

The PRESIDING OFFICER (Mr. ENZI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.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

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Georgia [Mr. COVERDELL] is to be recognized to speak for up to 60 minutes; the Democratic leader is to be recognized to speak for up to 30 minutes; the Senator from Illinois [Mr. DURBIN] is to be recognized to speak for up to 10 minutes; the Senator from North Dakota [Mr. CONRAD] is to be recognized to speak for up to 20 minutes; and the Senator from Nebraska [Mr. HAGEL] is to be recognized to speak for up to 20 minutes.

The Chair recognizes the Senator from North Dakota [Mr. CONRAD].

THE DISASTER IN NORTH DAKOTA

Mr. CONRAD. Mr. President, just for the information of my colleague, Senator BREAUX is here. I have 20 minutes allocated. I will not take 20 minutes. I hope to be closer to 10 minutes. So the Senator from Louisiana will have an opportunity as well.

Mr. President, I have just returned from another trip to my home State of North Dakota to see firsthand the developing slow-motion disaster that is occurring there. I call it a slow-motion disaster, Mr. President, because it is not one of those things that happens and then is over with. We have a slow-motion disaster. We have had the worst winter on record in North Dakota. Then we were hit at the end by the most powerful winter storm in 50 years, on top of the greatest flood threat in 150 years.

Mr. President, you can imagine, people of my State are beginning to wonder what happened, what could have led to a series of events as extreme as these. I don't think anyone has the answer at this point. We are truly coping with an unprecedented series of disasters. We have just had a visit from the Vice President of the United States, Vice President GORE, the Secretary of Transportation, Rodney Slater, and the head of FEMA, James Lee Witt, all in the State of North Dakota last Thursday and Friday. We deeply appreciated the Federal response. We got a Presidentially declared major disaster and we got it in very short order. We have also received unprecedented assistance from the Corps of Engineers, in terms of advanced measures, to hold down the catastrophe that could have occurred without the really heroic efforts by the Corps of Engineers, by FEMA, and by

local agencies, local leadership and, of course, the extraordinary efforts of volunteers.

We had people go 300 miles, from western North Dakota to eastern North Dakota, to help sandbag because they knew we were faced with an imminent disaster in eastern North Dakota. My own cousin, a professor at the University of Wisconsin, heard that Fargo, ND, was about to flood and they needed sandbaggers. He drove all night from Madison and arrived at 3 in the morning and sandbagged from the time he got there all day and into the next evening. That is the kind of attitude North Dakota has brought to this disaster.

I tell you, out of all this, the thing I am most proud of is the response of the people of our State, which has truly been extraordinary. Not only have all of the Federal agencies and State agencies pulled together, along with the volunteers, literally thousands of them across the State that helped out, but we also want to thank the Red Cross for their outstanding assistance across North Dakota. We should also thank all of the other agencies. The mental health hotline tells me they are taking a dramatically increased level of calls.

I have been asked, "What did you see out there, Senator CONRAD?" This picture shows the power lines that are down. You can see that power pole after power pole snapped. They went down like tinker toys. We had this massive ice storm, after we already had 100 inches of snow in North Dakota, the heaviest snowfall we have ever experienced. Then we get this storm that dumped another 2 feet in parts of North Dakota. It was combined with ice. Ice formed on the lines, and there were 70-mile-an-hour winds that came through. Those winds just took down these structures all across North Dakota. Over 4,000 power poles were taken down.

Mr. President, it didn't end there. This is a picture of one of the most stunning events that occurred during this disaster. This is one of the largest structures in North America. This is a 2,000-foot television tower for KXJB television; it all went down, all 2,000 feet. You can see that this structure is laid out just as if somebody came and knocked it over and laid it out perfectly across the snow. That, of course, took a lot of television stations and radio stations off the air in the midst of this crisis. So not only did you have horrible weather, you also had a communications problem.

Mr. President, this picture shows a farmer on his tractor. As you can see, these are his silos in the back. His tractor is up to its wheel rims in water. He is just getting across the farm trying to move into a position to rescue grain that would otherwise be destroyed by the rising flood waters.

