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House of Representatives

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
April 4, 1995.

I hereby designate the Honorable MARK ADAM FOLEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS] for 5 minutes.

CROWN JEWEL OF THE CONRACT

Mr. GIBBONS. Mr. Speaker, this week we are going to vote on what Speaker GINGRICH has called the crown jewel of the contract. I am here to tell you this morning why you should not vote for this crown jewel.

This crown jewel is a $700 billion tax cut. This is not the right time to cut taxes. This is the right time to cut the budget deficit.

Every economist that appeared before the Committee on the Budget, every well-known economist in this country will tell you that the business of Congress today should be cutting the budget deficit, not cutting taxes. So this is the wrong cut at the wrong time.

Let us go first to where we are in all of this. The chart that I have here to my right shows what has happened to all Americans during the last 20 years. These are families, family incomes divided into fifths, the lowest fifth on the far-right side, the highest fifth on the left-hand side.

If the cameras will look closely at this chart, you will see that the upper one-fifth has gained family income of almost 30 percent in the last 20 years, while the lowest fifth of American families have lost income of almost 15 percent, and the middle income right here in the middle has stood still. That is why American are upset.

And the principal reasons for this chart being as it is are two: One, the tax policy of the United States; and, two, the budget deficits that have run on chronically has stolen all of the gains that have been made, the losses that have been made have been contributed to by the budget deficits and by the tax policy. So this is the wrong time to cut the taxes. It is the right time to cut the deficit.

Why is it the wrong time? America's economy has been at full employment for the last few months and has had rising employment ever since 1991. We are right at full employment now.

Two, the second reason we should not be cutting taxes now is that we are at maximum capacity utilization in our industrial plant. That is the reason why the Federal Reserve has over the last 12 months raised interest rates by 7 percent, by seven times. The Federal Reserve in fighting inflation has raised the interest rates seven times in the last 12 to 14 months. So America's economy is bubbling along.

We want to continue that strong economic growth, but if we cut taxes now and do not cut the deficit we run a real chance of kicking off a serious round of inflation.

The second reason why we should not vote for this crown jewel, as Mr. GINGRICH calls it, is that it is the wrong kind of tax cut.

Now, let us have the next chart, please, This chart shows you who will benefit by this plan.

You will notice here on the right side in the upper chart, these are households in America, starting with the ones under $30,000 and ending with the ones over $200,000. The very strong green line on the left of this chart shows you what those with more than $200,000 worth of annual income will get per year out of this tax cut. They get over $11,000 in tax cut. While those ones under the $30,000 will get $124, maybe.

The figure, the chart below the top chart shows how many families are involved in this, and you will notice that all the families are down here on the right; 44 million families at the bottom will get nothing; 2.8 million families at the top get an average of $11,300 a year.

Now, most of the families down here get very little in the tax cut, while the upper families get all of the tax cut.

Mr. Speaker, this is the wrong time to be cutting taxes. We should be cutting the deficit. This is the wrong tax bill because of inequitable distribution of the benefits of the bill.

TRUE LIES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Colorado [Mr. HEFLEY] is recognized during morning business for 5 minutes.

Mr. HEFLEY. Mr. Speaker, Joe Dear, the head of the Occupational Safety and Health Administration recently testified before Congress that virtually all of the stories being told about

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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OSHA—stories about OSHA outlawing the Tooth Fairy, prohibiting chewing gum on roofs, and fining employers for hazardous dishwashing detergents—are false.

Having focused on OSHA issues for years I find, the only thing false about these stories is their distortion by people who support OSHA. Let us look at the facts.

Specifically, Mr. Dear told the committee, ''OSHA does not require material data safety sheets for the normal use of consumer products like Joy.''

I have a $2,500 citation and notification of penalty from OSHA, issued just last year, which states, ''The company did not have a written hazard communication program. The primary chemicals used are used in the kitchen and bathroom areas. Chemicals used, but not limited to: automatic dishwashing detergent and bleach.''

This is not the first time OSHA has cited a small business for failing to have a MSDS sheet on ordinary household products. Contrary to Mr. Dear's assertion, it has happened more than once. OSHA has also issued citations for hazardous bricks, sand, gravel, chalk, et cetera.

Mr. Dear went on to say that ''OSHA has not banned the tooth fairy; dentists can give children their extracted teeth.'' Although this statement may be true now, it was not always.

When OSHA published its final bloodborne pathogen rule on December 6, 1991, the regulation provided no exceptions for baby teeth or any other body part defined as contaminated waste. All contaminated waste—including baby teeth—was to be disposed of in the OSHA-defined proper manner.

It was only after America's dentists raised concern and several newspapers lampooned the new OSHA regulation that OSHA clarified that it would not cite dentists for allowing children to keep their teeth.

Last, we have the question of gum chewing on roof tops. Once again, Mr. Dear provided Congress with a half-truth. He said, ''OSHA does not prohibit workers from chewing gum, although we do restrict asbestos removal workers from ingesting food where a high level of asbestos is present, since ingestion of asbestos causes cancer and lung damage.''

Setting aside the question of how ingesting asbestos causes lung damage—breathing asbestos is linked to lung damage, ingesting asbestos is linked to gastrointestinal cancers—Mr. Dear is simply wrong. OSHA itself has admitted that it prohibited chewing gum in asbestos workplaces, including rooftops where roofers were using tiles containing small amounts of asbestos.

In a memorandum to OSHA's regional administrators dated January 13, 1995, OSHA stated, ''OSHA prohibited eating, drinking, chewing tobacco or gum, where activities take place involving removal or repair of asbestos containing building materials, regardless of measured breathing zone exposure levels.''

The memorandum proceeds to admit that these regulations are excessive, will ''result in negligible reduction of exposure,'' and therefore OSHA should not issue citations for their violation.

In other words, Joe Dear would have you believe that OSHA never prohibited chewing gum on rooftops when OSHA itself has not only admitted doing it, but issued a retraction as well.

The battle over OSHA reform is not about whether OSHA does stupid things. With over hundreds of regulations governing every possible hazard, real and imagined, OSHA cannot help but do stupid things. By challenging the veracity of OSHA's more notorious missteps, OSHA defenders are wasting their time and hurting their own credibility.

OSHA did fine people for failing to have material safety data sheets on common household products like Joy, its regulations—without clarification—did prohibit dentists from giving children back their baby teeth, and its regulations—once again, without clarification—did prohibit roofers from chewing gum.

To suggest otherwise is to fib, obfuscate, and otherwise distort the truth. In his testimony, Mr. Dear stated, ''If these stories were true, I might be asking the same questions about the need for OSHA.'' Those stories are true, Mr. Dear. Start asking.

CONTRACT BILL FLAWS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized during morning business for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I must say this is a very interesting week as we watch the 100 days come to a close. I am really astounded that there is going to be a circus coming to the Hill tomorrow. Think of the images you can have, bread and circuses, three-ring circuses.

But as we laugh about that and as we wonder who in the world thought that was a good image, let me talk about what we did last week and what we now know and how upset many of us on this side of the aisle are.

Last week, we passed a bill that finally, finally, gave working-class Americans the right to deduct their health care premiums. We absolutely should have, we should have done it long ago.

And one of the reasons ordinary people often do not get their tax benefits as soon is they are not here with PAC money and they are not special interests, and so they usually have to go to the end of the line. So we were all celebrating. Finally, we are getting this up. Is that not wonderful? Working-class Americans are going to finally be able to get some kind of deduction for their health care insurance. Hooray.

But now we have learned what was tucked in that little bill. And tucked in that little bill was a $63 million tax rebate jewel for none other than Rupert Murdoch.

Now, this 100 days began with Rupert Murdoch and a book deal with the Speaker, and it ends with him getting a $63 million tax rebate stuck on this tax bill for working-class Americans. I find that unconscionable when what we were told what we were doing was shutting off the special benefit to this entire class of people.

This was a special benefit dealing with selling of broadcasting stations. Well, apparently, we cut it off for everybody in the world except one guy, who is a little more equal than other guys. But when you contrast his status with working class Americans, you can see why his needs got moved to the front and they found some way to sneak it through.

The other part of this bill that was so terribly disappointing was in the Senate they did some very good work. What did they do? They closed a loophole. They closed a loophole that had been allowing billionaires to move off shore, to move off shore and then avoid paying taxes. So they very correctly closed this loophole which would save the Treasury about $3 billion or more, roughly.

We have read over and over again how some tax lawyer kind of discovered this a couple years ago and so it has become the new exit way for all sorts of people to exit the IRS and their 1040 code, for those who have a lot at stake.

Obviously, there are many countries who would be very willing to welcome these billionaires because they think they will then spend their money in that country.

Well, unfortunately, even though we had three votes on this issue here, the House would not yield to them, so that is the other flaw in this bill dealing with working-class Americans trying to get their deduction for health care that they so, so deserve is that we did not close this other loophole because the House refused to close that loophole. So billionaires can still escape taxation by throwing their citizenship overboard. I find that horrifying.

I really hope what we do, now that we have discovered how flawed this is, is that we can get a commitment that the President would veto this bill, and we could just bring it back clean the way it should be.

I think the other interesting thing is that the President cannot knock out special privileges in tax bills. Because when you talk about being able to do line-item veto, the line-item veto has been allowed on the spending, but when it was offered to take out special tax benefits, then it was turned down.

Now, everybody knows a special tax benefit costs just as much money as a spending thing. Is it not interesting

that we are willing to give the line-item veto for one thing but not the other? And I think it goes back to the same old business as usual, special interest being able to tromp all over all of us the way the elephants are going to tromp all over the grass tomorrow when the circus comes up here.

So I hope people put all of these things together, and I hope we all say enough is enough. We started the 100 days saying we are going to have real reform, and there was not going to be business as usual. We end it seeing business as usual all over the place.

I hope that we can bring this to closure and finally really do some housecleaning and get this place cleaned up and get this bill cleaned up and have working Americans move to the front of the line, not billionaires.

TAX FAIRNESS ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. NORWOOD] is recognized during morning business for 5 minutes.

Mr. NORWOOD. Mr. Speaker, I suppose it would be in order for me to say briefly, about the speech you heard 10 minutes ago about OSHA, that all of those horror stories that you heard were true. Having practiced dentistry for 25 years, I was one of the people under the gun when I would try to give back my children their baby teeth, and that is, in fact, a true story.

It is also additionally nice to hear the people on the other side of the aisle be for the tax deduction for business people, for self-employed people for their health care insurance, but it does make one wonder whey we did not pass that last year when they were in charge of Congress.

But, Mr. Speaker, I rise today in support of the Tax Fairness Act because it will benefit average, hard-working Americans. I am particularly in support of the capital gains tax cut because when you strip away the rhetoric, reducing the capital gains tax is simply a good idea.

Mr. Speaker, when we move beyond the nonsensical class-warfare arguments against cutting the capital gains tax, the economic reality is clear. All Americans will benefit from cutting the capital gains tax. It will encourage investment and create jobs.

The capital gains tax penalizes investment and risk taking. Investors are discouraged from investing in startup ventures because they might actually make money. In turn, this makes it more difficult for entrepenuers trying to start a business to find investors. If they cannot start a business, they cannot create jobs. By penalizing successful investments through the capital gains tax, the Federal Government costs the economy jobs.

The Democrats will argue that cutting the capital gains tax is only a tax break for the rich. Of course, that is simply not true. If you own an asset like a house or a farm or a small business or any stocks or bonds, you will be subject to the capital gains tax if you sell that asset for more than you paid for it. Millions of Americans own assets that are subject to the capital gains tax, and that is why 70 percent of the people who will benefit from a cut in the capital gains tax will have incomes of less than $50,000. Maybe the Democrats think that is a tax break for the rich, but I call that commonsense help for hard-working Americans.

Mr. Speaker, the current high capital gains tax rate has been an utter failure as a tax policy. The economic forecasts the Democrats cite in attacking the capital gains tax cut have been thoroughly discredited by history. When Ronald Reagan cut the capital gains rate in the early 1980's, the amount collected from capital gains taxes soared. When the tax rate was raised in 1986, the revenues collected from capital gains taxes dropped like a rock. That the CBO's forecast for 1987 and beyond missed by a mile speaks volumes about the misconceptions that surround capital gains. Like the Democrats, the CBO believed that you could raise revenue by raising the capital gains tax. In reality, potential investors worked so hard to avoid the tax increase that revenues fell. The CBO's error in predicting capital gains tax revenue cost the Treasury $170 billion. Annual capital gains tax collections have been declining rapidly since 1986. The current capital gains tax rate is just not good economic policy.

Mr. Speaker, a good friend of mine named Bartow Morgan encouraged me long and hard to support the capital gains tax cut. He knew how much the capital gains tax hurt the economy and the potential investments that were suppressed by the capital gains tax. That Bartow Morgan did not live to see us cut the capital gains tax is terribly disappointing to me. Mr. Speaker, when we pass the Tax Fairness Act Thursday, I for one will be thinking of people like Bartow Morgan, who believed that cutting the capital gains tax would help all Americans, and never allowed themselves to be swayed by the class warfare that we so often hear from the Democrats. Mr. Speaker, cutting the capital gains tax is the right thing to do for all Americans and I strongly urge my colleagues to remember that when we vote on Thursday.

PASSAGE OF THE REPUBLICAN TAX RELIEF BILL IS A NECESSITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Texas, Mr. SAM JOHNSON, is recognized during morning business for 5 minutes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, the passage of the Republican tax bill is a necessity, a necessity because for too long the Federal Government has penalized Americans for working hard. That is what a tax does. It penalizes people for working hard and earning money.

