

Bob Dole



NEWS

U. S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
MONDAY, AUGUST 2, 1993

CONTACT: CLARKSON HINE
(202) 224-5358

BUDGET UPDATE

FAILURE OF CLINTON PLAN WON'T BE END OF WORLD:
"WE CAN DO BETTER"; REPUBLICANS STAND READY TO HELP DEVELOP
BETTER PLAN -- CUT SPENDING FIRST, PROVIDE INCENTIVES FOR GROWTH

LATER TODAY, THE DISTINGUISHED MAJORITY LEADER, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, SENATOR MOYNIHAN, AND OTHER KEY DEMOCRAT NEGOTIATORS WHO HAVE BEEN WORKING FOR THE PAST WEEK BEHIND CLOSED DOORS, ARE EXPECTED TO ANNOUNCE THE FINAL DETAILS OF THE CLINTON ECONOMIC PLAN. AS FAR AS REPUBLICANS ARE CONCERNED, NOTHING WE HAVE HEARD SO FAR CHANGES THE FACT THAT THIS IS A BAD PLAN THAT WILL BE BAD NEWS FOR THE ECONOMY AND IT WILL NOT SOLVE THE DEFICIT PROBLEM.

THE GLUE THAT HOLDS THE REPUBLICAN PARTY TOGETHER IS THE ABSOLUTE CONVICTION THAT THE UNITED STATES CANNOT SPEND ITS WAY TO PROSPERITY AND IT CANNOT TAX ITS WAY TO PROSPERITY.

NO LAST MINUTE, COSMETIC CHANGES CAN HIDE THE FACT THAT THE CENTERPIECE OF THE CLINTON ECONOMIC PLAN IS THE LARGEST TAX INCREASE IN HISTORY. THIS IS A TAX-NOW, CUT-SPENDING-LATER PLAN THAT WILL SLOW DOWN THE ECONOMY AND DESTROY THOUSANDS AND THOUSANDS OF JOBS.

RETROACTIVE TAXES, QUESTIONABLE FUTURE CUTS

WE LEARNED YESTERDAY THAT THE INCOME TAX HIKES IN THIS BILL WILL GO INTO EFFECT ON JANUARY 1ST OF 1993. THOSE AFFECTED BY THESE NEW TAX RATES WHO FILE AS INDIVIDUALS HAVE FOUR MONTHS LEFT TO PAY FOR AN ALMOST 30 PERCENT INCREASE IN THEIR TAX BILLS. FOR A LOT OF SMALL BUSINESSMEN AND WOMEN, THIS INCREASE WILL HAVE THE SAME EFFECT AS A 67 PERCENT TAX HIKE FOR THE REMAINDER OF THIS YEAR.

ON THE SPENDING SIDE, THE VAST MAJORITY -- 80 PERCENT -- OF THE PROMISED SPENDING CUTS IN THE DEMOCRATS' PLAN WILL BE DELAYED UNTIL AFTER THE 1996 ELECTIONS. IN FACT, YESTERDAY, CHAIRMAN MOYNIHAN REPEATED THAT THIS PLAN DOESN'T REALLY CUT ANYTHING. IT SIMPLY SLOWS THE RATE OF PROJECTED SPENDING INCREASES.

THAT'S NOT A GOOD DEAL FOR AMERICA.

CONFERENCE REPORT -- MAKING SENATE BILL WORSE

NOT ONE REPUBLICAN VOTED FOR THE PRESIDENT'S BUDGET PLAN IN EITHER THE HOUSE OR THE SENATE. I CAN'T SPEAK FOR MY COLLEAGUES IN THE HOUSE, BUT BASED ON WHAT WE KNOW ABOUT THE CONFERENCE REPORT, I WOULD BE SURPRISED TO SEE A SINGLE SENATE REPUBLICAN VOTING FOR THIS PACKAGE. IT'S EVEN WORSE THAN THE SENATE BILL.

ACCORDING TO THE INFORMATION I HAVE SEEN, THE CONFERENCE REPORT WILL HAVE AT LEAST AS MANY TAXES AS THE SENATE BILL. IF THAT WERE NOT BAD ENOUGH, THE INCOME TAX INCREASES FOR BUSINESSES AND INDIVIDUALS ARE NOW RETROACTIVE TO JANUARY FIRST, ALL THE WAY BACK TO THE BUSH ADMINISTRATION. THAT'S A CHANGE FOR THE WORSE. THE CONFERENCE REPORT HAS FEWER SPENDING CUTS, AND LESS DEFICIT REDUCTION THAN THE SENATE-PASSED BILL.

ANYONE WHO VOTED AGAINST THE SENATE BILL IS GOING TO HAVE A TOUGH TIME EXPLAINING HOW THIS PACKAGE IS A BETTER DEAL FOR AMERICA.

REPUBLICAN AMENDMENTS

THROUGHOUT THIS PROCESS, REPUBLICANS HAVE TRIED TO IMPROVE THE PRESIDENT'S BUDGET PLAN.

WHEN THE SENATE WAS DEBATING THE BUDGET RESOLUTION BACK IN MARCH, SENATOR NICKLES OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$73 BILLION ENERGY TAX. THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. SENATE REPUBLICANS WERE UNITED IN OUR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 53 SENATE DEMOCRATS VOTED TO DEFEAT THE NICKLES AMENDMENT.

SENATOR LOTT AND SENATOR MACK OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$32 BILLION SOCIAL SECURITY TAX INCREASE. AGAIN THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 52 SENATE DEMOCRATS VOTED TO KILL IT.

