

1 EXECUTIVE COMMITTEE MEETING

2 FRIDAY, APRIL 2, 1993

3 U.S. Senate,

4 Committee on Finance,

5 Washington, DC.

ORIGINAL

6 The meeting was convened, pursuant to notice,
7 at 6:14 p.m., in Room SD-215, Dirksen Senate
8 Office Building, Hon. Daniel Patrick Moynihan
9 (chairman of the committee) presiding.

10 Also present: Senators Baucus, Boren,
11 Bradley, Mitchell, Pryor, Riegle, Rockefeller,
12 Daschle, Breaux, Conrad, Packwood, Dole, Danforth,
13 Chafee, Grassley, Hatch, and Wallop.

14 Also present: Lawrence O'Donnell, Jr., Staff
15 Director; Edmund Mihalski, Chief of Staff,
16 Minority.

17 Also present: Deborah J. Danker, Acting
18 Assistant Secretary (Domestic Finance), Department
19 of the Treasury; Linda L. Robertson, Deputy
20 Assistant Secretary (Legislative Affairs),
21 Department of the Treasury; William C. Dauster,
22 Chief Counsel, Senate Budget Committee; Rick
23 Grafmeyer, Chief Tax Counsel, Minority.

24 [The press release announcing the meeting
25 follows:]

1 The Chairman. A very good evening to my
2 colleagues and friends.

3 We called today's emergency mark-up in
4 response to a Reconciliation Instruction of the
5 Congress which set forth in Section 7-A, the
6 Conference Agreement on the budget resolution that
7 instructs the committees on Ways and Means and
8 Finance to submit to the Senate not later than
9 April 2, 1993 recommendations to change the laws
10 to increase the statutory limit on the public debt
11 to not more than \$4,370 billion.

12 Just a note while we are gathering a quorum
13 here that what is in motion is a measure to move
14 the debt ceiling as part of the reconciliation
15 process which the House has been doing since 1980.

16 To its benefit, this is not ever a very
17 useful debate. It is something we have to do. We
18 know we have to do. And at the very last moment
19 when the very first Social Security check is not
20 to be cashed, we do it. But this is the more
21 orderly way.

22 Senator Packwood is not here yet. And I do
23 not want to proceed without him. Yes. He will be
24 here shortly. And if a Senator wishes to speak,
25 you are welcome to do so.

1 Senator Chafee. Mr. Chairman.

2 The Chairman. Senator Chafee.

3 Senator Chafee. Mr. Chairman, I would like
4 to discuss the so-called luxury tax that passed
5 Congress in 1990.

6 As you know, the luxury tax is imposed on
7 furs, jewelry, boats, aircraft, and certain
8 automobiles.

9 I would like to correct my remarks,
10 particularly to the boat part of it. This is one
11 of those taxes that so many people relish because
12 it is a soak-the-rich tax.

13 The idea was that this tax would be imposed
14 at 10 percent on the amount above \$100,000. And
15 somehow that was going to be the scourge of the
16 rich and make them pay more taxes.

17 The result of all of this, Mr. Chairman, as
18 so often happens when a vindictive effort is made
19 by Congress that those that they are out after are
20 not the ones that it gets.

21 The luxury tax did not get the rich. It got
22 those in the case of boats who build the boats.
23 The loss of jobs in the boat building industry in
24 America has been dramatic.

25 Now, I will not pretend to say that the boat

1 building industry did not have some difficulties
2 as a result of the recession.

3 But the history of the industry has been in
4 prior recessions that highly-expensive boats
5 continue to sell while the lower-range boats did
6 not. And thus, the boat yards have been able to
7 survive on the more expensive boats.

8 As a result of this tax, however, the luxury
9 end of the line, if you would, have been dealt a
10 near knock-out blow. And the result has been a
11 dramatic loss of jobs.

12 Based on surveys of manufacturers and dealers
13 within the industry, job loss directly related to
14 the luxury tax on boats is now over 25,000, 25,000
15 across the Nation.