A tax says go out and find a job, start a business, work hard, but do not succeed. Because, if you do, the Federal Government will come and take your money to Washington to feed the growth of yet another massive, wasteful bureaucratic agency.

This is the philosophical difference between Republicans and liberal Democrats. Democrats fear tax cuts because they reduce the amount of money they can spend on Government projects. Republicans embrace tax cuts because we believe if you work hard, you persevere and you succeed, you deserve, without question, to keep the money you worked hard to earn. This is what the American dream is all about.

Republicans also know you can create jobs and stimulate the economy if the money is in the citizens' pocket, not in the Government troughs. The only thing the Government knows how to do is spend more and rack up the debt.

The 40-year Democrat experiment of increased taxes, increased spending, and big Government has failed. The only thing Congress has to show for it today after 40 years is a $4.5 trillion debt and a $200 billion deficit each year forever, as far as you can see, and an inefficient, ineffective Federal Government. This, again, is why the Republican tax relief bill is a necessity now.

Now is the time once again to create capital, not suppress it; to reward success, not punish it; to promote business, not destroy it; and to restrain Government, not enlarge it.

The Republican tax relief bill is good for families, good for businesses, good for workers, and good for America.

LEGISLATION TO STIMULATE URBAN ECONOMIC REDEVELOPMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Florida [Mrs. MEEK] is recognized during morning business for 2 minutes.

Mrs. MEEK of Florida. Mr. Speaker, I am pleased to introduce a bill to stimulate urban economic redevelopment through environmental cleanup. This bill, without adding to the Federal budget, attacks unemployment in urban cities on several fronts. My bill provides business and job opportunities by providing low-interest loans to stimulate voluntary cleanup of contaminated sites; it provides incentives to individuals to establish environmental businesses in targeted urban areas through the reduction of the Social Security tax burden; it provides training to fill the positions created by the new businesses; and my bill authorizes Federal agencies to give preference to qualified businesses that hire targeted urban area dwellers.

Mr. Speaker, as we move to enact welfare reform, we must find creative

ways to lessen the need for welfare. My bill, Mr. Speaker, does just that.

Mr. Speaker, I urge my colleagues to join me in this fight to revitalize our urban communities.

My bill creates meaningful jobs for the unemployed and those about to enter the work force.

Passage of this bill will significantly increase the pace of environmental cleanup by establishing a low-interest loan program to stimulate voluntary cleanup of industrial sites. The cleanup of these sites will benefit public health and welfare, and the environment by returning contaminated sites to economically productive uses.

This bill stimulates the creation of environmental jobs and business opportunities by individuals and small businesses in target urban areas through reduction of the Social Security tax burden.

ALTERNATIVE TAX PLANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Pennsylvania [Mr. GEKAS] is recognized during morning business for 5 minutes.

Mr. GEKAS. Mr. Speaker, to cut or not to cut, that is the taxing question. Whether it be nobler in the minds of the people who attack the Republican plan to sling an arrow into death, that remains for the Democrat opposition or all those who favor deficit reduction as against tax reduction.

But let me record a little history for the CONGRESSIONAL RECORD. When the President was running for the Presidency, Bill Clinton's message included a tax cut for the middle class, which, of course, he never was able to implement or refused to implement or reneged on the promise to implement.

And so somewhere in 1993 and 1994, when we saw that the administration was going really the other way, not a tax cut for the middle class but a tax increase for most Americans, when that began to happen and we saw some signs of weakening in the economy, many of us thought that this would be ripe for a time for a tax cut cast in the image that we wanted to present.

So I myself prepared then in 1993 and 1994 a tax package, a tax cut package. It included reducing the payroll tax by 1 percent both for the employer and for the employee. This would spur savings, bring down the tax burden on the middle-class Americans, the working Americans.

□ 1000

I couple that proposition with a capital gains reform.

Now, there was method in my madness. Research, just as some of the speakers have already alluded to, has indicated that a reduction of the capital gains rates spurs millions of transactions to occur almost overnight and produces revenues, stimulates transactions and produces tax revenue. So, in a whirlwind of action, in my plan the capital gains reform would pay for the reduction of the payroll taxes of working Americans.

I thought it was a good plan, but I was not satisfied, Mr. Speaker, to just take my own judgment on it. I submitted the plan to the Institute for Research on the Economics of Taxation, a well-known and renowned and dependable think tank here in the Washington area whose sole reason for existence is to analyze methods of taxation and various plans.

When they received my plan, they reviewed it; and I received a commendatory letter. I must say it made my ego feel good about it that the plan was workable, and it emphasized that capital gains reform, coupled with my plan of reducing the payroll tax, would not only save money for the working family but spur investment and savings, both of which are vital to a good economy. So I felt pretty good about it.

Now, that brings us to the present. Since that time, many other plans have been presented. The President did come up after the election in 1994 with a tax reduction plan. So did the minority leader, the gentleman from Missouri. So did other members of the minority. So did other members of the Republican Party. But the main thrust of the Republican provision was contained in the Contract With America.

So I say here today that although I had a good idea and one that I will still pursue in months to come about reducing the payroll tax to stimulate the working American families, we have before us now a good alternative, the Contract With America provision that we will be supporting and voting for this week.

Why am I going to support it? And I plan to do so. Because it is part of the Contract With America. Because it does reduce the tax burden of middle-class families. Because it does stimulate savings. Because it will provide for the ability of families to work out their own destinies in how they want to spend their money for their families and will go a long way toward spurring the same kinds of results that we submitted to the think tank about economics of taxation.

Why? Because it will be coupled with capital gains reform. So the best of all worlds will have occurred as far as this Member is concerned. I will be voting for the Contract With America provisions because of capital gains reform, already approved by the people to whom I submitted my plan, and a middle-class tax cut, also approved in our plan.

CAMPAIGN PROMISES

The SPEAKER pro tempore (Mr. FOLEY). Under the Speaker's announced policy of January 4, 1995, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Mr. Speaker, do you remember back in the Presidential campaign of 1992 when President Clinton made a number of promises to the American people? He promised that he was going to give us a middle-class tax cut. He promised that he was going to lift the senior citizens earning test. He promised that he would enact a line-item veto. He promised that he would balance the budget.

He did not say he was going to balance the budget overnight. He said he was going to balance the budget.

Let us look at the record. Let us look at the record.

He reneged on the middle-class tax cut promise. In fact, he raised taxes, attempted to raise taxes in a very, very broad form way. Did not get away with that in terms of the Btu tax but still, in fact, did raise taxes. He reneged on the middle-class tax cut.

No. 2, he did not lift the senior citizens earning test. Instead, what he did do was he cut Social Security benefits by $24.8 billion, $25 billion that he cut social security benefits by.

And when pushed to lift the senior citizens earning test which, by the way, Mr. Speaker, is the amount of money up to which you are not penalized for working as a senior, right now that ceiling that limit is $11,200. We are going to raise it tomorrow in a vote on this floor to $30,000. We are going to do what President Clinton said he was going to do when he was running for the President, see, and he stole it with promises that he broke.

No. 3, he promised a line-item veto. He never ever offered that as a bill. He never offered that legislation. He did not put himself into it when it did come up on the floor of the 103d Congress. It was not enacted. We got a kind of enhanced rescission package. We passed a line-item veto about a month ago, right here, 104th Congress.

Finally, he said he was going to balance the budget. He has not given a halfhearted attempt at that. The budget he just submitted increases the deficit by $200 billion a year for the next 5 years, and it starts to skyrocket at about $400 billion.

When we came out with these things: A balanced budget amendment, which we passed in this House; a line-item veto which we passed in this House; lifting the senior citizens earning limit and the middle-class-tax cut; when we came out with that last fall as an agenda which we were willing to sign our names to, saying that if you give us the honor of representing you American people in the U.S. Congress, here is what we are going to do. We call this our Contract With America.

Those same four things that were in his promises broken, promises to the American people, how did he characterize them? How did he characterize them, Mr. Speaker?

I will tell you how he did. He called it a contract on America. The same promises that he had used falsely, falsely to get elected 2 years earlier he then characterized as a contract on America.

Well, Mr. Speaker, it is not a contract on America. In fact, it is a Contract With America. And not only that, but we are actually fulfilling the broken promises of Mr. Clinton from 2 years ago.

We are giving a middle-class tax cut. We are lifting the senior citizens earnings limit. We are restoring the $25 billion in cuts that he made to Social Security benefits. We have enacted the line-item veto, and we are balancing the budget.

I will yield to the gentleman.

Mr. KINGSTON. Well if the gentleman will yield, there is another key element, and that is the welfare reform. The President did say he would end welfare as we know it, yet never submitted a welfare bill. And so that would mean 5 planks in the 10-plank Republican Contract With America the President actually ran on as candidate Clinton in 1992.

Mr. HOKE. The gentleman is completely correct. As I was sitting here making my notes, I was trying to remember what was the fifth item, and that is exactly right.

Mr. KINGSTON. If the gentleman will yield further, I think that, essentially, when you consider what happened to the balanced budget amendment in the other body, three Democrat Senators voted against the balanced budget amendment. If the President did not fight the balanced budget amendment I think it is very possible, given the fact that he is a great salesman, that he could twist some arms and pick up the one, two, three or four votes that are needed to get the thing over the top.

Mr. HOKE. As the gentleman well knows, not only did the President not fight to twist some arms to get the balanced budget amendment passed but, in fact, he worked day and night tirelessly, as hard as he possibly could, to make sure the balanced budget amendment failed.

Mr. KINGSTON. What is also ironic, while he is out saying the Republican welfare reform is mean or inadequate or whatever, not only has he not offered an alternative but then he goes on to talk about our program and how good it is. But he did not use the word Republican. He says, this is what we need: work programs and programs that will end the cycle and get the dad into the picture and identified and so forth.

I think it is disappointing, but you were talking about senior citizens and to increase the Social Security tax as your first year in office and then to fight trying to repeal that tax increase does have a degree of hypocrisy to it.

Mr. HOKE. What we are going to do tomorrow on the floor, we are going to repeal that device that the President passed just a year ago. And I see my time is expired, but we are going to repeal those cuts, and we are going to restore those cuts so that senior citizens get their due.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 11 a.m.

Accordingly (at 10 o'clock and 7 minutes a.m.) the House stood in recess until 11 a.m.

□ 1100

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 11 a.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O God, to use our words as vehicles of communication and messengers of understanding so our conversations are truly heard by one another and there is an honest awareness of what is being said. Keep us from the easy platitudes that have the ring of truth, but do not communicate the realities that need to be discussed. And may the words we say with our lips, be believed in our own hearts, and all that we believe in our hearts, may we practice in our daily lives. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. EWING. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. EWING. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 369, nays 36, answered ''present'' 1, not voting 28, as follows:

[Roll No. 282]

YEAS—369

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonilla
Bono
Borski
Boucher
Brewster
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cardin
Castle
Chabot
Chambliss
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Combest
Condit
Cooley
Costello
Cox
Coyne
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
de la Garza
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fields (LA)
Fields (TX)
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hall (OH)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee
Jefferson
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Johnson (SD)
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Meek
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate

Tauzin	Upton	Weldon (PA)
Taylor (NC)	Velázquez	Weller
Tejeda	Vento	White
Thomas	Vucanovich	Wicker
Thornberry	Waldholtz	Wilson
Thornton	Walker	Wise
Thurman	Walsh	Woolsey
Tiahrt	Wamp	Wyden
Torkildsen	Ward	Wynn
Torres	Waters	Yates
Torricelli	Watt (NC)	Young (AK)
Towns	Watts (OK)	Young (FL)
Traficant	Waxman	Zeliff
Tucker	Weldon (FL)	Zimmer

NAYS—36

Abercrombie	Hastings (FL)	Pelosi
Brown (CA)	Hefley	Pickett
Brown (FL)	Hilliard	Roberts
Chapman	Jacobs	Roemer
Clay	Kennedy (MA)	Sabo
Clyburn	Lewis (GA)	Schroeder
Collins (MI)	Maloney	Stockman
Crane	McKinney	Taylor (MS)
Engel	Menendez	Thompson
Fazio	Mineta	Visclosky
Filner	Oberstar	Volkmer
Gillmor	Owens	Wolf

ANSWERED ''PRESENT''—1

Harman

NOT VOTING—28

Becerra	Ford (TN)	Minge
Berman	Gejdenson	Pombo
Boehner	Gephardt	Reynolds
Bonior	Gibbons	Rush
Browder	Inglis	Sanders
Canady	Manton	Smith (MI)
Chenoweth	McCollum	Whitfield
Conyers	McDade	Williams
Cramer	McDermott	
Fattah	Mfume	

□ 1120

Ms. DELAURO changed her vote from ''nay'' to ''yea.''

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. MINGE. Mr. Speaker, during rollcall vote No. 282 on the Journal I was at the George Washington University Hospital with my wife who was in surgery. Had I been present I would have voted ''aye.'' I ask unanimous consent that my statement appear in the RECORD immediately following rollcall vote No. 282.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from Mississippi [Mr. MONTGOMERY] will come forward and lead us in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 34. Concurrent resolution authorizing the use of the Capitol Grounds for the Ringling Bros. and Barnum & Bailey Circus Anniversary Commemoration.