Mr. President, we have another chart that tells the extent of this disaster. We had 80,000 homes without power. From a week ago Saturday, on into the week, many homes were not restored until last Friday. This is in the midst

of zero temperatures with 40-degree-below-zero wind chill factors, people without heat—80,000 people without power. There were over 600 people at emergency shelters, and that is as of Friday. Many more than that were in shelters during the peak. And 4,000 power poles were destroyed. Over 9½ feet of snow fell since November. That really is an extraordinary set of circumstances, with not only the most snowfall we have ever experienced, but they had the most powerful winter storm in 50 years on top of the greatest flood threat in 150 years.

The Red River to the north—I hear some of the national news media talking about it as though it flows south. Of course, anyone that knows geography knows the Red River flows north. The Red River has exceeded the highest flood levels ever in four different locations. In the northern part of the State, it is still rising. We have had the crest in the southern part of the State, although we expect the second crest to come later when this snow that has just fallen melts. Nonetheless, the peak crest has now hit the southern part of the State and is moving north. In the north, the river is still rising.

The livestock losses were running 60 percent above normal before this latest storm hit. Because of the very severe weather conditions we have had, we have had tens of thousands of cattle killed across the State of North Dakota. In fact, this shows losses of more than 70,000. As of this morning, I have been notified that cattle losses, they now believe, are running well over 100,000 in the State of North Dakota. The occupant of the chair, who is from the neighboring State of Wyoming, understands what cattle losses mean in a State like ours. I think even the occupant of the chair would find it hard to fully appreciate the loss of 100,000 head. That is a tremendous economic blow to the State of North Dakota. As the occupant of the Chair knows well, we have been hurt by very low cattle prices as it is, and that industry is certainly struggling. To have piled on top a 100,000 loss of cattle across the State—in fact, they tell us 112,000 head is perhaps the best estimate. But that is an enormous economic blow to the State of North Dakota.

Mr. President, I have come here this morning in order to share these circumstances with my colleagues so that they can appreciate and understand what is happening across the State. I can tell you that resilient North Dakotans continue to battle their disaster. In many places it is an uphill battle. But North Dakota has a can do attitude, and—as I saw in town after town as I traveled across the State on Thursday and Friday, the people are recovering. They understand what is at stake.

Mr. President, we very much appreciate the Federal assistance that the

President has called for with his disaster declaration.

Again, we want to thank the North Dakota National Guard, the Federal Emergency Management Agency, and the U.S. Army Corps of Engineers. Let me just say that the Corps of Engineers is being praised from one end of the State to the other by local officials who are saying this was the best prepared they have ever been for flooding disaster. That is a good thing because this is the worst flooding that we have seen in the history of North Dakota.

I also again would like to thank the Red Cross, the Salvation Army, the church organizations, and volunteer organizations that have pitched in. The response, as one of the disaster coordinators told me, has just been superb. It has been everything you could possibly ask for.

So we extend our appreciation to all of those who pitched in.

I also want to conclude by saying that I very much appreciate what my colleagues have told me—that they will stand up and be supportive during this time of need. We certainly have attempted to do that when they were in a disaster situation. And I very much appreciate the words of support that we have received from literally dozens of our colleagues.

With that, Mr. President, I yield the floor.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I yield myself 20 minutes under the time allocated to the distinguished Democratic leader.

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

Mr. BREAUX. Mr. President, let me commend KENT CONRAD for his good remarks on the situation in his State and in that part of the country, and also my part of the country. There is no doubt about it because as the snow begins to melt eventually it finds its way down the Mississippi River and causes problems for us. We sympathize with what is going on in his area, and certainly we are willing to participate and help as well.

So I commend him for his comments on the floor of the Senate.

THE MEDICARE CRISIS

Mr. BREAUX. Mr. President, what I want to talk to the Senate this morning and our colleagues about is the situation that I think is most serious in this Congress. If we balance the budget this year and also come up with tax cuts, I think that this Congress will still go down as a failure if we do nothing to address the very serious Medicare crisis that is facing this country. I think that we must realize that we need to do more than we are attempting to do at this moment.