16 Dozens of small businesses which characterize
17 the recreational boat building industry have
18 declared bankruptcy.

19 There are no General Motors in the boat
20 building industry. There are a series of rather
21 small companies, none of which can survive a heavy
22 tax, such as this.

23 So, Mr. Chairman, it is extremely important
24 that we repeal this excise tax and repeal it soon.
25 I have been told by the boat builders in my State

1 that this really should be done before the boat
2 show season ends, which is not too far in the
3 future.

4 Mr. Chairman, I know that the luxury tax has
5 been very, very severe on the aircraft industry,
6 to some extent on the jewelry industry, on the fur
7 industry, perhaps on the automobile industry on
8 the high end of the business. I am not so
9 familiar with that.

10 Mr. Chairman, I had an amendment prepared to
11 offer this evening to eliminate the luxury tax on
12 boats. And that was going to be an amendment to
13 the debt ceiling bill. And that was to be paid
14 for by extending the diesel fuel excise tax to
15 boat fuel. Currently, it does not apply.

16 I would not apply it to commercial vessels,
17 such as fishing vessels, and so forth, but solely
18 to pleasure boats.

19 Now, Mr. Chairman, I know how to count. And
20 I appreciate that this measure would not have
21 passed. And so I will not be offering it here
22 tonight.

23 I do know that other efforts are being made
24 to relieve this tax. And I have canvassed some of
25 our members and will be canvassing more to see if

1 it can be achieved.

2 And this would be through the passage of a
3 bill coming over from the House, solely dealing
4 with the repeal of the luxury tax, it coming over
5 here with the understanding that that is the only
6 thing that will be attached here.

7 Senator Riegle. Would the Senator yield just
8 for a moment on that?

9 Senator Chafee. Sure.

10 Senator Riegle. You mentioned cars. And I
11 would just urge the Senator, if and when he does
12 decide to offer it, the bill on the House side,
13 H.R. 11, at least it was indexed for cars dating
14 back to January 1 of 1991. And it is a problem in
15 that area.

16 I do not know that we can properly make a
17 differentiation between boats and cars. I just
18 bring that to the Senator's attention.

19 Senator Chafee. Yes. I think the problem
20 with cars, as the Senator from Michigan realizes,
21 to move it totally on cars is very expensive.
22 That is where some revenue is produced.

23 In the other areas, in the aircraft area,
24 whether it does not produce any revenue, I do not
25 know. Clearly, on the boats, as the Senator from

1 Louisiana knows, it has been a net loser.

2 And that is not figuring in unemployment
3 compensation costs and things like that, just the
4 direct taxes you get from what was predicted on
5 this tax from boats and the losses to the boat
6 building industry as a whole paying taxes. It has
7 been a net loser.

8 So I would hope that my colleagues in this
9 committee would be very sympathetic to this
10 measure.

11 I did not know it was H.R. 11, but whatever
12 it is that it would only come over with the
13 understanding over here that that is all that we
14 would add to it.

15 Senator Riegle. Would the Senator yield?

16 Senator Chafee. Just one more thing.

17 Others will say, well, if I do not get mine,
18 I am not going to have it. Well, I do not know
19 whether everybody knows the story about what a dog
20 in the manger is.

21 A dog in the manger is a dog that jumps up
22 into the manger where there is oats for horses and
23 lies down and keeps the horses from eating the
24 oats.

25 Now, the dog cannot eat the oats. It does

1 not want them.

2 [Laughter]

3 Senator Chafee. But the horse cannot eat the
4 oats. So some of these expressions are from the
5 past that only senior members, like the chairman
6 and I, can remember.

7 But the term dog in the manger means somebody
8 who is not going to get something out of it for
9 himself, but keeps the other fellow from getting
10 something.

11 And so it is with this measure here. People
12 say they want their thing on it. The bill will
13 not come. So nobody gets anything.

14 Senator Riegle. Would the Senator just yield
15 for a minute?

16 Senator Chafee. No. I was not implying that
17 you were in that category.

18 Senator Riegle. Well, I would hope not.

19 But I want to make sure the Senator is not
20 confused. I was not talking about a complete
21 repeal. I was talking about indexing. And I will
22 say it again, indexing from January 1, 1991, which
23 is in H.R. 11. And that is a very modest item.