PERMISSION FOR CERTAIN COMMITTEES AND SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Ms. PRYCE. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: Committee on Agriculture; Committee on Banking and Financial Services; Committee on Economic and Educational Opportunities; Committee on Government Reform and Oversight; Committee on International Relations; Committee on National Security; Committee on Small Business; Committee on Transportation and Infrastructure; and Select Committee on Intelligence.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. WISE. Mr. Speaker, reserving the right to object, the minority has been consulted in each of those cases and has no objection, and therefore, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

THE CONTRACT WITH AMERICA

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. Mr. Speaker, our Contract With America states the following: On the first day of Congress, the Republican House will require Congress to live under the same laws as everyone else, cut committee staffs by a third, and cut the congressional budget. We have kept our promise.

In the first 100 days, we will vote on the following items: Balanced budget amendment, unfunded-mandates legislation, line-item veto, new crime package, National Security Restoration Act, government regulatory reform, commonsense legal reform, welfare reform to encourage work, congressional term limits.

We kept our promise on every one of those, passed every one except congressional term limits, which 82 percent Democrats voted against, 83 percent Republicans voted for.

Today we are going to vote on a tax package for family reinforcement, tax cuts for the middle class, and Senior Citizens Equity Act to allow our seniors to work without Government penalty.

Mr. Speaker, today we are going to restore the $24.8 billion in Social Security cuts that were passed by Democrats in the last Congress.

A SPECIAL BREAK FOR RUPERT MURDOCH

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, on the first day of Congress I joined the call for openness in this Congress, and frankly, we have not made very much progress.

During closed-door Senate-House negotiations last week, Republican legislators bestowed a multi-million-dollar tax break on Rupert Murdoch, yes, Rupert Murdoch. You have heard of him before. He is the same foreign plutocrat who came here to the Capitol to meet with Speaker GINGRICH just after the election. Yes, Rupert Murdoch, he is the one with the $4.5 million book deal.

And in this supposedly open House from this podium or any other, did we hear one word about Rupert Murdoch being the only beneficiary of this piece of legislation that was just announced as enrolled this morning? Not a word was uttered.

There were 19 business deals affected by this piece of special legislation worked out in secret. Eighteen of them failed to make the mark. But 18 of them were not owned by Rupert Murdoch. His was the only measure in the entire country to get this special break, and it did not happen without the blessing of his good buddy, NEWT GINGRICH.

TAX CUTS AND LOWER DEFICITS

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, in response to the last speaker, I think we should give credit where credit is due, and that is to Senator CAROL MOSELEY-BRAUN of Illinois.

Mr. Speaker, tax cuts and lower deficits go hand in hand. Tax cuts of 1981 resulted in huge increases in Federal revenue. The problem was that Government spending rose at an even higher rate.

Here are the facts: In 1980 our tax revenues were $517 billion, while Government spending was $591 billion. In 1994, tax revenues were $1.2 trillion, but Federal spending was $1.4 trillion.

In other words, people were not taxed too little, but Washington would not stop spending too much.

Mr. Speaker, if we let people keep more of the money they earn, that creates jobs and stimulates investments. That means higher tax revenues without a tax increase.

I support the Tax Fairness Act of 1995.

CAUGHT IN THE MIDDLE

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, as we debate this so-called middle-class tax cut, there is going to be a lot of talk about just who is the middle class.

Well, I do not know if the people in my district meet your definition of middle class, but I do know that they keep getting caught in the middle.

My constituents are caught in the middle of a fight within the ranks of the Republican party about whether to cut taxes for the super rich or just the very rich.

My constituents are caught in the middle of two failures of phony fiscal policy from the GOP, trickle-down economics in the 1980's and its sequel in the 1990's, two budget busters that are squeezing working families like a vise.

And others in my district are caught in the middle because they are treated like pawns in this game, as the Republicans take money from education, nutrition, and health care to finance tax cuts for those who are already faring quite well.

We can disagree about who is the true middle class, but it is clear that those who work hard to get their families through the next day have a lot more class than those in this House who are simply trying to get through the next election.

TIME FOR THE GOVERNMENT TO TIGHTEN ITS BELT

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, it is always interesting to listen to my friends, the liberals on the other side of the aisle, and they do some very creative writing as we just heard from the preceding speaker.

As we begin to debate this issue of tax cuts, I think it is important to keep one fact uppermost in our minds: Those who send their hard-earned money to Washington did not cause this deficit. Those liberal big spenders who sat and dominated this Chamber for so long, those are the folks who caused this deficit. It is an obvious but overlooked point.

So when the liberals say they cannot afford to cut taxes, what they are really saying is they will not cut spending.

This whole debate is evidence of a disturbing mind-set on the part of the liberals from the other side of the aisle which assumes all the money in America belongs to this Government and that this Government needs the money much more than America's families. Friends, it is the American people who need tax relief. They have been tightening their belts for years while the Government has continued its big-spending ways.

Mr. Speaker, it is time the taxpayer got a break, and it is time this Government tightened its belt.

STOP SENDING CASH TO RUSSIA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the Pentagon has pleaded. They have begged. They have even offered Russia special projects. And Russia said, ''Nyet. Forget it.''

Russia will sell nuclear reactors to Iran. Now, think about it, Russia has already sold submarines to Iran. Now Russia is going to sell nuclear reactors to Iran.

Tell me, since when do these Communists-turned democrats deserve all of our American cash?

□ 1130

Last I heard, Mr. Speaker, they still had in Russia missiles pointed at New York.

Now look here. If Boris Yeltsin is now the new George Washington over there, I am a fashion leader, and I should be on the cover of GQ.

The bottom line is we have too many experts at the Pentagon drinking vodka with Boris. Either that, or they are smoking dope. But, if Congress wants to save money, stop sending cash to Russia.

Think about it.

LET US CUT TAXES THIS WEEK

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Good morning. My name is STEVE, and I am a tax cutter. I never realized I had a problem with this compulsion when I was back home in the real world, but, when I landed inside the beltway, I knew I was in real trouble.

I had always believed that we should let working Americans keep more of their hard-earned paychecks. I had always thought we ought to give senior citizens in this country a break. I thought I was normal, but then I came to Washington, and the liberals and the bureaucrats have tried to show me the error of my ways. They have tried to convince me that the money I always thought belonged to the taxpayers really belongs to the Federal Government. They tried to convince me that bureaucrats know best, more better than what the working men and women of this country do. They think that bureaucrats are smarter than the folks back home.

Well, that is baloney. Maybe being a tax cutter is not so bad. In fact, doggone it, I am proud to be a tax cutter.

Let us cut taxes like the Republicans want to do this week.

GAYS IN THE MILITARY

(Ms. HARMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HARMAN. Mr. Speaker, I was encouraged when the U.S. District Court for the Eastern District of New York concluded on Thursday that the core of the Defense Department's don't-ask, don't-tell policy is unconstitutional. Judge Nickerson is right.

At least twice on this floor in the previous Congress, Mr. Speaker, I stated my belief that the ban and the Clinton administration's don't-ask, don't-tell policy violate the equal protection clause of the 14th amendment, the rights of free speech and assembly under the first amendment and the ninth amendment right of privacy.

This debate is still far from over. Over the weekend, Speaker GINGRICH said the House will again review this policy. He is making a mistake on the merits and on the politics. On the merits he is wrong because reinstating the ban is unconstitutional. On the politics he is wrong because the momentum of the first 100 days will quickly unravel as divisive social issues, like the gay ban, abortion rights, and school prayer are revisited.

Mr. Speaker, it is not easy to look the Joint Chiefs in the face and tell them how we think they should organize their forces and enforce the military chain of command. But it is time to recognize that gays and lesbians have always been a part of the military and that they have performed their duties with diligence, patriotism, and honor.

REPUBLICAN TAX CUTS ARE PRO-SENIORS, PRO-JOBS, AND PRO-FAMILY

(Mr. FOX of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. FOX of Pennsylvania. Mr. Speaker, there are three parts of the Contract With America that are very important to the American people. Already passed, $180 billion for deficit reduction, $190 billion for spending cuts, and now we have tax cuts for individuals, families, seniors, and small business.

A key goal to move money and power out of Washington and back to families and communities, Americans are better off making their own decisions rather than having Federal bureaucrats making decisions for them.

The tax relief plan lets families keep more of their money to save for education, a first home, long-term care or retirement, lets small businesses invest without being penalized, and it will repeal the unfair Clinton tax on senior citizens' Social Security benefits and allow seniors to make more than $11,280 without deducting from their Social Security. Finally, Mr. Speaker, the tax cut will reduce the deficit, stimulate investment, and create jobs.

Let us pass the bill.

AT LEAST THE REPUBLICANS ARE CONSISTENT

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, our Republican friends are continuing their pattern. Now it is an assault on college student loans and financial aid in order to get money to finance tax breaks for the rich.

Just the other week we saw them taking school lunches out of the mouths of America's children in order to get money to finance tax breaks for the rich, and now we see them assaulting working people. They would not raise the minimum wage. They want to eliminate OSHA, which protects the standards in the workplace and the safety of American workers, and now they want to repeal Davis-Bacon, which assures construction workers a prevailing fair wage.

There is a rally today at 1 p.m. in front of the Capitol to protect the Davis-Bacon Act which will protect construction workers, and I hope my colleagues will attend.

Once again we see the same pattern. At least the Republicans are consistent: Assault the middle class, help the rich. Next they will go after Social Security, Medicare, and Medicaid. Medicaid in a block grant? Who is kidding whom?

Mr. Speaker, the Republicans just want to cut, cut, cut, cut the middle class and help their wealthy friends.

RESTORING SOCIAL SECURITY CUTS

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, it will come as no surprise to most Americans that the American family and our senior citizens are overtaxed. It is certainly no surprise to my mom who is 83 years old. She is not surprised that senior citizens are taxed too much and protected too little. Yet, when the liberal defenders of big government want to find more money to fund their bureaucratic programs, they turn to those in our society who can least afford it, our senior citizens.

We have all heard the shocking numbers. Taxes for a family of four have gone up from $1 out of every $50 in 1950 to paying $1 out of every $4 to the Federal Government today and that many average income working seniors face tax rates double those that millionaires face. Taxes that high are simply not fair. Yet when President Clinton and the Democrats passed the largest tax increase in history disguised as a tax hike on the rich, they actually taxed our seniors by cutting Social Security.

This week we have the opportunity to do what is responsible and fair for our seniors. We have the opportunity to protect the American dream. We have the opportunity to restore Social Security cuts, and I ask that we do so.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The Chair reminds all persons in the gallery that they are here as guests in the House and that any manifestation of approval or disapproval of proceedings is a violation of the rules of the House.

LET'S CHANGE THIS JEWEL OF DENIAL

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. GENE GREEN of Texas. Mr. Speaker, there is a flaw in the jewel. We will begin debate today on a bill that will cut taxes, and the winners who will receive the majority of the cuts are families with incomes over $100,000. The losers will be deficit reduction, summer jobs, school lunches, and education funding. The Speaker calls this the crown jewel of the contract. Well, this crown jewel in 1999 will cause us deficits of over $200 billion.

There is a flaw in this jewel. Unfortunately, to pay for this jewel many young people will lose. Thousands of teenagers will be denied a summer job, school children will be denied a meal, legal immigrants will be denied services for the $66 billion welfare reform to the cracked crown jewel, seniors will be denied by cutting energy assistance, safe and drug-free schools will be denied $500 million, college students will be denied $13 billion to help pay for the flawed jewel. The contract was a deal with the rich including unpatriotic families who are leaving our country and taking their billions with them.

Let us change this jewel of denial.

IT IS TIME TO GIVE BACK MONEY TO THE AMERICAN PEOPLE

(Mr. SHADEGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHADEGG. My colleagues, we are engaged in a great debate, a great debate which could only occur inside the beltway. The American people have no doubt about tax cuts. To listen to my colleagues on the other side, they simply do not get it. There is one fundamental message in America today. It is that the Federal Government is too big, it taxes too much, it spends too much, and it regulates too much, and the American people have no debate about that issue. My opponents, when they talk about deficit creation and how this tax cut will create deficits, it is shocking. They created this deficit over the past 40 years, and now they want us to continue to pull an outrageous sum of money out of the pockets of the American people to pay for the deficit they created. Amazing.

It is time to give money back to the American people. We have increased the tax burden on American families twelvefold since 1950, the year I was born. Enough of that outrage. I say to my colleagues, ''They say they know better how to spend your money. I say you, as the American people, know how better to spend your money. I call on my colleagues to support this tax cut today.''

TRADING TOMORROW'S CAPS AND GOWNS FOR TODAY'S CAPITAL GAINS

(Mr. MASCARA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MASCARA. Mr. Speaker, my friends on the other side of the aisle have decided to pitch caps and gowns for capital gains.

They have decided it is more important to grant a 50-percent capital gains tax cut to the wealthy rather than giving today's young adults a chance to build a better tomorrow.

Where I come from, high school students used to be able to count on a good-paying job in the mines or steelmills.

No more. Now their brighter tomorrows are dependent on high-technology industries. And if they want a chance to even get in the front door, a college degree is a must.

The $20 billion cut in student loan and grant programs proposed by the Republicans would close that door and end any chance many hard-working, middle-class families have of sending their children to college.

It is a poor tradeoff and wrong in my book.

Republicans do not seem to understand if you block the path to a college diploma today, there will be no new source of capital gains tomorrow.

CUT TAXES NOW

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUNDERBURK. Mr. Speaker, the debate on the contract's tax cuts proves one thing: The Democrat Party believes that taxpayers exist to serve the Government monster and they believe that the privilege of making and keeping your own money is a favor Washington hands out from time to time. That is the difference between the minority party and the new Republicans: We believe that the taxpayers come first—not the Government.

