DeWine	Hutchinson	Roberts
Domenici	Hutchison	Roth
Enzi	Inhofe	Santorum
Faircloth	Jeffords	Sessions
Frist	Kempthorne	Shelby
Gorton	Kyl	Smith (NH)
Gramm	Lott	Smith (OR)
Grams	Lugar	Snowe
Grassley	Mack	Stevens
Gregg	McCain	Thomas
Hagel	McConnell	Thompson
Hatch	Murkowski	Thurmond
Helms	Nickles	Warner

NAYS—46

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Breaux	Hollings	Reed
Bryan	Inouye	Reid
Bumpers	Johnson	Robb
Cleland	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
D'Amato	Kerry	Specter
Daschle	Kohl	Torricelli
Dodd	Landrieu	Wellstone
Dorgan	Lautenberg	Wyden
Durbin	Leahy	
Feingold	Levin	

The motion to lay on the table the amendment (No. 2175) was agreed to.

Ms. MOSELEY-BRAUN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ROCKEFELLER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. We have three votes to go. We can move them along promptly if we can have order in the Chamber.

Mr. DOMENICI. Mr. President, I announce that when we finish this series of votes tonight, there will be no more votes tonight, but we will stay and debate five additional amendments —three from the Democratic side, two from the Republican side. Those will be stacked in the morning under the previous order, a 15-minute vote followed by 10-minute votes.

I will tell everyone, we now have in excess of 75 first-degree amendments filed. We will take care of five of them tonight, and that will probably leave us with about 70. Obviously, we could not dispose of 70 amendments at 10 or 15 minutes each in a very short period of time. So tomorrow morning, we will have, and my friend Senator LAUTENBERG says his staff will have some charts to show you your amendments while we are voting in the morning.

We would like you to be honest; we don't ask you tonight in the full light of everybody which ones you really want to vote on and which ones you would like for us to consider and which ones you might withdraw. We are going to work on accepting as many as we can, with the idea that there is still a conference to go to, during which time those accepted amendments will be given due consideration.

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

Mr. DOMENICI. Yes.

Mr. BUMPERS. Does the Senator intend to stack the votes on these five amendments for in the morning?

Mr. DOMENICI. Yes.

ADJOURNMENT OF THE TWO HOUSES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. 257, the adjournment resolution, which was received from the House.

I further ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 257) was agreed to, as follows:

H. CON. RES. 257

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Wednesday, April 1, 1998, it stand adjourned until 12:30 p.m. on Tuesday, April 21, 1998, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Thursday, April 2, 1998, Friday, April 3, 1998, Saturday, April 4, 1998, or Sunday, April 5, 1998, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this concurrent resolution, it stand recessed or adjourned until noon on Monday, April 20, 1998, or such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEARS 1999, 2000, 2001, 2002, AND 2003

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 2193

The PRESIDING OFFICER. The pending amendment is the Hollings amendment No. 2193. A point of order has been raised against the amendment on the basis that it is not germane. The pending question is the motion to waive the Budget Act to allow for the consideration of the amendment on which a rollcall vote has been ordered.

There is 1 minute on each side for debate. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, on behalf of myself, Senator DASCHLE, Senator CONRAD, Senator FEINGOLD, Senator DORGAN, and Senator REID of Nevada, we put this in to do just exactly what was called for by the President. We want to save Social Security first.

As we all know, we have used the euphemism of a unified budget, a unified deficit, and we have been spending, looting, the Social Security trust fund. Some say that actuarially there is a surplus in there. That is on a sheet of paper. Actually, the money is gone.

The PRESIDING OFFICER. Will the Senator from South Carolina suspend until we can get order in the Chamber? The Senator from South Carolina has a right to be heard.

Mr. HOLLINGS. Mr. President, this more or less puts into parliamentary procedure what we voted for time and again, what the distinguished Senator from New Mexico has voted for. It is in the law, section 13301, that we save Social Security and quit looting the fund.

If you really want to put your money where your mouth is, as the expression goes, rather than just a sense of the Senate, then support this particular resolution now under consideration and put on some parliamentary controls, which is what this amendment does. If you want to save Social Security, vote for the amendment; waive the Budget Act, because that is what the Budget Act says to do in section 13301. If you don't want to, vote against the waiver.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 1 minute.

Mr. DOMENICI. Mr. President, I say to my fellow Senators, if I thought this amendment would do anything to save or preserve Social Security, I would be for it. In my humble opinion, it does absolutely nothing to save Social Security. What it does is attempt to change the process and procedures so that if the Budget Committee reports out for Senate consideration anything on Social Security, it is subject to a 60-vote point of order.

We could get to the point where we will take every committee of jurisdiction and pass a process rule because there was something in their jurisdiction we didn't want them to do business on. We could say anything you report out has to have 60 votes. Then we would take that to the floor, and the chairman of the committee of jurisdiction would stand up and say, ''What have we come to?''

This seems like some kind of exuberance that is not calculated to do anything except have some words suggesting we are trying to save Social Security. I raised a point of order. There is a motion to waive it. I hope we do not waive it. I urge Senators to vote ''no'' on the motion to waive. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act with respect to the Hollings amendment No. 2193. The yeas and nays have been ordered. The clerk will call the roll. This will be a 10-minute vote.

The legislative clerk called the roll.

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

The yeas and nays resulted—yeas 42, nays 58, as follows:

[Rollcall Vote No. 58 Leg.]

YEAS—42

Akaka	Feingold	Levin
Biden	Feinstein	Lieberman
Boxer	Ford	Mikulski
Breaux	Glenn	Moseley-Braun
Bryan	Graham	Moynihan
Bumpers	Harkin	Murray
Byrd	Hollings	Reed
Cleland	Inouye	Reid
Conrad	Johnson	Robb
Daschle	Kennedy	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Torricelli
Durbin	Landrieu	Wellstone
Faircloth	Lautenberg	Wyden

NAYS—58

Abraham	Frist	McCain
Allard	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Baucus	Grams	Nickles
Bennett	Grassley	Roberts
Bingaman	Gregg	Roth
Bond	Hagel	Santorum
Brownback	Hatch	Sessions
Burns	Helms	Shelby
Campbell	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Coats	Inhofe	Snowe
Cochran	Jeffords	Specter
Collins	Kempthorne	Stevens
Coverdell	Kerrey	Thomas
Craig	Kyl	Thompson
D'Amato	Leahy	Thurmond
DeWine	Lott	Warner
Domenici	Lugar	
Enzi	Mack	

The PRESIDING OFFICER. On this vote the yeas are 42, the nays are 58. 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, and the amendment falls.

Mr. DOMENICI. I move to reconsider the vote.

Mrs. HUTCHISON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2251

The PRESIDING OFFICER. The pending question is the Faircloth amendment, amendment No. 2251. There is 1 minute of debate allocated to each side.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I believe the RECORD will reflect that Senator FAIRCLOTH was granted permission to speak for 3 minutes since we yielded back 6 minutes of his time.

The PRESIDING OFFICER. If the Senator would kindly put that in the form of a UC request.

Mr. DOMENICI. I ask unanimous consent that Senator FAIRCLOTH have 3 minutes.

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

The Senator from North Carolina.

Mr. FAIRCLOTH. I rise to speak on the Hutchison-Faircloth marriage tax elimination amendment. It is cosponsored by a number of Senators: Senator DOMENICI, Senator INHOFE, Senator HUTCHINSON of Arkansas, and Senator GRAMM of Texas.

Mr. President, I want to thank Chairman DOMENICI for the tremendous help on the issue he has given us on the elimination of the marriage tax in this budget resolution. What this amendment says is very simple, that it is the sense of the Senate that eliminating the marriage penalty tax should be one of the highest priorities for tax relief this year.

The Congressional Budget Office has reported that in 1996, 21 million American couples paid an average of $1,400 more in income tax simply because they were married. The marriage penalty, as it is sometimes called, comes about as a result of the way the Tax Code is written. It needs to be rewritten so that couples who chose to marry do not get a hefty tax bill for choosing to make that decision.

We should be encouraging couples to marry, not handing them a $1,400 tax bill. I introduced this legislation along with Senator HUTCHISON to correct this problem. The majority leader, Senator TRENT LOTT, has also been tremendously supportive. Senator HUTCHISON, Senator LOTT, and I recently pledged on Valentine's Day that we would work to remove this burdensome tax known as the marriage penalty. I think that it is a reasonable goal. We are a step closer today with the budget resolution. I urge support for the amendment, and I yield back any time.

Mr. THURMOND. Will the Senator add me as a cosponsor?

Mr. FAIRCLOTH. I would be delighted to.

I ask unanimous consent that Senator THURMOND be added as a cosponsor to my amendment.

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

Who seeks recognition? Who yields time?

Mrs. HUTCHISON. Mr. President, if there is any time left on Senator FAIRCLOTH's amendment, I would like to just say I am very pleased to support his leadership on the marriage penalty tax.

The PRESIDING OFFICER. There are 40 seconds left allocated to the Senator from North Carolina.

Mrs. HUTCHISON. I ask unanimous consent to have that 40 seconds.

The PRESIDING OFFICER. Does the Senator from North Carolina yield his 40 seconds to the distinguished Senator from Texas?

Mr. FAIRCLOTH. Yes.

Mrs. HUTCHISON. Thank you.

I urge all my colleagues to vote for the sense of the Senate, which basically says it will be a priority of Congress to eliminate the marriage penalty tax. People should not have to choose between love and money in this country, but 21 million couples are doing it. And they are the police and schoolteachers, people making $28,000 and $32,000 that are getting hit the worst with taxes up to $1,400 just because they got married. That is not right. It is a priority of Congress to change that. And I urge my colleagues to say that the U.S. Senate is going to fix this problem very soon.

Thank you, Mr. President.

Mr. LAUTENBERG. Mr. President, I have expressed myself before. I am concerned about trying to initiate change this year, but I think it is fairly clear that this amendment has support. We do not want to continue a penalty in any way, whether it is marriage and taxes or marriage and any place. So unless there is someone else on my side who wants to use a few seconds, I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

Mr. FORD. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

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

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 59 Leg.]

YEAS—99

Abraham	Faircloth	Lieberman
Akaka	Feingold	Lott
Allard	Feinstein	Lugar
Ashcroft	Ford	Mack
Baucus	Frist	McCain
Bennett	Glenn	McConnell
Biden	Gorton	Mikulski
Bingaman	Graham	Moseley-Braun
Bond	Gramm	Moynihan
Boxer	Grams	Murkowski
Breaux	Grassley	Murray
Brownback	Gregg	Nickles
Bryan	Hagel	Reed
Bumpers	Harkin	Reid
Burns	Hatch	Robb
Byrd	Helms	Roberts
Campbell	Hollings	Roth
Chafee	Hutchinson	Santorum
Cleland	Hutchison	Sarbanes
Coats	Inhofe	Sessions
Cochran	Inouye	Shelby
Collins	Jeffords	Smith (NH)
Conrad	Johnson	Smith (OR)
Coverdell	Kempthorne	Snowe
Craig	Kennedy	Specter
D'Amato	Kerrey	Stevens
Daschle	Kerry	Thomas
DeWine	Kohl	Thompson
Dodd	Kyl	Thurmond
Domenici	Landrieu	Torricelli
Dorgan	Lautenberg	Warner
Durbin	Leahy	Wellstone
Enzi	Levin	Wyden

NOT VOTING—1

Rockefeller

The amendment (No. 2251) was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. This is the last vote tonight. Senator DASCHLE and I talked and we want the Members to know there will be a series of votes beginning tomorrow morning at 9 o'clock—probably two on judges and five amendments that the managers are going to have ready to vote on in the morning—beginning at 9 o'clock, with seven votes in a series.

I yield the floor.

AMENDMENT NO. 2211

The PRESIDING OFFICER. The pending amendment is the Craig amendment No. 2211. The point of order was raised against the amendment on the basis that it is not germane. The pending question is on the motion to waive the Budget Act to allow the consideration of the amendment for which a rollcall vote has been ordered. One minute is allocated to each side.

The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I ask my colleagues tonight to vote with me to waive the Budget Act. It is the first step to reigning in the uncontrolled costs to mandatory spending programs. Your vote tonight merely extends the same treatment to mandatory spending that already exists to annually appropriated discretionary spending; that new programs will offset with savings in existing programs; that mandatory spending is out of control—we all know that.

While this is a balanced budget in the outyears of 2020, and 2035, we will be looking at spending up to 200 plus percent of the gross domestic product.

The Craig amendment will not affect a single current beneficiary of a single existing program. The Craig amendment will not affect a single person who will qualify to become a beneficiary under current entitlement programs.

