PRESIDENT'S BUDGET

Mr. THOMAS. Mr. President, we are talking about the budget this morning, about the tax reductions that the President will speak of this evening, I think talking about the importance of how the budget is arranged, how it matches the needs of our people, of our country. It seems to me, as I think I mentioned before, it is one of the most important decisions we will make, and that is the allocation and indeed the priorities of what our program will be in the coming year.

I want to just talk in more general terms perhaps about some parts of it. First of all, I think in most everything we do here, we ought to try to have a vision of what it is we are seeking to accomplish a little way down the road and, hopefully, sometimes quite a way down the road, 10 or 20 years. What do we want the country to look like in 10, 20 years? What is it we want to do during the next year? That has a great deal of impact on what we do with financing and with the budget.

Of course, one of the priorities has been security and defense. I think, clearly, it is time to take a long look at that and make additional investments in our military and in our defense.

One of the things that needs immediate attention is the welfare of our military men and women. I think all of us have taken the occasion to visit military bases—in some cases overseas—such as Warren Air Force Base in Cheyenne, WY. Last year, I had the opportunity to return to the base where I served in the military, Quantico, VA. The first place they took me, in terms of their needs, was housing for the military.

The President has indicated his desire to immediately increase spending for salaries for the military, housing, and health care. There is no question that ought to be one of our priorities.

Following that, there ought to be a substantial review of our military strategic needs, because changes have taken place in the world and changes have taken place in military structures. That is a wise thing to do in terms of further funding. It seems to me that priority is one that encompasses a notion that we want to take better care of those men and women who have volunteered to be in the service to protect their country, and then take a long look at our capacity to deal with today's threats and the threats we will see tomorrow.

Education: Every time one takes a poll or asks questions of folks in my State or nationwide, education is generally the No. 1 issue. It is easy to be for education, but it is a little bit more difficult to figure out what to do about it. Nevertheless, I think all will agree education is a high priority, that education is something we have to look to down the road. What is more important than providing a good education for the young people who are going to be running this world?

We find ourselves with some differences about how we do that. A strong feeling has existed that Washington ought to decide what the money is for; it ought to be sent from Washington with attached instructions as to how to use it. I believe strongly that the needs in Meetetse, WY, are different from the needs in Pittsburgh. Local people in the States ought to have the opportunity to use those dollars as they see fit, with some accountability, so we can ensure our kids are getting the best education and can have a successful life. Again, I hope we can see what we want for education.

I am particularly interested in the third priority the President has laid out, and that is energy. We have some problems in energy. Hopefully, some of them are short term. We have some long-term opportunities to do the things in the field of energy that we want to happen. One of them is to improve and increase domestic production so we are not totally dependent on OPEC and overseas imports of foreign energy. That is not wrong necessarily, but we become a victim of imports.

We need an energy policy. We have not had an energy policy over the last number of years. The policies are fairly broad, and they are implemented in more detail, but it is my view that we need a policy for energy. It ought to be one that encourages domestic production, and there are many ways to do that. Some, I suppose, will be by way of taxes. I am not as excited about that as I am the opportunity to encourage domestic production.

I spent last week in Wyoming. Wyoming is one of the large energy producers in this country. We have an opportunity to increase our gas production—we are doing that now—and we have an opportunity to increase oil production. We are the largest producer of coal in the Nation. Coal is a basic resource but can even be better as we do research. Domestic production is one part of a basic policy.

Research: We need to continue research. One area is to make coal cleaner and to enrich coal so we get more Btu's out of coal and bring the transportation costs down.

We want to do more with air quality, and we can. In almost any instance, it is fair to say when you have large electric generators, up in the 1,500-megawatt area, coal is the most efficient producer of energy, and we need to research that.

We need diversity of energy sources. I am a great supporter of natural gas,

but we find ourselves overly dependent on natural gas. Natural gas is a flexible fuel that can be used not only for stationary generation but also can be used for many other things.

I hope we will have some diversity, that we will have hydro, coal, and oil. We ought to also be working on diversity of renewable energy. We can do more in renewables than we have in the past, and that ought to be part of our basic policy.

Transportation: Energy has to be moved. We see the problem in California. Part of the problem is the unwillingness or the inability, at least the absence of transmission lines and pipelines, to move energy. Some people don't like to see transmission lines. They won't see them because it will be dark. That is the choice we have to make. We need to do that. It is increasingly difficult to get the easements to do that.

Conservation: Part of our policy ought to be the more efficient use of energy so that we can get more out of our energy and renewables, as I have mentioned. Of course, one of our goals, one of our missions, ought to be a reasonable price for the consumers. We have seen that change in the last several months. That is not something we want to continue.

We ought to be looking at defense, education, and energy. Medicare is very important to health care. It needs to be revised. There have been a number of efforts to do that. We have not completed those efforts. We need to include some aspect of pharmaceuticals.

What do we want to see in the future? I happen to be cochairman of the conference on rural health care in our caucus. Rural health care is a little different from health care in the large cities. Not every little town in every State is going to have all kinds of medical care. They are not going to have specialists. We need an outreach so that all people in this country have access to health care. It needs to be done differently. We need telemedicine. We need to do a number of things. That is another goal we need to pursue and envision where we want to be.

Social Security: If we do not do something with Social Security, these young people here, who now have 12.5 percent of their salaries withdrawn when they work, will not have benefits. We can change that. We are going to be talking about individual accounts that can be invested in the private sector, that can be invested in equities or bonds and can offer a much higher return so they will have benefits.

I hope, rather than seeking to find a political item to work on for the election of 2002, we can take a longer look at these issues and say here is where we want to be and here is what it takes to do that. We have a great opportunity in terms of tax relief, our budget, our spending, and we have that opportunity now. I hope we take full advantage of it.

I yield the floor.