Mr. Speaker, the total tax burden on a family with a median income of $50,000 is about $26,000, an incredible 50

percent of their earnings; 50 percent of the money earned by the people in my rural district goes to pay for those who will not work. It goes to dumbed-down schools, and it feeds Uncle Sam's fat bureaucrats.

When the largest expense people in my district pay is taxes—and not food, shelter, medical care, and college for their children—that is an atrocity.

Mr. Speaker, let us finally do something right for working people. Let us cut taxes now.

SSI AND TRAINING CUTS

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, I heard my Republican colleague, but my name is SHEILA, and I want to be here to represent what is best for the working man and woman in America, and not to support billionaire tax loopholes. The tax-cut package being offered by the leadership on the other side certainly does not respond to them. But aside from the fact that their plan ignores deficit reduction, the fact remains that their plan still looks to cut taxes for America's upper-income brackets while imposing greater burdens on working- and middle-class families.

Now, to pay for more billionaire-friendly tax breaks, the other side wants to cut $13 billion from student loan programs—student loans that make college dreams possible for millions of American students and their working- and middle-class parents.

Mr. Speaker, my family worked hard to capture a part of the American dream. They also worked hard to give their children a chance to succeed. Yet, if there were not Government-backed student loans, I would not have been able to go to college or get a graduate education.

I would like to think my education was a good investment for America. I have paid back my loans with interest, so I cannot understand why the other side seems bent on slashing the loan program now, just as America needs well-educated citizens and workers more than ever. But yet Rupert Murdoch can walk these Halls undercover, and the Republicans will give our tax dollars to his deal alone. I do not understand it, Mr. Speaker.

THE REPUBLICAN TAX CUTS ARE FOR EVERYONE

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Mr. Speaker, the Republican tax fairness and deficit reduction proposal cuts taxes for everyone; individuals, families, and senior citizens. Most importantly, the proposal provides relief for working families. Since 1988, the working family has had their median income plunge approximately $2,500 while receiving a 2.5-percent increase in taxes. Over 75 percent of our tax relief proposal will focus on restoring fairness to the middle class. The remaining 25 percent will go directly to deficit reduction. The cuts are designed to lend a helping hand to the middle-class working family, the $500 per child family tax credit, the tax credit for adoption expenses, and the tax credit for small businesses.

Republicans are committed to reducing the burden of government on the working families.

STUDENT LOAN PROGRAMS

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, many young people in America have made a choice, a choice to get an education, and to get a job and to pursue a career. They made the right choice that will give them a chance. The Republican Party, however, wants to take that chance from them. They want to take that choice.

□ 1145

They plan to abolish and restructure four major loans and grant programs that provide aid to college students, threatening to force those students into a direction that they may not have chosen.

Last year millions of students held jobs on the work-study, got low interest rates, and did not have the burden of paying interest while they were studying, and they received grants. They will not have the opportunity next year.

In total, over the next 5 years $13 billion will be taken away from college loans and grant programs. For what? To give the wealthiest Americans a tax break.

The closer we look at the Republican tax plan, it certainly is not fair. It is grotesque. They call these cuts in loans a savings. I call it a tragedy for America's future.

REPUBLICAN TAX REFORM BENEFICIAL TO SENIOR CITIZENS

(Mr. ENGLISH of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. ENGLISH of Pennsylvania. Mr. Speaker, while H.R. 1215, the Republican tax program, helps working families, promotes economic growth, and creates jobs, it also helps millions of working senior citizens.

Current law imposes harsh penalties on senior citizens, particularly those who continue to work beyond the age of 65.

Today working seniors face higher, more punishing tax rates than millionaires in our tax system. Currently seniors who work after age 65 lose $1 in Social Security benefits for every $3 they earn above $11,280.

These are not rich people. The Social Security earnings limitation has pushed many older Americans out of the work force and slowed economic growth. H.R. 1215 increases the earnings limitation by almost $19,000 to $30,000, thereby eliminating the bias against older Americans who want to remain attached to the work force and it does so without increasing the deficit.

LAST-MINUTE CHANGE IN TAX LEGISLATION TERMED ''BUSINESS AS USUAL''

(Mr. WARD asked and was given permission to address the House for 1 minute.)

Mr. WARD. Mr. Speaker, I was just elected in 1994. I am a freshman, and I was in the Kentucky Legislature for 5 years before that. And, Mr. Speaker, we had a rule in the Kentucky Legislature, a hard-and-fast rule, that if language was changed in a bill when it went to conference, if language was different from the way we passed it when it came back from conference, we were told it was subject to what we call here a point of order. If we were not told what was in that change on the floor, in front of the entire body, in front of the public, in front of the people, it could not be considered.

What we have just seen, Mr. Speaker, is a change in a bill, a good bill, to provide self-employed people the opportunity to deduct the cost of their health care insurance, a bill we are all for, changed to help one person.

Well, Mr. Speaker, that is business as usual, and that is not why the voters changed what was going on up here.

THE VOTE TOMORROW

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, tomorrow when we take up H.R. 1215, the Tax Fairness and Deficit Reduction Act of 1995, I urge my colleagues to ponder one question: Do they support working senior citizens in this country, or do they support taxing our seniors out of the work force?

If Members support our senior citizens, they will support the tax bill. A vote against the tax bill is a vote against senior citizens who want to work, who want to be productive.

Let me tell the Members why. This tax bill does two things that will help older Americans. First, it repeals President Clinton's Social Security tax that he passed over Republican objections last year; and, second, it increases the earnings test so that more seniors will be able to work without getting taxed at a rate twice the amount that millionaires have to pay.

Mr. Speaker, the choice tomorrow is simple. Either they support our seniors or they do not. I urge my colleagues on

the other side of the aisle to stop taxing older Americans and start giving them the relief they richly deserve.

THE RUPERT MURDOCH TAX BREAK

(Mr. DEUTSCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEUTSCH. Mr. Speaker, there is an expression that most of us have heard: ''If it walks like a duck and it sounds like a duck and it quacks like a duck and it smells like a duck, then it is probably a duck.'' But we might want to change that in this Chamber to say that ''Maybe it is NEWT GINGRICH.''

My, my, my—a special tax break for Rupert Murdoch, $63 million, and then blaming it on Senator MOSELEY-BRAUN. All of us might think so, but no one in America believes it.

Mr. Speaker, Mr. GINGRICH, no one in American believes that it was Senator MOSLEY-BRAUN. You know it was you. You know what was involved. It would not have happened without you, and it is wrong. It is business as usual in this Chamber, and it is wrong.

I urge the President to veto this legislation. He needs to veto it. It is not what the American people want. It is the absolute wrong way we ought to be conducting ourselves in this Chamber.

CUTTING TAXES FOR SENIOR CITIZENS

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, I would just like to remind the previous speaker that it was Senator CAROL MOSELEY-BRAUN who was primarily responsible for that whole matter.

Mr. Speaker, 2 years ago the Democratic majority in the House muscled through the largest tax increase in U.S. history without one Republican vote.

Buried deep in tax language, the Democrats even included a cut in Social Security benefits for senior citizens. That's right, every senior citizen making $34,000 is rich according to the Democrats definition and guess what? They all got a cut in 1993.

I am proud to say that tomorrow we will restore Social Security benefits to their prior level and lessen the squeeze on the middle class.

Instead of finding clever ways to take more money from our senior citizens and middle-class Americans—we are restoring benefits, lowering taxes, encouraging investment and savings, and letting Americans keep more of their hard-earned money.

I have a question for my Democratic colleagues. Can you justify the current tax burden on our senior citizens? Can you justify the tax burden on working families? If the answer is no, then support our tax reduction package.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The Chair wishes to remind the Members that reference to Members of the other body is not encouraged and is not tolerated in the House.

CUTS IN PROGRAMS PAVE THE WAY FOR TAX BREAK FOR RUPERT MURDOCH

(Mr. KLINK asked and was given permission to address the House for 1 minute.)

Mr. KLINK. Mr. Speaker, I have learned over the years as a journalist hat where there is smoke there is fire, and I have learned as a Congressman that sometimes when there is a fire, it can quickly become an inferno.

We began talking at the beginning of this new Congress about the fact that there was something smelly about a $4.5 million book deal for Speaker NEWT GINGRICH being offered by Rupert Murdoch. Now we find out that it was indeed that same Rupert Murdoch who gets $63 million in special tax advantages hidden away in a bill that came through conference and was brought out on this floor last week.

I ask the Members, let us take a look at what we are doing. We are being asked to cut Stafford loans which would cause 4.5 million students' tuition to go up 20 to 30 percent, but we would give $63 million in tax breaks to Rupert Murdoch. We are being asked to cut work-study programs that pay 75 percent of the wages for students, 700,000 students, who are willing to work their way through school, but we have $63 million to give away to Mr. Murdoch.

Mr. Speaker, as we are taking money from women, infants and children, we seem to have money for Rupert Murdoch, a friend of the Speaker.

REPEAL OF CLINTON PENALTY TAX ON SENIOR CITIZENS IS PART OF TAX RELIEF BILL

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, in 1993, President Clinton and the liberal Democrats passed the largest tax increase in American history—$240 billion.

The 1993 tax bill included a provision that increased—from 50 to 85 percent—the tax on Social Security benefits received by senior citizens. Why the President chose to increase taxes on people who have worked hard and paid taxes all their lives is beyond belief. Ironically, this is the same President who used Social Security as his excuse to oppose the balanced budget amendment.

Liberal Democrats chose to raise taxes on our senior citizens instead of cutting their own spending. Republicans plan to repeal this onerous tax on seniors and at the same time balance the budget.

We do not have to tax seniors to reduce the deficit—we can and will cut our own spending. We must repeal the Clinton penalty tax on senior citizens. If you support seniors, then support the Republican tax relief bill.

TAX CUT PROPOSAL IS IRRESPONSIBLE

(Mr. PAYNE of Virginia asked and was given permission to address the House for 1 minute and to revise ad extend his remarks.)

Mr. PAYNE of Virginia. Mr. Speaker, 2 months ago, Republican Members of this House joined me and almost 70 other Democrats in supporting the balanced budget amendment to the Constitution.

We came together out of a shared belief that we can't continue to saddle the American people with a national debt that saps our productive capacity, hinders job growth, and causes so much of our wealth to be used just to service the national debt.

We heard a lot during that debate about our responsibility to future generations, about the need for fiscal discipline, an about the need to make tough choices.

Well, what happened?

Here we are in April, and the leadership's idea of fiscal discipline is a 5-year, $188 billion tax cut.

Mr. Speaker, this tax cut is not the kind of tough choice that this deficit cries out for. It is not disciplined.

And it is plain bad economics.

Make no mistake: with this poorly times tax cut, the House is ready to repeat age-old Washington mistake of borrowing from our children to pay for what is popular right now.

I urge my colleagues to reject this costly and fiscally irresponsible proposal.

AN ODE ON TAX RELIEF

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Mr. Speaker, as we debate tax relief this week—I would like Members to consider the message of this poem—sent to me by a constitute:

Tax his cow, tax his goat
Tax his pants, tax his coat,
Tax his crops, tax his work,
Tax his tie, tax his shirt,
Tax his chew, tax his smoke;
Teach him taxes are no joke.
Tax his oil, tax his gas,
Tax his notes, tax his cash;
Tax him good and let him know—
After taxes he has no dough.
If he hollers, tax him more
Tax him 'til he's good and sore.
Tax his coffin, tax his grave,
Tax the sod in which he lays.
Put these words upon his tomb;
''Taxes drove me to my doom.''
And after he's gone he can't relax;
They'll still be after inheritance tax!

FEDERAL WORKERS UNDER ATTACK BY TERMS OF PENDING TAX BILL

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, the most egregious, unfair aspect of the tax bill that will come before us deals with the people who process our Social Security tax, who patrol our borders, who operate the Federal Bureau of Investigation, and who in fact do so many services that we take for granted—the Federal employees, a quarter of a million of whom have been cut, requiring those left to perform much more difficult work.

But the most egregious aspect of this is that we are going to take $12 billion from their retirement plan, which means that the average Federal employee will pay $760 more per year in taxes in order to provide a tax cut for the average American of $124. I want to repeat this. The average Federal employee will pay $760 more in taxes to provide a tax cut of $124 for the average American. And these are employees who were guaranteed 8 years ago that their retirement system would never be changed.

Mr. Speaker, this is an egregious assault not only on the integrity of the Congress but on the security of our Federal employees.

PROPOSED LEGISLATION WOULD PROVIDE EXTENSION OF GRAZING PERMITS FOR RANCHERS

(Mr. COOLEY asked and was given permission to address the House for 1 minute.)

Mr. COOLEY. Mr. Speaker, yesterday I introduced H.R. 1375, legislation that would stop the U.S. Forest Service from hurting hard-working, law-abiding ranchers that graze their herds on forest system lands.

My bill would extend Forest Service grazing permits until the Agency completes its obligations under the National Environmental Policy Act.

Half of the Forest Service's 9,000 grazing permits issued on 90 million acres of Federal land will expire by the end of 1996. Some of these permits have already expired, and ranchers—by no wrongdoing of their own—have been denied their right to graze their livestock due to bureaucratic red tape. This is a punitive action and is patently unfair.

The ranchers I know hold up their end of the bargain; they are good standards of the land, they fulfill their obligations, and they have every right to expect the Government to get its job done. They ought not be punished because our Nation's environmental laws are unreasonable and inflexible. My bill would extend their grazing permits until the Forest Service completes its NEPA documentation, so that no rancher is denied a permit because of bureaucratic delays.

