

Mr. DASCHLE. Let me rephrase it, because I think it is a very important question and I do not think it is hypothetical at all. In fact, it deals directly with the circumstances at hand.

Is it the opinion of the Chair that this resolution would continue to be a budget resolution if it directed the creation of only that third reconciliation bill—the one that solely worsens the deficit—even under circumstances when the Congress had failed to enact the prior two reconciliation bills?

The PRESIDING OFFICER. If the Senator's question is, can the budget resolution direct the creation of a reconciliation bill which lowers revenues, the answer is yes.

Mr. DASCHLE. A second parliamentary inquiry. Is it the opinion of the Chair that this resolution would continue to be a budget resolution if it directed the creation of only that third reconciliation bill—the one that solely worsens the deficit—and did not direct the enactment of the two prior reconciliation bills?

The PRESIDING OFFICER. The answer is yes.

Mr. DASCHLE. Mr. President, third inquiry. The pending resolution instructs the Finance and Ways and Means Committees to produce a bill that cuts taxes. There are no other instructions to those committees with regard to that reconciliation bill. Is it the opinion of the Chair that it would be in order for a budget resolution to instruct the creation of a reconciliation bill that increased outlays and gave no other instructions to those committees with regard to that reconciliation bill?

The PRESIDING OFFICER. Yes.

Mr. DASCHLE. Mr. President, the Byrd rule forbids legislation that will increase the deficit in years beyond those covered in the budget resolution. If this third reconciliation bill does not find a way to end or offset its tax cuts in the years beyond 2002, would the bill violate the Byrd rule?

The PRESIDING OFFICER. Yes, it would.

Mr. DASCHLE. Is it not true, unless the budget resolution assumes that the tax cuts will sunset in 2002, or be offset by tax increases thereafter, the resolution calls for a reconciliation bill that would violate the Byrd rule?

The PRESIDING OFFICER. The resolution cannot make assumptions beyond the years which are instructed.

Mr. DASCHLE. That is not the question, Mr. President.

What I am asking is that under the Byrd rule there must be a determination that the deficit is not increased by actions taken in the reconciliation instructions in the outyears, in the years beyond the window.

The PRESIDING OFFICER. The Byrd rule does not apply to reconciliation instructions. It applies to a reconciliation bill.

Mr. DASCHLE. That is my point, Mr. President. This resolution assumes that a reconciliation bill will be triggered that will violate the Byrd rule

unless it is terminated at the end of 2002 or else subsequently offset.

The assumption of the resolution is that tax cuts will sunset in the year 2002 or be offset by tax increases thereafter in order for it not to be in violation of the Byrd rule, is that not correct?

The PRESIDING OFFICER. The budget resolution makes no assumptions.

Mr. DASCHLE. Mr. President, let me ask you this: Would the reconciliation bill be in order if the budget resolution did not address the issue of deficit reduction beyond that 6-year timeframe?

The PRESIDING OFFICER. I read to you under extraneous provisions (e):

A provision shall be considered to be extraneous if it increases or would increase net outlays or if it decreases or would decrease revenues during a fiscal year after the fiscal years covered by such a reconciliation bill or reconciliation resolution.

This only applies to reconciliation bills.

Mr. DASCHLE. Let me then phrase my question another way, because I think we can now clarify this.

The reconciliation bill triggered by this resolution would not be in order, in other words, if it failed either to offset the tax cuts or to sunset them after fiscal year 2002, is that not correct?

The PRESIDING OFFICER. That is correct.

Mr. DASCHLE. Mr. President, let me just note parenthetically, if that is correct, that the majority party is the same party that has criticized the President's budget because the President sunsets his tax cuts. But now the majority comes before us with a reconciliation instruction that requires either that their tax cuts be abruptly sunsetted in the year 2002 or that taxes be increased dramatically after that point to pay for the continuing tax cuts.

Is it the opinion of the Chair that it is in order for a budget resolution to call for the creation of 10 different reconciliation bills in one fiscal year?

The PRESIDING OFFICER. There is no number limiting the number of reconciliation bills.

Mr. DASCHLE. Mr. President, this is, in my view, a ludicrous abuse of power. If this ruling is upheld we will be giving more and more power to the Budget Committee, power cloaked in the fast-track protection of the budget process itself. We will be granting immense power to the majority. If this precedent is pushed to its logical conclusion, I suspect there will come a day when all legislation will be done through reconciliation.