We need to start with a single, simple, first step, toward reigning in mandatory spending. An aye vote starts us in that direction.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I hope that the Senators will oppose this attempt to waive the point of order.

This is a new scheme for things. It says that we ought to depart from present pay-as-you-go rules. It would give special protection to special interest tax loopholes at the expense of programs like Social Security and Medicare.

Mr. President, very simply, I urge my colleagues to vote against the waiver.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 60 Leg.]

YEAS—54

Abraham	Domenici	Kempthorne
Allard	Enzi	Kerrey
Ashcroft	Faircloth	Kyl
Bennett	Frist	Lott
Bond	Gorton	Lugar
Brownback	Gramm	Mack
Burns	Grams	McCain
Byrd	Grassley	McConnell
Coats	Gregg	Murkowski
Cochran	Hagel	Nickles
Collins	Hatch	Robb
Coverdell	Helms	Roberts
Craig	Hutchinson	Roth
D'Amato	Hutchison	Santorum
DeWine	Inhofe	Sessions
Shelby	Snowe	Thompson
Smith (NH)	Stevens	Thurmond
Smith (OR)	Thomas	Warner

NAYS—45

Akaka	Durbin	Lautenberg
Baucus	Feingold	Leahy
Biden	Feinstein	Levin
Bingaman	Ford	Lieberman
Boxer	Glenn	Mikulski
Breaux	Graham	Moseley-Braun
Bryan	Harkin	Moynihan
Bumpers	Hollings	Murray
Campbell	Inouye	Reed
Chafee	Jeffords	Reid
Cleland	Johnson	Sarbanes
Conrad	Kennedy	Specter
Daschle	Kerry	Torricelli
Dodd	Kohl	Wellstone
Dorgan	Landrieu	Wyden

NOT VOTING—1

Rockefeller

The PRESIDING OFFICER (Mr. HUTCHINSON). On this vote the yeas are 54, the nays are 45. 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, and the amendment falls.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I gather the sequencing would be that Senator DORGAN will start and then Senator ALLARD will follow, and then Senator LAUTENBERG, and then Senator BOND, and then Senator BUMPERS. We will arrange for Senator BUMPERS by unanimous consent.

Mr. President, before we start the order here, might I suggest that Senator BUMPERS would be our fifth amendment tonight, but we have agreed with him that we will come in at 8:30 in the morning instead of 9. He will offer his amendment, and thus the half-hour between 8:30 and 9 will be available for the agreed-upon time, which is a half-hour, equally divided, for the Bumpers amendment. He is here.

I ask unanimous consent that when we start up in the morning at 8:30 the order of business be the Bumpers amendment, and pursuant to the previous order there be a half-hour equally divided on that and the vote eventually be on or in relationship to that and we waive no points of order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. Senator, I wonder if the Senator would accommodate me for about 6 or 7 minutes. Senator GORTON would like to speak on a matter. I ask consent he be permitted to speak for 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Washington is recognized.

MR. GORTON. I thank the Chair.

(The remarks of Mr. GORTON pertaining to the introduction of S. 1904 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GORTON. I thank the Senator from New Mexico.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 2218, AS MODIFIED

Mr. DORGAN. Mr. President, I ask unanimous consent that the pending amendment be set aside and that my amendment No. 2218 be called up and that my amendment be modified with the modification I now send to the desk.

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

The amendment, as modified, is as follows:

Strike page 33, line 3, through page 34, line 3, and insert the following:

SEC. 301. SENSE OF CONGRESS ON THE TAX TREATMENT OF HOME MORTGAGE INTEREST AND CHARITABLE GIVING.

(a) FINDINGS.—Congress finds that—

(1) current Federal income tax laws embrace a number of fundamental tax policies including longstanding encouragement for home ownership and charitable giving, expanded health and retirement benefits;

(2) the mortgage interest deduction is among the most important incentives in the income tax code and promotes the American Dream of home ownership—the single largest investment for most families, and preserving it is critical for the more than 20,000,000 families claiming it now and for millions more in the future;

(3) favorable tax treatment to encourage gifts to charities is a longstanding principle that helps charities raise funds needed to provide services to poor families and others when government is simply unable or unwilling to do so, and maintaining this tax incentive will help charities raise money to meet the challenges of their charitable missions in the decades ahead;

(4) legislation has been proposed to repeal the entire income tax code at the end of the year 2001 without providing a specific replacement; and

(5) recklessly sunsetting the entire income tax code threatens our Nation's future economic growth and unwisely eliminates existing tax incentives that are crucial for taxpayers who are often making the most important financial decisions of their lives.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the levels in this resolution assume that Congress supports the continued tax deductibility of home mortgage interest and charitable contributions.

Mr. DORGAN. Mr. President, I ask the Chair to notify me when I have used 5 minutes. I will then yield 5 minutes to the Senator from Arkansas and yield back the remainder of the time.

My amendment is very simple. There is in the budget resolution brought to the floor of the Senate a sense-of-the-Senate provision that will sunset the Internal Revenue Code on December 31, 2001.

My amendment strikes that provision and in its place it inserts language saying it is the sense of the Congress that we support the continued tax deductibility of the home mortgage interest deduction, charitable contributions, and so on.

My point is this: It is irresponsible, in my judgment, to talk about sunsetting the Tax Code and a progressive income tax without providing any means of telling the American people what you would put in its place.

I want to read something from the Tax Executives Institute. They represent some 5,000 corporations around the country.

They write that it is folly to make tax policy by sound bite, and proposals to sunset the Tax Code without making provisions for its replacement or telling the American people what you propose for replacement ought to be rejected.

This is what they say:

For example, a company that otherwise would invest millions of dollars in a multi-year expansion of its manufacturing facilities might well demur if the pending legislation were enacted because of uncertainty over whether or how, after December 31, 2001, it would recover its costs.

They wouldn't know:

To repeal the Internal Revenue Code without specifying a replacement system—to exalt the exhilaration of "doing it now" over the necessity of "doing it right"—is to threaten major disruptions of the economy and the lives of the American people.

The question I have is this: For those who say let's sunset the entire Tax Code, I say, when you say sunset the Tax Code in 2001, what are you going to replace it with, a national sales tax? A Brookings Institution study on that says if you want to replace the current progressive income tax with a national sales tax, you are probably talking about at least a 35 percent tax rate. I know that the proponents of a national sales tax say a 15 percent rate will work. But study after study shows that you are probably talking a 35 percent tax rate, and that is the 35 percent sales tax, for example, when you buy a home. Think of adding 35 percent to the cost of buying a home.

How about a flat tax or a VAT tax? A Treasury Department analysis in 1996 took a look at one of the major flat tax proposals in the Congress. It says the flat tax will reduce taxes for families with incomes of $200,000 or more, and increase taxes for families with incomes under $200,000. Is that what the American people want? To sunset the entire Tax Code and replace it with—tax breaks for the highest income folks and higher taxes for the rest?

I ask the question, Is the current Tax Code perfect? No. Are there significant troubles with it? Yes. I have a proposal on what we ought to do about that. I think my plan would greatly simplify the tax system for most Americans. But it does not include flat tax, VAT tax, sales tax, all of which would tax work and exempt investment, cut only upper-income folks' taxes and increase taxes on working folks. That is exactly what all the proposals are about ricocheting around this Chamber.

Don't take it from me, take it from the Treasury analysis, take it from the Congressional Budget Office analysis, take it from any study you like. But those who want to abolish the current Tax Code rather than fix what is wrong with the current Tax Code want to replace it, in most cases, with something that says, "Let's tax work and let's exempt investments. Let's propose a new system that lowers the tax burden on upper-income folks and raises the tax burden on the rest."

I will tell those who offer this proposal that everyone out there in this country who owns a home and understands their home mortgage interest is deductible from their income tax, if this sort of thing ever passes, they will be told by this Congress, "Don't count on deductibility of your home mortgage interest, because we may not have a tax system that allows that. Don't count on the deductibility of your home mortgage interest, because we may abolish the tax system. In fact, we want to sunset it, abolish it, replace it with something else, but we don't want to tell you what that something else is."

It is highly irresponsible, in my judgment, to say let us just abolish the Tax Code as of December 31, 2001 before agreeing on a replacement.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DORGAN. I ask for 30 additional seconds, and then I will yield 5 minutes to the Senator from Arkansas, or as much time as he needs under the allotment.

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

Mr. DORGAN. Mr. President, I understand this proposal to terminate the tax code has been ricocheting around for some long while. The Tax Executives Institute says it best. This is a good sound bite, but it is a poor excuse for good policy. Don't take it from me, take it from American corporations and taxpayers who need certainty.

Those who want to terminate the entire Internal Revenue Code in this manner risk creating financial trouble for millions of homeowners. Nearly thirty million homeowners who would ask you: If you want to get rid of the current Tax Code, what are your intentions with respect to the tax deductibility of my home mortgage interest? Do you intend to keep that? If not, why not? What do you say to folks who have invested in a home and whose home values will now drop because this proposal would abolish the deductibility of home mortgage interest?

If this extreme measure is enacted, future home buyers would likely find it more difficult to purchase a new home and realize the American Dream of home ownership. This is because, in addition to losing the tax deduction, such a move would surely result in great uncertainty for our financial markets, lead to higher interest rates, and otherwise increase the costs of purchasing a new home—already the largest single financial investment for most families.

Another one of the many important casualties caused by these efforts to terminate the Tax Code would be the tax incentives that encourage millions of taxpayers to make gifts to charities that provide services to needy families and others. Charities perform an important public service by providing help to others when the government is unwilling or unable to do so. At a time when the government is downsizing and we are asking charities and other groups to do more, we ought not take away their key tax tools for attracting the funds they need to meet future challenges. But that's exactly what would happen should this sunsetting proposal become law.

These are just two examples of the serious problems caused by this wrong-headed proposal. For all of the uncertainties this proposal would create, one thing seems certain to me: this sunset provision will leave most Americans in the dark.

My amendment is simple, it strikes the sunset provision and inserts something in place of it that I think makes sense: support for the continued tax deduction for home mortgage interest, charitable giving and more. I hope my colleagues will support that motion to strike.

I yield as much time as he may consume to the Senator from Arkansas, Senator BUMPERS.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, first I express my sincere gratitude to the Senator from North Dakota for taking on this issue. I decided perhaps nobody was going to offer such an amendment. But I take this opportunity to say to my colleagues and the American people, for that matter—we are not supposed to call attention to C-SPAN2, but I hope a lot of people are watching C-SPAN2 because I want to say that this is my 24th year in the Senate, and this is the most irresponsible, without question, the most irresponsible provision I have ever seen in a piece of legislation. The very idea of saying we are going to abolish the Internal Revenue Code without a clue as to what we are going to replace it with is the height of irresponsibility.

I know the applause lines. As the old saying goes, I know how to bring people to their feet. The object of any responsible legislator is to bring people to their senses. Everybody knows that when you talk to the Chamber of Commerce, if you are looking for that nice applause, just get on the Internal Revenue Service. Everybody has his own favorite horror story. I have my own. I daresay every Member of this body has his own horror story about their arrogance, how overbearing they are, how they have cost you money. Those are indefensible. I am not defending those.

But I can tell you, if you think the year 2000 computer glitch is bad, if you think that may bring this country to the brink of disaster, you just eliminate the Internal Revenue Code with absolutely no thought of what you are going to replace it with, just as this country is on a sound financial basis, and as we are looking forward to a surplus this year, what in the name of all that is good and holy are we thinking about?

Is it going to be a flat tax? That gets a lot of applause in some places. As far as I am concerned, the flat tax was created by the "Flat Earth Society," but that is beside the point. I know how to get applause talking about a flat tax. Everybody "pays the same amount."

Is it going to be replaced by some kind of a flat tax where your church contributions won't be deductible? Is it going to be a flat tax where, as the Senator from North Dakota has pointed out, your mortgage interest will not be deductible? ''Mr. Businessman, before you applaud, are you willing to give up depreciation? Are you willing to give up hundreds of other things that are in the code now that you know about?''

I will tell you one thing, I will take the known, no matter how bad it may be, before I will take the unknown. And for the Members of the Senate to buy into this proposition of saying we are going to eliminate—eliminate—the Internal Revenue Code with nothing to replace it—do you know something, I didn't vote for that extra thousand pages in the Internal Revenue Code last summer. All the people who were so hot for the balanced budget amendment and the big tax cuts and what do we get? A thousand more pages in the Internal Revenue Code so they can go out and tell the Chamber of Commerce what a horror it is—the same people who bring you this piece of trash.

