balance I thought it really moved us in the right direction. It said for the first time in a long time that the President's party was committed to investing in education.

It wasn't that long ago that the President's party and its party platform wanted to eliminate the Department of Education in Washington. They said this is a State and local issue; it shouldn't be Federal. They have changed. Thank goodness they have. I think it is a wise course they have taken now—to say that the Federal Government should make strategic investments in education for the good of our country.

That is what the bill said—include accountability for teachers and tests for students. It included a lot of incentives to deal with afterschool programs and to improve the quality-of-reading programs, mathematics and science programs. These are all great ideas and great investments. But the sad news is, because of the Bush budget, the money is not going to be there to invest in education. We will pass legislation saying this is a good thing to do. We will authorize it. We will approve it as a concept. But when it comes to appropriating the money and actually spending the money, we are going to find that it is not there. That is the difficulty, too.

Again, as we receive these tax cut checks in the mail, we have to put it in perspective. Life is a tradeoff. Politics is a tradeoff. In this tradeoff, we have decided that a tax cut plan by President Bush that is primarily loaded for the rich is far more important than paying down the national debt, improving America's national defense, and investing in education. In the long run, I think that is going to be viewed as very shortsighted. I think we should have been more careful and more prudent in the approach that we took.

When you look at the long-term outlook for the amount of money that will be taken from the Social Security trust fund and the Medicare trust fund, next year we will have to raid the Social Security trust fund by some $24 billion and the Medicare trust fund by $38 billion. That means people who are paying payroll taxes today to sustain today's Social Security retirees have to understand that the trust fund they are counting on to be there when they retire is going to be diminished because of the Bush budget and because of the Bush tax plan. This is something that is a reality. It is a reality that we have to face in Congress. It is not one we are happy to face but one we must face.

Let me also say that when it comes to other economic assumptions in the President's budget, there are some real weaknesses, too. The President's budget did not include appropriate contingencies for natural disasters. I hope there will never be another one. I know there will be. When there is a disaster, we will rise to the occasion—whether it is a flood in Illinois or a hurricane or a tornado. All of these things cause problems, and the Federal Government rallies to help families solve them. It costs money. The Bush budget, sadly, does not have enough money for that help.

Tax extenders are programs such as investment in research for corporations that come up with new and innovative and creative products. These need to be reextended. They cost money. The Bush budget didn't provide that.

The alternative minimum tax, which was established to try to catch the high rollers who might escape some tax liability, has really been ignored, and it should not be. Yet the Bush budget does not take into account that is something that obviously has to be done or we will end up penalizing middle-income families who thought they were receiving a tax cut, on the one hand, from the President and, on the other hand, get nailed with the alternative minimum tax.

So what we have here, sadly, is a budget proposed by the President that already has us raiding the Medicare and Social Security trust funds that already imperils our ability to deal with priorities, such as national defense and education and paying down the national debt.

I see my colleague from Minnesota is in the Chamber.

THE PRESIDENT'S COMMISSION TO STRENGTHEN SOCIAL SECURITY

Mr. DURBIN. Madam President, I want to say a word or two, in closing, about the effort that has been made by the President's commission to strengthen Social Security. I hope this commission is going to be more objective in the way they deal with the Social Security Program. All of us understand that Social Security cannot go on indefinitely, that it needs help, and that we need to make the appropriate investments to make sure that Social Security is there for generations to come.

It is the most broadly based and most successful social program in the United States. Social Security gives to retirees the safety net they need to live a life of comfort. Along with Medicare, these are the two things that retirees really count on in America.

I am concerned about the draft interim report by President Bush's commission which is supposed to look to the future of Social Security. The report makes many misleading assertions in an attempt to convince the public that Social Security is on the verge of collapse. I hope that any commission entrusted with the challenge of strengthening Social Security will carefully consider all options for reform. Unfortunately, this commission has been charged only with the task of how to convert Social Security into a system of private accounts, not with the careful study of whether or not this is the right thing to do.

Let me give you an example. If you wanted to invest in a mutual fund today, you would generally find there is a minimum investment. Why is there a minimum investment? Because there is an administrative overhead cost to that investment. Unless you put in $500 or $1,000 or $2,000, it really does not warrant the administrative cost. Think about it in terms of individuals who decide they want to invest $100 a month, let's say, of their Social Security check into a private investment. Administrative costs come with each of those investments, and that has to be taken into account in the real world.

Secondly, we have seen yesterday—and we have seen over the last year—that although the stock market can be very generous to those who invest in it, it can also be very cruel. And any who happen to have invested in the last year, making retirement dependent on their investments, will have to think twice about it because things have not gone well in a lot of indices, whether it is the Dow Jones or the S&P 500.

So those who think the stock market will always go up, historically they are right, it has always gone up, but there are peaks and valleys. If you should happen to make the investment of your Social Security retirement fund at a point when we are in an economic valley in the stock market, you may find all you counted on is not there when you need it. That is an important consideration.

There has also been a consideration that some 2 percent of Social Security would be invested in these private investments. Because it is a pay-as-you-go system, that could require cuts of up to 40 percent in the benefits under Social Security or increases in Social Security payroll taxes.

So what I would say to the President's commission is: Give us your alternative in its entirety, give us your program, get beyond the principles and the theories. Tell us how you are going to pay for this. If we are going to move to private investment and private accounts, show us how this will work.

This program of Social Security, created in the days of Franklin Delano Roosevelt, was one many people branded as socialism. Many predecessors of the folks on the other side of the aisle voted against it because they thought it was an experiment in which America should not be involved. History has proven them wrong. Social Security is important. But those of us who serve today in the Senate and the House have an important responsibility to serve that legacy well, to make certain that Social Security and Medicare are here for many years to come.

We can make Social Security stronger, and we can guarantee to successive generations that safety net will be there, but we have to be prudent and careful in the way we approach it.

Madam President, I yield the floor.

(Mrs. CARNAHAN assumed the chair.)