LATER, SENATOR GRAMM AND SENATOR LOTT OFFERED AN AMENDMENT TO

(MORE)

REDUCE THE INDIVIDUAL INCOME TAX INCREASES, ELIMINATE THE ENERGY TAX, AND ELIMINATE THE SOCIAL SECURITY TAX. THE AMENDMENT WAS PAID FOR BY CUTTING BACK ON THE PRESIDENT'S PROPOSED SPENDING INCREASES. ONCE AGAIN, REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT 55 SENATE DEMOCRATS VOTED TO KILL IT. ADOPTING THE GRAMM-LOTT AMENDMENT WOULD HAVE DRAMATICALLY IMPROVED THE PRESIDENT'S PLAN BY REDUCING THE PROPOSED TAX INCREASES BY \$206 BILLION OVER FIVE YEARS WITHOUT SACRIFICING DEFICIT REDUCTION.

EVEN WITH IF THE GRAMM-LOTT AMENDMENT HAD BEEN ADOPTED, THE BUDGET WOULD HAVE CALLED FOR \$89 BILLION IN INCREASED CORPORATE AND INDIVIDUAL INCOME TAXES AND USER FEES OVER THE NEXT FIVE YEARS.

ALONG WITH THE DISTINGUISHED RANKING MEMBER OF THE BUDGET COMMITTEE, AND A HOST OF MY REPUBLICAN COLLEAGUES, I OFFERED A COMPREHENSIVE REPUBLICAN ALTERNATIVE TO THE CLINTON ECONOMIC PLAN. IT WOULD HAVE REDUCED THE DEFICIT BY \$367 BILLION OVER 5 YEARS WITHOUT RAISING TAXES. BUT, THE DEMOCRATS DEFEATED OUR TAX-FREE ALTERNATIVE.

REPUBLICAN COMMITMENT TO DEFICIT REDUCTION -- CUT SPENDING FIRST

THE MESSAGE FROM ALL OF THESE AMENDMENTS IS CLEAR.

REPUBLICANS DO NOT BELIEVE THAT A RECORD TAX INCREASE IS GOOD FOR THE ECONOMY. WE DO NOT BELIEVE THAT ALL THESE PROMISED, FUTURE SPENDING CUTS WILL MATERIALIZE. EVEN IF THEY DID, THE PRESIDENT'S OWN NUMBERS SHOW THAT UNDER HIS PLAN THE DEFICIT STARTS MOVING UP AGAIN AFTER FOUR YEARS. THE REASON IS SIMPLE. THE PRESIDENT'S PLAN FAILS TO CONTROL THE RUNAWAY GROWTH OF ENTITLEMENT SPENDING.

MAKE NO MISTAKE. REPUBLICANS WANT TO REDUCE THE DEFICIT. WE UNDERSTAND THAT CONTINUED DEFICITS THREATEN THE FUTURE OF THIS COUNTRY. THAT IS WHY REPUBLICANS SUPPORT A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION. THAT IS WHY REPUBLICANS FAVOR THE LINE-ITEM VETO.

WE REMAIN FUNDAMENTALLY OPPOSED TO THE PRESIDENT'S PLAN BECAUSE WE BELIEVE THAT THE BEST WAY TO REDUCE THE DEFICIT AND MOVE TOWARD A BALANCED BUDGET IS TO CUT SPENDING FIRST.

THERE ARE A LOT OF AMERICANS WHO MAY BE WILLING TO MAKE A SACRIFICE TO REDUCE THE DEFICIT. BUT, THEY ARE NOT WILLING TO ACCEPT HIGHER TAXES FOR BUSINESS-AS-USUAL. THAT IS WHAT THIS PLAN OFFERS.

ACROSS THE COUNTRY, REPUBLICANS ARE WORKING TOGETHER WITH INDEPENDENTS AND DEMOCRATS TO TRY TO DEFEAT THE CLINTON ECONOMIC PLAN. THE DEMOCRATS CONTROL THE WHITE HOUSE AND BOTH HOUSES OF CONGRESS; SO, THIS IS AN UPHILL BATTLE, BUT IT'S NOT OUT OF REACH.

THE WHITE HOUSE IS TRYING TO CONVINCE SCORES OF WAVERING DEMOCRATS THAT THIS VOTE WILL BE A DEFINING MOMENT FOR THE CLINTON PRESIDENCY. IT WILL BE.

EVERY DEMOCRAT IN THE SENATE KNOWS THAT HIS OR HER VOTE COULD BE THE DIFFERENCE. WE ALL UNDERSTAND THAT THESE VOTES ARE GOING TO BE REMEMBERED FOR A LONG TIME.

BUT, IT'S STILL NOT TOO LATE TO SEND A WAKE-UP CALL TO THE PRESIDENT. IF WE CAN CONVINCE THE SIX SENATE DEMOCRATS WHO VOTED AGAINST THE SENATE BILL TO HOLD FIRM AND PERSUADE ONE MORE SENATE DEMOCRAT TO VOTE AGAINST THIS PLAN, WE WILL HAVE WON A MAJOR VICTORY FOR THE AMERICAN PEOPLE. REPUBLICANS ARE NOT TRYING TO EMBARRASS THE PRESIDENT. IF WE CAN HELP HIM DEVELOP A BETTER PLAN, EVERYONE WINS.

SKY WON'T FALL -- WE CAN DO BETTER

LET'S NOT GET CARRIED AWAY WITH ALL THE WHITE HOUSE HYPE FOR THE CLINTON ECONOMIC PLAN. THE STATEMENTS FROM THE WHITE HOUSE BOILER ROOM SOUND LIKE THEY WERE WRITTEN BY CHICKEN LITTLE. THE WHITE HOUSE WANTS US TO BELIEVE THAT THE WORLD WILL COME TO AN END IF THE PRESIDENT'S PLAN IS DEFEATED. IT WON'T. IF WE ARE SUCCESSFUL AND DEFEAT THE CLINTON PLAN, THE SKY WON'T FALL.