Mr. President, I, again, thank my friend from North Dakota for alerting the people of this body and, hopefully, across America, that we are not just going to take this country to the brink of a disaster, we are going to take it right over the brink, and if you get to the year 2000 after you eliminate the Internal Revenue Code and you don't have anything to collect $1.7 trillion with, you tell the Social Security recipients how that is going to work out. Tell everybody—the Medicare people—how that is going to work out.

I plead with my colleagues on both sides of the aisle, do not buy into an applause line. Keep your sanity and do the rational thing and strike this from this resolution.

I yield back the remainder of my time.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, one of the proponents of this provision, although I saw to it that it was put in the resolution, is Senator BROWNBACK who is standing now and wants to be recognized. Is the Senator going to lead off on his side?

Mr. BROWNBACK. Yes.

Mr. DOMENICI. I yield 5 minutes to the Senator, and then I will yield 5 minutes to the next Senator who is his copartner in getting this done.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Thank you, Mr. President. I thank the chairman of the Budget Committee for including this provision in the budget and for being a cosponsor, along with 37 other Members of the U.S. Senate, of this provision.

I have a quiz, if I can, for the Members who are still watching. Just a simple question; a series of facts and then a question.

Let me ask people to, if they will, go through this quiz with me of, what is 10 million words long, cost over $150 billion annually just to comply with, is unintelligible by almost every American, including those with advanced degrees, advanced law degrees, advanced tax degrees, and is the lead way Washington mismanages and micromanages our lives? What one thing is that?

It is the Tax Code.

The Tax Code is over 10 million words, costs over $150 billion just to comply with before anybody pays a thin dime on this Tax Code. It is unintelligible to people who are tax law experts, and is the lead way that Washington micromanages individual lives across this country. It is no wonder this is an applause line. It is because people despise this code. It has been amended and added to and jiggered with over the years and years to where it just does not make any sense.

All the resolution says is that we should sunset the code at the end of the year 2001. We sunset many Federal programs when many Federal programs are required for reauthorization.

I heard the arguments on the other side from my colleagues from North Dakota and Arkansas—very good men, with a great deal of integrity and honor. But we disagree on this. I have to say their arguments sound very familiar. They sound very familiar to the time when we had the debate about balancing the budget by a date certain.

The President then was saying, ''If we balance the budget by a date certain, by 7 years, it's going to throw the economy into a tailspin, it's going to do all these terrible things. You don't know how you're going to balance the budget, do you?'' We said, ''We know a number of ways to balance this budget. And if we don't set a date by which we're going to accomplish it, it'll never get done.''

That is the same theory with this bill. There are a number of ways to redo the Tax Code. I am glad to hear Senator DORGAN has a proposal himself. There is a flat tax proposal, there is a consumption tax proposal, there is a VAT tax proposal. Congressman GEPHARDT has proposals. There are a number of them. And we will be phasing in transitions the same as phasing in on different programs we have gone to.

But the point of it here is, if we do not start, we will never get there. If we do not start, we are going to enter the next century for long periods of time with this same Tax Code in place. Let me say to the people here who are listening, we cannot have another American century built on this Tax Code. It is so big and so intrusive that people live in fear of it. Small businesses live in fear of this Tax Code because they use so many resources to comply with it. And when they comply with it, they still do not know what they have actually done to comply with the law.

So all we are saying by this little provision that is in the budget accord is, let us deal with this Tax Code by the end of the year 2001. It leaves alone Social Security and Medicare. Those are not touched in this. So in case people are saying that they are worried about Social Security and Medicare, it is not touched in the bill.

We are saying, if we are ever going to get rid of this that has haunted us for so long, we have to set a date certain by which we will do it. I think it is a good provision in the budget resolution. I urge my colleagues to vote against this amendment so we can have another American century with a different taxation system.

I yield to my colleague from Arkansas.

Mr. DOMENICI. I yield to Senator HUTCHINSON who has been one of the coleaders on this issue.

Mr. HUTCHINSON. Thank you, Mr. Chairman.

I wish my good friend and colleague from Arkansas, Senator BUMPERS, had been able to stay because he called this the most irresponsible piece of legislation that he has heard of during his time. This isn't about applause lines and not about flat taxes or flatter. It is about whether or not we are going to vote to defend the status quo, whether we are going to vote to defend an incomprehensible monstrosity called the IRS Tax Code.

I want to begin my remarks by just quoting the words of James Madison in Federalist Paper No. 62 when he said:

> It will be of little avail to the people. . .if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood; if they be repealed or revised before they are promulgated, or undergo such incessant changes that no man, who knows what the law is today, can guess what it will be tomorrow.

I think if he were writing today, he would be talking about the IRS Tax Code being incomprehensible. The biggest issue raised against it is that it is going to cause uncertainty if we repeal it, if we sunset it, and that it is going to cause uncertainty.

Mr. President I can think of no greater expert on the economy or the effects of public policy on the economy than Alan Greenspan, the Chairman of the Board of Governors of the Federal Reserve. All of this ''the sky is falling,'' all of this fearmongering, all of this rhetoric that this is going to somehow cause economic chaos—Mr. Greenspan said, in testifying before the Senate Banking, Housing and Urban Affairs Committee in 1995:

> Sunsetting is a very important process for both regulation and various different types of legislation.

He was asked:

> If we're talking about sunsetting regulations, should we sunset taxes as well. . .?

He responded:

> I cannot find reasons why all programs should not have specific time-certain ends to them and be required to be reauthorized.

He went on:

After a period of years, I would say yes to that. I would say all institutions of a democratic society should be reviewed. . .the presumption that institutions should not be reviewed periodically in a democratic society is a mistake.

Mr. President, we just passed in this Chamber a transportation funding bill, the ISTEA bill. We would not have done it had it not been sunsetted, had it not expired, had it not had to be reauthorized. We would have never forced ourselves to do it.

Today I spent most of my day in a higher education reauthorization markup. We did that because the last one is expiring, because it was sunsetted. We do that on spending bills all the time—the IDEA bill. Why should we not also do that on bills on the Tax Code that has become so incomprehensible to the American people?

Senator BUMPERS, my good friend from Arkansas, said it is the height of irresponsibility to sunset something before you know what you are going to replace it with. I am so glad—I am so glad—that our Founding Fathers did not adopt such a position. To say that you cannot pass a law until a new law is ready to replace it ignores the rich history of this country that was founded by a group of freedom lovers who signed the Declaration of Independence 12 years before the Constitution was drafted and implemented. Surely we can do that with just one title of the U.S. Code.

To say that it is the height of irresponsibility—can you imagine our Founding Fathers saying, ''Well, it's very irresponsible for us to declare independence before we know what the Constitution is going to look like or before we know what the Government is going to look like or before we know what the Tax Code is going to look like.''

We know one thing. We may not know, I say to my colleague, whether we want a flat tax, sales tax, value added tax, or some other hybrid, but we, as the American people, know that of what we have, we deserve better, that this serves no one, and the April Fool's joke is to defend this Tax Code, which is the nightmare for the American people 2 weeks before they reach this deadline.

I urge my colleagues to vote no on this resolution which would delete this important sunset provision sense of the Senate from our budget resolution. I thank the chairman for his leadership on this issue.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I think that 3, 4 years ago, 5 years ago, someone might have walked up to me and said, ''Senator DOMENICI, why are you on such a measure?'' But for many years, more than 5, I have been telling New Mexicans and every American that I could speak to that we are going to reform the tax laws of America. And guess what has happened. They now consist of 17,000 pages of laws. That is not the regulations and all the other things—17,000. And every year that passed, since that 5 or 6 years ago when we started talking about basic reform, the tax laws got more complicated, more difficult, cost more money, and more detrimental to the American economy with the passage of each year.

Frankly, I am on this bill and I decided to put it in the budget resolution because it seemed to me that we were muscle bound. We could not get anything done. I believe the right thing to do when you are in that condition, and the people are suffering from it, and the country is suffering from it, is that you say there is going to be an ''or else'' to this—''you fix it or else.''

That is what sunsetting is. But nobody should think that we are talking about sunsetting a code without prescribing some basic fundamentals about the code we intend to replace, that defective, deficient one. And anybody who is interested in knowing whether we just said, ''Let's do away with the code,'' or whether we spoke intelligently and with great common sense, right to what the American people are worried about, just turn to page 33 of S. Con. Res. 86—and if my time runs out in the middle of these next two or three paragraphs, just stop me. But the findings are found in this resolution. And it says:

Findings—Congress finds that a simple and fair Federal tax system is one that—

(1) applies a low rate, through easily understood laws, to all Americans;

(2) provides tax relief for working Americans;

(3) protects the rights of taxpayers and reduces tax collection abuses;

(4) eliminates bias against savings and investment;

(5) promotes economic growth and job creation;

(6) does not penalize marriage or families;

(7) provides for a taxpayer-friendly collections process. . . .

And then it goes on to say that the reason for this sunset is ''that a new Federal tax system''—not nothing, as was suggested, but ''a new Federal tax system will be enacted that is both simple and fair as described in'' the provisions that I just read 2 minutes ago.

That is what the American people want to hear, that we are going to do away with this one because we want to pass a new one and more like it. And if we can pass the law and send it to the President with the real sunset, it is a message to the committees of the Congress, to the reformers who seem to never end in terms of, what are we going to get in place of this one, that the time is running out, the clock is ticking. And that is what this is about.

I believe the American people, although they have been fed some shock medicine by the President, who talks about how irresponsible this is, if they heard this read, what we propose, that we are saying stop what is currently an abomination and substitute it with a new one that does the following things, would say, ''Hallelujah. Let's do it.''

So I believe we should turn down the proposal that attempts to wipe this out of the budget. It is the right place to have it. It is the right thing to do. And if we want a good future, we are right on track. Fix Social Security in the way we have been discussing, take care of Medicare, and fix it, and reform this Tax Code; and we will be giving our children and future generations the best present that we could give anyone as elected adult leaders.

I yield the floor.

Mr. DORGAN. Mr. President, I yield to my friend from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Yes. Mr. President, I sat and listened here with wonderment. We are about ready to say, ''Let's get rid of this other thing because that will make us behave like responsible citizens. That's the only way we can do it.'' We heard the same speeches, with all due respect, about whether or not we needed a balanced budget amendment because we cannot discipline ourselves, and, thank the Lord, that failed. And we did not alter the Constitution, and we did not get into the ridiculous kind of arguments that we would have. We just went out and did it.

To my friends on the other side I would say, have faith, have faith in your own ability that you can make a difference. You have a majority. Let us change it. But if you want to burn down the house so we can be forced to move and find another location, I think that is a pretty poor way of conducting business. I see what the distinguished Senator from New Mexico has proposed as an alternative, something that promotes economic growth, something that is a low tax rate.

This amendment would delete the provision in the resolution calling for scrapping the tax code without an alternative. Instead, the amendment calls for the continued tax deductibility of home mortgage interest and charitable contributions.

I share the frustration of most Americans about the Internal Revenue Service, and believe strongly that we must pass IRS reform legislation as soon as possible. The House approved similar legislation last year. It's long past time for the Senate to act.

At the same time, I have serious concerns about the proposal to scrap the tax code without an alternative. I think, with all due respect, that it is a reckless political gimmick that would backfire on this Congress.

The main problem with this proposal is that it would create enormous uncertainty about the continued availability of many important tax code provisions. And that could create economic chaos and other problems for millions of Americans.

The Finance Committee needs to consider these problems before we scrap the whole tax code. For example, what will this do to the value of homes? How will uncertainty affect contributions to charities, or savings plans for retirement and education purposes? How will employers react to health and retirement plans; will they refuse to set up new plans? Will they reduce contributions to existing plans?

What will be the overall effect of uncertainty on economic growth and job creation? These are important questions that need to be publicly examined.

The Finance Committee ought to consider these types of questions before we approve sunsetting legislation. But I do think it is important that, in the meantime, we reaffirm our support for the mortgage interest deduction and the deduction for charitable contributions.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LAUTENBERG. Mr. President, in short, I hope that the amendment by the Senator from North Dakota will prevail, because it makes good sense and it tests the mettle of those who are voting. Thank you.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, I guess I have 3 minutes remaining. The other side has 2. I will take my 3 minutes. They are welcome to finish.

There is a wonderful legislative strategy, I guess, that if you cannot change the facts, change the subject. The subject here isn't about the current Tax Code; the subject is about what do you want to put in place of a Tax Code you want to abolish? Something new, we are told. Well, it is interesting. There is nothing new around here that I see about the proposals to change the Tax Code. All the proposals I have seen are the same tired, old proposals—exempt the rich, tax the rest, and call it reform.