□ 1200

TAX ON FEDERAL EMPLOYEES PAYING FOR TAX CUT

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, the debate this week is not about whether we ought to have a tax cut for the average American or for the seniors or for the hard-working folks back home. This debate is about whether we ought to give most of the tax break to the wealthiest people in America who make up to $200,000 a year. I say no.

To raise the money for this tax break, the Republicans have once again gone after the middle class, this time in the form of Federal employees who only make an average of $30,000 a year. They raised $12 billion by raising the pension contribution of Federal employees by 2.5 percent, which means that the average Federal employee making $30,000 will have to pay $750 in new taxes, because that is what it is, a tax on Federal employees.

So let me see if I have got this straight. In order to get a tax deduction of $500 per child, the Federal employee under the Republican plan will have to pay $750. I do not think that makes good sense.

Mr. Speaker, this debate is not about a tax break for the folks back home; this debate is about whether we ought to give a tax break to the wealthiest.

TIME FOR TAX RELIEF AND DEFICIT DEDUCTION

(Mr. ENSIGN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENSIGN. Mr. Speaker, for weeks our colleagues from the other side of the aisle have accused Republicans of coddling the rich with tax cuts while ignoring the deficit. It is time for the truth to be heard. H.R. 1215 will not only provide badly needed tax relief for middle class American families and incentives for economic growth, but will provide the first down payment on our goal for balancing the budget by the year 2002.

This bill provides a $500 per child tax credit to America's families. The need for this is obvious. In 1950, $1 out of every $50 the American family earned went to the Federal Government. Now the average family of four sends $1 out of every $4 to Washington. It is time for the Federal Government to take its hands out of the wallets of American families and let Americans spend the money they earn.

H.R. 1215 not only provides essential tax relief for American families; it also provides $62 billion more in deficit reduction over 5 years than the President offered in his fiscal year 1996 budget. It is time for deficit reduction and tax relief for the hard-working taxpayers of America.

BUSINESS AS USUAL

(Ms. WATERS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WATERS. Mr. Speaker, shame, shame, shame. Remember the debate about the FCC rule that allowed major broadcasting first to sell their firms to minorities and women in exchange for tax credits in an effort to create diversity in the media? Remember our Republican friends who screamed no to that kind of affirmative action? They claimed they were against any preferences?

Well, it is business as usual. They went into the back room and they slipped a dirty little deal in the conference report. They allowed one token minority deal, and guess who surfaces again? NEWT GINGRICH's friend, Rupert Murdock, is going to get $63 million in tax breaks. You know, the same Murdock of the $4.5 million book deal with Speaker GINGRICH?

The President must veto this dirty little deal. Let us take a clean bill to the floor to provide health insurance to the self-employed and small business persons, without giving more tax breaks to the rich. For the Republicans it is business-as-usual, cut children, babies, seniors, students, working people, but they are taking care of NEWT GINGRICH's rich friends.

THE VICTIM IS TRUTH

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, over the last several months we have seen an assault on the truth from the liberal Democrats so vicious, so extraordinary, so mean, that it defies description.

All I can ask my colleagues on the other side of the aisle is have you no shame? Have you no confidence in your philosophy and beliefs to let the American people know the truth? From outright lies on the School Lunch Program and the school loan program to the scandalous muckraking regarding the Committee on Ethics, Democrats have willfully disregarded honest dialog.

Republicans have not cut the School Lunch Program; everyone knows that fact. Republicans have had no plans to cut the school loan program; everybody knows that fact. Republicans are defending the middle class; everyone knows that. When it comes to the supposed secret deal regarding Rupert Murdock that was just referred to by the gentlewoman from California and some others out here today, everyone

knows that that deal was done by a liberal Democrat in the other body on behalf of the Chicago Tribune. It is shameful to suggest that it has something to do with Republicans in this institution. It is in fact a liberal Democrat who did it.

Mr. Speaker, when it comes to a Democrat attack on Republican leaders and policies, there is only one victim, and that victim is the truth.

BUSINESS AS USUAL IN CONGRESS

(Ms. LOFGREN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LOFGREN. Mr. Speaker, I came to Congress this January 4 with the hope I could change things, but it is business as usual here in Congress. Last week on a voice vote the House passed a bill that would allow tax deductions for health insurance for the self-employed, something I support. But hidden in the conference report, unknown to me, was a very special provision that will give tens of millions of dollars in tax breaks to one very rich publisher.

There is an old saying that says to the winner goes the spoils, and if that saying is true, then Mr. Rupert Murdock, the Speaker's own publisher, made out like a bandit. While the Republican Congress has been busy cutting student loans and school lunches, Mr. Murdock's friends have been cutting him a sweet deal, to the tune of $63 million.

But the sweet deals do not end there. If you are a billionaire, then this 100 days have been better than the Twelve Days of Christmas. The Republican Santa Clauses have been busy giving away tax presents to the few dozen wealthiest people in this country. If you have the means to leave the country, renounce your citizenship, move to a mansion, you can save on U.S. taxes. Must be nice, huh? Only middle-class families have been saddled with the bill to pay for these billionaire tax breaks.

RESPONSIBILITY FOR THE DEFICIT

(Mr. SALMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SALMON. Mr. Speaker, well, as one of my heroes once said, there you go again. I think this is all in the definition. We have heard from the Democrats that we intend to give the tax cuts to the rich. The problem is your definition of the rich is anybody that works for a living.

Mr. Speaker, we have heard a lot from the limousine liberals on the other side of the aisle about fairness. What they need to explain to us is what is so fair about the current system. The Clinton administration's own statistics show that Americans are working harder and getting less for it. Is that fair? Is this what the President meant when he talked about his comprehensive plan to get our economy moving again?

We are going to begin working this week to restore fairness to the Tax Code. We will restore $25 billion in Social Security cuts engineered by Clinton and the Democrats, make it easier to buy that first home, or put your children through college, make it easier to adopt, and encourage capital formation. And we will pay for these tax reductions by cutting wasteful and unnecessary government spending. Our philosophy is simple: The taxpayer is not responsible for the deficit; Washington is. Let us face up to it.

A MIDDLE-CLASS TAX CUT?

(Mr. BARRETT of Wisconsin asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT of Wisconsin. Mr. Speaker, $200,000. $200,000. $200,000. $200,000. Is that middle class? Is that the middle-class tax cut we are talking about? No, that is the Republican tax plan we are talking about. To help families who make $200,000 because they are middle class and they need a tax cut.

Well, I can tell you, you can buy a lot of hamburger helper and generic cereal if you make $200,000 a year. But we are going to pay for it. We are going to pay for some of it by going after the kids on school lunch programs. We are going to pay for some of it by going after students who get college loans. We are going to pay for most of it by sticking it on our children and our grandchildren because we are going to let the deficit grow, and this tax cut is going to explode to nearly $700 billion over the next 10 years so people in this House can go to the American people and say yeah, we do not like taxes.

I do not like takes taxes either. I hate taxes. But even worse than tax and spend politicians are borrow and spend politicians, because at least people who pay their bills now can look you in the eye and say I am not going to stick it to your son and daughter. The Republicans will.

SUPPORT H.R. 2115, THE TAX RELIEF BILL

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, I am here to speak in favor of H.R. 1215, the tax relief bill, because of an individual named Don Bulaski from my district. I think it is important we get money back into his hands, back in the hands of Americans and out of the hands of the bureaucrats here in Washington.

Mr. Speaker, I think we need to restore the penalty on Social Security that was put on by the big government party last August in the world's largest tax increase. One way we can do that is raise the earning limits. Don Bulaski is a retired Boeing engineer and he wants to get back active in the community and participate, but he cannot take a paycheck over $940 without having his Social Security benefits penalized. Under the H.R. 1215, the tax relief bill, we would raise that earnings limit, allowing him to be more productive, to take the wisdom he has learned with 35 years of work and bring it into the community, helping other people get their job better.

How many other Americans are out there that want to contribute to this society, that want to make America better by being better, by working, by restoring the reason and wisdom that we need?

So I stand in support of H.R. 1215, the tax relief bill. Mr. Speaker,

FIFTY-THREE PERCENT OF THE REPUBLICAN TAX BREAKS IN 10 YEARS BENEFIT BIG BUSINESS, CORPORATE AMERICA

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, who gets the benefits in the tax bill? Well, in 10 years 53 percent of the benefit goes to big business and corporate America. The Republicans under the guise of rhetoric say its for the American family, the working family, in 10 years over half of benefits are going back to corporate America. This constitutes the shift of tax liability.

Thirty years ago corporations paid nearly 25 percent of the total tax bill in this country. Today they pay less than half that amount. And with this Republican bill, with the next $638 million in tax breaks over 10 years, will provide big business with 53 percent more of the tax cuts in H.R. 1215, the GOP tax bill. The tax bill before the House this week will shift the taxes to the middle income and poorest families in America. This is why people are angry. That is why they are mad as hell and are not going to take it anymore. And under the rhetoric to protect families the GOP, have been force feeding legislation through this session which takes away the ability of working families to help themselves and to get benefits when they are down and out and transferring tax breaks to the big corporations. And, to top it off, the lions share of the individual tax breaks go to the wealthy.

Who is responsible for Rupert Murdoch last week? I do not know, candidly. But I can tell you who is responsible for what is happening this week, and that is the radical Republican majority in this House.

THIS IS THE WEEK FOR ADDRESSING TAX INEQUITIES

(Mr. ALLARD asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, we are going to hear a lot from the limousine liberals on the Democrat side of the aisle this week about fairness.

Well, let me ask them a few questions.

It is fair to penalize senior citizens who want to remain productive?

It is fair to working Americans that the cost of capital in the United States is so much higher than in the rest of the industrialized world?

It is fair that married couples are penalized just because they are married?

There is nothing fair about the current tax system. It penalizes work, saving, and investment. But this week we begin the job of restoring fairness to our tax system. We will start by restoring the $25 billion in Social Security cuts engineered by the Clinton White House and the old Democratic Congress. I think it is important to note that these cuts did not have the support of one Republican Member in either Chamber.

America's seniors should not be asked to pay higher taxes to solve a problem that was made in Washington. We will fix that this week.

TAX CUTS TO BENEFIT RICH

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATT of North Carolina. Mr. Speaker, this morning's paper reported that the Republicans have reached a deal on the tax cut package. Well, the public had better beware, because this tax cut package has two major problems. No. 1, they have told us all of this time that the most important thing in life is cutting the deficit. But what are we doing? Instead of using this money to cut the deficit, we are cutting taxes instead.

No. 2, we are doing it on the backs of poor people. The poor person, the $20,000 to $30,000 per year person, the $30,000 to $50,000 per year person, will get little benefit from this tax cut. The person earning over $200,000 a year in income will get $11,266 in tax cuts. Nothing for the American people who need it.

This is trickle down economics again. We ought to reject it out of hand.

MORE AND BETTER JOBS NEEDED

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, what I think we need to talk about is what do we do to expand more and better jobs in this country? I think we need to realize that almost every piece of legislation is a transfer of wealth, and especially appropriation bills and taxes. We have increased taxes and regulations so much on business that they are now looking to other countries for more favorable ways to raise money.

I brought this chart out just to show what has been happening in our discouragement of business expansion in this country.

□ 1215

Maximum capital gains tax rate; in the United States, it is 28 percent; France, 18 percent, exempt in Germany; Canada, 23 percent; Japan, 20 percent; the U.K. is 40 percent, but they exempt the first 5,500 pounds.

Now, with that kind of tax, we are discouraging businesses from buying the machinery and equipment and facilities that are going to increase our productivity. Our productivity is not increasing at the rate of other countries.

Mr. Speaker, I think it is important we support this tax bill.

WHOSE SIDE ARE THE REPUBLICANS ON ANYWAY?

(Mr. EDWARDS asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS. Mr. Speaker, when Republicans promised welfare reform, who would have guessed that would mean a $63 million special tax break for billionaire Rupert Murdoch? When Republicans promised immigration reform, who would have guessed that they would mean billionaires should be able to avoid hundreds of millions of dollars in taxes they owe by simply renouncing their U.S. citizenship?

When Republicans promised to reorder American priorities, who would have guessed that would mean Republicans would vote to protect Star Wars but not to protect Social Security?

When Republicans promised middle-class tax cuts, who would have guessed that meant people making over $200,000 a year would enjoy an $11,000 a year tax bonus?

Mr. Speaker, I am for changing government. I am for less government and lower deficits and common sense in our laws. But I think the American people are beginning to ask just whose side are the Republicans on?

DEMOCRATS DESPERATELY DEMAGOG

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, one more time, let us see if we can get this right. The tax break inserted in the bill was at the request of a Democratic Member of the other body.

Listening to my colleagues this morning on the other side of the aisle reminds me of a saying I once heard, desperate people will demagog anything.

You see the Democrats would like us to believe that our tax relief bill is taking money from the poor to give it to the rich. Let me ask my Democratic colleagues, do you think all senior citizens are rich? You must think so because that is one group of people who definitely benefit from our bill. We are repealing the unfair tax increase that you imposed on the backs of senior citizens in August 1993.

You surely remember that. This is the tax increase that considers all seniors receiving Social Security benefits and making $34,000 or more a year wealthy. We are also lifting the Social Security earnings limitation so that seniors who want to work outside the home past the age of 65 are not unfairly penalized if they earn over $11,000 a year.