A decade ago the Senate wisely amended the reconciliation process by adding the Byrd rule to ensure that reconciliation bills would be narrowly drawn and limited to their deficit reduction purpose.

This ruling poses a serious threat to the Budget Committee as we will become more and more like the House Rules Committee and the Senate more and more like the House of Representatives.

For those of us who want deficit reduction, the majority seeks a very dangerous precedent today. For those of you who believe in the history of the Senate and unlimited debate and the right of Senators to offer amendments, the majority seeks to set very dangerous precedents today.

I urge my colleagues to vote to overturn the ruling of the Chair. If we do not, the Senate will surely become a different place and a much diminished institution.

Mr. President, I note the distinguished Senator from South Carolina, the former chairman of the Budget Committee, seeks recognition to address this issue. And I am sure my colleague, the current ranking member of Budget committee, does so as well.

I yield the floor for that purpose.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not intend to stay and debate the issue very long. Perhaps Senator GORTON can stay in my stead.

But let me just suggest that in the view of this Senator the Budget Act offers a great deal of latitude to the U.S. Senate and to the Budget Committee. It can be controlled by the U.S. Senate, if the U.S. Senate chooses to do so. As a matter of fact, even on the Senator's point of order, if the Senate chooses to sustain his appeal, or to grant his appeal, the Senate will have decided that it does not in this reconciliation bill intend us to have three reconciliation bills. I believe that is a matter for the Senate.

But to argue that in this instance when you are contemplating a very large reconciliation bill with all kinds of things in it, one shot, one debate, one vote and that we cannot find a judicious way to do better than that by having more than one reconciliation bill, more than one opportunity to vote on this, seems to me to fly in the face of permitting the Senate to do its business in the best way that it can under very strict rules of the Budget Committee. And I, frankly, believe that this is a better way to handle a huge and varied number of bills—to have more than one debate. And, frankly, we are committed to a balanced budget and to the balanced budget continuing on beyond the 2002. We do not intend to have tax cuts to take us out of balance in 8 years. That would be matched up against entitlement savings that go on. It will be matched up against caps on discretionary programs that go on.

So the issue of us being forced to sunset, and in some way that is under the technical ruling today, in some way that puts us in the same boat with the President who has submitted a budget that is not in balance under the same rules that the Senate applies, and then to say we put it in balance by triggering and closing off the tax cuts and to

say they are the same, to me just flies absolutely in the face of every kind of factual assessment you want to make about the two budgets.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I appeal the ruling of the Chair, and ask for the yeas and nays.

The PRESIDING OFFICER. The Senator has already appealed. There is 1 hour to be equally divided.

Mr. DASCHLE. Is it not appropriate to ask for the yeas and nays at this time?

The PRESIDING OFFICER. It is appropriate to ask for them.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I am about to yield whatever is yielded from our time to my distinguished friend from South Carolina.

I think this debate has been absolutely fascinating because from the very beginning of the budget debate this year I was struck by what I had never seen before; and, that is three reconciliation bills. I simply say that the excellent debate that has taken place highlights the fact, and proves beyond any doubt what I have always suspected—that the majority in this case on the Budget Committee are trying to use this new reconciliation process to protect a tax cut from full debate and amendment, something they obviously could not get that done under the usual rules of the Senate. The budget reconciliation keeps those of us who are opposed to that kind of a proposition from using the traditional filibuster techniques. We should have a debate. We should have all of the rules in place when we talk about cutting or raising taxes.

I happen to feel that the move by the majority in this instance is an undisputed abuse of power and if it is allowed to occur, will it cause them great heartbreak in the future.

Certainly the Senator from South Carolina I believe has been on the Budget Committee since its inception, and I think there are few, if any in the body, who have a better understanding of what the intent of that legislation is.

I am pleased to yield to him whatever time he needs.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I thank my distinguished friend, the Senator from Nebraska.

Mr. President, I come to the floor of the Senate and I cannot keep up with everything going on. I hear different things—such as a "Reconciliation Act of 1975"—which are totally false.

I also heard someone refer to Senator Long as having been chairman of the Budget Committee—also totally false.

