

In the end, I have no question that Government is not even the right entity to "deal with the spiritual" or attempt to. But Government needs to understand the connection with those entities that should be doing it, or can be doing it, and their capacity to do it, in the world that we are creating.

Government needs to be an empowerer of the local community to reach these children. For example, in Brockton, MA, there is a Boys and Girls Club, but only 10 percent of the kids in that community get access to that club. Simple question: What happens to the other 90 percent of those kids? They are out on the streets, nobody is there, there is no connection.

That is our responsibility, it seems to me, to try to empower the communities to be able to help create the civic reaction that will begin to deal with these children. And the ultimate response will come from churches and synagogues, spiritual organizations, nonprofit agencies, schools, and parents, but you have to have a place to begin. You have to start somewhere. It seems to me, that if you have a kid sitting in front of you who is 12 or 13 years old and they are already dabbling in drugs, and they are already in trouble at home, and they are already disconnected to the school, we have a fundamental choice: Are we going to turn our back on that kid and cut that kid off, or are we going to try to channel that child toward some group or organization that will bring the child in, embrace the child with a notion that the child has a stake in the community and the community cares? I think this budget is draconian with respect to those efforts. I am not sure how in the next days, given the choices we have, we are going to fix it.

Mr. President, none of what I am saying should be interpreted to mask over the deficit that we do face on the fiscal side. I am prepared to make tough choices about cuts that we ought to make and even reordering priorities to try to balance the budget, which I think we ought to do. But nobody has ever convinced me of why we absolutely have to do that in 6 years versus 8 or versus 10 years. Nobody has convinced me that there is some economic virtue in picking a target date that is so arbitrary that may wind up cutting capacity to meet other needs that we have.

One other point, Mr. President. Increasingly in America, we are seeing the cash economy of this country grow. It is now, I am told, about a \$600 billion economy. That means that we are losing annually about \$100 billion of revenue because people just choose not to pay taxes. In fact, as a nation, we have gone from voluntary compliance in our income tax of 96 percent down to 81 percent. Each loss of a point of voluntary compliance is the loss of \$5 billion of revenue. So your good tax-paying, hard-working family that is earning \$25,000, \$30,000 a year and paying their taxes is slugging it out to

make ends meet, to pay for fire, police, schools, roads, everything we do, while an increasing number of American citizens are getting away with not paying their taxes.

We have a choice. I read in the newspaper the other day that we are going to have a new thing called a lifestyle audit, and people in America are now going to be able to anticipate the IRS jumping into their driveways and asking them why there is a certain kind of car in their driveway, how they manage to go ski somewhere, what their vacation style is, why they eat at certain restaurants, and that is the way we are going to supposedly enforce the Tax Code. I do not think Americans are going to tolerate an IRS gestapo-like entity of people intrusively moving into their lives.

So, Mr. President, if we are really going to make this system work and recapture that cash economy, we have to talk about changing the tax structure of this country and moving away from a dependency on income and into consumption where it is the only place that you can begin to shift to a reflection of what the cash transaction is while simultaneously, I think, increasing people's savings and moving in a new direction.

Mr. President, I see that the manager of the bill is on his feet. If he has an amendment, I am prepared to conclude.

Mr. CHAFEE. Yes, Mr. President, we have a couple of amendments we would like to have accepted, then the Senator is free to continue.

Mr. KERRY. Mr. President, what I would like to do—the Senator from Wisconsin has been waiting patiently. I talked longer than I told him I intended to—I will just conclude my comments. I will have more to say on this in the course of the next weeks. But I believe we are at a crossroads, and I think that the choices that I have outlined are only a few of the choices. But we cannot look at the needs of this country exclusively in terms of an arbitrary approach to the deficit reduction. We have to look at the other two deficits that the Nation faces.

There is such a thing as investment, and there is such a thing as a return on investment, and there is such a thing as multiples of return on investment. I think that most people in the Senate understand that. The question is whether or not we are going to make those wise judgments.