WE CAN DO BETTER. THE PRESIDENT STILL HAS TIME TO SCRAP HIS TAX-NOW, CUT-SPENDING-LATER PLAN AND TRY AGAIN.

IF HE DOES, PRESIDENT CLINTON CAN COUNT ON HELP FROM LOTS OF REPUBLICANS WHO STAND READY TO MEET WITH HIM AND THE DEMOCRAT LEADERSHIP IN CONGRESS. NO PRECONDITIONS.

NOW, THAT'S NOT AN ENDORSEMENT OF A SO-CALLED SUMMIT, AND IT'S NOT AN ENDORSEMENT OF TAX INCREASES. IT'S JUST A COMMITMENT BY REPUBLICANS TO TRY TO HELP THE PRESIDENT DEVELOP A REAL DEFICIT REDUCTION PLAN THAT WORKS.

IN OUR VIEW, WE CAN DO BETTER THAN THIS PLAN, AND WE HOPE TO CONVINCE THE PRESIDENT AND HIS FELLOW DEMOCRATS THAT WE CAN DO IT BY CUTTING SPENDING FIRST AND PROVIDING REAL INCENTIVES FOR INVESTMENT AND GROWTH -- LIKE RETROACTIVE AND PROSPECTIVE INDEXING FOR CAPITAL GAINS COMBINED WITH THE REPEAL OF STEPPED-UP BASIS AT DEATH.

WE MAY NOT SUCCEED, BUT WE HAVE TO TRY. THE FUTURE OF OUR COUNTRY COULD BE AT STAKE.

###

Remarks delivered on the Senate floor, approximately 11:45AM EDT.

Bob Dole



NEWS

U.S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
MONDAY, AUGUST 2, 1993

CONTACT: CLARKSON HINE
(202) 224-5358

BUDGET UPDATE

FAILURE OF CLINTON PLAN WON'T BE END OF WORLD:
"WE CAN DO BETTER"; REPUBLICANS STAND READY TO HELP DEVELOP
BETTER PLAN -- CUT SPENDING FIRST, PROVIDE INCENTIVES FOR GROWTH

LATER TODAY, THE DISTINGUISHED MAJORITY LEADER, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, SENATOR MOYNIHAN, AND OTHER KEY DEMOCRAT NEGOTIATORS WHO HAVE BEEN WORKING FOR THE PAST WEEK BEHIND CLOSED DOORS, ARE EXPECTED TO ANNOUNCE THE FINAL DETAILS OF THE CLINTON ECONOMIC PLAN. AS FAR AS REPUBLICANS ARE CONCERNED, NOTHING WE HAVE HEARD SO FAR CHANGES THE FACT THAT THIS IS A BAD PLAN THAT WILL BE BAD NEWS FOR THE ECONOMY AND IT WILL NOT SOLVE THE DEFICIT PROBLEM.

THE GLUE THAT HOLDS THE REPUBLICAN PARTY TOGETHER IS THE ABSOLUTE CONVICTION THAT THE UNITED STATES CANNOT SPEND ITS WAY TO PROSPERITY AND IT CANNOT TAX ITS WAY TO PROSPERITY.

NO LAST MINUTE, COSMETIC CHANGES CAN HIDE THE FACT THAT THE CENTERPIECE OF THE CLINTON ECONOMIC PLAN IS THE LARGEST TAX INCREASE IN HISTORY. THIS IS A TAX-NOW, CUT-SPENDING-LATER PLAN THAT WILL SLOW DOWN THE ECONOMY AND DESTROY THOUSANDS AND THOUSANDS OF JOBS.

RETROACTIVE TAXES, QUESTIONABLE FUTURE CUTS

WE LEARNED YESTERDAY THAT THE INCOME TAX HIKES IN THIS BILL WILL GO INTO EFFECT ON JANUARY 1ST OF 1993. THOSE AFFECTED BY THESE NEW TAX RATES WHO FILE AS INDIVIDUALS HAVE FOUR MONTHS LEFT TO PAY FOR AN ALMOST 30 PERCENT INCREASE IN THEIR TAX BILLS. FOR A LOT OF SMALL BUSINESSMEN AND WOMEN, THIS INCREASE WILL HAVE THE SAME EFFECT AS A 67 PERCENT TAX HIKE FOR THE REMAINDER OF THIS YEAR.

ON THE SPENDING SIDE, THE VAST MAJORITY -- 80 PERCENT -- OF THE PROMISED SPENDING CUTS IN THE DEMOCRATS' PLAN WILL BE DELAYED UNTIL AFTER THE 1996 ELECTIONS. IN FACT, YESTERDAY, CHAIRMAN MOYNIHAN REPEATED THAT THIS PLAN DOESN'T REALLY CUT ANYTHING. IT SIMPLY SLOWS THE RATE OF PROJECTED SPENDING INCREASES.

THAT'S NOT A GOOD DEAL FOR AMERICA.

CONFERENCE REPORT -- MAKING SENATE BILL WORSE

NOT ONE REPUBLICAN VOTED FOR THE PRESIDENT'S BUDGET PLAN IN EITHER THE HOUSE OR THE SENATE. I CAN'T SPEAK FOR MY COLLEAGUES IN THE HOUSE, BUT BASED ON WHAT WE KNOW ABOUT THE CONFERENCE REPORT, I WOULD BE SURPRISED TO SEE A SINGLE SENATE REPUBLICAN VOTING FOR THIS PACKAGE. IT'S EVEN WORSE THAN THE SENATE BILL.

