

rascals did? Listen to this. They gimmickily said: The corporate taxes due in September—namely, fiscal year 2001—we are going to move that over to October so we will have enough money for the campaign next year.

Talk about campaign financing. Where are we going to take it away? We are going to take it away from, of all people, Dicky Flatt.

The Senator from Texas is always talking about little Dicky Flatt who pulls the wagon and pays the taxes and builds the country and sits around the kitchen table. Poor Dicky Flatt gets nothing. And what does this amendment say? Let's put everybody in Dicky Flatt's shoes. If he and the 25 million payroll-tax payers are not going to get anything, then let's not give it to anybody because we can save \$40 billion. To pay for what? To pay for the defense, the \$18 billion increase that Secretary Rumsfeld says we are going to need. To pay for what? The distinguished Senator from Iowa re-allocated \$250 million over 10 years for education.

Everybody is asking: Where is the money? Instead of sobering up and looking at it in a judicious fashion and saying, wait a minute, what we are really doing is borrowing, we will have to borrow some \$40 billion to distribute around when we know it is not going to do the job.

Let me emphasize why I say borrow. Here in my hand is the debt to the penny. The U.S. Department of the Treasury publishes this on the Internet. The national debt now is up to \$5.710 trillion. At the beginning of the fiscal year it was \$5.674 trillion. So, a surplus? Come on. The debt has gone up. We have a deficit, as of this minute, of \$36 billion and it is going up.

I will take another bet if the distinguished former chairman of the Budget Committee, the Senator from New Mexico, will come out. I will still jump off the Capitol dome. He wants me to, I know. But I will jump off that dome if the deficit is less than \$50 billion by the end of September. You watch. It is going up, up, and away.

Here are the CBO figures. These are my realities. You can see here, we have ended the fiscal year 2000 with a \$22.7 billion deficit, and at the beginning of this year, CBO was projecting a \$26 billion surplus for 2001.

Then in May, they verified that \$26 billion by saying: We are going to have to adjust it down by \$6 billion. So it went down to \$20 billion. You can see that we Democrats have been fiscally responsible. When President Clinton came in office, he came in with a \$403.6 billion increase in the debt—a deficit of \$403.6 billion. We have been going down, down, down in the red, and we lost the Senate. Yes, because we voted for an increase in taxes, a cut in the size of Government—over 300,000 slots—and a cut in spending of over \$350 billion. And what did that do? The market and technology boomed for 8 years, and for 8 years straight we have been

reducing into the black and going right into surplus. As of April 3, we had a \$102 billion surplus.

Now, today, July 10, we are already back in the red. I voted for a balanced budget under Lyndon Johnson, but I haven't been able to for the past 34 years. I thought I could have until they came with the tax cut. And now they insist on it when they are going to give it to the rich. A stimulus was not even contemplated by President Bush, not contemplated by Chairman GRASSLEY of Finance, not contemplated by the House of Representatives. And it was certainly not contemplated by Dicky Flatt, not for the 25 million payroll tax payers who really need the relief. I had to put it in on the Senate side.

Oh, yes, they are buying the vote. That is all this is, campaign finance. It is a sad thing because we thought we could stay on course financially.

You can see on the chart how at 22.7, we started going down in the red. Then we started back up, and now we are headed down to 75 and staying. If we had stayed on course, we were going to remain in the black, surplus, surplus, surplus. And that is what we heard from President Bush. Now he talks about stimulating, stimulating, when he had no idea of stimulating. His tax cut included nothing for this particular fiscal year.

I do not touch his tax cut. I lost on that particular vote. They still have their tax cut beginning next fiscal year. But they put in, rather than a rebate, as I had it, of \$500 and \$1,000 and going to 120 million taxpayers in America, a rebate of just \$300 and \$600. They also left out the most important of all taxpayers, the payroll tax payers, some 25 million, who get nothing.

All I am saying is, wait a minute, let's save the money. Let's don't go out and borrow it because we don't have it. Go over to the Treasury Department. And don't let them give you the doubletalk, either, when you get over to Treasury. When I mention doubletalk, this is what I mean. Let me explain to my colleagues. They talk about private debt and public debt, unified budget deficits and all this; we have had this gamesmanship for 34 years now. Debt held by the public has gone down \$137 billion, but the debt held by the Government has gone up \$173 billion. That is where you get the deficit of \$36 billion. So we are borrowing now.