24 And in the name of fairness, which is what I
25 think the Senator was talking about, he ought to

1 consider it. He does not have to do that, but if
2 he wants it to get somewhere, you might want to
3 think about that.

4 Senator Chafee. Well, I want to get
5 somewhere. And therefore, I am thinking about it.

6 [Laughter]

7 Senator Riegle. I thank the Senator for
8 yielding.

9 The Chairman. Could I simply make the point?
10 We repealed these taxes in the last tax bill that
11 came out of this committee. And we are going to
12 repeal them, whatever else happens, in the next
13 one.

14 And by June 18, this committee will have
15 reported out a tax bill which gets rid of these
16 luxury taxes, as we did last time. And that tax
17 bill, we hope, soon will be enacted.

18 Senator Breaux, you wished to speak?

19 Senator Breaux. I will not delay the
20 committee but for just a moment. I think that
21 probably the morale of this is that you should
22 only get in the manger with a friend.

23 But I think that the Senator from Rhode
24 Island has exercised the right course of action in
25 talking about this amendment at this time and

1 bringing it back to the attention of this
2 committee. It is something that he has labored
3 on for a long time.

4 I know our distinguished majority leader has
5 been very involved in this effort to try and do
6 again what we have done twice before in the
7 Senate, and that is to repeal the so-called luxury
8 tax because it does not produce any revenues and
9 causes job loss.

10 I think it would be impossible to move on it
11 at this time. I think the Senator has made the
12 right decision.

13 I support it and will look forward to working
14 with him and the distinguished chairman in getting
15 this adopted at a later date.

16 Senator Chafee. Mr. Chairman, can I just
17 thank the Senator from Louisiana?

18 The Chairman. Yes, you may.

19 Senator Chafee. He has labored on this
20 matter for a long time and has been a great
21 colleague to work with. I hope some day we can
22 have a victory celebration.

23 The Chairman. At sea?

24 Senator Chafee. Anywhere.

25 The Chairman. There is Newport. And there

1 is New Orleans. There is Portsmouth. We could go
2 to Mississippi.

3 Senator Packwood.

4 Senator Packwood. Mr. Chairman, thank you.

5 I am not going to address myself to the debt
6 ceiling per se. I came on this committee in 1973.
7 I do not know how many debt ceilings I have voted
8 for, some against, but almost all of them for.

9 They all passed. They all passed no matter
10 what procedures we had. They all passed no matter
11 what we attached to them. And the credit of the
12 United States goes on unimpeded.

13 I was chairman of this committee for only two
14 years and was backed in to having to negotiate the
15 final form of the Gramm-Rudman-Hollings amendment
16 because it was attached to a debt ceiling in 1985.

17 I certainly was not an expert on it. I did
18 not think I would ever be involved in the
19 negotiations on it. And there it was on the debt
20 ceiling. And it became law on the debt ceiling.

21 So the fear that amendments can be offered to
22 the debt ceiling should not be a reason for
23 attempting to prevent amendments being offered on
24 the debt ceiling.

25 I can assure the majority and the minority

1 and, I think, this country that a debt ceiling
2 bill will pass timely.

3 I am more worried about the procedres. We
4 have in front of us here S blank, calendar blank,
5 April blank, legislative day S, which is going to
6 be our debt ceiling bill.

7 The lawyers would call it abinicio. This
8 apparently is going to be a reconciliation bill
9 from the start, although it did not seem that way
10 at the start. From the moment of conception, this
11 bill, I guess, is a reconciliation bill.

12 And I worry about the direction this Senate
13 is going to go if it is going to take this because
14 it really is a philosophical discussion about what
15 this Senate ought to be.

16 Are we going to be a body in which any
17 member, Republican or Democrat, can for some
18 period of time delay and force deliberation? Or
19 are we going to be a body where the majority can
20 ram through and run roughshod?

21 And it is not always a member of the
22 Republican Party that is the initiator of some of
23 these causes. Jim Allen was the one that taught
24 us the real use of the filibusters, a Democrat
25 from Alabama.