When I hear these things I remember very, very clearly the history of reconciliation. I can tell you in the late 1970's we used to kid about reconciliation over on the House side; they said they could not even pronounce it. And if you go to the RECORD you will find that back in 1975, the Revenue Adjustment Act to which they are now referring was not a Reconciliation Act.

The assistant legislative clerk read as follows:

A bill (H.R. 5559) to make changes in certain income tax provisions of the Internal Revenue Code of 1954, and for other purposes.

That was not reconciliation. I know Senator Long could use language loosely from time to time. But that was not a reconciliation bill. We did not start reconciliation until December 1980. I was chairman of the Budget Committee, and the distinguished Senator from New Mexico was on the Budget Committee at that time. And I am sure the CONGRESSIONAL RECORD will reflect the fact that the first reconciliation bill in the history of the Government of the United States of America was in December 1980, and has nothing to do with the precedent noted by the Parliamentarian in 1975. Back then we only had 1-year budgets.

Now let me speak to the history of reconciliation. We started out discussing the matter with our colleagues on the House side. The distinguished Member from the State of Washington, Congressman Adams was the chairman at that time. And we talked back and forth. But after President Carter was defeated on a Tuesday in November, I went over that Friday to the White House, after we received new budget numbers from the Congressional Budget Office. The Congressional Budget Office projection of revenues and outlays showed that the deficit was going up to about \$43 billion. I said, "Mr. President, no Democrat is going to ever get elected if we don't cut the deficit. It is going to be the largest deficit in the history of the Government." He said, "What are you going to do?" I said, "Well, there is a fancy word, Mr. President, reconciliation. I think I can get Chairman Giaimo to go along." I had talked to Bob ahead of time. I told the president, "What it means is cut; to go back and cut those things that were already allocated." Now, back then the fiscal year was from July to July. We were already in December and we needed to try to reduce. That is the history of reconciliation—to reduce deficits.

This idea of coming in here and saying that the word is "change", and it does not specify up or down is totally out of the ballpark. It is in reference to the budget process. If we can find Mr. Giaimo from Connecticut we could bring him back here and some of the others—Brock Adams; Jimmy Jones who is now the Ambassador down in Mexico, they would tell you that reconciliation is a procedure to reduce the deficit.

The whole context given here this afternoon is that of minority-majority, majority-minority, and all of that. I understand that. The distinguished minority leader is right on target. But the greatest concern is that we may break all discipline from the majority or the minority in the United States Congress itself if we go this route. We have to overrule this nonsense. This ruling of the Chair is totally spurious with no basis whatsoever in fact.

The truth of the matter is that the bill considered in 1975 was not a reconciliation bill, it was a tax revenue act. If you look at the bill you'll see that it was not reconciliation. And while we are clearing things up, someone just a little while ago said Senator Long was chairman of the Budget Committee. Not only was he not chairman, he never served on the Budget Committee. He served as the distinguished chairman of Finance. We had our differences with Finance all along, the difference between Senator Muskie and Senator Long. I was there when those particular debates were going on.

I would plead to my colleagues very genuinely, to not violate the Byrd rule, which was to keep us sort of in harness and not just willy-nilly put anything on a reconciliation bill.

Let us not get around the debate with spurious arguments or about Senator Long as chairman of the Budget Committee that he never served on, or reconciliation that never occurred in 1975.

Now, Mr. President, these are the hard facts. If someone would get out the Congressional RECORD and look back, they will see that the first reconciliation bill was passed by the Congress in 1980. I have got the picture. I have got the frame. I am sure Giaimo has the similar frame. The first reconciliation act in the history of this U.S. Government was in December, 1980. It was signed by President Carter, and was 5 years subsequent to the authority they are using now to get around what is going on.

The problem here is the Presidential politics. It has gotten to be a cancer on this entire body. The plan is: we will make them vote on welfare; then we will make them vote on these other things; and then, finally in September, says that resolution, just before the election, we will bring up tax cuts, because the polls say everybody is against taxes. So we will just put them to the task.

What we have now is Presidential politics, and they ought to be ashamed of themselves. Their authority is absolutely fallacious.

I happened to be chairman of the Budget Committee at the time, and I told the President: if you can get Herke Harris and Jim McIntyre to leave us alone * * * because they were over on the Hill that fall trying to reelect President Carter, putting up money hither and thither. And I even went at that time to our liberal spending friends. I went to Senator Warren