ACCORDING TO THE INFORMATION I HAVE SEEN, THE CONFERENCE REPORT WILL HAVE AT LEAST AS MANY TAXES AS THE SENATE BILL. IF THAT WERE NOT BAD ENOUGH, THE INCOME TAX INCREASES FOR BUSINESSES AND INDIVIDUALS ARE NOW RETROACTIVE TO JANUARY FIRST, ALL THE WAY BACK TO THE BUSH ADMINISTRATION. THAT'S A CHANGE FOR THE WORSE. THE CONFERENCE REPORT HAS FEWER SPENDING CUTS, AND LESS DEFICIT REDUCTION THAN THE SENATE-PASSED BILL.

ANYONE WHO VOTED AGAINST THE SENATE BILL IS GOING TO HAVE A TOUGH TIME EXPLAINING HOW THIS PACKAGE IS A BETTER DEAL FOR AMERICA.

REPUBLICAN AMENDMENTS

THROUGHOUT THIS PROCESS, REPUBLICANS HAVE TRIED TO IMPROVE THE PRESIDENT'S BUDGET PLAN.

WHEN THE SENATE WAS DEBATING THE BUDGET RESOLUTION BACK IN MARCH, SENATOR NICKLES OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$73 BILLION ENERGY TAX. THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. SENATE REPUBLICANS WERE UNITED IN OUR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 53 SENATE DEMOCRATS VOTED TO DEFEAT THE NICKLES AMENDMENT.

SENATOR LOTT AND SENATOR MACK OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$32 BILLION SOCIAL SECURITY TAX INCREASE. AGAIN THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 52 SENATE DEMOCRATS VOTED TO KILL IT.

LATER, SENATOR GRAMM AND SENATOR LOTT OFFERED AN AMENDMENT TO
(MORE)

REDUCE THE INDIVIDUAL INCOME TAX INCREASES, ELIMINATE THE ENERGY TAX, AND ELIMINATE THE SOCIAL SECURITY TAX. THE AMENDMENT WAS PAID FOR BY CUTTING BACK ON THE PRESIDENT'S PROPOSED SPENDING INCREASES. ONCE AGAIN, REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT 55 SENATE DEMOCRATS VOTED TO KILL IT. ADOPTING THE GRAMM-LOTT AMENDMENT WOULD HAVE DRAMATICALLY IMPROVED THE PRESIDENT'S PLAN BY REDUCING THE PROPOSED TAX INCREASES BY \$206 BILLION OVER FIVE YEARS WITHOUT SACRIFICING DEFICIT REDUCTION.

EVEN WITH IF THE GRAMM-LOTT AMENDMENT HAD BEEN ADOPTED, THE BUDGET WOULD HAVE CALLED FOR \$89 BILLION IN INCREASED CORPORATE AND INDIVIDUAL INCOME TAXES AND USER FEES OVER THE NEXT FIVE YEARS.

ALONG WITH THE DISTINGUISHED RANKING MEMBER OF THE BUDGET COMMITTEE, AND A HOST OF MY REPUBLICAN COLLEAGUES, I OFFERED A COMPREHENSIVE REPUBLICAN ALTERNATIVE TO THE CLINTON ECONOMIC PLAN. IT WOULD HAVE REDUCED THE DEFICIT BY \$367 BILLION OVER 5 YEARS WITHOUT RAISING TAXES. BUT, THE DEMOCRATS DEFEATED OUR TAX-FREE ALTERNATIVE.

REPUBLICAN COMMITMENT TO DEFICIT REDUCTION -- CUT SPENDING FIRST

THE MESSAGE FROM ALL OF THESE AMENDMENTS IS CLEAR.

REPUBLICANS DO NOT BELIEVE THAT A RECORD TAX INCREASE IS GOOD FOR THE ECONOMY. WE DO NOT BELIEVE THAT ALL THESE PROMISED, FUTURE SPENDING CUTS WILL MATERIALIZE. EVEN IF THEY DID, THE PRESIDENT'S OWN NUMBERS SHOW THAT UNDER HIS PLAN THE DEFICIT STARTS MOVING UP AGAIN AFTER FOUR YEARS. THE REASON IS SIMPLE. THE PRESIDENT'S PLAN FAILS TO CONTROL THE RUNAWAY GROWTH OF ENTITLEMENT SPENDING.

MAKE NO MISTAKE. REPUBLICANS WANT TO REDUCE THE DEFICIT. WE UNDERSTAND THAT CONTINUED DEFICITS THREATEN THE FUTURE OF THIS COUNTRY. THAT IS WHY REPUBLICANS SUPPORT A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION. THAT IS WHY REPUBLICANS FAVOR THE LINE-ITEM VETO.

WE REMAIN FUNDAMENTALLY OPPOSED TO THE PRESIDENT'S PLAN BECAUSE WE BELIEVE THAT THE BEST WAY TO REDUCE THE DEFICIT AND MOVE TOWARD A BALANCED BUDGET IS TO CUT SPENDING FIRST.

THERE ARE A LOT OF AMERICANS WHO MAY BE WILLING TO MAKE A SACRIFICE TO REDUCE THE DEFICIT. BUT, THEY ARE NOT WILLING TO ACCEPT HIGHER TAXES FOR BUSINESS-AS-USUAL. THAT IS WHAT THIS PLAN OFFERS.

ACROSS THE COUNTRY, REPUBLICANS ARE WORKING TOGETHER WITH INDEPENDENTS AND DEMOCRATS TO TRY TO DEFEAT THE CLINTON ECONOMIC PLAN. THE DEMOCRATS CONTROL THE WHITE HOUSE AND BOTH HOUSES OF CONGRESS; SO, THIS IS AN UPHILL BATTLE, BUT IT'S NOT OUT OF REACH.