You think that is not the case? The plans out here are: Tax work and exempt investment; tax people to go to work; tax the income from work; say to those that clip coupons, you are exempt. Nothing new about that. People have been trying to do that for a century.

The question I would ask the opponents of this amendment is, do you think the American people will be better off with a national sales tax plan? Is that what you are going to replace it with?

Bill Gale at Brookings, who did this piece, says your national sales tax rate, by the way, despite all the numbers they tell you, will be 35 percent. Want to pay a 35 percent sales tax on a home you buy? Do you think you are better off with that kind of tax program? Do you think you are better off with a program that has also been introduced here in the Congress that the Treasury Department analyzes that everybody over $200,000 gets a big tax cut? Everybody under $200,000 a year in income gets a big tax increase? Do you think you will be better off with that kind of Tax Code? I don't think so. Is a business going to be better off when they find they can't get their existing depreciation deductions ? Or tens of millions of homeowners will be better off when they discover they can't deduct their home mortgage interest?

No, this isn't about change. And with respect to Mr. Greenspan, who we are told about here—Mr. Greenspan, of course, is the fellow who said if we ever go below 6 percent unemployment we have calamity in this country. It has been about 45 months that we have been below 6 percent unemployment and the economy is doing well and inflation is in check. He was wrong about that. He said we will have a new wave of inflation, every month. He has been wrong about that for 4 years. Inflation is way down. I was about ready to think maybe the Senator had merit until he started talking about Greenspan supporting his case.

Sunset the Tax Code—what will you replace it with? Will the American people be better off with a flat tax? A VAT tax? A national sales tax?

This is the only town in America where people think it is a bold new stroke, having a billionaire proposing a tax plan that would cut his taxes by hundreds of millions of dollars. That is not bold or new. It is the same tired old argument the American people have heard for years and years and years.

Mr. LAUTENBERG. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. LAUTENBERG. Does the Senator know that Chairman ROTH in a March 13, 1998, letter—

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from New Mexico has 1 minute 45 seconds.

Mr. BROWNBACK. Will the Senator yield 1 minute?

Mr. DOMENICI. I yield 1 minute.

Mr. BROWNBACK. I guess the rationale of the Senator from North Dakota is we are stuck with this Tax Code forever and that is the way it will be.

Frankly, there are a lot of different ideas floating around. I heard the Senator from North Dakota has a tax proposal, as well.

I simply ask people looking at this, could we do any worse than this current Tax Code? If I had a stack of books here now, it would be this tall. I am a lawyer. I confess that sin. I looked at this Tax Code and it is unintelligible. We couldn't do any worse with something different.

Mr. HUTCHINSON. Will the Senator yield some time to me?

Mr. DOMENICI. I yield 40 seconds.

Mr. HUTCHINSON. The language contained in our budget resolution mimics the language of the Tax Code Termination Act. Thirty-eight Members of the Senate are cosponsoring it; 154 Members of the House. It is responsible language that will force this Congress to act. It will force the national debate, it will force a consensus, and it will force us to make a decision.

We can do better and the American people deserve better. We need to set a sunset for this Tax Code.

Mr. LAUTENBERG. If the discussion on the amendment is done, I yield myself 2 minutes off the bill.

Mr. DOMENICI. I thought we weren't going to do that. We entered a unanimous consent agreement that we couldn't do that. Or did we say we would only do it for ourselves?

Mr. LAUTENBERG. I guess that is what I thought we said, but it is like the Senator made a mistake and thought 7 o'clock was 9 o'clock.

Fair enough.

Mr. DOMENICI. How many seconds do I have?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMENICI. I gave him 40 seconds and you said I had 57 seconds.

The PRESIDING OFFICER. Time was counting as the Senator was asking the question.

Mr. LAUTENBERG. Thirty seconds apiece.

Mr. DOMENICI. Thirty seconds apiece.

Mr. LAUTENBERG. In my 30 seconds, by unanimous consent, Mr. President, I say that it is important to note that in a March 13, 1998, letter to the Budget Committee, Chairman ROTH wrote, "I believe a comprehensive overhaul of the Tax Code should be in place before any action is taken to sunset the existing Tax Code."

I rest my case.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Senator DORGAN proposed to us, and I think to the American people, that he is not for reform and he likes the current tax system. Unless that is the case, then it seems to me he would at least permit those who write the tax laws to try to write a new one that is better than this one.

My question is, do you like the Tax Code the way it is? Do you like tax reform, which has never been passed yet? We don't know what it will be, except it will be better than this one.

The PRESIDING OFFICER. All time has expired.

Mr. DORGAN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2170

Mr. ALLARD. I ask the pending amendment be laid aside and I ask to call up amendment No. 2170.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> Amendment numbered 2170, previously proposed by the Senator from Colorado [Mr. ALLARD].

Mr. ALLARD. Mr. President, the purpose of the Allard amendment, which we did debate last night—I brought it back to continue the debate this evening—is to explain just how easy it is for us to make a commitment to pay down the debt by making some commitment of revenue flow for that sole purpose.

I have a chart with a provision called the ''American Debt Repayment Act.'' Basically, what it does is take the budget bill, the 5-year plan we have before us, take the revenues, and say we don't spend it, we save it to pay down the debt, and after 5 years we will take $11.7 billion, less than 1 percent of the total budget allocated over 30 years, and we will eliminate the debt by doing that.

The American family today, when they take out their largest loan—usually to buy a new home—has a 30-year mortgage. I am just saying that we can make a minimal commitment from the budget and we can pay off this debt within 30 years. That is the reason I propose my amendment, because I want this body to make a minimal commitment to paying down the debt.

When you do this, several things happen. First of all, there is tremendous savings on interest, some $3.7 trillion in interest over that 30 years that is saved that can be used for other programs, whether it is tax cuts or whether it is additional spending. I am not in favor of additional spending. I think tax cuts is the way to go, but the money is there to do it. We do this with this commitment, and yet when we do that we still let our budget grow traditionally at the rate it has been growing in the past.

We are really not making a sacrifice but we are making a commitment, if we pass this Allard amendment, to help pay off the debt. If we pay off the debt in 30 years, that gets us out to year 2027, 2028. If that has a familiar ring, let me remind Members that is the same date that many economists predict Social Security will be bankrupt. So this is a key first step in us being able to address some very serious problems that we are faced with today, and that is a Social Security that is getting ready to go bankrupt, a Medicare system that is even in worse shape than the Social Security system. This frees up revenue to address those kinds of problems.

I asked the chairman of the Federal Reserve when he testified before the Banking Committee, Alan Greenspan, if he would comment about paying down the debt. He said he agrees that paying down the debt or eliminating the Federal debt would have several positive impacts on Social Security reform. I will quote his testimony before the Senate Banking Committee on the 25th of February:

> The notion to pay down the debt creates a very large amount of savings in the system, a very big window to do a lot in the area of Social Security, if you go that direction.

In a letter that I received from Alan Greenspan on March 26, 1998, he said: ''Budget surpluses will not by themselves make the current structure of Social Security taxes and benefits viable over the long run. Assuring payment of intended benefits beyond that date will require some statutory adjustments to Social Security receipts and or benefits.'' So he does recognize that there is definitely a correlation between Social Security reform and making a commitment to pay down that debt.

I will comment about the impact of paying off the debt on the total economy. Again, I will quote the Chairman of the Federal Reserve, Alan Greenspan, when he testified before the Senate Banking Committee, again on the 25th of February. In regard to the economy he says: ''The means by which you pay off the debt is to run very substantial unified budget surpluses. What happens when you do that is you shift the issue of debt from the public to the private sector. I think there are very major benefits from that occurring.''

So I think there is a lot of support from people who really know about the budget, know about the economy, know about Social Security, about this, and there are a lot of Americans who support the idea we ought to be paying down the debt. I think the Senate ought to show a similar commitment to pay down this huge debt, which is somewhere around $5.6 trillion.

I have on the floor with me a colleague, and I yield 8 minutes to the Senator from Wyoming to talk about paying down the debt.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I rise to express my support for the common sense amendment, No. 2170, which would pay down the national debt.

When Congress was in session, and on most weekends, I traveled thousands of miles throughout the vast State of Wyoming. I polled people on what they think is the most important thing we can be doing with their money. I consistently heard many people say, ''If there's a surplus, pay down the debt.'' I have to tell you, they don't quite believe in the surplus we keep talking about back here because they understand Social Security. But they don't want us squandering it on new spending and new ideas.

If recent CBO statistics hold true, we should see a budget surplus of $8 billion in fiscal year 1999—not counting Social Security. However, we did not get to this point by exercising fiscal constraint. We still spend too much. We spend about $1.7 trillion every year. I voted against the spending portion of the balanced budget amendment of 1997 because it seemed clear to me that more could have been done to cut down the size and scope of the Federal Government. We could have enacted more meaningful entitlement reform. We could have gotten the fiscal house in order faster. If not for the unexpected revenues that came as a result of 7 years of economic expansion, we would not be close to eliminating that deficit today.

Just the interest that we are now paying on the Federal debt has reached about 15 percent of the total budget outlays. That amounts to about $250 billion that cannot be used for education or military readiness or national defense. The only way we can cut down on the amount and percentage of interest paid is to reduce the Federal debt.

This amendment will accomplish just that. It will set Congress on a path of fiscal responsibility and will require a 30-year pay down of the Federal debt. In the past few months, I have seen a unique attitude transformation take place in this city. Even though a budget surplus or zero deficit, only estimated, has not yet occurred, the administration did not hesitate to offer around $100 billion worth of new or expanded programs that would easily create a larger deficit in the proposed balanced budget. It seems their eye for spending is still bigger than the taxpayers' wallet.

Even though the economy is strong, I am surprised that so few in Congress are concerned about what we, as a nation, are in danger of passing on to our children and our grandchildren. It seems we are tied to the immediate gratification we receive from spending more money that we don't have, that we don't see the danger that looms in the not-too-distant future if we don't stop spending on credit with reckless abandon. That danger is a massive Federal debt and the changing demographics that will place a tremendous amount of pressure on young taxpayers who, if no change is made with the entitlement programs, will see a bankrupt Social Security and Medicare system and a mountain of high debt and an economy so weak that there will be no hope of passing it off—paying it off; we are trying to pass us off.

Somehow we have convinced ourselves that we deserve these benefits and we will it to our children to figure out a way to pay for them. Throughout the debate in the budget resolution it becomes even more evident that it does not matter whether the economy is performing at record highs or lows, some Members of Congress will always propose more spending and more programs. I have heard numerous excuses this week of why we should spend more of our Federal dollars.

There seems to be a belief that no matter how much we spend, we are not spending enough for the American people. Before I came to Washington as a Senator, I knew we had a plethora of Federal programs. Now that I am here, however, I am even more astounded at the number of programs available for nearly everything and everyone under the sun. But some still believe the Federal Government is not doing nearly enough to help those in want or need, or more.

It is very short-sighted to believe that our children or grandchildren will not be left with the bill that is accruing. Do we ever stop to think what the possible consequences are before we propose a program expansion or creation? The Allard amendment would require us to focus on our priorities. It would help us focus on a limited, less-expansive Federal Government. A limited, responsive Federal Government is what the people of Wyoming expect from any government, whether at the State, local or Federal level. They and the other American people deserve a disciplined Federal Government. This amendment will help Congress focus on limiting the scope of Government.

With a Federal debt of over $5.5 trillion, we must run budget surpluses not just for 1 or 2 years, but for 30 or more years to pay off the debt. I believe the administration and Congress should heed the words of Federal Reserve Board Chairman Alan Greenspan. He noted in his testimony in the Senate Budget Committee on January 29, 1998, that we should be cautious in our spending because Federal revenues are not guaranteed and may fall short of expectations. He, again, advised that we should be aiming for budgetary surpluses and using the proceeds to retire the outstanding Federal debt. He mentions how that will help the economy and save Social Security.

The Allard amendment follows the advice of Chairman Greenspan. It requires budgetary surpluses every year, with these surpluses going toward payment of the Federal debt. These payments would amortize the debt over the next 30 years, similar to mortgage payments on a $5.5 trillion mansion. Anybody who purchases a house must pay the mortgage that accompanies it. Why should the Federal Government be exempt from a similar requirement? It is the ethical thing to do and it just makes sound economic sense. Yes, we bought a house for ourselves and our kids and our grandkids, and we will pass on the house and we will pass on the debt. But let's be sure that we are current on the payments.

The Allard amendment will not take money from the Social Security system. To the contrary, it will extend the life and solvency of the Social Security system and other entitlement programs. The best way to shore up Social Security is to pay down the national debt while we work on reforms to the system.

