

doctor and be able to have health care that they can afford and not have these increased premiums and deductibles. And we can do it by focusing on solvency and efficiency.

Mr. President, this amendment is not about partisan politics; it is about the men and women that I call the GI Joe generation. These are the men and women like my uncles and my father, ordinary men, who during World War II were called to do extraordinary things. They fought over there so we could be free here.

Those are the women in my community we call affectionately Rosie the Riveter, women who worked at Martin Marietta, in shipyards helping to keep the homefront going while our men were overseas.

Those are our senior citizens of today, the men and women of the World War II generation. They helped save Western civilization. So now it is up to us to save their Medicare. It is the very least we can do, that on the brink of a new century we give our honor and our respect to those who saved us during this last century.

Mr. President, in 1965, a great Democratic President knew that one illness could devastate a family, and they organized to be able to pass Medicare. That stands today. We have to keep the "care" in Medicare.

The Republican plan will mean less access to health care, fewer doctor visits, less necessary tests and less of a focus on prevention. This is not what we should be doing. Yes, we all want to balance the budget, but I believe we can save Medicare and focus on solvency.

Let us go after that waste, let us go after that fraud, let us be more efficient, but let us also remember the GI generation. They fought to save us, and the very least we can do now is to fight to save their health care.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair has been instructed to alternate between sides. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield the remainder of time on this side of the aisle in morning business to Senator COATS.

The PRESIDING OFFICER. The Senator from Indiana.

#### ONE FINAL ACT OF COURAGE AND VISION

Mr. COATS. Mr. President, just 8 short months ago, when Democrats defeated the balanced budget amendment, the minority leader challenged us by saying: "The budget is not going to be balanced in 2002 unless the responsible people in 1995 start to focus on their share of the work."

Well, Mr. President, I submit that responsible people in Congress have focused on their work, and now it is up to the minority to show whether their statements supporting a balanced budget were a conviction or an alibi.

The reconciliation bill we are debating not only makes sense, it makes his-

tory. For most of us, a balanced Federal budget is a distant memory. For decades, it has been an empty political promise, but now it is just one final vote away. All that remains is one final act of courage and vision.

That courage will be tested in the Congress by some difficult choices that we will have to make here in the next 3 days. That vision will be measured in the President, as he becomes either a partner in the process or a partisan opponent. If either he or we are unequal to this task, the patience of the public will be exhausted. We will have squandered a unique opportunity, and we will feed a dangerous disillusionment with American politics.

I am confident that this chance will not be missed; that this new Congress will show a new determination. But this bill involves more than fiscal restraint. It represents a radical shift of resources away from Government, directly to families. It contains the single-most practical, compassionate way to provide immediate help and support to children. That is a fact that Americans must understand and that opponents cannot be allowed to ignore, because this budget matches its commitment to cuts with commitments to families. It reduces both the reach of Government and the level of taxes, and it embodies important values that cannot be represented in a balance sheet.

Let me take three provisions of this budget as examples—priorities that I have championed for years. These are measures that would directly improve the lives of families and children in my State and people around the country. We have proposed them again and again, only to see them ignored or defeated. Now they are one step short from reality.

First, this budget includes a \$500 child tax credit. This sounds somewhat abstract, so let me be specific. The reconciliation package would provide nearly \$600 million of tax relief to Indiana families. Over 1 million Indiana children would be eligible for the credit, and nearly 100,000 Hoosier taxpayers would have their entire tax liability eliminated by this single measure alone.

Democrats in this debate have tried to draw attention to children, and that is precisely where our attention should be. But children are not raised by bureaucrats, they are raised by parents. If the choice is between \$600 million spent by Government in Indiana and \$600 million spent by parents, there is no choice. Parents are more compassionate and more capable than any Government program can ever be.

In reality, nearly 90 percent of the child tax credit will go to families making less than \$75,000 a year. Over 50 million American children will be eligible. Cutting Government and cutting taxes are part of the same movement in America, the movement to limit our Government and empower our people. One idea implies and requires the other. When we reduce public spending, we should increase the resources to

families to meet their own needs. The theory is simple: A dollar spent by families is more useful than a dollar spent by Government.