I thank my colleague from Wisconsin for his patience, and I thank the distinguished managers for their courtesy. I yield the floor.

#### INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 1072

(Purpose: To require the Administrator of the Environmental Protection Agency to conduct a study to determine the quantity of hazardous waste that is being transported across State lines and the ultimate disposition of the transported waste)

Mr. CHAFEE. Mr. President, I send an amendment to the desk on behalf of Senator BREAU and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for Mr. BREAU, proposes an amendment numbered 1072.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

#### SEC. . STUDY OF INTERSTATE HAZARDOUS WASTE TRANSPORT.

(a) DEFINITION OF HAZARDOUS WASTE.—In this section, the term "hazardous waste" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(b) STUDY.—Not later than 3 years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall conduct a study, and report to Congress on the results of the study, to determine—

- (1) the quantity of hazardous waste that is being transported across State lines; and
- (2) the ultimate disposition of the transported waste.

Mr. BAUCUS. Mr. President, we have examined the amendment and find it acceptable.

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

The amendment (No. 1072) was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1073

(Purpose: To require the Administrator of the Environmental Protection Agency to conduct a study to determine the quantity of sludge (including sewage sludge) that is being transported across State lines and the ultimate disposition of the transported sludge)

Mr. CHAFEE. Mr. President, I send an amendment to the desk on behalf of Senator BREAU and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for Mr. BREAU, proposes an amendment numbered 1073.

Mr. CHAFEE. 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 appropriate place, insert the following:

**SEC. . STUDY OF INTERSTATE SLUDGE TRANSPORT.**

(a) DEFINITIONS.—In this section:

(1) SEWAGE SLUDGE.—The term "sewage sludge"—

(A) means solid, semisolid, or liquid residue generated during the treatment of domestic sewage in a treatment works; and

(B) includes—

(i) domestic septage;

(ii) scum or a solid removed in a primary, secondary, or advanced wastewater treatment process; and

(iii) material derived from sewage sludge (as otherwise defined in this paragraph); but (C) does not include—

(i) ash generated during the firing of sewage sludge (as otherwise defined in this paragraph) in a sewage sludge incinerator; or

(ii) grit or screenings generated during preliminary treatment of domestic sewage in a treatment works.

(2) SLUDGE.—The term "sludge" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(b) STUDY.—Not later than 3 years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall conduct a study, and report to Congress on the results of the study, to determine—

(1) the quantity of sludge (including sewage sludge) that is being transported across State lines; and

(2) the ultimate disposition of the transported sludge.

Mr. BAUCUS. Mr. President, this amendment also is acceptable.

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

The amendment (No. 1073) was agreed to.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I ask unanimous consent to speak as in morning business.

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

# THE BUDGET RESOLUTION AND MEDICARE

Mr. FEINGOLD. Mr. President, I appreciate the comments of the junior Senator from Massachusetts with regard to the question of including the Presidential checkoff for campaigns in the budget resolution. It is an important program for our elections being free and fair in this country, and it does not belong in the budget resolution. I intend to comment on that more as we get into the budget resolution itself. I am grateful to the junior Senator from Massachusetts for those remarks and for his constant dedication to try to do something about this really awful system of financing campaigns that we have in this country.

Mr. President, I rise at this time to offer a few comments on the debate that really does belong as part of the budget resolution, and that is the debate that has been taking place about Medicare. I would like to share my own perspective on the direction we ought to pursue.

As we consider the budget resolution, presumably starting next week, this will be one of the two or three most central issues that we debate. As the Senator from Nebraska [Mr. KERREY] noted on the floor last week, the Medicare debate has been obviously politicized in quick order. That should not surprise us given the nature of the program and especially how it is viewed by millions of Americans. It is a valued program. The presence of the White House Conference on Aging last week certainly had an impact on what was said, and said by Members of both parties.