Now is the time to start making those mortgage payments and to begin to chip away at the mountain of debt. It is irresponsible, reckless, and selfish to wait any longer. Any delay will further jeopardize the national security and economic freedom of our Nation and our children. Some may ask if we can afford to do this now. In response, I will borrow the words of President Ronald Reagan: ''If not now, when? If not us, who?''

I urge my colleagues to support the Allard-Enzi amendment.

Mr. ALLARD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes 15 seconds remaining.

Mr. ALLARD. Mr. President, I reserve the remainder of my time and yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I watched with interest the development of this amendment and the others that we heard over the last couple days. It seems like there is a testimonial here to Alan Greenspan. He is a very smart guy, and I will tell you how I know how smart he is. He used to be on the board of my company, and when I left to come to the Senate, he was still on the board of my company. He didn't leave there until he was chosen to be chairman of the Fed. At that point, he could not stay and continue enjoying the private side of things. It was very nice.

He is a very bright guy. At our board meetings, everybody used to listen so attentively to what Alan said. Fortunately, in this country of ours, there are lots of smart people. It doesn't mean that he is wrong, but it means that others can have a differing view. I think that this amendment—and I am not putting myself in his league, I must tell you; but we talked to economists, too, and we see a problem with this.

This amendment would establish a point of order against any budget resolution in which revenues do not exceed outlays for any given year. We are considering a budget resolution today. There would be a point of order against any budget resolution in which revenues do not exceed outlays for any given year. Well, this amendment would lock us into a rigid formula for fiscal policy, threaten to make future recessions more severe, jeopardize our national security—I don't use these words casually—and deprive the Nation of needed investments in our future well-being.

We all know that reducing the Federal debt is an important goal of fiscal policy. I don't think it is unknown that our President, President Clinton, is a very strong advocate of doing that. He proposed using any surpluses to pay down debt and, yes, to shore up Social Security, which it does at the same time—pay down that. That is what the President said, ''I am not going to let you tinker with that. If I have anything to do about it, I don't want you to use that money for anything but paying down the debt.'' So we have a common goal here, but it should not be pursued to the exclusion of all other worthy goals.

If this amendment were to pass, it would make future recessions deeper by eliminating the budget's ability to stabilize the economy automatically. We use it that way—perhaps to the surprise of some—and when an economic downturn hits, tax revenues go down automatically and spending for unemployment benefits increases automatically. That is the way, frankly, I think it should be. The budget's automatic response helps to offset some of the economic pain and to shorten the recession's duration.

Handcuffing our fiscal policy in times of economic crisis, as this amendment would do, risks turning recessions into depressions. As one who lived through the Great Depression myself, I know very well what that would mean to our Nation. I know what it did to help my family, the only time—other than the GI bill—that we had to reach out. My father was humiliated when his job was finally lost in the Depression and he had to go to work for the WPA, a Government program. It was embarrassing to him, but that was the only way he could see to try to support his family. That is the way it happens in times of stress like that.

So when I look at what is being proposed here, I say thank goodness we have the capacity in times of need to make changes. For instance, the Allard amendment doesn't just pose a threat to our economic security; it also jeopardizes our national security. The cold war may be over, but that doesn't mean we won't face serious new military threats in the future. What would happen if America confronted an enemy that was building up its military in preparation for conflict? We would not be able to arm ourselves to meet the challenge because of this fiscal straitjacket.

I know that the Senator from Colorado wants to do the right thing and, again, we share a goal, but the approach is radically different. The Allard amendment does include an exception in matters of Defense, when a declaration of war is in effect. There is very significant meaning to those few words. We faced a variety of major military challenges since war was last officially declared, and the year was 1941. This amendment, in those several times, would have tied our hands behind our backs. I also say to Senators who care about public investment that this amendment could prevent us from providing prudently for our future.

Here is an example: If Congress were to decide that it's important to make significant new investments in our telecommunications infrastructure or our transportation infrastructure and we wanted to amortize the cost over several years, even though we don't have amortization formally in our financial statement, the Allard amendment would create a new roadblock. I want to say especially to our friends on the other side of the aisle who believe that tax cuts underwrite our future prosperity, this amendment would also make it more difficult to enact tax cuts.

My point is not at all to advocate huge, new tax breaks. But I want to highlight the fact that this amendment will tie everybody's hands behind our backs and limit flexibility for Senators on all sides of the ideological spectrum. We have eliminated the deficit, restored fiscal discipline, and helped create the strongest economy in decades—maybe retroactively we are going to say it has been the strongest decade ever. We have done it all without procedural gimmicks that limited our flexibility. We did it the old-fashioned way, with hard work and hard choices. That is the way I think we ought to do it now and in the future. There is just no need for this kind of rigid rule.

I urge my colleagues to oppose this amendment. I think it would be a huge mistake. It could wreak havoc on our economy, could weaken our national security to a dangerous point. It could impede our ability to make needed investments either directly or through the Tax Code.

Mr. President, at the appropriate time, I intend to raise a point of order against this amendment. It is not germane. If the proponents of the amendment move to waive my point of order, I hope my colleagues will vote no on the motion to waive.

With that, I yield the floor.

Mr. ALLARD addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I would like to summarize and make sure that any opposition to my amendment has had an opportunity to speak. When they are finished, I would like to make concluding comments, if I might.

Mr. LAUTENBERG. Mr. President, I can't promise that. If we have time left, we will use it. It is there now for the proponents to make their case.

Mr. ALLARD. Mr. President, it is my understanding that we have 2 minutes remaining on our time.

The PRESIDING OFFICER. The Senator is correct. The Senator has 1 minute 31 seconds. The opponents have 7 minutes 38 seconds.

Who yields time?

If neither side yields time, time runs equally.

Mr. ALLARD. Mr. President, I would like to have an opportunity to summarize my remarks. I ask that my opposition yield back the remainder of their time so I can summarize my comments.

Apparently, they don't want to do that. I will briefly make comments so that we can move along.

First of all, we heard many arguments about voting against the balanced budget amendment. Those who voted against the balanced budget amendment said that we should not tie down the hands of the Senate, the Senate should have the discipline in order not to go into deficit spending. My argument has been that the Senate—I have always supported it because I never felt the Senate, although well-intentioned, would ever allow that to happen. We are asking for a simple amendment to pay down the debt, and one of the arguments made against this is that it may raise a point of order if the Senate goes into deficit spending. Most of us, I think, in this Chamber agree that we should not have deficit spending. So it points out again how very important it is to have these types of plans before us if we really are serious about eliminating deficit spending and pay down the debt. If we want a secure economy and we want to make sure that our children and grandchildren have a secure future and we want to continue to see economic growth, the way we do that is to make a commitment to pay down the debt. So I am here to ask for an aye vote on the Allard amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, the pending amendment is not germane and I, therefore, raise a point of order that the amendment violates section 305(b)(2) of the Congressional Budget Act.

Is the time available all on our side?

The PRESIDING OFFICER. Having made the point of order, all time has elapsed.

Mr. DOMENICI. Mr. President, if the Senator from Colorado is not going to move to waive, I will.

Mr. ALLARD. I was going to do that, but the chairman can do it.

Mr. DOMENICI. Mr. President, I move to waive the Budget Act, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2195

Mr. LAUTENBERG. Mr. President, I call up amendment No. 2195.

Mr. President, I want to point out that we have the following cosponsors on our amendment. They include Senators DASCHLE, KERRY, BAUCUS, BINGAMAN, BOXER, GRAHAM, MOYNIHAN, LEAHY, REID, WYDEN, LIEBERMAN, AND MURRAY.

Mr. President, this amendment would establish a reserve fund that would allocate funding from a reinstated Superfund tax on polluters for several important environmental initiatives.

Mr. President, President Clinton has made environmental protection a top priority. And the American people agree with that. Americans feel strongly about the need to keep our water and air clean, and our national parks well maintained. And, in my view, they're right.

The President has urged that several related environmental initiatives be funded by reinstating the Superfund tax on polluters. But the resolution before us largely rejects this approach. It does allow for spending up to $200 million next year from this tax, if it is reinstated, and if the reinstatement is part of broader Superfund reauthorization legislation.

However, the Superfund tax raises $1.7 billion per year. And the Resolution would allow the extra $1.5 billion per year to be used for purposes that have nothing to do with environmental protection.

By contrast, my amendment would use these environmental taxes for environmental objectives.

My proposal largely incorporates the President's Environmental Resources Fund for America, as proposed in his budget.

Under the proposal, revenue from a reinstated Superfund tax could be used for a variety of environmental priorities. These include, but are not limited to the following: cleanup of hazardous waste sites; clean water initiatives to assist states in protecting waterways from polluted runoff; construction and maintenance for our deteriorating national parks, forests, refuges, public lands and tribal schools; and purchases of valuable natural resources through the Land and Water Conservation Fund.

The funding for hazardous waste cleanup would increase the Superfund budget by 40%. This would double the pace of cleanups, bringing the total number of cleanups to 900 by the end of 2001.

Let me be clear, also, that this amendment does not raid the Superfund program to pay for other initiatives. Under the amendment, we would still appropriate more money for hazardous waste cleanup than is collected from the Superfund tax, as has been our practice in the past.

Mr. President, let me take a moment to highlight the Clean Water and Watershed Restoration Initiative. Today, the major source of pollution of our rivers, lakes and other sources of drinking water is not industry, and it's not municipal sewage treatment plants. It's polluted runoff from our cities and farms.

This program would provide funds—not to increase the federal bureaucracy—but to aid states and localities in their efforts to address this problem.

Mr. President, I want to emphasize that this amendment would not increase the deficit or reduce a surplus by one penny. It's entirely deficit neutral.

I would also note that the amendment is broad enough to allow the appropriate committees to make the specific decisions about where this additional $1.5 billion per year would be spent. The amendment does not limit the committees to the particular proposals in the President's budget. Rather, it allows them flexibility to shape programs based on their needs and priorities when the Superfund tax is passed.

I would note that the amendment is supported by the League of Conservation Voters, the Natural Resources Defense Council and the American Planning Association.

In conclusion, Mr. President, the American people want us to protect the environment and to protect our investments in our national parks, refuges and forests. This amendment could go a long way toward meeting these goals in a deficit-neutral manner. I hope my colleagues will support it.

We have a letter from the Council on Environmental Quality responding to our request for administration views on the proposed amendment.

Please be assured that the Administration strongly supports your efforts to secure adequate funding for pressing environmental challenges facing this country.

I submit that and the letter from the League of Conservation Voters, as well as a letter signed by 44 environmental groups.

Mr. President, I ask unanimous consent they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, COUNCIL ON ENVIRONMENTAL QUALITY,
Washington, DC, April 1, 1998.

Hon. FRANK LAUTENBERG,
Ranking Member, Senate Committee on Budget, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR LAUTENBERG: I am writing in response to your request for the Administration's views on your proposed amendment to the Senate budget resolution. Please be assured that the Administration strongly supports your efforts to secure adequate funding for pressing environmental challenges facing this country.

As you are well aware, the President's Fiscal Year 1999 budget proposes significant investments to protect our environment and public health. It would accelerate Superfund cleanups, provide new resources for the President's Clean Water Action Plan, and continue our efforts to restore and protect our national parks and other public lands.

Despite your efforts in the Budget Committee, however, the resolution now before the Senate fails to provide adequate funds for each of these priorities. The effect of the resolution would be quite serious. It would jeopardize public health by delaying cleanup of Superfund sites in communities across the country. It would significantly limit nationwide efforts to curb polluted runoff, the largest remaining threat to the health of our lakes, rivers and coastal waters. And it would hamper our ability to repair deteriorating infrastructure at national parks and other facilities, posing a threat to the health and safety of visitors and workers.

Your proposed amendment to correct these deficiencies by securing $1.7 billion in Fiscal Year 1999 and a total of $7.4 billion over five years is consistent with the Administration's budget request. Furthermore, it is important to note that your amendment is budget-neutral because it would ensure that reinstatement of the Superfund tax is committed to these environmental priorities.

The Office of Management and Budget advises me that this letter is consistent with the President's program.

I greatly appreciate your effort to ensure that these vital environmental priorities are met.

Sincerely,

KATHLEEN A. MCGINTY,
Chairman.

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, March 30, 1998.

U.S. Senate,
Washington, DC.

Re Senate Concurrent Resolution 86, Supporting the Lautenberg amendment to fund environment and national resource protection.

DEAR SENATOR: The League of Conservation Voters is the bipartisan, political arm of the national environmental movement. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide and the press.