1 He was the first one that really read the
2 rules and realized that all amendments to the debt
3 when cloture was invoked and the time was gone had
4 to be voted on, could be voted on. You called
5 them up. You did not get to debate them.

6 Well, he filed 1,066. It was in celebration
7 of the Battle of Hastings. And he filed 1,066
8 germane amendments and proceeded to start calling
9 them up.

10 Well, at 15 minutes a roll call, even though
11 there is no debate, with 1,066 amendments, you can
12 go on for a substantial period of time.

13 I cannot remember how it actually ended, but
14 he taught us the use in that sense of those
15 tactics.

16 Until 1917, there was no limitation on debate
17 in the Senate. And then, what Woodrow Wilson
18 called, I think, what was it, Pat, a little group
19 of willful men?

20 The Chairman. Willful men.

21 Senator Packwood. Filibustered toward the
22 end of the session, the armed ship bill. It died.

23 And shortly after that, in the next session,
24 we adopted the two-thirds rule. It was not until
25 1975 that we adopted the 60-vote rule.

1 I saw Bill Proxmire use the filibuster. And
2 I think it was in my first two years here. The
3 filibuster went right to the end of the session.

4 We stayed in session until midnight, January
5 2nd on the SST. We thought it was unnecessary, a
6 waste of money. It was an environemtnal hazard.

7 And he filibustered. And finally, midnight
8 came. And we were discharged of our duties of the
9 Congress.

10 And, indeed, in retrospect, he was right.
11 But had a vote occurred, we would have voted to
12 fund, government fund the development of the SST
13 and would have poured an incredible amount of
14 money into it becuae we were frightened to death
15 of the Concord. Well, it turns out in retrospect,
16 Bill Proxmire was right.

17 But now, we have gotten to the place where we
18 are thinking of putting more and more things into
19 reconciliation.

20 You will recall the majority leader for
21 awhile toyed with the idea that the health reform
22 bill should be in reconciliation. I do not know
23 if he is still toying with that idea or not toying
24 with that idea, but he mentioned it.

25 And it is perfectly possible to draw

1 reconciliation and budget resolutions in such a
2 way that you could put the bulk of your
3 legislation into reconciliation if you choose to
4 do so.

5 Then, you have the 20 hours of limitation on
6 debate and very severe limitations on the kinds of
7 amendments that can be offered. And it may make
8 us a very expeditious body. I am not sure. I am
9 not sure that ought to be the hallmark of how this
10 body operates.

11 I was lucky to overlap for only two years
12 with a Senator from Delaware, Bill Roth's
13 predecessor, named John Williams.

14 He served 24 years here, decided that was
15 enough, and retired in 1970. To the best of my
16 knowledge, he never came here to lobby. He was a
17 chicken farmer in Delaware.

18 And in 1969, we were having a debate over
19 changing the filibuster rules at the time from the
20 then two-thirds present and voting to the 60. I
21 was in favor of going to 51 percent.

22 I was young. I was radical. I was a
23 firebrand. I thought a majority ought to be able
24 to operate. John Williams was very opposed even
25 changing from the two-thirds. And, indeed, it was

1 not changed at that time.

2 But I remember some things that he said. He
3 said, "We make more mistakes in haste, than we
4 lose opportunities in delay." And then, he said,
5 "If something should pass, it will pass."

6 He said, "It may take five or 10 years. That
7 is not a long time in the history of the republic.
8 And if the public really wants something in the
9 representative form of government, they will get
10 it. And the fact that it is delayed a bit is no
11 harm.

12 On the one hand, when we act rapidly, we do
13 make mistakes. Call to our mind the catastrophic
14 health insurance. Or call to our mind flag
15 burning. Had we been able to act, we would have
16 passed a constitutional amendment.

17 We sent it out to the States to prohibit flag
18 burning. The Supreme Court had made the decision
19 on the last day of its term. Fortunately, the
20 August recess intervened. We did not send it out.

21 We found the public was not as fired up as we
22 were about it. By the time we came back in
23 September, we did not act, but we would have acted
24 and would have sent out a constitutional
25 amendment.