THE WHITE HOUSE IS TRYING TO CONVINCE SCORES OF WAVERING DEMOCRATS THAT THIS VOTE WILL BE A DEFINING MOMENT FOR THE CLINTON PRESIDENCY. IT WILL BE.

EVERY DEMOCRAT IN THE SENATE KNOWS THAT HIS OR HER VOTE COULD BE THE DIFFERENCE. WE ALL UNDERSTAND THAT THESE VOTES ARE GOING TO BE REMEMBERED FOR A LONG TIME.

BUT, IT'S STILL NOT TOO LATE TO SEND A WAKE-UP CALL TO THE PRESIDENT. IF WE CAN CONVINCE THE SIX SENATE DEMOCRATS WHO VOTED AGAINST THE SENATE BILL TO HOLD FIRM AND PERSUADE ONE MORE SENATE DEMOCRAT TO VOTE AGAINST THIS PLAN, WE WILL HAVE WON A MAJOR VICTORY FOR THE AMERICAN PEOPLE. REPUBLICANS ARE NOT TRYING TO EMBARRASS THE PRESIDENT. IF WE CAN HELP HIM DEVELOP A BETTER PLAN, EVERYONE WINS.

SKY WON'T FALL -- WE CAN DO BETTER

LET'S NOT GET CARRIED AWAY WITH ALL THE WHITE HOUSE HYPE FOR THE CLINTON ECONOMIC PLAN. THE STATEMENTS FROM THE WHITE HOUSE BOILER ROOM SOUND LIKE THEY WERE WRITTEN BY CHICKEN LITTLE. THE WHITE HOUSE WANTS US TO BELIEVE THAT THE WORLD WILL COME TO AN END IF THE PRESIDENT'S PLAN IS DEFEATED. IT WON'T. IF WE ARE SUCCESSFUL AND DEFEAT THE CLINTON PLAN, THE SKY WON'T FALL.

WE CAN DO BETTER. THE PRESIDENT STILL HAS TIME TO SCRAP HIS TAX-NOW, CUT-SPENDING-LATER PLAN AND TRY AGAIN.

IF HE DOES, PRESIDENT CLINTON CAN COUNT ON HELP FROM LOTS OF REPUBLICANS WHO STAND READY TO MEET WITH HIM AND THE DEMOCRAT LEADERSHIP IN CONGRESS. NO PRECONDITIONS.

NOW, THAT'S NOT AN ENDORSEMENT OF A SO-CALLED SUMMIT, AND IT'S NOT AN ENDORSEMENT OF TAX INCREASES. IT'S JUST A COMMITMENT BY REPUBLICANS TO TRY TO HELP THE PRESIDENT DEVELOP A REAL DEFICIT REDUCTION PLAN THAT WORKS.

IN OUR VIEW, WE CAN DO BETTER THAN THIS PLAN, AND WE HOPE TO CONVINCE THE PRESIDENT AND HIS FELLOW DEMOCRATS THAT WE CAN DO IT BY CUTTING SPENDING FIRST AND PROVIDING REAL INCENTIVES FOR INVESTMENT AND GROWTH -- LIKE RETROACTIVE AND PROSPECTIVE INDEXING FOR CAPITAL GAINS COMBINED WITH THE REPEAL OF STEPPED-UP BASIS AT DEATH.

WE MAY NOT SUCCEED, BUT WE HAVE TO TRY. THE FUTURE OF OUR COUNTRY COULD BE AT STAKE.

###

Remarks delivered on the Senate floor, approximately 11:45AM EDT.

Bob Dole

U.S. SENATOR FOR KANSAS

NEWS

FROM:

SENATE REPUBLICAN LEADER



FOR IMMEDIATE RELEASE
MONDAY, AUGUST 2, 1993

CONTACT: CLARKSON HINE
(202) 224-5358

BUDGET UPDATE

FAILURE OF CLINTON PLAN WON'T BE END OF WORLD:
"WE CAN DO BETTER"; REPUBLICANS STAND READY TO HELP DEVELOP
BETTER PLAN -- CUT SPENDING FIRST, PROVIDE INCENTIVES FOR GROWTH

LATER TODAY, THE DISTINGUISHED MAJORITY LEADER, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, SENATOR MOYNIHAN, AND OTHER KEY DEMOCRAT NEGOTIATORS WHO HAVE BEEN WORKING FOR THE PAST WEEK BEHIND CLOSED DOORS, ARE EXPECTED TO ANNOUNCE THE FINAL DETAILS OF THE CLINTON ECONOMIC PLAN. AS FAR AS REPUBLICANS ARE CONCERNED, NOTHING WE HAVE HEARD SO FAR CHANGES THE FACT THAT THIS IS A BAD PLAN THAT WILL BE BAD NEWS FOR THE ECONOMY AND IT WILL NOT SOLVE THE DEFICIT PROBLEM.

THE GLUE THAT HOLDS THE REPUBLICAN PARTY TOGETHER IS THE ABSOLUTE CONVICTION THAT THE UNITED STATES CANNOT SPEND ITS WAY TO PROSPERITY AND IT CANNOT TAX ITS WAY TO PROSPERITY.

NO LAST MINUTE, COSMETIC CHANGES CAN HIDE THE FACT THAT THE CENTERPIECE OF THE CLINTON ECONOMIC PLAN IS THE LARGEST TAX INCREASE IN HISTORY. THIS IS A TAX-NOW, CUT-SPENDING-LATER PLAN THAT WILL SLOW DOWN THE ECONOMY AND DESTROY THOUSANDS AND THOUSANDS OF JOBS.