Last year's balanced budget agreement contemplated decreasing spending every year until at least 2003 for natural resources and environmental programs. The American public has made clear that clean water, our public lands, fisheries and wildlife management, and other environmental programs require a higher priority than was reflected in this agreement.

During consideration of the Budget Resolution, S. Con. Res. 86, LCV urges you to support an amendment by Senator Lautenberg (D-NJ) that would restore funding for critical environment and natural resource programs that were proposed in the President's budget but omitted from the Resolution. This amendment would address the following crucial environmental initiatives.

The Clear Water Action Plan, which will provide increased resources to states, tribes and individuals in order to address polluted runoff from urban areas, agriculture, mining and other sources.

A continuation of funding for the Drinking Water and Clean Water State Revolving Loan Funds which will help to ensure that our drinking water and wastewater treatment infrastructure can meet water quality and public health needs for the next century.

The Land, Water and Facility Restoration Initiative, which provide increased funding for ''Safe Visits to Public Lands'' and ''Supporting the Land and Water Conservation Fund Vision''.

An increase in funding to continue progress in cleanups at Superfund sites around the nation, where many communities have been waiting for over a decade to have toxic and hazardous sites restored to safety.

In addition, LCV urges you to support any amendments to address the following:

We understand that an amendment may be offered to reduce or eliminate the existing tax subsidy for mining on public and patented lands—known as the percentage depletion allowance.

The Budget Resolution assumes that landowner incentives programs for endangered species would be funded from the proceeds of the sale of public lands under the Interior Department's Bureau of Land Management. This proposal would set an unacceptable precedent regarding the sale of public lands and would fail to provide a sustainable, long-term revenue mechanism for endangered species protection.

America's land, water, fish, wildlife and plants are irreplaceable natural assets that belong to, and benefit, our entire nation; their protection and stewardship warrant the modest increase in funding that Senator Lautenberg's amendment would allow. LCV's Political Advisory Committee will consider including votes on S. Con. Res. 86 in compiling LCV's 1998 Scorecard. Thank you for your consideration of this issue. If you need more information please call Paul Brotherton in my office at 202/785–8683.

Sincerely,

DEB CALLAHAN,
President.

March 27, 1998.

SUPPORT THE LAUTENBERG AMENDMENT TO FUND ENVIRONMENT AND NATURAL RESOURCES

Attention: ENVIRONMENTAL LA.

DEAR SENATOR: On behalf of the undersigned organizations, we strongly urge your support for the amendment to the Budget Resolution, S. Con. Res. 86, that will be offered by Senator Lautenberg during Floor consideration. Senator Lautenberg's amendment would provide funding for critical environment and natural resource programs proposed in the President's budget. America's land, water, fish, wildlife, and plants are irreplaceable natural assets that belong to, and benefit, our entire nation; their protection and stewardship warrant the modest investment of funds that will be provided by Senator Lautenberg's amendment.

Some of these crucial environmental initiatives fall under the President's proposed Environmental Resources Fund for America and include:

The ''Clean Water Action Plan'', which will provide increased resources (a total of $568 Million for this multi-agency initiative) to States, tribes and individuals in order to address polluted runoff from urban areas, agriculture, mining and other sources. Polluted runoff is the single biggest cause of water quality impairment in the nation today. The ''Clean Water Action Plan'' will help to reduce its impacts through improved coordination among different levels of government and through increased spending to help farmers and other individuals improve their water quality management practices.

A continuation of funding for the Drinking Water and Clean Water State Revolving Loan Funds (a total of $1.875 Billion for both) which will help to ensure that our drinking water and wastewater treatment infrastructure can meet water quality and public health needs for the next century.

The ''Land, Water and Facility Restoration Initiative'', which provides increased funding for ''Safe Visits to Public Lands'' and supports the ''Land and Water Conservation Fund (LWCF) Vision''. ''Safe Visits to Public Lands'' would begin to address the critical multi-billion dollar maintenance backlog on our public lands by providing a $92 Million (eight percent) increase in funding to repair and refurbish the aging infrastructure in our national parks, forests, wildlife refuges and other public lands. Supporting the ''LWCF Vision'' would provide a 43% increase in LWCF spending over the next five years to continue acquisition and permanent protection of key land, water, and open space resources for future generations. Even this modest increase still falls far below the level of $900 Million authorized yearly for LWCF.

An increase in funding to continue progress in cleanups at Superfund sites around the nation, where many communities have been waiting for over a decade to have toxic and hazardous sites restored to safety. The Environmental Resources Fund for America proposes $2.1 Billion in spending, which would be a forty percent increase over 1998.

In addition, the Senate Budget Resolution does not include crucial FY99 increases requested for the Fish and Wildlife Service (FWS). The Lautenberg amendment would provide funding for these increases including:

An increase in funding for Enhancing Endangered Species Act (ESA) Efforts. In the last five years, the number of listed U.S. species has doubled and a growing number of species require management to survive. The requested increase will allow the FWS to carry out necessary activities to conserve species, to provide more efficient implementation for regulated interests, and to offer new incentives for private landowners. The FY99 increase for FWS is $38.8 million.

An increase in funding for FWS National Wildlife Refuge System Operations. The nearly 93 million acre National Wildlife Refuge System is the only federal public lands system dedicated primarily to the conservation of fish and wildlife; yet chronic and severe funding shortfalls threaten its mission. The requested $15 Million increase for FY99 would take a small step in addressing the current $410 Million shortfall in operating needs.

Last year's balanced budget agreement contemplated decreasing spending every year until at least 2003 for natural resources and environmental programs. The American public has made clear that clean water, stewardship of our public lands, fisheries and wildlife management, and other environmental programs require a higher priority than was reflected in this agreement. At the same time, we would be happy to work with the Senate to weed out environmentally destructive spending that would more than pay for the funding increases reflected in the Lautenberg amendment to fund environment and natural resources.

A 'yes' vote on the Lautenberg Amendment will send a clear signal of your support for protection of the environment and public health, and in particular for clean water, vibrant public lands, and protection of species and habitat. Thank you in advance for your support.

Sincerely,

David Younkman, Executive Director, American Oceans Campaign, Washington, DC; Rebecca R. Wodder, President, American Rivers, Washington, DC; Roger E. McManus, President, Center for Marine Conservation, Washington, DC; Roger Schlickeisen, President, Defenders of Wildlife, Washington, DC; Fred D. Krupp, Executive Director, Environmental Defense Fund, New York, NY; Brent Blackwelder, President, Friends of the Earth, Washington, DC; Paul Hansen, Executive Director, Izaak Walton League of America, Gaithersburg, MD; John Flicker, President, National Audubon Society, New York, NY; Thomas C. Kiernan, President, National Parks & Conservation, Association, Washington, DC; Mark Van Putten, President & CEO, National Wildlife Federation, Washington, DC; John H. Adams, Executive Director, Natural Resources Defense Council, New York, NY; Robert K. Musil, Executive Director, Physicians for Social Responsibility, Washington, DC; David Burwell, President, Rails to Trails Conservancy, Washington, DC; Carl Pope, Sierra Club, Executive Director, San Francisco, CA; Will Rogers, President, The Trust for Public Land, San Francisco, CA; Gene Karpinski, Executive Director, U.S. Public Interest Research Group, Washington, DC; William H. Meadows, President, The Wilderness Society, Washington, DC; William M. Eichbaum, Vice President, US Conservation and Global Threats World Wildlife Fund, Washington, DC; Becky Cain, President, League of Women Voters, Washington, DC; Jackie Savitz, Executive Director, Coast Alliance, Washington, DC; Jason E. Klein, President, The Outdoor Company, Field & Stream and Outdoor Life, New York, NY; Steve Moyer, Vice President, Conservation Programs, Trout Unlimited, Arlington, VA; Liz Raisbeck, Watershed Program Manager, River Network, Washington, DC; Michael F. Hirshfield, Ph.D., Vice President, Resource Protection, Chesapeake Bay Foundation, Annapolis, MD; Jim Jontz, Executive Director, Western Ancient Forest Campaign, Washington, DC; Frank So, Executive Director, American Planning Association, Washington, DC; William R. Neil, Director of Conservation, New Jersey Audubon, Bernardsville, NJ; Robin Cunningham, Executive Director, Montana River Action Network, Bozeman, MT; Judith D. Petersen, Director, Kentucky Waterways Alliance, Munfordville, KY; Ralph H. Goodno, President, Merrimack River Watershed Council, Lawrence, MA; Barry Nelson, Senior Fellow, Save the San Francisco Bay Association, San Francisco, CA; Mark Davis, Executive Director, Coalition to Restore Coastal Louisiana, Baton Rouge, LA; Peter Shelly, Vice President, Conservation Law Foundation, Boston, MA; John Atkin, Executive Director, Save the Sound, Inc., Stamford, CT; Lisa Carey, Coordinator, Long Island Sound Watershed Alliance, Stamford, CT; Todd Miller, Executive Director, North Carolina Coastal Federation, Newport, NC; Peter Clark, Executive Director, Tampa Bay Watch, Tampa, FL; Kathy Fletcher, Executive Director, People for Puget Sound, Seattle, WA; David W. Bott, Executive Director, West Virginia Rivers Coalition, Elkins, WV; Cynthia Chapman, Executive Director, Frontera Audubon Society; George Lea, President, Public Lands Foundation; Norene Chase, Local Conservation Chair, Big Bend Sierra Club, Tallahassee, FL; Nancy Backstrand, Friends of the Santa Margarita River, San Diego County, CA; and Marion Sizemone, Environmental Programs, Wyandotte Tribe of OK, Wyandotte, OK.

[From the New York Times, March 1, 1998]

A PROMISING CLEAN WATER STRATEGY

The 1972 Clean Water Act has been the most effective of all the landmark environmental measures enacted in the early 1970's. But while it has done a good job of controlling pollution from so-called "point sources" like factories and waste treatment plants, the act has failed to stem poisonous runoff from "non-point" sources like farms and city streets. This runoff is the main reason why nearly 40 percent of the nation's lakes and streams remain unfishable and unswimmable.

The Clinton Administration has now offered a strategy to remedy this flaw. Given the hostility of this Congress to new environmental legislation, the President has chosen to attack the problem with a series of administrative actions by the Environmental Protection Agency, the Interior Department and other agencies. But Congress will be asked to provide about $2.4 billion in new money over five years to make the plan work. We urge it to do so. This is a modest, common-sense strategy that merits bipartisan support.

For the first time, the plan would establish enforceable limits on runoffs of nitrogen and phosphorus—two destructive nutrients found in fertilizers, sewage and animal wastes. At the same time, Washington would make available hundreds of millions of dollars to states and individual landowners to pay for setting aside land for stream buffers that prevent the nutrients from entering the water in the first place. These nutrients have been linked not only to outbreaks of Pfiesteria piscicida, a fish-killing microbe, in Maryland and North Carolina, but also to the 6,000-square-mile "dead zone" of oxygen-depleted water in the Gulf of Mexico.

The plan would also impose new restrictions on huge corporate farming operations that generate mountains of waste that are typically stored in "lagoons" the size of several football fields. These gigantic pits, which sometimes overflow during rainstorms, would be regarded as "point sources" subject to regular inspections and, when violations occur, heavy fines.

Another ambitious element of the plan seeks to add 100,000 acres a year to the nation's declining inventory of valuable wetlands. To do so, however, the Administration must win the cooperation of the Army Corps of Engineers, which oversees wetlands policy and has been parceling out the land bit by bit to developers. One of the more attractive features of the Clinton strategy is that it promises to involve every Federal agency in the fight for cleaner water. Without the corps, the strategy will be incomplete.

[The Washington Post, March 3, 1998]

THE PRESIDENT ON CLEAN WATER

The Country's leading water pollution problem is no longer the industrial and municipal waste that flows from particular pipes but the elusive agricultural and urban runoff that accumulates across entire watersheds. The Clean Water Act provides only indirect authority to deal with it, and the current Congress is hardly likely to strengthen the relevant provisions. In the last Congress, House Republicans tried instead to weaken them. The clean-water initiative the president announced the other day is thus an effort to make the most of a limited arsenal. Within those limits, it does a reasonable job.

The government will use existing authority to set new standards for nutrients in lakes, streams and estuaries—the nitrogen and phosphorus that are byproducts of agricultural operations especially. Excessive amounts do harm. The states are then meant to apply the standards to water within their jurisdiction, and to draw up plans to reduce them where required. If the plans are too weak, the Environmental Protection Agency can disapprove them, but it lacks the power to enforce them except indirectly if the states default. The administration seeks to fill the enforcement hole with financial inducements both to the states and to farmers to reduce the spread of the pollutants. It has assembled a fairly impressive package of money, much of it from existing programs. Some of the largest are in the Agriculture Department, including the mighty Conservation Reserve Program which each year pays farmers to idle vast amounts of vulnerable land across the country and now supports such things as water quality projects as well.