1 We finally sent out a statute that we knew
2 was clearly unconstitutional and let it go at
3 that.

4 So as we approach this process with this
5 bill, this is not just the debt ceiling. I will
6 say again, the debt ceiling is going to pass
7 whether or not we make it a reconciliation bill.

8 I think we are using a dog-eared process, a
9 Route Goldberg device to make this a
10 reconciliation bill, but apparently the skids are
11 greased for that.

12 My greater fear is what we are talking about
13 in terms of the Senate and its traditions. And
14 there is great wisdom in traditions.

15 I regard Pat Moynihan as one of my closest
16 friends and one of the enjoyable spirits of this
17 body. And I cherish the hours that he and I spend
18 alone together in his office where I learn. He is
19 a great teacher.

20 And I think he can walk proudly with some of
21 the giants that I served with initially, with
22 Richard Russell and with Russell Long who was the
23 chairman of this body and Everet Dirksen and Mike
24 Mansfield.

25 I think they would be very hesitant to start

1 down the road of the procedure that we are going
2 to start down because I will say this, once we
3 start down and once the majority finds that this
4 can be an easy way to accomplish an end speedily,
5 we will use it more often.

6 And if we do, it will be to the detriment of
7 all of us, majority and minority.

8 Thank you, Mr. Chairman.

9 The Chairman. May I thank Senator Packwood
10 for his very generous statements. And once again,
11 we are not in any deep disagreement at all.

12 But there is something that must be done.
13 And it is the debt ceiling. And I feel we must do
14 it tonight.

15 Senator Bradley.

16 Senator Bradley. Mr. Chairman, after this
17 discussion, I have no comment on this. I wanted
18 to get in to just thank Senator Chafee for the way
19 he has handled the --

20 The Chairman. And we all do.

21 Senator Mitchell.

22 Senator Mitchell. Mr. Chairman, I do not
23 have any statement. I just wanted to ask one
24 question.

25 If I might ask Mr. Dauster, does the Budget

1 Act specifically permit or authorize --

2 The Chairman. May I just take the liberty of
3 saying that Section 310(a)(3) provides for a
4 budget resolution, quote, To the extent necessary
5 to effectuate the provisions and requirements of
6 such resolution shall specify the amounts by which
7 the statutory limit on the public debt is to be
8 changed, the direct committee having jurisdiction
9 to recommend such a resolution. End quote.

10 This is specifically in the statute. Would
11 you agree, Mr. Dauster?

12 Mr. Dauster. That's exactly correct.

13 Senator Mitchell. Mr. Chairman, I do not
14 want to prolong the debate.

15 Senator Packwood. Mr. Chairman.

16 I am not sure if I am quarreling or not
17 quarreling with what Mr. Dauster has said in terms
18 of, can they order us?

19 I do not think that is the same as ordering
20 us to do it in a reconciliation. Is it?

21 Mr. Dauster. The Chairman read the provision
22 which provides that which one can include in
23 reconciliation. Since the Budget Act was written
24 in 1974, the debt limit change has been one of the
25 things that the Budget Act provision could be

1 included.

2 Senator Packwood. Oh, yes. I understand
3 what you are saying. But we do not have to do it
4 in reconciliation.

5 Mr. Dauster. No.

6 The Chairman. No. As the House does, we
7 have not. I believe twice we have. Is that not
8 right?

9 Mr. Dauster. Yes. In 1987 and 1990.

10 The Chairman. In 1987 and 1990.

11 Senator Dole, do you wish to speak?

12 Senator Dole. I will send in my proxy.

13 [Laughter]

14 The Chairman. Senator Danforth.

15 Senator Danforth. Mr. Chairman, I, with very
16 rare exceptions, maybe I think one time I
17 remember, voted against the debt ceiling
18 extension.

19 But I always thought that it was really
20 irresponsible to vote against it. And so I have
21 always voted for them except, I think, maybe once.

22 And I do not know about the reconciliation
23 process. I just really have not thought about it
24 until Senator Packwood raised it just now.