Second, this package also includes an adoption credit of \$5,000. Along with the child tax credit, these two provisions represent about 60 percent of the entire tax package. There is no more compassionate act than to provide an abandoned or abused child with a loving family, and the number of children who need those families is rising sharply. Yet, at the same time, the number of adoptions has dropped by nearly 50 percent over the last 25 years and, on any given day, 37,000 children are waiting to be adopted.

Thousands of families would be eager to adopt if it were not for the prohibitive cost, now about \$14,000 on average. A \$5,000 credit would make this a reasonable option for more parents.

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

Mr. WELLSTONE addressed the Chair.

Mr. COATS. Mr. President, I ask unanimous consent for 2 additional minutes. Is that permitted?

Mr. WELLSTONE. Reserving the right to object, I wonder whether morning business can be extended, in which case it will not be a problem. If we extend 2 minutes on both sides, that will be fine.

The PRESIDING OFFICER. With unanimous consent, morning business would be extended.

Mr. GRASSLEY. Reserving the right to object, I think probably we ought to give 2 minutes here and 2 minutes over there to be fair, which is the way we have done it in the past. In addition, I want to be careful we do not extend the time because we have been clearing that with the managers of the bill. I do not think I can just willy-nilly allow the expansion of time. I think 2 minutes is appropriate.

Mr. WELLSTONE. My understanding is 2 minutes will be extended to the Senator from Indiana and I will have 2 minutes on top of what I already have.

The PRESIDING OFFICER. The time on the minority side is 4 minutes and 6 seconds. That would extend the time to 6 minutes and 6 seconds. The majority side would have 2 minutes.

Is there objection? Without objection, it is so ordered.

Mr. COATS. Mr. President, thousands of families would be eager to adopt were it not for the prohibitive cost, now about \$14,000 on average. A \$5,000 credit would make this a reasonable option for more parents.

Encouraging adoption is one of the most effective ways to care for children in need and at risk. Abused and abandoned children require loving homes more than they require any amount of bureaucratic spending in the status quo bill presented by the Democrats.

Third, this reconciliation bill includes medical savings accounts, an idea that I was the first to introduce in the Senate. These accounts will give families independence and choice on health care, the opposite of the President's approach. It delivers security without bureaucracy, providing families the resources to care for their own needs.

The centerpiece of this reconciliation bill is a balanced budget. In the future, this will be recalled as our contribution to history. If we ignore our budget crisis, the child born this year will pay \$187,000 over his lifetime just for interest on the national debt.

The argument for a balanced budget comes down to something simple: It is one of our highest moral traditions for parents to sacrifice for the sake of their children. It is the depth of selfishness to call on children to sacrifice for the sake of their parents.

If we continue on our current path, we will violate a trust between generations and earn the contempt of the future.

There is no doubt we must balance the budget, but in passing this bill, we will accomplish even more, because this bill displays a passion for limited Government, yet it also displays compassion for American families. It finally returns responsibility to the Federal budget, yet it also helps return abused and abandoned children to adoptive families.

It will improve the long-term health of our economy, and yet it will also deliver short-term help to families and to children, relief that will be felt next year and every year beyond.

These are not sideshows or distractions. This plan includes real relief that will be felt and appreciated by the American people, and that relief is specifically directed toward families with children. This is actual, meaningful compassion, not the synthetic, failed compassion of Government programs.

Mr. President, we have come to the beginning of the end of deficit spending in America. We have come to this place because there is no alternative. The work before us is difficult. But it is nothing more than most Americans expect.

We have come to a time that is unique—an authentic moment of decision. It is a moment to act worthy of our words, and to keep faith with the future.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from Minnesota.

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#### NO COMPASSION

Mr. WELLSTONE. Mr. President, I want to talk about an amendment we are going to have coming up on Medicare. Just for the record, let me briefly respond to the Senator from Indiana. In all due respect, I do not see this compassion. I see \$35 billion of cuts in nutrition programs.

I had an amendment on the floor of the Senate that asked my colleagues to go on record saying that if, as a result of this reconciliation bill with its cuts disproportionately targeted on vulnerable children in America, there was more hunger and there was a situation where more children went without medical coverage, that we would revisit this question next year and take corrective action, and I could not get that sense-of-the-Senate amendment adopted. I do not see too much compassion in that vote, Mr. President.