Watersheds extend across state boundaries, and the president's initiative includes some fuzzy talk about the need for interstate cooperation. Among much else, a program embracing an entire watershed can liberate states from the fear that if they take strong action, neighboring states may use weaker environmental standards to lure away industry. That's part of the argument that Congress has ignored for a stronger federal law. The administration uses what it has—mostly words and a little money—to push in this useful direction.

The initiative also promises, again a bit fuzzily, to convert the current annual loss of wetlands across the country into a net gain within a few years. Exactly how is left unclear. The last time anyone looked, the Corps of Engineers was proposing to ease the rules under which developers and others are allowed to invade wetlands. This would mark a more aggressive policy, if it occurs. Likewise, there is a promise to do a better job of managing the government's own lands. Because the government is such a large landowner, this would be important.

This administration generally has pushed in the right directions on environmental issues. But its penchant for show over substance—this report trumpets "more than 100 major new actions"—often gets the best of it. Many of these are neither major steps nor new. We hope they take them anyway.

Mr. LAUTENBERG. Mr. President, in conclusion, the American people want to protect the environment and to protect our investments in our national parks and refuges and forests. This amendment could go a long way toward meeting these goals in a deficit-neutral manner.

I urge my colleagues to support it.

I yield the floor.

Mr. DOMENICI addressed the Chair.

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

Mr. DOMENICI. Mr. President, I rise in opposition to the proposal by the distinguished Senator from New Jersey.

At the appropriate time I will raise a point of order.

First, let me say that this proposal exceeds the spending caps set in the balanced budget amendment by $600 million in budget authority, and $900 million in outlays.

The budget before us assumes $1 billion in additional spending over 5 years of the Superfund as originally agreed upon in the balanced budget amendment.

The budget resolution provides $1.4 billion in budget authority, and $1.3 billion in outlays to fund critical construction programs within the Corps of Engineers rejecting the proposal of the President to cut it 47.4 percent.

It fully funds the President's request for National Park Service operations at $1.3 billion; $1.2 billion in outlays. It fully funds the President's request for the National Oceanic and Atmospheric Administration, NOAA, with $2.3 billion in budget authority; $2.19 billion in expected expenditures.

It assumes funding for the Landowner Incentives Program of the pending Endangered Species Recovery Act, a step forward for both the environmental community and private owners and protecting the Nation's endangered species.

It rejects the President's proposed reductions in the Environmental Protection Agency and tribal assistance grant funds; $2.7 billion above the President's budget over 5 years for clean water, drinking water, and targeted wastewater funds.

It provides $1.1 billion more in budget authority over 5 years than the alternative that was provided in the committee by the minority.

Frankly, when all of that is said and done, this is another one of these funds that is set up. The money that is going to be needed to do all the things that Senator LAUTENBERG contends should be done is not provided for, nor are cuts in programs provided for that would go into the fund.

I guess while it sounds good, I firmly believe that it will never really happen.

But, in all events, it is not germane. I will make that point of order as soon as time is available.

I yield any additional time that I may have.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, there is no additional spending that is provided for by virtue of the Superfund tax. These are not entitlements. We are talking now about direct appropriations. If the funds aren't there obviously out of this fund, out of this reserve fund, if money doesn't come in, it can't be spent. There were programs developed by the Environment and Public Works Committee. I assume the Senator is aware that we have finished a Superfund reauthorization bill out of the committee. I didn't support it. But it is due to come to the floor sometime after our recess. The committee has mandatory spending authority for minimum allocation for ISTEA, the orphans' share funding for Superfund, and funding for landowner incentives under the proposed Endangered Species Act. Under current law the committee has mandatory spending authority for the Wallop-Breaux Sports Fishery Act and other legislation.

So this isn't a casual proposal. It is going to be paid for by taxes that accrue to the Superfund reserve fund. It will be used for environmental purposes. That is what we are talking about. It is fairly simple. We offer the amendment, and we are ready to have it processed and hope that our colleagues will vote for it.

Mr. DOMENICI. Mr. President, I make a point of order that the pending amendment violates the Budget Act and is not germane.

The PRESIDING OFFICER. Until the time has been used or yielded, a point of order is not in order.

Mr. LAUTENBERG. I yield back my time.

Mr. DOMENICI. I yield all time back.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I make a point of order, as I previously indicated, that it violates the Budget Act and is not germane.

Mr. LAUTENBERG. I move to waive the point of order, and I ask for the yeas and nays on my motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2213, AS MODIFIED

Mr. DOMENICI. Mr. President, I call up the Bond-Mikulski amendment, as modified.

Mr. President, Senator BOND has argued this at length here on the floor of the Senate during the pendency of this budget resolution, and does not desire any time tonight.

I would merely indicate that amendment No. 2213, as modified, opposes the President's proposed reduction in elderly housing by expressing the sense of the Senate that the budget resolution levels for elderly housing programs shall be funded between 1999 and 2003 at no less than the 1998 level of $645 million dollars.

I yield any time that Senator BOND might have with reference to his amendment.

Mr. LAUTENBERG. We have no comment. We yield any time that we have in response.

Mr. DOMENICI. I ask for the yeas and nays on the Bond amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2205

Mr. DOMENICI. Mr. President, I call up the Durbin amendment, No. 2205.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Amendment numbered 2205, previously proposed by the Senator from New Jersey, Mr. LAUTENBERG, for Mr. DURBIN.

AMENDMENT NO. 2205, AS MODIFIED

Mr. DOMENICI. Mr. President, I send a modification of the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. DURBIN and Mr. KYL, proposes an amendment numbered 2205, as modified.

The amendment follows:

At the end of title III, insert the following:

SEC. ___. FINDINGS AND SENSE OF CONGRESS REGARDING AFFORDABLE, HIGH-QUALITY HEALTH CARE FOR SENIORS.

(a) FINDINGS.—Congress finds the following:

(1) Seniors deserve affordable, high quality health care.

(2) The medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) has made health care affordable for millions of seniors.

(3) Beneficiaries under the medicare program deserve to know that such program will cover the benefits that they are currently entitled to.

(4) Beneficiaries under the medicare program can pay out-of-pocket for health care services whenever they—

(A) do not want a claim for reimbursement for such services submitted to such program; or

(B) want or need to obtain health care services that such program does not cover.

(5) Beneficiaries under the medicare program can use doctors who do not receive any reimbursement under such program.

(6) Close to 75 percent of seniors have annual incomes below $25,000, including 4 percent who have annual incomes below $5,000, making any additional out-of-pocket costs for health care services extremely burdensome.

(7) Very few beneficiaries under the medicare program report having difficulty obtaining access to a physician who accepts reimbursement under such program.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the assumptions underlying the functional totals in this resolution assume that seniors have the right to affordable, high-quality health care, that they have the right to choose their physicians, and that no change should be made to the medicare program that could—

(1) impose unreasonable and unpredictable out-of-pocket costs for seniors or erode the benefits that the 38,000,000 beneficiaries under the medicare program are entitled to;

(2) compromise the efforts of the Secretary of Health and Human Services to screen inappropriate or fraudulent claims for reimbursement under such program; and

(3) allow unscrupulous providers under such program to bill twice for the same services.

Mr. DOMENICI. Senator KYL of Arizona is an original cosponsor. The amendment should be known as Durbin-Kyl.

Mr. President, Senator KYL and Senator DURBIN have cooperated on this amendment. There is no objection to it. We don't have to have a vote. I yield back any time there might be on the amendment.

Mr. LAUTENBERG. We yield back all time as well.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2205), as modified, was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2275

(Purpose: To express the sense of the Congress regarding a permanent extension of income averaging for farmers)

Mr. DOMENICI. Mr. President, Senators BURNS and BAUCUS have a new amendment. I send it to the desk and ask for its immediate consideration. I ask it be in order.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. BURNS, for himself and Mr. BAUCUS, proposes an amendment numbered 2275.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF CONGRESS REGARDING PERMANENT EXTENSION OF INCOME AVERAGING FOR FARMERS.

It is the sense of Congress that the provisions of this resolution assume that if the revenue levels are reduced pursuant to section 201 of this resolution for tax legislation, such amount as is necessary shall be used to permanently extend income averaging for farmers for purposes of the Internal Revenue Code of 1986.

Mr. DOMENICI. We have no objection to the amendment. We yield back any time we might have on the amendment.

Mr. LAUTENBERG. We yield back time. We have no objection.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2275) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2203

Mr. WYDEN. I appreciate the cooperation of the Chairman of the Budget Committee, Mr. DOMENICI, in working with me on this matter. My purpose in offering the original amendment in Committee was truth in budgeting. The truth I am seeking has been masked by inflation. With inflation being lower than anticipated, the CBO and GAO estimate there is as much as a $3 billion inflationary windfall surplus in the budget for 1999, and as much as a $26 billion surplus over the next five years. My concern is the American taxpayer never sees this inflationary windfall and probably doesn't even know it exists. The money is not accounted for by the agencies and is not returned to the taxpayer. Unfortunately, the windfall appears to end up as walk-around money in the pockets of bureaucrats. That is why I am pleased that together with the Chairman of the Budget Committee we will request the General Accounting Office to tell Congress by May 15 the exact amount of the inflationary windfall for FY99, how the agencies intend to use the inflationary windfall and how CBO can go about making this calculation for future years. Our request will also direct the GAO by August 15 to develop for us a methodology for correctly calculating inflationary estimates that is applicable to both defense and non-defense spending and how the agencies expect to use the additional funds. I ask unanimous consent to have printed in the RECORD the GAO's chart for FY99 Economic Adjustments as well as the CBO's March 24, 1998 letter to me on the inflationary windfall.

There being no objection, the material is ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 24, 1998.

Hon. RON WYDEN,
U.S. Senate, Washington, DC.

DEAR SENATOR: At your request, the Congressional Budget Office (CBO) has estimated adjustments to budget authority for defense programs, as allocated under last year's budget resolution for the 1999–2002 period, that would preserve its implied purchasing power for nonsalary expenses given the changes in CBO's estimates of inflation. Specifically, you asked us to adjust the year-by-year amounts in the budget resolution using actual inflation during 1997 and new estimates of inflation for the 1998–2002 period.

Last year's budget resolution called for defense budget authority of $271.5 billion for 1999 and $289.6 billion for 2002. A year ago, CBO projected that the chain-type price index for the Gross Domestic Product (GDP) would grow by an average of 2.5 percent a year during the 1997–2002 period. CBO currently projects that annual inflation, as measured by the GDP index, will grow by an average of 2.2 percent over that six-year period. Thus, the budget authority in last year's budget resolution could be reduced and still maintain the same inflation-adjusted levels.

Under its current inflation projection, CBO estimates that lowering last year's budget resolution for defense appropriations by $1.7 billion in 1999 and $9.8 billion over the 1999–2002 period would provide about the same level of real resources for nonsalary purchases as assumed a year ago for that period. Similarly, we also calculated adjustments for 2003 given the assumptions specified in your request. If last year's defense budget authority for 2003 was pegged at $297.8 billion, reducing that figure by $3.5 billion would maintain the purchasing power for nonsalary expenses. The enclosed table shows the adjustments to budget authority and the corresponding changes in outlays for the five-year period.

CBO does not attempt to forecast the prices of defense-related goods and services. Instead, we follow the common practice of using a general measure of inflation—The GDP price index—to adjust purchasing power. The lower growth in our inflation forecast stems from an unexpectedly rapid decline in import and computer prices and slower growth in medical care prices. Although these factors could affect defense-related purchasing power, the changes in assumptions for the growth in the GDP price index do not necessarily indicate a commensurate change in purchasing power for the defense budget.

If you have further questions, we will be pleased to answer them. The CBO staff contacts are John Peterson, who can be reached at 226–2753 for questions on price indexes, and Kent Christensen, who can be reached at 226–2840 for questions pertaining to their impact on the defense budget.

Sincerely,

JUNE E. O'NEILL,
Director.