RETROACTIVE TAXES, QUESTIONABLE FUTURE CUTS

WE LEARNED YESTERDAY THAT THE INCOME TAX HIKES IN THIS BILL WILL GO INTO EFFECT ON JANUARY 1ST OF 1993. THOSE AFFECTED BY THESE NEW TAX RATES WHO FILE AS INDIVIDUALS HAVE FOUR MONTHS LEFT TO PAY FOR AN ALMOST 30 PERCENT INCREASE IN THEIR TAX BILLS. FOR A LOT OF SMALL BUSINESSMEN AND WOMEN, THIS INCREASE WILL HAVE THE SAME EFFECT AS A 67 PERCENT TAX HIKE FOR THE REMAINDER OF THIS YEAR.

ON THE SPENDING SIDE, THE VAST MAJORITY -- 80 PERCENT -- OF THE PROMISED SPENDING CUTS IN THE DEMOCRATS' PLAN WILL BE DELAYED UNTIL AFTER THE 1996 ELECTIONS. IN FACT, YESTERDAY, CHAIRMAN MOYNIHAN REPEATED THAT THIS PLAN DOESN'T REALLY CUT ANYTHING. IT SIMPLY SLOWS THE RATE OF PROJECTED SPENDING INCREASES.

THAT'S NOT A GOOD DEAL FOR AMERICA.

CONFERENCE REPORT -- MAKING SENATE BILL WORSE

NOT ONE REPUBLICAN VOTED FOR THE PRESIDENT'S BUDGET PLAN IN EITHER THE HOUSE OR THE SENATE. I CAN'T SPEAK FOR MY COLLEAGUES IN THE HOUSE, BUT BASED ON WHAT WE KNOW ABOUT THE CONFERENCE REPORT, I WOULD BE SURPRISED TO SEE A SINGLE SENATE REPUBLICAN VOTING FOR THIS PACKAGE. IT'S EVEN WORSE THAN THE SENATE BILL.

ACCORDING TO THE INFORMATION I HAVE SEEN, THE CONFERENCE REPORT WILL HAVE AT LEAST AS MANY TAXES AS THE SENATE BILL. IF THAT WERE NOT BAD ENOUGH, THE INCOME TAX INCREASES FOR BUSINESSES AND INDIVIDUALS ARE NOW RETROACTIVE TO JANUARY FIRST, ALL THE WAY BACK TO THE BUSH ADMINISTRATION. THAT'S A CHANGE FOR THE WORSE. THE CONFERENCE REPORT HAS FEWER SPENDING CUTS, AND LESS DEFICIT REDUCTION THAN THE SENATE-PASSED BILL.

ANYONE WHO VOTED AGAINST THE SENATE BILL IS GOING TO HAVE A TOUGH TIME EXPLAINING HOW THIS PACKAGE IS A BETTER DEAL FOR AMERICA.

REPUBLICAN AMENDMENTS

THROUGHOUT THIS PROCESS, REPUBLICANS HAVE TRIED TO IMPROVE THE PRESIDENT'S BUDGET PLAN.

WHEN THE SENATE WAS DEBATING THE BUDGET RESOLUTION BACK IN MARCH, SENATOR NICKLES OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$73 BILLION ENERGY TAX. THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. SENATE REPUBLICANS WERE UNITED IN OUR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 53 SENATE DEMOCRATS VOTED TO DEFEAT THE NICKLES AMENDMENT.

SENATOR LOTT AND SENATOR MACK OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$32 BILLION SOCIAL SECURITY TAX INCREASE. AGAIN THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 52 SENATE DEMOCRATS VOTED TO KILL IT.

LATER, SENATOR GRAMM AND SENATOR LOTT OFFERED AN AMENDMENT TO
(MORE)

REDUCE THE INDIVIDUAL INCOME TAX INCREASES, ELIMINATE THE ENERGY TAX, AND ELIMINATE THE SOCIAL SECURITY TAX. THE AMENDMENT WAS PAID FOR BY CUTTING BACK ON THE PRESIDENT'S PROPOSED SPENDING INCREASES. ONCE AGAIN, REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT 55 SENATE DEMOCRATS VOTED TO KILL IT. ADOPTING THE GRAMM-LOTT AMENDMENT WOULD HAVE DRAMATICALLY IMPROVED THE PRESIDENT'S PLAN BY REDUCING THE PROPOSED TAX INCREASES BY \$206 BILLION OVER FIVE YEARS WITHOUT SACRIFICING DEFICIT REDUCTION.

EVEN WITH IF THE GRAMM-LOTT AMENDMENT HAD BEEN ADOPTED, THE BUDGET WOULD HAVE CALLED FOR \$89 BILLION IN INCREASED CORPORATE AND INDIVIDUAL INCOME TAXES AND USER FEES OVER THE NEXT FIVE YEARS.

ALONG WITH THE DISTINGUISHED RANKING MEMBER OF THE BUDGET COMMITTEE, AND A HOST OF MY REPUBLICAN COLLEAGUES, I OFFERED A COMPREHENSIVE REPUBLICAN ALTERNATIVE TO THE CLINTON ECONOMIC PLAN. IT WOULD HAVE REDUCED THE DEFICIT BY \$367 BILLION OVER 5 YEARS WITHOUT RAISING TAXES. BUT, THE DEMOCRATS DEFEATED OUR TAX-FREE ALTERNATIVE.

REPUBLICAN COMMITMENT TO DEFICIT REDUCTION -- CUT SPENDING FIRST

THE MESSAGE FROM ALL OF THESE AMENDMENTS IS CLEAR.