I don't want to get into it with my distinguished chairman who is doing an outstanding job trying to save Social Security and Medicare. I can tell him, according to the Treasury records, as of this minute, they have spent \$173 billion of trust funds. You have a computer. Just look up this information on the Internet.

I don't know where they got the \$173 billion. I have my ideas where they get it. They continue to spend. We passed 13-301. You have a Secretary of the Treasury running around, Secretary O'Neill, saying there never has been any money in the Social Security trust

fund. The Greenspan Commission, section 21, said put Social Security off budget. On November 5, 1990, George Herbert Walker Bush signed it into law, 13-301, to put Social Security off budget in the sense that the President and the Congress were forbidden to report a budget that included the Social Security trust funds. Everybody voted for it, 98-2 here in the Senate. But they totally ignore it. And now we have the Secretary of the Treasury saying there never has been a trust fund.

That is how run amok this Government has become. It is time we sober up and stop spending money we don't have. Everybody is talking about paying down the debt, paying down the debt. A vote against this is to increase the debt. I am saying let's hold the tax schedule where it is and, in short, do away with the rebate because it is not going to do any good. Everybody knows there is no chance of it. And in time, Madam President, we might find some money to take care of defense, take care of education, take care of the \$6.5 billion for this supplemental bill. That was never contemplated. We are looking for money as a way to pay it, and rather than going out and borrowing it, we are distributing it around to buy the vote. That is all it is going to do politically. It is not going to do anything economically. Maybe we can get back to some rational approach to our fiscal affairs.

Mr. Greenspan can do all he will with respect to the monetary policy, but it is up to us to take care of the fiscal policy, the long-range interest rates and everything else.

A headline from the Financial Times reads, "Hard Landing Alert Sounded for U.S. Economy." And again, Mort Zuckerman, editor in chief of U.S. News and World Report, says that consumer spending, capital spending, and exports are declining rapidly, that the economy is in worse shape than it looks.

With that confronting us, why are we running around borrowing some \$40 billion to mail around knowing it is not going to do any good, confronting funding Social Security, funding Medicare, funding the education increase of \$30 billion a year, funding the increase that Secretary Rumsfeld wants of \$18 billion?

I retain the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

RECESS

Mr. REID. I have spoken to Senator HOLLINGS. He has no more time he wishes to use. The opposition has used some of his time. I don't think we have

any more time. The hour of 12:30 is quickly approaching. I ask unanimous consent that we recess for our Tuesday morning conferences of the parties at this time.

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

Thereupon, the Senate, at 12:28 p.m., recessed until 2:16 p.m., when called to order by the Presiding Officer (Mr. CLELAND).

SUPPLEMENTAL APPROPRIATIONS ACT, 2001—Continued

AMENDMENT NO. 866

The PRESIDING OFFICER. There will be 2 minutes equally divided before the vote on the Conrad amendment.

The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, the amendment I am offering today is an amendment I offered last year that got 60 votes on the floor of the Senate. Earlier this year, it got 53 votes on the floor of the Senate. It says we should protect both the Social Security and the Medicare trust funds. We already provide some protection of the Social Security trust fund. It would strengthen those protections. We would also provide those same protections to the Medicare trust fund. Both of these trust funds deserve protection. If we don't provide it, the money will be used for other purposes.

I hope my colleagues will support this amendment.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. VOINOVICH. May I ask, how much time do we have?

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. VOINOVICH. Thank you.

Mr. President, I urge my colleagues to vote against the Conrad amendment. In fiscal year 2002, the overall Medicare Program would require over \$50 billion in general tax revenues. Over the next 10 years, the Medicare Program would require over \$600 billion in general tax revenues. We can't lockbox something that simply does not exist. It is a fiction.

This amendment, in my opinion, will harm our ability to reform Medicare and also harm our ability to provide a prescription drug benefit that is so long due for the American people.

Furthermore, the Conrad amendment does not contain any real teeth in terms of a Social Security lockbox. It lacks any automatic enforcement mechanism to protect Social Security. I urge my colleagues to vote no on the amendment and against the waiver of the point of order.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, on behalf of myself and the chairman of the Appropriations Committee, Senator BYRD, I raise a point of order that this

amendment violates section 306 of the Budget Act.