25 But I think that the point that Senator

1 Packwood has made that has obviously been of
2 concern to Republicans in the Senate, we have had
3 -- I guess I can say this because there are not
4 any television cameras here, not exactly a media
5 event. But we have certainly had a change in our
6 lifestyles in the Senate since January the 20th.

7 I understand the new President wanted to come
8 in and just get his program through and not have
9 anybody amend it or fool around with it at all,
10 but it is not exactly a gratifying way to spend
11 your time if you do not amend things and you do
12 not change them and you do not oppose them.

13 And we have obviously some philosophical
14 differences, as Senator Dole pointed out on the
15 floor, differences among matters of economic
16 policy in connection with the stimulus package
17 that we just do not agree with it. That's all
18 there is to it.

19 But there are so many areas where we are
20 ready and willing and able to work with the new
21 President, with Democrats on matters of mutual
22 concern.

23 For example, health care. I mean, you talk
24 about hard battles. That is going to be it.
25 There are a number of Republicans in the Senate

1 that would really welcome the opportunity right
2 now to have input before the whole package is put
3 together instead of sort of palmed off on us.

4 I think that when we talk about economic
5 programs and Dr. Shalala said this really
6 yesterday when she testified here, there cannot be
7 any effective approach to the economy without
8 dealing with the entitlements.

9 And that is going to be hard. We have not
10 been able to do it. Republicans were not able to
11 do it. Democrats are not able to do it. The only
12 way to do it is to sort of go into a room together
13 and come out and say, all right, we are going to
14 do it together.

15 Now, this committee, since I have been on it
16 ever since I came to the Senate, has been a model
17 of bipartisan cooperation. It has been the least
18 partisan committee I bet--I have not served on
19 that many--in the Senate.

20 And we really do not want to be potted palms.
21 I mean, it is not that we are sitting around. I
22 am sure some Republicans are. For example, oh,
23 boy, how can we throw hand grenades at this
24 President? But there is sure a lot of us who do
25 not want to do that.

1 I do not want to spend my last 18 months in
2 the United States Senate as a guerilla warrior. I
3 do not want to do that.

4 And so I am impressed with Senator Packwood's
5 statement, never having particularly thought about
6 the debt ceiling and how it fits in with the
7 reconciliation simply because he said that there
8 has got to be some role for us to play here.
9 Maybe there doesn't.

10 I mean, maybe all we do is just to have all
11 these things handed down. And we pass them
12 without amendment. And that's that. But I just
13 hope that in some way we can try to figure out how
14 to reconstitute what the Finance Committee has
15 traditionally been.

16 The Chairman. Would Senator Danforth agree--
17 I think he would--that our hearing yesterday with
18 Secretary Shalala was very much in the mode that
19 we have tried to keep this committee and I think
20 we remarked, two of us, at the end that we
21 probably were not going to agree? It was probably
22 going to be a divided committee on the tax issues,
23 but clearly not on the health issues.

24 Senator Durenberger and Senator Reigle and
25 others -- Senator Rockefeller had to be at the

1 concluding ceremony. We ought to congratulate him
2 on five years in the Commission on Children. He
3 has done so brilliantly. And he had to be there.

4 What do you say?

5 [Applause]

6 The Chairman. Yesterday was the concluding
7 ceremony. But we made it very clear that we are
8 going to write health legislation. It is
9 absolutely going to be the whole committee writing
10 it.

11 It was obvious, was it not? If you want to
12 stay away, you are free to do it.

13 [Laughter]

14 The Chairman. And there probably will be
15 some.

16 Senator Chafee. Mr. Chairman.

17 The Chairman. Senator Chafee.

18 Senator Chafee. I am confused at why we are
19 going down this chute.

20 The Chairman. In order to be done by
21 tomorrow night.

22 Senator Chafee. But is there a filibuster?

23 The Chairman. Well, we are just following
24 the instructions we received yesterday morning
25 from the Conference Committee on the budget.