Mr. Speaker, it is wrong to raise taxes on middle income seniors who live on fixed incomes and it is wrong to target working seniors.

I ask my Democratic colleagues to help us in passing the tax relief bill.

A CALL FOR OUTSIDE COUNSEL

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, it appears my colleague from the Sixth District of Georgia has set a new global standard in blatant, unabashed audacity. One would think that after the controversy over his $4.5 million book deal with Rupert Murdoch, he would have made an effort to distance himself from the British billionaire.

But no, not this speaker. While slashing heating assistance for the elderly poor, he and his confederate colleagues conspired to protect a $63 million tax break specifically for Rupert Murdoch.

No one knew about this grand heist until after it was slipped in during the conference committee. Mr. speaker, when my colleague delivered his opening day speech after accepting the gavel he said, and I quote, ''here America comes to work and here we are preparing for those children a better future.'' End of quote. I didn't realize that by children he meant Rupert Murdoch. Mr. Speaker, now more than ever, it is time for an outside counsel.

ON NATIONAL SECURITY

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, I might just say to the gentlewoman who just spoke that my understanding is that this special tax break that the Democrats are complaining about was slipped in by a Democrat. So I think that is where the investigation would lead.

Let us get back to something that is very important to this country. These are two models of what is known as ''brilliant eyes.'' That is important to everybody who is concerned about national security. That means that if Saddam Hussein launched a missile on our troops in theater in the Middle

East, these systems could pick up that launched missile, could relay the information back to either an American ship or American theater antimissile forces and they could launch a missile like we launched the Patriots against the Scuds that occurred in desert Storm. They could launch a missile at the incoming ballistic missile and knock it out of the sky before it damaged American troops or American equipment.

These are on display in 2118 Rayburn. We have an SDI exhibit on display today. I would urge all Members to come down and look at the emerging technology we are building for missile defense.

THE NATIONAL DEBT

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR of Mississippi. Mr. Speaker, by the clock on the wall, it is 20 minutes after 12. By 30 minutes after 12 this Nation will have spent another $5 million on interest on the national debt. Because of the national debt, we are spending $1 million every 2 minutes just to pay the interest. That is not the principal; that is just the interest.

That is why I want to compliment my Republican colleagues on passing some much-needed cuts. They were not the cuts I would have made, but they were necessary because we have to reduce spending.

Let me criticize them for not taking those savings and applying it toward our annual operating deficits but instead to give a tax break to millionaires.

This Nation will still spend about $200 billion more than it collects in taxes this year. That means the debt goes up and that means the interest on that, for those of you who are wondering where your tax money goes, the biggest portion of the money that you pay in taxes goes to pay interest on the national debt, does not pave an inch of highway, does not buy one round for one M–16, does not educate a child.

It goes to some rich lending institution and the chances are one out of three that that money goes to a German or a Japanese lending institution because they are the ones who control our debt.

A TRIBUTE TO HIS MAJESTY, KING BHUMIBOL ADULYADEJ—KING RAMA IX—OF THAILAND

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, I rise today to express the deep-felt concern by many Members of Congress over the health of the king of Thailand, King Rama IX and the enormous sense of relief we all felt on hearing the news that the king's health is improving. A 50-year reign for a king this good is too short.

As a member of the Committee on International Relations of the House of Representatives, I would like to pass along to the king the committee's best wishes for a speedy and a complete recovery.

In the last decades, Thailand has been an island of tranquility compared to the strife and war that has visited its neighbors. His majesty's wisdom has been key to Thailand's ability to avoid such dangers and cataclysms.

The king is a blessing to Thailand and, yes, to the whole world.

Once again, I, my colleagues and my fellow Americans wish him and his family greetings and good health from his friends in the United States of America.

As their new year approaches, we would like to wish a happy new year to the king and all the people of Thailand.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

TRUTH IN LENDING CLASS ACTION RELIEF ACT OF 1995

Mrs. ROUKEMA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1380) to provide a moratorium on certain class action lawsuits relating to the Truth in Lending Act.

The Clerk read as follows:

H.R. 1380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Truth in Lending Class Action Relief Act of 1995''.

SEC. 2. MORATORIUM.

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end the following new subsection:

''(i) CLASS ACTION MORATORIUM.—

''(1) IN GENERAL.—During the period beginning on the date of the enactment of the Truth in Lending Class Action Relief Act of 1995 and ending on October 1, 1995, no court may enter any order certifying any class in any action under this title—

''(A) which is brought in connection with any credit transaction not under an open end credit plan which is secured by a first lien on real property or a dwelling and constitutes a refinancing or consolidation of an existing extension of credit; and

''(B) which is based on the alleged failure of a creditor—

''(i) to include a charge actually incurred (in connection with the transaction) in the finance charge disclosed pursuant to section 128;

''(ii) to properly make any other disclosure required under section 128 as a result of the failure described in clause (i); or

''(iii) to provide proper notice of rescission rights under section 125(a) due to the selection by the creditor of the incorrect form from among the model forms prescribed by the Board or from among forms based on such model forms.

''(2) EXCEPTIONS FOR CERTAIN ALLEGED VIOLATIONS.—Paragraph (1) shall not apply with respect to any action—

''(A) described in clause (i) or (ii) of paragraph (1)(B), if the amount disclosed as the finance charge results in an annual percentage rate that exceeds the tolerance provided in section 107(c); or

''(B) described in paragraph (1)(B)(iii), if—

''(i) no notice relating to rescission rights under section 125(a) was provided in any form; or

''(ii) proper notice was not provided for any reason other than the reason described in such paragraph.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New Jersey [Mrs. ROUKEMA] will be recognized for 20 minutes, and the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, the Truth in Lending Act generally requires lenders to disclose credit terms to borrowers in a manner that allows borrowers to compare between lenders.

One of the remedies available under the Truth in Lending Act for refinance and second mortgage loans is the ability to rescind the loan up to 3 years. The Truth in Lending Act has been interpreted by the courts to allow borrowers to seek rescission for minor discrepancies, as little as $10, in the required disclosures.

If a mortgage is rescinded, the lender must reimburse all fees and costs to the borrower, including all interest paid for up to 3 years and must release the mortgage lien, leaving the lender with an unsecured loan.

In March 1994, the Circuit Court of Appeals for the 11th Circuit in Rodash versus AIB Mortgage Co. allowed a borrower to rescind a mortgage based on a technical violation of the disclosure and notice requirements provided for in the Truth in Lending Act.

As a result of the Rodash decision, nearly 50 class action lawsuits have been filed and in virtually all of the cases, the remedy sought is rescission. We have seen newspaper advertisements seeking plaintiffs for further class action. These ads are placed by class action attorneys and simply state if you have refinanced your mortgage in the last 3 years, you may be eligible to have your mortgage rescinded.

Mr. Speaker, I will include at the end of my statement reprints of representative newspaper advertisements.

If the courts were to permit borrowers to rescind loans as part of a class action lawsuit, based on technical disclosure and notice violations, the potential disruption to the secondary mortgage market and the liability that lenders face as well as the impact on safety and soundness of lending institutions may be enormous. For example, since 1991, 11.8 million loans totaling $1.3 trillion have been refinanced. The estimated potential cost of rescinding these loans is approximately $217 billion.

This amendment establishes a temporary moratorium that begins on the date of enactment of the Truth in Lending Class Action Relief Act of 1995 and ends on October 1, 1995 on class action lawsuits filed under the Truth in Lending Act for certain loans secured by real estate. Other types of consumer lending will be unaffected.

Last Congress, the House passed by voice vote a bill, H.R. 5178, that included legislative language to address the problem created by the Rodash decision. That language included a cut off date for new class actions. H.R. 5178, however, was never considered by the Senate and died at the end of the last Congress.

This temporary moratorium will allow Congress sufficient time to deal with the underlying issues in the Rodash case while putting a temporary halt to the certification of class action lawsuits.

This amendment is narrowly focused on the potential abuse of the right of rescission in the Truth in Lending Act. It does not prevent individual consumers from bringing suit under the Truth in Lending Act. It only prevents class action certifications for suits under the Truth in Lending Act for certain loans secured by real estate.

We are currently working closely with the other body to resolve this problem. We believe that they plan to take up the class action moratorium as soon as practicable.

I am pleased to inform my colleagues of the broad bipartisan support this moratorium enjoys.

This moratorium also enjoys broad support from the industry groups, that is, Mortgage Bankers Association, National Consumer Loan Center and others.

COLLECT MONEY BACK FROM YOUR LENDER

If you have borrowed on your home in the last few years, you may be able to rescind the loan and get your interest payments back. Create equity in your home whether you are current or facing foreclosure.

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Two examples in Palm Beach County:

Court reduces $276,000 residential mortgage to only $64,702.45.

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To learn if you can recover money from your lender, call: Atty. Stephen Cook.

DO YOU WANT YOUR MONEY BACK?

Have you refinanced your residential mortgage or borrowed on your home? Under Federal Laws you may be entitled to recover money back from your lender.

This could be thousands of dollars in payment to you or increased equity in your home.

Free consultation to determine if you may be entitled to recover money under Federal Laws.

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ATTORNEY AT LAW

Needham, MA

We are consumer lawyers. We have recovered millions of dollars for mortgage borrowers like you.

We are writing to homeowners who refinanced in the past year with certain lenders. (We get our mailing list from public deeds records).

If you were charged fees for overnight mail (E.G., Federal Express, Express Mail, etc.) or if you were charged fees for couriers, or any other delivery fees, you are probably entitled to money damages under the Federal Truth-in-Lending Act.

Please phone us—with the loan papers in front of you—and we will let you know your rights under the Federal Truth in Lending Act. (617–449–9111—collect—or mail us the sheet showing the closing costs: or fax it to 617–449–4383, 24 hours.

No obligation: You pay us no fees or costs for this phone call. If we find violations and if you want us to represent you—even then you will not pay us fees except out of any recovery we get back for you.

We are now seeking consumers who make payments to:

Sears (PNC) Margaretten Plaza Home Huntington GMAC, Mellon Citicorp Chemical Independence One.

ADVERTISEMENT

Since we may agree to represent you, lawyers' ethics rules require us to disclose this letter is an ''advertisement.''

□ 1230

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

(Mr. VENTO asked and was given permission to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I rise, of course, in support of this legislation that was the product of negotiations of several members of the Committee on Banking and Financial Services to address the results of the 11th Circuit Court decision on the case simply known as the Rodash case, Rodash versus AIB Mortgage Co.

The chairwoman, the gentlewoman from New Jersey [Mrs. ROUKEMA] has well described the purposes and problem this legislation addresses. It is a 6-month moratorium which has bipartisan support and the support of the consumer and industry groups because the measure accomplishes its goal.

The bill provides, as I said, temporary relief for the mortgage industry as a whole from the potential ramifications of certain class action suits filed under the Truth In Lending Act. It is a reasonable solution for the timeframe in which we are working today, and Republican and Democrat members of the Committee on Banking and Financial Services worked cooperatively in achieving this temporary legislative solution.

The legislation is responding to an emergency of sorts, because of the number of class action suits, nearly 50, that have been filed because of technical violations of disclosure requirements provided in the Truth In Lending Act. The sheer volume of refinancing of home mortgages that has occurred in the last few years gives rise to a great potential for many more of this type of suit. Allowing for the emergency nature of the problems presented will, of course, with the expectation that we will work cooperatively in terms of resolving the deficiencies of the Truth In Lending Act.

For the record, of course, I want to note to our chairman, the gentleman from Iowa [Mr. LEACH], and the chairwoman of the subcommittee, the gentlewoman from New Jersey [Mrs. ROUKEMA], that it is my hope that we will proceed with the deliberations of modifying the Truth In Lending Act in an orderly manner with regular and full hearings, and trying to deal with the intricacies of what is fundamentally a fairly complex law.

We need to have that careful deliberation so that we can retain the essence of truth in lending, and deal with the streamlining and the avoidance of the types of problems that have been evidenced by this legislation and by the events of the last few years. Hopefully this 6 months will give us the time. I ask my colleagues' support for it.

Mr. Speaker, I reserve the balance of my time.

Mrs. ROUKEMA. Mr. Speaker, I yield 2 minutes to our colleague, the gentleman from Michigan [Mr. CHRYSLER], a member of the Committee on Banking and Financial Services.

Mr. CHRYSLER. Obviously, Mr. Speaker, when people borrow money they are expected to pay it back. Certainly when lawyers start lining their pockets based on technicalities to keep people from having to pay those funds back, then it is time for the Congress to come forward.

I am glad the last Congress came forward, and I am glad we have good bipartisan support to make this change in this Rodash law, to make sure that the banks and the mortgage companies that have made mortgages over the past few years are not penalized unfairly over these kinds of technicalities.

I just rise in support of this legislation, and appreciate the gentlewoman from New Jersey bringing it forward and having this hearing.

Mr. GONZALEZ. Mr. Speaker, I rise in support of this bill because it is a reasonable response to a situation that exposes lenders and the secondary mortgage market to great uncertainty and potentially exploding liability. I also endorse this approach because it will not impede individuals from seeking relief under

the Truth in Lending Act. I applaud the efforts here today because they provide temporary, stop gap relief to the industry, and afford the Congress an opportunity to shape long term reform in a more deliberate and reasoned manner.

The bill originally introduced to address this so-called emergency situation would have seriously eroded key consumer protections in the Truth in Lending Act. It would have eliminated the consumer's right to rescind a mortgage that had been refinanced. It would have limited the consumer's recourse against the secondary market when the lender is long gone. It would have permitted lenders to provide faulty loan disclosures. All this, without a hearing on the subject. All this, in response to a number of class actions that have been filed but have yet to be decided in a single instant.