REPUBLICANS DO NOT BELIEVE THAT A RECORD TAX INCREASE IS GOOD FOR THE ECONOMY. WE DO NOT BELIEVE THAT ALL THESE PROMISED, FUTURE SPENDING CUTS WILL MATERIALIZE. EVEN IF THEY DID, THE PRESIDENT'S OWN NUMBERS SHOW THAT UNDER HIS PLAN THE DEFICIT STARTS MOVING UP AGAIN AFTER FOUR YEARS. THE REASON IS SIMPLE. THE PRESIDENT'S PLAN FAILS TO CONTROL THE RUNAWAY GROWTH OF ENTITLEMENT SPENDING.

MAKE NO MISTAKE. REPUBLICANS WANT TO REDUCE THE DEFICIT. WE UNDERSTAND THAT CONTINUED DEFICITS THREATEN THE FUTURE OF THIS COUNTRY. THAT IS WHY REPUBLICANS SUPPORT A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION. THAT IS WHY REPUBLICANS FAVOR THE LINE-ITEM VETO.

WE REMAIN FUNDAMENTALLY OPPOSED TO THE PRESIDENT'S PLAN BECAUSE WE BELIEVE THAT THE BEST WAY TO REDUCE THE DEFICIT AND MOVE TOWARD A BALANCED BUDGET IS TO CUT SPENDING FIRST.

THERE ARE A LOT OF AMERICANS WHO MAY BE WILLING TO MAKE A SACRIFICE TO REDUCE THE DEFICIT. BUT, THEY ARE NOT WILLING TO ACCEPT HIGHER TAXES FOR BUSINESS-AS-USUAL. THAT IS WHAT THIS PLAN OFFERS.

ACROSS THE COUNTRY, REPUBLICANS ARE WORKING TOGETHER WITH INDEPENDENTS AND DEMOCRATS TO TRY TO DEFEAT THE CLINTON ECONOMIC PLAN. THE DEMOCRATS CONTROL THE WHITE HOUSE AND BOTH HOUSES OF CONGRESS; SO, THIS IS AN UPHILL BATTLE, BUT IT'S NOT OUT OF REACH.

THE WHITE HOUSE IS TRYING TO CONVINCE SCORES OF WAVERING DEMOCRATS THAT THIS VOTE WILL BE A DEFINING MOMENT FOR THE CLINTON PRESIDENCY. IT WILL BE.

EVERY DEMOCRAT IN THE SENATE KNOWS THAT HIS OR HER VOTE COULD BE THE DIFFERENCE. WE ALL UNDERSTAND THAT THESE VOTES ARE GOING TO BE REMEMBERED FOR A LONG TIME.

BUT, IT'S STILL NOT TOO LATE TO SEND A WAKE-UP CALL TO THE PRESIDENT. IF WE CAN CONVINCE THE SIX SENATE DEMOCRATS WHO VOTED AGAINST THE SENATE BILL TO HOLD FIRM AND PERSUADE ONE MORE SENATE DEMOCRAT TO VOTE AGAINST THIS PLAN, WE WILL HAVE WON A MAJOR VICTORY FOR THE AMERICAN PEOPLE. REPUBLICANS ARE NOT TRYING TO EMBARRASS THE PRESIDENT. IF WE CAN HELP HIM DEVELOP A BETTER PLAN, EVERYONE WINS.

SKY WON'T FALL -- WE CAN DO BETTER

LET'S NOT GET CARRIED AWAY WITH ALL THE WHITE HOUSE HYPE FOR THE CLINTON ECONOMIC PLAN. THE STATEMENTS FROM THE WHITE HOUSE BOILER ROOM SOUND LIKE THEY WERE WRITTEN BY CHICKEN LITTLE. THE WHITE HOUSE WANTS US TO BELIEVE THAT THE WORLD WILL COME TO AN END IF THE PRESIDENT'S PLAN IS DEFEATED. IT WON'T. IF WE ARE SUCCESSFUL AND DEFEAT THE CLINTON PLAN, THE SKY WON'T FALL.

WE CAN DO BETTER. THE PRESIDENT STILL HAS TIME TO SCRAP HIS TAX-NOW, CUT-SPENDING-LATER PLAN AND TRY AGAIN.

IF HE DOES, PRESIDENT CLINTON CAN COUNT ON HELP FROM LOTS OF REPUBLICANS WHO STAND READY TO MEET WITH HIM AND THE DEMOCRAT LEADERSHIP IN CONGRESS. NO PRECONDITIONS.

NOW, THAT'S NOT AN ENDORSEMENT OF A SO-CALLED SUMMIT, AND IT'S NOT AN ENDORSEMENT OF TAX INCREASES. IT'S JUST A COMMITMENT BY REPUBLICANS TO TRY TO HELP THE PRESIDENT DEVELOP A REAL DEFICIT REDUCTION PLAN THAT WORKS.

IN OUR VIEW, WE CAN DO BETTER THAN THIS PLAN, AND WE HOPE TO CONVINCE THE PRESIDENT AND HIS FELLOW DEMOCRATS THAT WE CAN DO IT BY CUTTING SPENDING FIRST AND PROVIDING REAL INCENTIVES FOR INVESTMENT AND GROWTH -- LIKE RETROACTIVE AND PROSPECTIVE INDEXING FOR CAPITAL GAINS COMBINED WITH THE REPEAL OF STEPPED-UP BASIS AT DEATH.

WE MAY NOT SUCCEED, BUT WE HAVE TO TRY. THE FUTURE OF OUR COUNTRY COULD BE AT STAKE.

###

Remarks delivered on the Senate floor, approximately 11:45AM EDT.