1 Senator Chafee. Let me just say that I
2 have --

3 The Chairman. May I just say that you all
4 have the letter. If you do not, I will get you
5 one from Secretary Bentsen. It says that April 7,
6 Wednesday, is his drop dead day. We are down to
7 issuing five-day cash management notes.

8 Senator Chafee. Mr. Chairman, I have been
9 around here for awhile. And it seems to me that
10 this vote is not voting to increase the debt.
11 That is just paying your bills. The other vote is
12 long before that, whether you are going to run up
13 the bills to start with.

14 And so the country has to pay its debt. And
15 I am very disturbed at this process. Every time a
16 debt ceiling comes up, there is this iron warning
17 sent out that every ship and navy vessel at sea is
18 going to stop and drop anchor in the Atlantic when
19 they run out of fuel.

20 And it is nonsense. And we are going to pass
21 this bill. The 7th is next week sometime. And I
22 have understood that we are going to be here next
23 week.

24 The Chairman. We are going to debate this
25 matter on this floor.

1 Senator Chafee. This is some emergency
2 procedure that is rather peculiar.

3 The Chairman. Reconciliation.

4 Senator Chafee. And I would like to echo
5 what Senator Danforth said that I have seen things
6 work in a bipartisan fashion around here.

7 When I first came, there were three big
8 efforts of the Carter Administration needed in
9 foreign policy. And every single one of them,
10 they got because they worked with the Republicans.

11 The Panama Canal Treaty with Baker, the
12 lifting of the Turkish arms embargo because 70
13 percent of the Republicans voted for it and 30
14 percent of the Democrats.

15 The Chairman. That is right.

16 Senator Chafee. The mideast arm sale. You
17 recall, all of those measures came about because
18 that was the --

19 The Chairman. Yes.

20 Senator Chafee. Egypt and so forth. And
21 working together is not something strange around
22 here. We never would have had a Clean Air Act but
23 for Senator Mitchell.

24 The Chairman. What do you say we have a
25 unanimous vote?

1 [Laughter]

2 Senator Chafee. But there seems to be some
3 idea that we have to have this peculiar system of
4 reconciliation to get a debt ceiling passed.

5 I agree with Senator Packwood. I think we
6 are going down a very slippery slope. It is
7 bluntly and only 20 hours, no amendments. Things
8 are going to come back and haunt us.

9 Have we ever done this before?

10 The Chairman. Twice.

11 Senator Packwood. Well, never on a free-
12 standing bill, have we?

13 The Chairman. I believe not.

14 Is that right, Mr. Dauster?

15 Mr. Dauster. Yes.

16 The Chairman. But as part of reconciliation
17 twice.

18 Senator Chafee. Well, can somebody just
19 explain to an innocent bystander, well, an
20 innocent Senator from Rhode Island why we are
21 doing this?

22 The Chairman. Because we have to.

23 Senator Chafee. We have to do what?

24 The Chairman. We do not have to. Well, we
25 are going to.

1 [Laughter]

2 Senator Chafee. That is the way I talk to my
3 children.

4 [Laughter]

5 The Chairman. Consider it a dog in the
6 manger.

7 [Laughter]

8 The Chairman. Gentlemen, we are going to do
9 this tonight, the sooner, the better.

10 Senator Chafee. Well, you have given a lot
11 of lucid explanations around here, but I will give
12 you an F.

13 [Laughter]

14 The Chairman. Well, humiliated as I am.

15 [Laughter]

16 The Chairman. If there is a motion?

17 Senator Baucus. I will so move.

18 Senator Dole. Mr. Chairman.

19 The Chairman. Yes, sir.

20 Senator Dole. Do you --

21 The Chairman. Well, Senator Chafee already
22 indicated he would not offer.

23 Senator Dole. If you got the vote.

24 The Chairman. We have the votes. Yes.

25 Senator Dole. I have a couple I am omitting

1 here.

2 The Chairman. Your day will come.

3 Senator Wallop. Mr. Chairman, is there a
4 possibility that we can put the rest of the session
5 into reconciliation and debate it for 10 hours and
6 go home?

7 The Chairman. I am sorry, Senator Wallop.

8 Senator Wallop. I just wondered if there was
9 a possibility if we could put the rest of the
10 session into reconciliation and debate it for 10
11 hours and go home.