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

Mr. CONRAD. Mr. President, pursuant to section 904 of the Congressional Budget Act, I move to waive the applicable section of that act for the purpose of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from New York (Mrs. CLINTON), the Senator from New York (Mr. SCHUMER), and the Senator from North Carolina (Mr. EDWARDS) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Pennsylvania (Mr. SANTORUM), is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 42, nays 54, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—42

Akaka	Dorgan	Lincoln
Baucus	Durbin	Mikulski
Bayh	Feingold	Miller
Biden	Graham	Nelson (FL)
Bingaman	Harkin	Nelson (NE)
Boxer	Hollings	Reid
Cantwell	Hutchinson	Rockefeller
Carnahan	Johnson	Sarbanes
Carper	Kennedy	Smith (OR)
Cleland	Kerry	Specter
Conrad	Landrieu	Stabenow
Corzine	Leahy	Torricelli
Daschle	Levin	Wellstone
Dayton	Lieberman	Wyden

NAYS—54

Allard	Ensign	Lugar
Allen	Enzi	McCain
Bennett	Feinstein	McConnell
Bond	Fitzgerald	Murkowski
Breaux	Frist	Murray
Brownback	Gramm	Nickles
Bunning	Grassley	Reed
Burns	Gregg	Roberts
Byrd	Hagel	Sessions
Campbell	Hatch	Shelby
Chafee	Helms	Smith (NH)
Cochran	Hutchison	Snowe
Collins	Inhofe	Stevens
Craig	Inouye	Thomas
Crapo	Jeffords	Thompson
DeWine	Kohl	Thurmond
Dodd	Kyl	Voinovich
Domenici	Lott	Warner

NOT VOTING—4

Clinton	Santorum
Edwards	Schumer

The PRESIDING OFFICER. On this vote, the yeas are 42, the nays are 54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained. The amendment falls.

Mr. REID. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EDWARDS. Mr. President, I was unavoidably detained during this vote

on the motion to waive the Budget Act with regard to the Conrad amendment, vote No. 221. Had I been present I would have voted "aye."

AMENDMENT NO. 865

The PRESIDING OFFICER. Who yields time on the Voinovich amendment?

Mr. STEVENS. May we have order, Mr. President.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Ohio is recognized.

Mr. VOINOVICH. Mr. President, I ask unanimous consent to add Senators ALLARD, FITZGERALD, and HAGEL as co-sponsors, and I also thank Senators SESSIONS, HELMS, and CRAPO for their help on this amendment.

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

Mr. VOINOVICH. I ask my colleagues to vote to support our Social Security lockbox amendment. Our lockbox strengthens the existing point of order against spending the existing Social Security surplus. Our lockbox makes it out of order to use the Social Security surplus in any single year of the next decade. More important, our amendment contains an automatic enforcement mechanism. If OMB reports the Federal Government will spend the Social Security surplus, an automatic across-the-board cut in spending, a sequester will be put in place. The size of this sequester will offset the use of the surplus. This is the ultimate enforcement mechanism. If the Social Security surplus looks like it will get spent, the OMB stops it from happening. This will ensure we stay the course on limiting spending and pay down the national debt as we promised when we passed the budget resolution.

Spending cuts under this amendment would impact both discretionary and mandatory spending. Mandatory spending for the most needy in society would not be affected by these cuts. My amendment would exclude Social Security, food stamps, and other programs that are excluded from sequesters under the Deficit Control Act of 1985. In reality, about \$33 billion of mandatory spending is subject to sequester. Hopefully, we would never have to use the sequester.

This amendment is straightforward. It relies largely on existing law. It primarily builds upon the existing budget process. We all know Social Security is off budget and my amendment reinforces that position. Our amendment does not modify any budgetary conventions, nor does it pretend Social Security is something it is not. We must make sure history does not repeat itself. For years the Social Security surplus has been an all too readily available source of cash for Congress to spend. However, since 1999, there has been a political consensus not to return to spending of the Social Security surplus, in large part because we have had an on-budget surplus that supplied the extra money.