Bob Dole



NEWS

U.S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
MONDAY, AUGUST 2, 1993

CONTACT: CLARKSON HINE
(202) 224-5358

BUDGET UPDATE

FAILURE OF CLINTON PLAN WON'T BE END OF WORLD:
"WE CAN DO BETTER"; REPUBLICANS STAND READY TO HELP DEVELOP
BETTER PLAN -- CUT SPENDING FIRST, PROVIDE INCENTIVES FOR GROWTH

LATER TODAY, THE DISTINGUISHED MAJORITY LEADER, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, SENATOR MOYNIHAN, AND OTHER KEY DEMOCRAT NEGOTIATORS WHO HAVE BEEN WORKING FOR THE PAST WEEK BEHIND CLOSED DOORS, ARE EXPECTED TO ANNOUNCE THE FINAL DETAILS OF THE CLINTON ECONOMIC PLAN. AS FAR AS REPUBLICANS ARE CONCERNED, NOTHING WE HAVE HEARD SO FAR CHANGES THE FACT THAT THIS IS A BAD PLAN THAT WILL BE BAD NEWS FOR THE ECONOMY AND IT WILL NOT SOLVE THE DEFICIT PROBLEM.

THE GLUE THAT HOLDS THE REPUBLICAN PARTY TOGETHER IS THE ABSOLUTE CONVICTION THAT THE UNITED STATES CANNOT SPEND ITS WAY TO PROSPERITY AND IT CANNOT TAX ITS WAY TO PROSPERITY.

NO LAST MINUTE, COSMETIC CHANGES CAN HIDE THE FACT THAT THE CENTERPIECE OF THE CLINTON ECONOMIC PLAN IS THE LARGEST TAX INCREASE IN HISTORY. THIS IS A TAX-NOW, CUT-SPENDING-LATER PLAN THAT WILL SLOW DOWN THE ECONOMY AND DESTROY THOUSANDS AND THOUSANDS OF JOBS.

RETROACTIVE TAXES, QUESTIONABLE FUTURE CUTS

WE LEARNED YESTERDAY THAT THE INCOME TAX HIKES IN THIS BILL WILL GO INTO EFFECT ON JANUARY 1ST OF 1993. THOSE AFFECTED BY THESE NEW TAX RATES WHO FILE AS INDIVIDUALS HAVE FOUR MONTHS LEFT TO PAY FOR AN ALMOST 30 PERCENT INCREASE IN THEIR TAX BILLS. FOR A LOT OF SMALL BUSINESSMEN AND WOMEN, THIS INCREASE WILL HAVE THE SAME EFFECT AS A 67 PERCENT TAX HIKE FOR THE REMAINDER OF THIS YEAR.

ON THE SPENDING SIDE, THE VAST MAJORITY -- 80 PERCENT -- OF THE PROMISED SPENDING CUTS IN THE DEMOCRATS' PLAN WILL BE DELAYED UNTIL AFTER THE 1996 ELECTIONS. IN FACT, YESTERDAY, CHAIRMAN MOYNIHAN REPEATED THAT THIS PLAN DOESN'T REALLY CUT ANYTHING. IT SIMPLY SLOWS THE RATE OF PROJECTED SPENDING INCREASES.

THAT'S NOT A GOOD DEAL FOR AMERICA.

CONFERENCE REPORT -- MAKING SENATE BILL WORSE

NOT ONE REPUBLICAN VOTED FOR THE PRESIDENT'S BUDGET PLAN IN EITHER THE HOUSE OR THE SENATE. I CAN'T SPEAK FOR MY COLLEAGUES IN THE HOUSE, BUT BASED ON WHAT WE KNOW ABOUT THE CONFERENCE REPORT, I WOULD BE SURPRISED TO SEE A SINGLE SENATE REPUBLICAN VOTING FOR THIS PACKAGE. IT'S EVEN WORSE THAN THE SENATE BILL.

ACCORDING TO THE INFORMATION I HAVE SEEN, THE CONFERENCE REPORT WILL HAVE AT LEAST AS MANY TAXES AS THE SENATE BILL. IF THAT WERE NOT BAD ENOUGH, THE INCOME TAX INCREASES FOR BUSINESSES AND INDIVIDUALS ARE NOW RETROACTIVE TO JANUARY FIRST, ALL THE WAY BACK TO THE BUSH ADMINISTRATION. THAT'S A CHANGE FOR THE WORSE. THE CONFERENCE REPORT HAS FEWER SPENDING CUTS, AND LESS DEFICIT REDUCTION THAN THE SENATE-PASSED BILL.

ANYONE WHO VOTED AGAINST THE SENATE BILL IS GOING TO HAVE A TOUGH TIME EXPLAINING HOW THIS PACKAGE IS A BETTER DEAL FOR AMERICA.

REPUBLICAN AMENDMENTS

THROUGHOUT THIS PROCESS, REPUBLICANS HAVE TRIED TO IMPROVE THE PRESIDENT'S BUDGET PLAN.

WHEN THE SENATE WAS DEBATING THE BUDGET RESOLUTION BACK IN MARCH, SENATOR NICKLES OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$73 BILLION ENERGY TAX. THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. SENATE REPUBLICANS WERE UNITED IN OUR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 53 SENATE DEMOCRATS VOTED TO DEFEAT THE NICKLES AMENDMENT.

SENATOR LOTT AND SENATOR MACK OFFERED AN AMENDMENT TO ELIMINATE THE PRESIDENT'S \$32 BILLION SOCIAL SECURITY TAX INCREASE. AGAIN THE AMENDMENT WAS PAID FOR WITH CUTS IN THE PRESIDENT'S PROPOSED SPENDING INCREASES. REPUBLICANS WERE UNITED IN THEIR SUPPORT FOR THIS AMENDMENT, BUT, UNFORTUNATELY, 52 SENATE DEMOCRATS VOTED TO KILL IT.

LATER, SENATOR GRAMM AND SENATOR LOTT OFFERED AN AMENDMENT TO

(MORE)