12 The Chairman. Don't tempt me.

13 [Laughter]

14 The Chairman. I would just like to record
15 that there are 18 members of the committee present.
16 And we are in a position to vote. There has been
17 a motion to move. I do not want to rush the --

18 Senator Packwood. Could I just ask? As the
19 majority leader, are you planning to bring this up
20 tonight later or do it tomorrow or what?

21 The Chairman. Tonight.

22 Senator Packwood. Can we have a roll call?

23 The Chairman. Yes, of course.

24 Is there a second?

25 Senator Baucus. Second.

1 The Chairman. The clerk will call the roll
2 on the pending measure.

3 The Clerk. Mr. Baucus.
4 Senator Baucus. Aye.

5 The Clerk. Mr. Boren.
6 Senator Boren. Aye.

7 The Clerk. Mr. Bradley.
8 Senator Bradley. Aye.

9 The Clerk. Mr. Mitchell.
10 Senator Mitchell. Aye.

11 The Clerk. Mr. Pryor.
12 Senator Pryor. Aye.

13 The Clerk. Mr. Riegle.
14 Senator Riegle. Aye.

15 The Clerk. Mr. Rockefeller.
16 Senator Rockefeller. Aye.

17 The Clerk. Mr. Daschle.
18 Senator Daschle. Aye.

19 The Clerk. Mr. Breaux.
20 Senator Breaux. Aye.

21 The Clerk. Mr. Conrad.
22 Senator Conrad. Aye.

23 The Clerk. Mr. Packwood.
24 Senator Packwood. Nay.

25 The Clerk. Mr. Dole.

1 Senator Dole. Nay.
2 The Clerk. Mr. Roth.
3 Senator Packwood. Nay by proxy.
4 The Clerk. Mr. Danforth.
5 Senator Danforth. Nay.
6 The Clerk. Mr. Chafee.
7 Senator Chafee. Nay.
8 The Clerk. Mr. Durenberger.
9 Senator Packwood. Nay by proxy.
10 The Clerk. Mr. Grassley.
11 Senator Grassley. Nay.
12 The Clerk. Mr. Hatch.
13 Senator Hatch. Nay.
14 The Clerk. Mr. Wallop.
15 Senator Wallop. Nay.
16 The Clerk. Mr. Chairman.
17 The Chairman. Aye.
18 The Clerk. Mr. Chairman, there are 11 ayes
19 and nine nays.
20 The Chairman. The measure is reported as
21 such.
22 May I first thank our colleagues from the
23 Treasury who have been here. It was very nice of
24 you to come at this unexpected hour.
25 May I say that this does not establish a

1 precedent for anything.

2 Senator Chafee. The next one?

3 The Chairman. Exactly.

4 Senator Packwood. Why?

5 The Chairman. And we are going to get that
6 luxury tax repealed. And June 18, it says so
7 right here is the day it has to come out. And
8 maybe we will have others intervening.

9 I have to report that the vote is actually 11
10 to 7 as proxy votes apparently cannot count. I do
11 not know. I am going to say that the vote is 11
12 to 9.

13 [The prepared statement of Senator Hatch
14 appears in the appendix.]

15 [Whereupon, at 6:50 p.m., the meeting was
16 concluded.]

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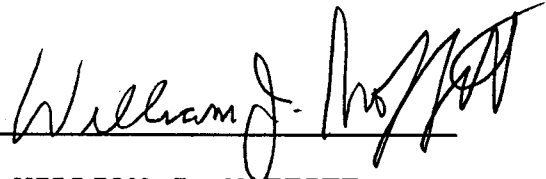
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C E R T I F I C A T E

1
2 This is to certify that the foregoing
3 proceedings of an Executive Committee Meeting held
4 before the Committee on Finance on April 2, 1993,
5 were transcribed as herein appears and that this
6 is the original transcript thereof.

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10 

11 WILLIAM J. MOFFITT

12 Official Court Reporter

13
14
15 My Commission expires: April 14, 1994