INFLATION ADJUSTMENTS FOR BUDGET FUNCTION 050, NATIONAL DEFENSE

[By fiscal year, in billions of dollars]

	1999	2000	2001	2002	[2] 2003	Total
1998 Budget Resolution:						
Budget Authority [1]	271.5	275.4	281.8	289.6	297.8	1,416.1
Outlays	266.5	269.0	270.7	273.1	280.8	1,360.1
Adjustments to Reflect Current Inflation Projections:[3]						
Budget Authority	−1.7	−2.3	−2.7	−3.1	−3.5	−13.4
Outlays	−0.8	−1.6	−2.2	−2.7	−2.9	−10.2
Adjusted Levels:						
Budget Authority [1]	269.8	273.1	279.1	286.5	294.3	1,402.7
Outlays	265.7	267.4	268.5	270.4	277.9	1,349.9

[1] These figures represent funding for discretionary defense programs.
[2] The 1998 budget resolution contained budget authority and outlay levels through 2002. The amounts shown for 2003 correspond to the assumptions requested by Senator Wyden.
[3] These changes would keep inflation-adjusted funding for nonsalary expenses at the same levels assumed in the 1998 budget resolution. They use actual inflation in 1997 and CBO's current projection of the 1998–2003 period.
Note: Details may add to totals due to rounding.

FYDP 99—ECONOMIC ADJUSTMENTS

[Dollars in millions]

	FY99	FY00	FY01	FY02	FY03	FYDP total
DOD Savings:[1]						
Nonpay Purchases Inflation	2,785	3,537	4,373	4,945	5,698	21,338
Fuel Inflation	159	173	194	216	238	979
Foreign Currency Fluctuations	367	347	354	361	369	1,798
Total Savings	3,311	4,056	4,921	5,522	6,305	24,115
Allocation of Nonpay Purchases Inflation:[2]						
Civilian/Military Pay Raise	377	810	1,216	1,633	2,073	6,109
Defense Health Program	....	500	500	300	300	1,600
Nuclear Stockpile Stewardship	....	600	500	700	600	2,400
Chemical Demilitarization Program	....	121	320	469	11	921
Additional Procurement	2,000	1,200	900	1,600	2,700	8,400
All Other	400	300	900	200	....	1,800
Total Allocated	2,777	3,531	4,336	4,902	5,684	21,230

[1] DOD savings for Nonpay Purchases Inflation in FY1998 is $846 million.
[2] Allocation of the remaining $2,885 million in savings over FY1999–2003 is unknown.

Mr. DOMENICI. Mr. President, I share the Senator's concern about this issue. It is correct that when inflation increases less than projected, the buying power of a dollar increases. According to CBO, inflation projections for the National Defense Budget Function for 1999 through 2003 have decreased from the 2.6 percent of the GDP Price Index projected last year to rates varying from 2.2 percent to 2.4 percent. This translates into a 1999 inflation ''dividend'' for National Defense of $1.7 billion in budget authority and $0.8 billion in outlays. For 1999–2003, the amounts are $13.2 billion in budget authority and $10.3 billion in outlays.

The Department of Defense reports to us that it has already reinvested this dividend in other defense programs. Therefore, taking this money out of the 050 budget this year will cause real program reductions, and I would strongly oppose that. However, DoD does not routinely report these budgetary data to Congress, and I agree that it is important for us to have the data for oversight purposes. I also agree it would be useful to have similar data for both defense and nondefense purchases.

I am concerned, however, that an appropriate methodology needs to be developed that is applicable to both defense and nondefense agencies. I am also concerned that we collect information from each major agency and analyze what they do with the additional funds, when such ''dividends'' are generated. Also, I would argue that when inflation is increasing faster than projected, we need to know from the Department of Defense and others what constraints this imposes on purchases.

I believe the appropriate agency to develop the methodology and to perform the agency-by-agency research is the General Accounting Office. Once appropriate methodologies have been developed for making estimates of economic changes, we could ask CBO and GAO to perform further research.

I am happy to work with the Senator from Oregon on this issue, and I will gladly join with him to request the GAO to perform the needed work. I look forward to starting this research in a timely fashion and making it a part of the information we use to exercise our oversight.

Mr. President, I ask that Senator WYDEN'S amendment, No. 2203, be withdrawn.

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

The amendment (No. 2203) was withdrawn.

AMENDMENT NO. 2226

Ms. MIKULSKI. Mr. President, I want to go on record today in support of the amendment to the Fiscal Year 1999 Budget Resolution offered by the Ranking Member of the Veterans Affairs Committee, Senator ROCKEFELLER.

Mr. President, since the VA was founded, we have fought a World War, a Cold War and a Gulf War. From the World Wars to Korea, Vietnam to the Persian Gulf, each conflict produced a new generation of veterans with unique needs.

The particular needs may vary somewhat for veterans of different eras, but one thing should never change - the commitment that we make to our veterans.

Our veterans entered into a covenant with this nation when they agreed to risk their lives for our freedom.

We must ensure that promises made must be promises kept. Our veterans must receive quality medical care, effective services and timely processing of benefits.

I have fought for many years, and continue to fight, to ensure that our veterans receive the medical care and benefits that they have earned.

Mr. President, our veterans didn't waiver when they put their lives on the line. When they were fighting to defend our liberty, risking death to ensure that we could sleep easy at night, they didn't waiver.

Mr. President, we should not waiver on our veterans. The VA General Counsel issued a ruling in 1997 that veterans who develop illnesses linked to nicotine dependence developed while in service were entitled to compensation benefits.

The Department of Veterans Affairs, beginning in Fiscal Year 1998, is due to begin paying those benefits. There is now a proposal before us to eliminate the VA's obligation to pay those benefits.

The Congressional Budget Office estimates that by eliminating the benefits, the government would save $10 billion.

Well, apparently that money was too attractive to resist, and is included in the Budget Resolution to offset ISTEA spending.

Mr. President, let me be clear. I support the much needed money that is going to provide critical infrastructure work throughout the country. And like many Senators, I am pleased to see federal support of transportation spending in my home state of Maryland.

But Mr. President, our benefits for our veterans should not be traded and bartered. The funds that are due for our veterans must be protected.

It is wrong to take money that is targeted for the benefits that our veterans have earned and use it for anything else - no matter how noble it may be.

Mr. President, I urge my colleagues to support the Rockefeller amendment and prevent the raiding of these veterans benefits.

Mr. KYL. Mr. President, I want to commend the Senator from New Mexico, the Chairman of the Budget Committee, Senator DOMENICI, for the budget resolution that he has brought to the Senate floor. It is not exactly as I would have written it—and my hope is that we will be able to make some improvements during the course of debate over the next few days—but I believe it is generally on the right track and compares favorably to the alternative budget submitted by President Clinton.

First and foremost, the Senate budget resolution would balance the unified budget and keep it in balance during each of the next five years. We will even run a small surplus.

By comparison, President Clinton's budget appears to throw fiscal discipline out the window with proposals to spend billions of dollars on new government programs. According to the Congressional Budget Office, the Clinton budget would take us back into deficit as early as the year 2000.

Second, the Senate budget would adhere to the spending limits that both Congress and the President agreed to just last year. The Clinton plan, by contrast, would bust the spending caps outright—by $12 billion in FY99, and a total of $68 billion over the next four years. I think we ought to keep our word and stick to the spending limits, and we do.

Third, the Senate budget would reserve the anticipated surplus for Social Security. The President said that is what he wanted, too, but he then submitted a budget that would spend down the unified budget surplus on myriad new government programs. And of course, he is asking us to spend every dime of the Social Security surplus on general operating expenses of the government.

Fourth, our budget would set aside any proceeds from a tobacco settlement to shore up the Medicare trust fund for our nation's senior citizens. The Clinton budget would spend all of the tobacco money on other programs.

And fifth, the Senate budget would accommodate another, albeit small, installment of tax relief for hard-working Americans. By comparison, President Clinton's budget would raise taxes yet again.

Mr. President, let me turn for a moment to the portion of the Senate budget resolution that deals with education, training, and employment programs, since that seems to be what we are hearing about most from the other side. Last year's budget agreement made education, training, and employment a protected category and called for spending—outlays—of $61 billion next year. It called for a total of $318.3 billion over five years.

Here is what President Clinton said about the level of education spending in the budget agreement when he signed off on it last year. These are comments the President made on the South Lawn of the White House on July 29, 1997:

> . . . at the heart of this balanced budget [agreement] is the historic investment in education—the most significant increase in education funding in more than 30 years.

He went on to call it ''the best education budget in a generation and the best for future generations.'' The level of spending the President was referring to then is exactly what is included in the Senate budget resolution that is before us today. It is the exact level.

What about health research? Over the next five years, spending at the National Institutes of Health would increase substantially under the Senate budget. We are talking about an 11 percent increase in 1999, on top of the seven percent increase provided in 1998. And we would provide these additional funds within the overall spending limits, and regardless of whether a tobacco settlement is passed later this year.

By contrast, President Clinton would link increased NIH spending to the fate of the tobacco settlement. That means that if there is no settlement, there is no increase for the NIH either. I do not think that is good enough. We should devote more to health research whether or not we are able to achieve a tobacco settlement, and we do that in our budget.

If there is any revenue derived from the tobacco settlement, we say that it ought to go into the Medicare trust fund. And that is what this budget resolution would do. We all know that Medicare's long-term solvency is still tenuous at best. We ought to shore up the system before tapping new sources of revenue for a multitude of new government programs.

So these are some of the things I think the Senate does better than the alternatives. But, in my opinion, it still does not do enough to limit the growth of federal spending. It is true that the committee-reported budget is within the spending caps that were set last year, but those caps are still too high. The caps allow total spending to grow from $1.73 trillion next year to $1.95 trillion in 2003. That will amount to a nearly 13 percent increase at the end of the five-year period.

And it comes on top of the 25 percent increase in spending that has occurred in just the last five years. What does that mean for taxpayers?

The Tax Foundation estimates that the median income family in America saw its combined federal, state, and local tax bill climb to 38.2 percent of income last year—up from 37.3 percent the year before. That is more than the average family spends on food, clothing, and shelter combined. Put another way, in too many families, one parent is working to put food on the table, while the other is working almost full time just to pay the bill for the government bureaucracy.

Here is a different way to measure how heavy the federal tax burden is. Consider that federal revenues this year will claim about 19.9 percent of the nation's income, the Gross Domestic Product. Next year, that portion would climb to 20.1 percent, according to the administration's projections. That would be higher than any year since 1945. It would be only the third year in our nation's entire history that revenues have exceeded 20 percent of national income—and the first two times, our economy tipped into recession.

So the question we need to ask is whether a balanced budget is the only goal, even if it means we achieve balance at a level where taxes and spending are too high? Or is the real goal of a balanced budget to limit government's size and give people more choices and more control over their lives?

For me, there is not great achievement in balancing the budget if it means that hard-working families continue to be overtaxed. There is no great achievement in a balanced budget if the government continues to grow, even as it balances its books. If it is doing that, it is continuing to take choice and freedom away from its citizens. A balanced budget is really the means of right-sizing the government so that it is more respectful of hard-working taxpayers' earnings and their desire to support their own families.

With that in mind, I believe we have got to do much better in providing tax relief. Currently, this budget calls for tax relief amounting to $30 billion over the next five years. Although that may initially sound like a lot, let me put it into perspective.

The federal government expects to collect nearly $9.3 trillion—that is, $9.3 trillion—over the next five years. So a tax cut of $30 billion really amounts to just about 0.3 percent. It is too little. We must find a way to do more. And the way to do more within the confines of a balanced budget is to reduce non-priority spending and limit spending growth.

At the very least, if we cannot provide more tax relief, we should at least be able to agree that taxes are high enough and should go no higher. I intend to offer an amendment to express the sense of the Senate that it should be harder to raise taxes—at least as hard to raise taxes as it is to cut them.

Recall that President Clinton's record-setting tax increase in 1993 failed to win support from even a simple majority of elected Senators—Vice President GORE's vote in favor broke a 50 to 50 tie. By contrast, it would have taken a supermajority vote to provide tax relief two years later; President Clinton vetoed our tax-relief bill, and it would have required a two-thirds vote—67 votes in the Senate—to overcome the President's resistance and provide tax relief. That is wrong. A supermajority vote to raise taxes would ensure that future tax increases, if they are needed, are approved with broad bipartisan support in Congress and around the country.

Mr. President, I again want to commend the chairman of the Budget Committee for his work on this measure. It is a good proposal, and I think we have an opportunity during the next few days to make it even better.

Mr. DOMENICI. Mr. President, how much time remains on the budget resolution with the completion of work?

The PRESIDING OFFICER. The Senator from New Mexico has 4 hours 58 minutes, and the Senator from New Jersey has 4 hours 58 minutes.

Mr. LAUTENBERG. Mr. President, while we have a minute, I must once again apologize to the pages, who work so hard, for keeping them out of school tomorrow by working them past 10 o'clock. I am sorry, really.

Mr. DOMENICI. They seem very happy to be excused today.

We will keep you slightly later tonight.

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

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

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent there now be a period for the transaction of morning