There is no question that Medicare has been a wonderful program for the 38 million Americans that have come under the Medicare Program for all of these years. It has been a success story that I think is unparalleled in the his-

tory of government. Before Medicare was passed less than half of the seniors in this country had access to quality health care. Today 99 percent of all seniors in America have quality health care under the Medicare Program. The poverty rate among seniors has dropped largely, on the part of Medicare and Social Security, from about 35 percent of all seniors down to about 12 percent. The United States has about the ninth highest life expectancy of any nation in the world. That is not that great. When you look at the life expectancy of seniors in this country, the United States has the highest life expectancy of all citizens over the age of 65 largely due to the fact they have access to quality health care under the Medicare Program. The problem, however, is that Medicare is about to go broke. We have talked about it. Now I think more and more people are understanding that we must do something to address the problem.

The first chart that I have up here really is an indication of how part A, which is the hospital trust fund which pays for the hospital services for seniors, is projected by about the year 2001 to run out of money. We are right here starting to run out of money in the trust fund. And the red line shows that, indeed, this is a very serious crisis that we cannot allow to continue. The President's budget extends the life of the fund to the year 2007. That is a short-term fix when I suggest we should be looking at long-term fixes.

Part B, which is the program that pays for physician services, is not in the same situation, obviously, because it is supported by general revenues although the cost of Medicare physician services has increased by 53 percent over the past 5 years.

I would like to take a look at chart No. 2 which shows the number of people that are working in order to pay for the Medicare beneficiaries. Back in 1967 there were about 4.4 workers paying for every Medicare beneficiary. Today we are looking at a ratio of about 3.9 workers in 1995 right here. It is a dramatic drop down to the year 2030 when we are talking about only 2.2 American workers working to pay for one beneficiary. So while it started off in a very good ratio back in 1967 it is dropping as more and more people become eligible for Medicare and fewer and fewer workers are working to pay for those services.

The Congressional Budget Office estimates that payroll taxes would have to be increased 25 percent a year just to extend the trust fund solvency to the year 2006. I don't know of any Member of Congress that is recommending a 25-percent increase in the payroll taxes, or something that is simply not going to occur.

Chart No. 3 shows you how much money we are spending on Medicare as a percentage of our overall Federal budget. In 1975 it is 5 percent, more than double in 1995, and with 11.3 percent of the entire Federal budget now being spent on Medicare. By the year 2020 the estimation is that it will be al-

most 25 percent; 24-plus percent of our total budget expenditures. That means when you are talking about education, roads, highways, infrastructure, there is not going to be a lot of money left. We will be spending 25 percent of everything we take in just on Medicare.

Why is this happening? There are two reasons. No. 1 is the growth of beneficiaries. There are a lot more people on Medicare. People live longer. The population is aging. We are glad they are. We are glad they are living longer. But we have a lot more beneficiaries than we used to. Between now and the year 2010 the number of people on Medicare will grow by about 1½ percent a year. After that it is going to grow to almost 2.5 percent a year, which is a rate of growth that is just incredible and unreasonable for the cost.

The second reason, as I point out on the chart, is the amount of money we are spending per beneficiary. We are spending a lot more. For a self-insured man who earned average wages he will receive Medicare benefits of over \$44,000 a year in his lifetime. For these benefits he is only going to contribute about \$13,000. He is getting about \$32,000 more than he is putting in. We are spending a lot more per beneficiary. In 1995, the average benefit is \$80,000 in a lifetime. Their contribution is \$30,000. So we are spending a lot more money per beneficiary than we used to, and it is certainly a lot more money than they are contributing.

So we know what is happening. Unfortunately, what we are talking about so far in the President's budget and in most proposals is to tinker around the edges. We are talking about, "Well, let's fix Medicare by cutting the amount of money we give to doctors and cutting the amount of money we give to hospitals." I suggest that that is a Band-Aid type of an approach which we have tried time and time again. When we get into these great arguments about cutting or increasing Medicare, truly we aren't fixing anything. We are just tinkering around the edges. We need some fundamental reform and change. If we continue to just reduce the amount we give to doctors and to the hospitals pretty soon doctors and hospitals are going to say, "Wait a minute. I am not going to treat Medicare patients anymore. You are giving me less than it is costing me to provide these wonderful services that are important to seniors in this country. So I quit. I am out of here." You are seeing that happen around the country. Unfortunately, the proposals we have on the board so far this year are simply just the same old same old—simply reducing the amount we pay doctors and hospitals. I think we have to do something more fundamental than that.

What I am suggesting is that we restructure Medicare by modeling it on