If Congress intends to modernize truth in lending, we need thorough hearings on the issues. If we are to reduce burdens on the industry, we must not simply shift those burdens onto the consumer. Truth in lending must always ensure that lenders give consumers complete, accurate, and uniform disclosures about the terms of their loans and their credit cards. And the Truth in Lending Act must contain sufficient penalties to ensure that these disclosures are made.

With these considerations in mind, I look forward to working with my colleagues on the other side of the aisle to modernize truth in lending—to make it a more meaningful act for consumers and a less burdensome law for the industry.

Mrs. ROUKEMA. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. ROTH], a member of the Committee on Banking and Financial Services.

Mr. ROTH. Mr. Speaker, I thank the gentlewoman for yielding time to me, and I want to thank her for bringing up this legislation, and for the excellent job she is doing as chairperson of that committee.

Mr. Speaker, this is a very important piece of legislation if we are concerned about our home buyers. I think all of us are. It is another example where we have too much government.

Here is the Truth in Lending Act that passed in 1968, and the gentlewomen from New Jersey I think very well explained the problem here. Here we have a court coming in and saying ''Well, you can have rescission.''

In other words, if you come to the court in a class action suit, the lender has to give you back your fees and your interest, up to 3 years. Then we have lawyers out there advertising. In other words, they are looking for complainants, saying, ''Hey, if you want some extra dollars, here is a legal rip-off. Come on in and we will help you.''

I think it shows what happens when there are no ethics left in a society, when there is no sense of right and wrong. We should not even have a piece of legislation like this.

However, the rescission under this statute means that the lender must reimburse, let me repeat that, all fees and costs of the borrower, including all interest paid up to 3 years, and must release the mortgage lien. The result leaves the lender with an uninsured loan.

Therefore, without this moratorium, consumers are going to find sources for these kinds of mortgages drying up very quickly. It should be emphasized that this moratorium can only be on a class action suit. That means that the individual consumer can still file suit under remedies prescribed by the Truth In Lending Act.

The Truth In Lending Act, let us have some courage in this House, it is a joke. I have worked in the real estate industry. When you come to a closing, no one reads them. Do Members know how it works? The banker says ''Here, sign this.'' The client says to his broker ''Is it okay?'' ''Sure. Go ahead and sign it.'' The banker has not read it, the broker has not read it, and certainly the person buying the home has not read it.

It is another example of too much government. That is why the people are so upset with government today. There is no common sense left. Let us at least pass this legislation and give us time to get back on the right track again, and bring some common sense back into this area of the law again.

Mr. VENTO. Mr. Speaker, I yield myself 1 minute.

Obviously, there have been problems developing with regard to the abuse of the provisions of law that have a great problem and pause to an important segment of our industry in terms of financing and the orderly process and proceeding with that. I think it is also very evident that truth in lending is an enormously important legislation to inform the consumer and to provide for reputable lenders the opportunity to share information so there is a good understanding in terms of going forward with mortgages.

I think, obviously, when a problem exists here, there is an enormous need to have solid information in terms of making decisions on the part of the consumer and on the part of the finance industry. We want to make certain that we are trying to respond to what clearly has been a demonstrated problem, but I hope that when we get ready to legislate we remember the essence of trying to maintain a proper balance in terms of consumer rights and the importance of that with regard to this matter.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. ROUKEMA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New Jersey [Mrs. ROUKEMA] that the House suspend the rules and pass the bill, H.R. 1380.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

SEXUAL CRIMES AGAINST CHILDREN PREVENTION ACT OF 1995

Mr. SCHIFF. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1240) to combat crime by enhancing the penalties for certain sexual crimes against children, as amended.

The Clerk read as follows:

H.R. 1240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Sexual Crimes Against Children Prevention Act of 1995''.

SEC. 2. INCREASED PENALTIES FOR CERTAIN CONDUCT IN SEXUAL EXPLOITATION OF CHILDREN.

The United States Sentencing Commission shall amend the sentencing guidelines to increase the base offense level for offenses under section 2251 or 2252 of title 18, United States Code, by at least 2 levels.

SEC. 3. INCREASED PENALTIES FOR USE OF COMPUTERS IN SEXUAL EXPLOITATION OF CHILDREN.

The United States Sentencing Commission shall amend the sentencing guidelines with respect to an offense under—

(1) section 2251(c)(1)(A); or

(2) any of paragraphs (1) through (3) of section 2252(a);

of title 18, United States Code, to increase the offense level by at least 2 levels if a computer was used to transmit the notice or advertisement to the intended recipient or to transport or ship the visual depiction.

SEC. 4. INCREASED PENALTIES FOR TRANSPORTATION OF CHILDREN WITH INTENT TO ENGAGE IN CRIMINAL SEXUAL ACTIVITY.

The United States Sentencing Commission shall amend the sentencing guidelines to increase the base offense level for an offense under section 2423(a) of title 18, United States Code, by at least 3 levels.

SEC. 5. TECHNICAL CORRECTION.

Section 2423(b) of title 18, United States Code, is amended by striking ''2245'' and inserting ''2246''.

SEC. 6. REPORT BY THE UNITED STATES SENTENCING COMMISSION.

Not later than 180 days after the date of the enactment of this Act, the United States Sentencing Commission shall submit a report to Congress concerning offenses involving child pornography and other sexual crimes against children. In this report the Commission shall include—

(1) an analysis of the sentences imposed for offenses under sections 2251, 2252, and 2423 of title 18, United States Code, and recommendations as to any modifications to the sentencing guidelines that may be appropriate with respect to those offenses;

(2) an analysis of the sentences imposed for offenses under sections 2241, 2242, 2243, and 2244 of title 18, United States Code, where the victim was under the age of 18 years, and recommendations as to any modifications to the sentencing guidelines that may be appropriate with respect to those offenses;

(3) an analysis of the type of substantial assistance that courts have recognized as warranting a downward departure from the sentencing guidelines relating to offenses under section 2251 or 2252 of title 18, United States Code;

(4) a survey of the recidivism rate for offenders convicted of committing sexual crimes against children, an analysis of the impact on recidivism of sexual abuse treatment provided during or after incarceration or both, and an analysis of whether increased

penalties would reduce recidivism for these crimes; and

(5) such other recommendations with respect to the offenses described in this section as the Commission deems appropriate.

The CHAIRMAN. Pursuant to the rule, the gentleman from New Mexico [Mr. SCHIFF] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. CONYERS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. SCHIFF].

Mr. SCHIFF. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, child pornography and child exploitation are two of the most horrendous and repulsive crimes that can possibly exist. They have every potential not only of causing immediate damage to the victims who are forced or lured into those activities, but they can ruin a young person's life virtually at the time it has begun.

That is the reason why the Committee on the Judiciary has brought forth H.R. 1240, the Sexual Crimes Against Children Prevention Act here today, and why I move to suspend the rules and to adopt it.

I want to add, Mr. Speaker, that this bill was drafted by our colleague, the gentleman from Florida [Mr. MCCOLLUM], who because of a scheduling conflict is unable to be on the House floor at this time.

This bill toughens the penalties for sexual exploitation of children by directing the U.S. Sentencing Commission to increase sentencing guidelines for crimes involving child pornography and prostitution.

It increases by a minimum of 17 months' incarceration the range of penalties that may be imposed for creating child pornography. It increases by a minimum of 6 months incarceration the penalties that may be imposed for trafficking child pornography. It increases by a minimum of 1 year incarceration the penalties that may be imposed for trafficking in child pornography if a computer was used in the transmission of the material or transmission of an advertisement for the material.

Mr. Speaker, I want to say on that point that we have found that as the use of computers and the use of electronic communications increase for people in business and for personal use, it has, unfortunately, also increased for criminal use, including the sale of pornographic materials and for the sale of prostitution of children.

Finally, in this respect, the bill increases by a minimum of 1 year incarceration the penalties that may be imposed for the interstate transportation of a minor for the purposes of causing the minor to engage in prostitution, or a criminal sexual act.

Mr. Speaker, the bill also directs the U.S. Sentencing Commission to report to Congress on sex crimes against children and to make proposals to curb such activities for consideration by a future Congress.

Mr. Speaker, I want to note that the bill that is currently on the desk, and the Members have before them in this suspension, has been amended since the Committee on the Judiciary bill was voted out of committee. The amendment removes a reference to the Racketeer Influence and Corrupt Organizations Act that was in the bill at the time it did pass the Committee on the Judiciary.

That was removed because some Members on the other side felt that was an issue, that was the RICO statute, that was an issue that should not be before the House on suspension; that if that statute were to be considered, it should be considered under a rule allowing for certain amendments, so in accommodation to that request, we have amended the bill and removed that provision from the bill as it stands now.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the measure, H.R. 1240, which would direct the U.S. Sentencing Commission to increase penalties for child obscenity violations. This bill does not modify the statutory maximum penalties for these crimes, nor does it create mandatory minimum penalties.

It directs the Sentencing Commission, created by the Congress in 1984, to serve as an independent entity within the judicial branch to increase the offense levels for certain crimes involving child obscenity. I want to congratulate the Members of the other side, particularly the chairman of the Committee on the Judiciary, in working with us to resolve a troubling criminal RICO provision in the bill through a manager's amendment, so that we were able to make this a truly bipartisan measure.

RICO would have weighed down and complicated this measure beyond the ability to get the support of some of the Members on this side, had that compromise not been worked out. Finally, Mr. Speaker, I want to point out that while the Republican majority is giving back what it took away from the fight on child pornography and abuse just 3 weeks ago during so-called commonsense reform, that bill wiped off the books statutes providing for unlimited punitive damages for sexual abuse against children. It was one of the many unforeseen consequences that the House-passed legal reform bill wrought, in the speed that it has hastily passed through both the committee and the House.

Therefore, today it is my view that we are back on track in the fight against child sexual abuse. This is an important improvement, and I urge Members of this body to support the measure.

□ 1245

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK], who has worked a great deal on the measure.

Mr. FRANK of Massachusetts. I thank the ranking Member for yielding me the time.

Mr. Speaker, I want to express my appreciation to the chairman of the full committee and to the manager of the bill.

The gentleman from New Mexico has explained the amendment, and I appreciate that.

I was the one who offered at the committee level the amendment that would strike the RICO provision dealing with obscenity on cable television. I was unhappy to learn that this was going to be done on suspension, and when I raised the issue with the chairman of the full committee, the gentleman from Illinois, he was very gracious and very fair, and I appreciate it, in leaving that part out of the bill.

So we have a bill now that deals just with improving our ability to deter and punish, if deterrence fails, the abuse and exploitation of children. It is a very worthy goal which I assume will be unanimously supported, and I want to express my appreciation to the majority for accommodating my concern.

I have some very strenuous objections to the RICO extension to the cable TV situation. As I said in committee, I was particularly surprised, that I thought that I shared with many of my friends on the other side a deep skepticism about RICO, and it therefore seemed to me odd that we would be extending it at this point.

In particular, we are dealing here with some consensual decisions by people to turn on their own television sets, but we can let those arguments go until a later time, if ever. If the bill never comes up, I would not be too upset; but it is not here.

My main purpose today was to express my appreciation for the fairness that the majority showed, particularly the gentleman from Illinois.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Speaker, I certainly will support this bill because it does something, although not very much, and I did want to express my concern and distress at the very limited and minimal nature of this bill.

There is a lot I have not agreed with in the so-called Contract With America, but one of the things I was looking forward to working on with the Members on the other side was to enhance substantially penalties for child pornographers and those who would prey on vulnerable, innocent children. Regrettably, that did not happen.

This bill was introduced in the afternoon of March 15, and we held our hearing at 9:30 a.m. the next day, March 16. When I looked at the bill, I saw that there is a 17-month increase for the creation of child pornography up to—and it is not even an increase, it is a recommendation, big deal—70 months for creation of child pornography is a

recommended sentence? I think that is woefully inadequate.

I would point out that even now with the already limited sentences recommended by the Sentencing Commission, more than 25 percent of the time those wimpy penalty are not imposed.

When I offered an amendment in the full committee for life imprisonment for those who would create child pornography, who would abuse children, that amendment was ruled not germane and properly so. The reason why it was not germane was that we did not take time to write a bill that would really go after those who would abuse children.

We need to take a look at the underlying statute, not just advisory recommendations by the Sentencing Commission. I know that there are plenty of people in California doing longer periods of time for very minor offenses. When we compare those sentences to these recommendations it is an embarrassment to me to say that this is the best we can do.

I have a great deal of regard for the gentleman from New Mexico [Mr. SCHIFF] and the gentleman from Florida [Mr. MCCOLLUM] with whom I have worked. We do not agree on everything, but they are fair and reasonable people.

I understand they are under a deadline. They have been given deadlines. The gentleman from Illinois [Mr. HYDE] indicated that he had been given a deadline to get this matter to the floor. They did what they had to do. The result will be our Speaker coming down with a laminated copy of the Contract With America, taking a hole puncher, but it is not going to help the vulnerable children of this country. It is not anything worth doing. It is a grave disappointment to me.

A lot of people ask whether punishment is actually a deterrent when it comes to crime. I think legitimate questions can be asked about that. But when it comes to child pornography, a lucrative business that rewards people who would abuse children, who would force them to do sexual acts on video, it is a lucrative business. If the abusers of children for money knew that they faced life imprisonment, I think it would have a salutary impact. I think it would be a deterrent to those who would harm the children of this country.