Mr. President, the White House conference also gave me an opportunity—a great opportunity—to talk to many of the leading aging activists from Wisconsin on the issue. I found their thoughts interesting. I think Wisconsin has one of the best groups of advocates for sound and compassionate policies for the elderly in the country. They always give the straight view. They tell me not only what is good for the elderly but what is good for society as a whole, including their children and grandchildren.

In a meeting I had with most of the Wisconsin delegates to the White House Conference on Aging, there was a clear consensus that some changes do need to be made to Medicare. But there was also agreement, Mr. President, that those changes to Medicare have to be done in a certain way. We need to "cut smart," not "cut mean," as we look to keep the Medicare hospital insurance fund solvent and reduce the pressure on the Federal deficit.

It bears emphasizing that there are these two features with respect to the Medicare problem—both the solvency of Medicare and the impact of Medicare on the Federal budget deficit.

As every Medicare beneficiary knows, there are two parts to Medicare called part A and part B. Part A is what is formally known as hospital insurance. It pays some of the costs of hospitalization, certain related inpatient care, as well as skilled nursing facility care and home health care. I should add—and I have always been somewhat distressed by this—it does not cover chronic or long-term care in that part of the program. Other than copayments and deductibles, part A services are paid from the hospital insurance trust fund, which itself is funded from payroll taxes.

Mr. President, it is this hospital insurance trust fund that is in jeopardy, and it is expected to be insolvent by the year 2002. The other part of the program, part B, is the supplementary medical insurance program that covers doctors' fees, most outpatient and some other related services. Part B is partially funded by the monthly premiums that beneficiaries pay, but most of the part B program is funded from the Federal budget.

Mr. President, some are characterizing the cuts they expect to propose to Medicare as being needed to keep Medi-

care solvent. That portrayal is entirely misleading, as, of course, it is meant to be; for though some changes are needed to keep the hospital insurance fund solvent, that trust fund is not the whole story. Medicare is also slated for cuts as part of the broader effort to reduce the deficit, possibly leading to a balanced budget.

So let us be clear within this body and to all Americans, the goal here of those who want to cut Medicare drastically is not just to make the fund solvent, they want to use a lot of those billions of dollars to deal with our national deficit problem.

Mr. President, I make this point because I fear that the political spin doctors who have chosen to depict Medicare cuts as being apart and separate from the rest of the budget are really doing a great disservice to the cause of deficit reduction itself. And there is no other issue I care more about or work harder on than reducing the Federal deficit.

In an effort to minimize the political fallout that surely will come from cuts to Medicare, I fear they may undermine any chance for a real budget package that will achieve the consensus it must have if we are going to make the politically tough decisions needed to actually balance the Federal budget.

Mr. President, my message is that we have to be honest with the American people on what is really going on with Medicare. Medicare clearly does have an impact on the budget. Part of the reason cuts are being proposed in that area does stem from our Federal budget deficit, and rightly so. Medicare does have to be on the table as we look at the budget. I will say, Mr. President, Medicare is not Social Security. It has to be considered along with other areas of Federal spending. In fact, I have sponsored legislation that has included some specific, targeted Medicare cuts.

Medicare cuts were part of the 82-point plan to reduce the Federal deficit that I used and created during my campaign for the U.S. Senate in 1992.

More importantly, I have voted for legislation that contained significant, but specific, targeted cuts to Medicare twice during the 103d Congress. The reconciliation legislation we passed as part of the President's deficit reduction package included nearly \$60 billion in Medicare cuts. This is not some new idea. It is not as if Medicare has not already, in effect, given at the office. It has already been hit to the tune of \$60 billion just 2 years ago.

Mr. President, I also voted for, and was pleased to be a cosponsor of, the bipartisan Kerrey-Brown deficit reduction package. It also included significant, specific Medicare cuts on top of the \$60 billion that was included in the President's deficit reduction package.

Yes, Mr. President, I am willing again to vote for certain Medicare cuts if they are appropriate and do not cut at the heart of the health care of the people who need Medicare.