Mr. President, I hope we start this debate soon on the Medicare. I want to start out by responding to my friend from Iowa. I just quote my friend from Illinois, Senator SIMON. He has said it once, twice, 10 times, that to say we are serious about deficit reduction and then to have \$245 billion of tax giveaways is like saying to somebody we are going to put you on a strict diet but first we are going to give you dessert. It is a huge contradiction. I do not find people in cafes in Minnesota saying to me: Senator WELLSTONE, we are serious about deficit reduction, but would you first give us more tax breaks? That is not what I hear from people. They know it is a huge contradiction and that you being cannot dance at two weddings at the same time. It makes no sense.

Second point. Mr. President, \$89 billion is the figure for the trust fund. Instead, we have \$270 billion. People in Minnesota know how to add and subtract. What we have going on here on the floor of the U.S. Senate today is no less than an effort to make Medicare the piggy bank for tax cuts, or tax giveaways. That is bad enough. What makes it worse is it is tax giveaways in inverse relationship to those people who least need the tax breaks. Mr. President, that is simply unconscionable.

The third point. This is a rush to recklessness. I was surprised to hear my colleague from Iowa talking about the benefits of this for rural Iowa or rural Minnesota. I say to my colleague from Iowa, understand that in your proposal you have reimbursement to hospitals, rural hospitals, 2.5 percent less than rate of medical inflation. I tell you right now that our hospitals and clinics in rural America, in greater Minnesota, do not have the large profit margin; that is point one. Point two, they have a disproportionate amount of their patient mix—60 percent, 70 percent.

What I am saying to people watching this debate is that, in rural America, many of the people that come to our hospitals and clinics are elderly. Medicare is hugely important for them. That makes up a large share of the payments that go to these hospitals. They do not have the profit margin. They have a large percentage of the population that are elderly, who depend upon adequate Medicare reimbursement, and you have in your formula 25.5 percent less than the rate of inflation. In rural Minnesota and in

North Dakota and in Kentucky and in rural Iowa, the rural heartland all across this country, the issue, Mr. President, is not just whether we can afford a doctor, it is whether we can find a doctor.

This is a rush to recklessness. This is a fast track to foolishness. Ask your providers, ask your nurses, ask your physician assistants, ask your doctors, ask your elderly, ask their children, ask their grandchildren. What you are about to do is very reckless with the lives of people.

Mr. President, I will tell you something. I just get more than a little bit angry when I see this stereotype and hear this stereotype about the elderly. You would think that the elderly are a bunch of "greedy geezers" that are traveling all over the country playing golf at the swankest golf courses there are. Mr. President, in my State of Minnesota, 70,000 seniors live below the Federal poverty line. In my State, of the 635,000 Medicare recipients, half of them have annual incomes under \$20,000 a year. Mr. President, in my State of Minnesota, of the 635,000 Medicare beneficiaries, they are paying, on the average, over \$2,000 out-of-pocket. Right now, for many seniors, catastrophic health care costs are a nightmare. They are terrified of prescription drug costs.

Mr. President, what we have here is an effort to make Medicare the piggy bank for tax cuts—rather tax giveaways, which flow in the main to the highest income citizens of the United States of America. There is no standard of fairness behind this proposal. People will see through it.

The second thing that is so unfortunate, so unconscionable, so unthinking about this proposal, will be its impact on the people of this country. Mr. President, \$89 billion is not \$270 billion. Please do not tell senior citizens their premiums will not go up, their copays will not go up, and in no way, shape, or form do you have to worry, and your hospitals, clinics, and providers will all get adequate reimbursement, and eligibility will not change, and we will just take \$270 billion out of this health care sector.

Mr. President, senior citizens do not believe it, they should not believe it, they will not believe it. That is why this amendment that will be laid down by my colleague, the Senator from West Virginia, deserves the full support of every Senator in this Chamber.

I yield the floor.

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#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

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#### THE BALANCED BUDGET RECONCILIATION ACT OF 1995

The Senate continued with the consideration of the bill.