We know from studies that children who are abused have lifelong, often lifelong problems with the abuse that they underwent. There is nothing worse than to harbor and assist those who would hurt our children in this manner.

I understand and hope that we will do better later this year. I look forward to working on it later this year. But the tragedy is, this is our chance. We could have been here today We could have done something real. We could have done something tough. But instead all we have got is a little hole punch, a little phrase, and it does not mean very much.

Mr. CONYERS. Mr. Speaker, I yield myself 2 minutes, to make it clear that the gentlewoman from California has made a very important point here.

There were two ways that we could have moved in this area. One is to direct the U.S. Sentencing Commission to increase penalties for child obscenity violations. The other was to go into the underlying statute of some of these antipornography laws and attempt to increase the penalties there, but we might have gotten into a wide area that would infringe on civil liberties questions and other highly technical questions, and this bill would not have come up.

What I am recommending to the committee is that we do not consider this matter ended because of what we are doing here today. This matter should and has to be revisited. I would strongly suggest that we examine ways to directly increase the statutes without getting into a tangle of other problems that would not have prevented the speedy passage of this bill.

This is one of the few bills during this first 100 days that, by moving with some dispatch, we have not offended any sensibilities or precluded anyone from participating in the method that we used here in terms of recommending that the Sentencing Commission itself increase criminal penalties.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SCHIFF. Mr. Speaker, I yield myself such additional time as I may consume.

I just want to say very briefly, first of all in response to the gentleman from Massachusetts who did raise questions about that portion of this bill from the committee that dealt with the RICO act, that we were pleased to accommodate him so that these other provisions can move forward; and we appreciate his cooperation on the matter.

I want to point out, with respect to the gentlewoman from California, that we are here talking about the increases in penalties. The numbers I quoted were not the penalty but increases in penalties.

So, for example, the penalty for creating child pornography would go from a range of 57- to 71-month penalties to a range of 70 months to 87 months. So we are increasing by that number. We are not establishing those numbers as the penalty in and of themselves.

However, I do want to join in what the gentleman from Michigan said, which is this is not the last time we can or should visit this issue. It is an extremely important issue. It is one that is occurring all too many times in our society. This is just one step. I very much want to thank the gentleman from Michigan for his support.

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of H.R. 1240, the Sexual Crimes Against Children Prevention Act. I commend my colleague, the gentleman from Florida [Mr. MCCOLLUM], for his work in ensuring that important legislation is considered by the House of Representatives today.

As a staunch supporter of Federal anti-pornography laws, I believe that H.R. 1240 is long overdue. By directing the U.S. Sentencing Commission to increase the sentencing guidelines for crimes involving child pornography and prostitution, this legislation sends a strong message, and demonstrates that we, as a nation, will not tolerate the sexual exploitation of our children.

H.R. 1240 directs the Sentencing Commission to increase the base levels for creating and/or trafficking in child pornography by at least two levels. Specifically, this means that for a first time offender convicted of creating child pornography, the penalties will be increased from the current sentence of 57–71 months to 70–87 months. Furthermore, for a first time offender convicted of trafficking in child pornography, the sentence will be increased from 18 to 24 months to at least 24 to 30 months.

With reports of child pornography becoming increasingly prevalent, we must act now, and control the infiltration of the obscenity and filth that is destroying the fabric of our society. From mail order services to computer access, child pornographers are finding it easier to distribute their illegal materials. By instituting harsher penalties for those who are convicted of creating, selling, and/or distributing obscene materials we are confirming that the exploitation of our children will no longer be tolerated. In addition, I am optimistic that the increased sentencing guidelines will also serve as a deterant to would-be pornographers.

The Sexual Crimes Against Children Prevention Act is necessary legislation that if approved, will provide a solid victory for law abiding citizens. The Members of the 103d Congress were successful in passing legislation that reaffirms existing child pornography laws and maintains the continued prosecution of the sexual exploitation of children. The legislation we are discussing today goes a step further by detailing the guidelines for the punishment of these types of crimes. Those who violate pornography laws should be prosecuted to the fullest extent of the law.

I am proud to support this legislation, and I urge my colleagues to join me.

Mr. SCHIFF. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on the motion offered by the gentleman from New Mexico [Mr. SCHIFF] that the House suspend the rules and pass the bill, H.R. 1240, as amended.

The question was taken.

Mr. SCHIFF. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 417, nays 0, not voting 17, as follows:

[Roll No. 283]

YEAS—417

Abercrombie	Archer	Baesler
Ackerman	Armey	Baker (CA)
Allard	Bachus	Baker (LA)

Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
de la Garza
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Johnson (SD)
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velázquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—17

Andrews
Berman
Browder
Cramer
DeLauro
Ford (TN)
Gejdenson
Gibbons
Kennelly
Kolbe
McCollum
McDade
Minge
Oxley
Reynolds
Rose
Rush

□ 1312

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ROSE. Mr. Speaker, I ask that the RECORD show that I was unavoidably detained and did not make the last vote on Sexual Crimes Against Children Prevention Act. Had I been here, the vote would have been 418 to nothing.

PERSONAL EXPLANATION

Mr. MINGE. Mr. Speaker, during rollcall vote No. 283 on H.R. 1240, I was at the George Washington University Hospital with my wife who was in surgery. Had I been present I would have voted ''aye.'' I ask unanimous consent that my statement appear in the RECORD immediately following rollcall vote No. 283.

PERSONAL EXPLANATION

Mrs. KENNELLY. Mr. Speaker, I was unavoidably detained during rollcall vote 283 because I was with constituents here for a meeting, and HUD Secretary Cisneros met with us. Had I been here, I would have voted ''aye.''

PERSONAL EXPLANATION

Ms. DELAURO. Mr. Speaker, on rollcall No. 282 I was unavoidably detained and could not record my vote. Had I done so, I would have voted ''aye.''

GENERAL LEAVE

Mr. SCHIFF. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on H.R. 1240, the bill just passed, and on H.R. 1380, the bill passed previously.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 310

Mr. SCHIFF. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 310.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

FAMILY PRIVACY PROTECTION ACT OF 1995

Mr. RIGGS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 125 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 125

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1271) to provide protection for family privacy. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform and Oversight. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Reform and Oversight now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1315

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from Colorado [Mr. MCINNIS] is recognized for 1 hour.

Mr. McINNIS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During the consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. McINNIS asked and was given permission to include extraneous material).

Mr. MCINNIS. Mr. Speaker, House Resolution 125 is a very simple resolution. It is an open rule providing for 1 hour of general debate. The general debate is to be equally divided between the chairman and the ranking minority member of the Committee on Government Reform and Oversight. After general debate, the bill shall be considered for amendment under the 5-minute rule. Finally, this resolution provides one motion to recommit, with or without instructions. This open rule was reported out of the Committee on Rules by voice vote.

This open rule demonstrates that the new majority intends to honor its commitment to have a more fair and open legislative process. The resolution provides the House with an opportunity to review the bill, debate it, and yes, if necessary, to amend the legislation.

The Contract With America includes a commitment to protect and strengthen the rights of families. H.R. 1271, The Family Privacy Protection Act of 1995, provides for parents' rights to supervise and choose their children's participation in any federally funded survey or questionnaire that involves intrusive questioning on sensitive issues.

This legislation responds to the concerns of many parents and guardians that certain federally funded surveys have inquired into matters that should be left to the families themselves.

The Family Privacy Protection Act, establishes a consent requirement for those conducting a survey or questionnaire funded in whole, or in part, by the Federal Government. Simply put, individuals seeking responses of minors on surveys or questionnaires must obtain parental consent before asking seven types of sensitive questions. The bill also provides five types of commonsense exceptions from this requirement.

I urge my colleagues to support the rule, and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we support this open rule for H.R. 1271, the Family Privacy Protection Act, legislation which, as reported unanimously by the Government Reform and Oversight Committee, appeared to have no opposition. In fact, we were advised that the bill would be considered on the Suspension Calendar this week along with several other bills that enjoy widespread, bipartisan support.

For that reason, we are concerned about the way this bill happened to end up in the Rules Committee at all. Unlike most of the legislation that came out of the Contract With America, H.R. 1271 was the result of bipartisan deliberation and agreement amongst members of the Government Reform Committee and of its Subcommittee on Government Management, which is chaired by my colleague and good friend, the gentleman from California [Mr. HORN].

The hearing was held, expert witnesses representing a cross-section of organizations interested in the use of surveys testified, as did Senator GRASSLEY and as did representatives of the Census Bureau and of OMB.

In short, the subcommittee and committee consideration of this legislation was the model of the kind of careful and detailed deliberation we should expect on all the legislation we consider.

In fact, the ranking minority member of the committee convinced Democrats to not offer amendments during the consideration of the bill by the full committee. It was her understanding that a bipartisan agreement had been reached, she honored that agreement and refused to support any amendments.

Unfortunately, it appears that the reason we now have a rule for the bill, instead of considering it under suspension of the rules, is a last-minute decision by the Republican leadership not to back the committee product, which was so carefully written.

So, Mr. Speaker, while we do not oppose this open rule, we are concerned about the change in direction it represents and the fact that a good-faith agreement has not been kept. It is particularly worrisome when, as the ranking minority member, Mrs. COLLINS, told the Rules Committee yesterday, the reason for the new strategy is based on the desire to ''return to concepts that were rejected by everyone at the committee meeting.''

We feel confident that the ranking minority member of the subcommittee and of the full committee will be as convincing during floor debate as they were in their committee deliberations on this issue. We hope that the Members of the House will listen carefully and respond as responsibly as did the committee members themselves.

We are all, of course, interested in safeguarding the privacy rights of minors and their families, which is the objective of this bill. All of us should also be appreciative of the great care the members of the committee took to ensure that the bill actually reflects that important objective and that its provisions are in fact practicable.

Mr. Speaker, we support this open rule; we urge its passage so that we may proceed with the consideration of H.R. 1271 today.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS], the ranking minority member of the full committee.

Mrs. COLLINS of Illinois. Mr. Speaker, I, too, favor this open rule, but I must say that I believe this bill should have been placed on the suspension calendar, having been reported by our committee, as amended, by a unanimous vote.

However, late last week, I was informed that unless the minority agreed to four changes in the bill proposed by the majority leader's staff, the bill would not be placed on the suspension calendar. Instead, it would go to the floor under a rule. The subcommittee chair, Mrs. MALONEY, and I objected to these last minute demands, so that is why we went to the Committee on Rules yesterday.

Let me briefly describe the history of this bill. Several weeks ago, Chairman CLINGER came to me and indicated that title IV of H.R. 11 was part of the Contract With America, and he wanted to pass it out of committee before the April district work period. He asked me to support the bill.

After carefully examining the bill, I concluded that the language in title IV went well beyond any rational effort to protect the privacy of minors. It appeared to me that title IV would have dangerously limited local police authority to question minors, and risked investigations of child abuse. I was also concerned that the bill could have been interpreted to limit the ability of doctors to get timely patient information on children. Moreover, since I did not know how this language would affect federally-assisted surveys, I suggested that we hold a hearing to examine the implications of the legislation. Chairman CLINGER, of course, agreed to do so.

On March 16, the Subcommittee on Government Management, Information, and Technology, chaired by Mr. HORN, held a hearing on title IV of H.R. 11. In preparation for that hearing, Mr. HORN asked a cross-section of educational, health and related professional associations to comment on the bill. In addition, he assembled two expert panels of witnesses to testify at the hearing.

Two major concerns emerged regarding title IV. First, the bill was drafted in a fashion that was more than broad. It would have hampered law enforcement efforts to protect children. This view was perhaps most clearly articulated by the Department of Justice. In a letter to Chairman HORN dated March 21, Kent Markus, Acting Assistant Attorney General, stated that the bill's proposed restrictions: ''* * * will unnecessarily limit disclosure of information developed in criminal investigations of child prostitution, child sexual abuse, and child pornography, and impede the provision of child protective services.''

The other major issue concerned the bill's requirement for prior written

consent. Every expert witness who addressed this issue testified that requiring prior written consent would undercut the effectiveness of critical Federal, State, and local surveys.

After the subcommittee hearing, discussion commenced to determine whether a compromise was possible. Shortly after that meeting, we were presented with an amendment in the nature of a substitute by Chairman HORN and Chairman CLINGER. Although we were not involved in drafting the substitute, it did address several issues that we had concerns about, and the concerns of the witnesses.

In the spirit of compromise, Mrs. MALONEY and I accepted the Horn-Clinger bill. The bill passed out of subcommittee with two unanimously agreed upon changes. The bill was reported unanimously by the full committee.

At the full committee markup, several Democratic Members, as has been already suggested, wanted to offer amendments, and I said we have a deal here, and, therefore, I am not going to support any amendments at all.

It was not until late last Wednesday, we were informed by Chairman HORN, that and I quote: ''There are four changes the majority leader's staff would like to see changed in the bill reported from the committee in order to reflect the contract language.''

No Member contacted me to complain about the bill. There was no explanation offered by Chairman CLINGER to support these changes. No one came up with any new revelations to justify the return to concepts that were rejected by everyone. The only argument was that the majority leader's staff wanted the bill to more closely reflect the contract language.

The last time I looked at the House Rules, staff were prohibited, in fact, from offering amendments. The valuable time of the House will be taken up because leadership staff have decided that they do not want this delicate compromise worked out by Democratic and Republican members of the Committee on Government Reform and Oversight.

Now, after the fact, Members are trying to justify a staff decision, I think, by arguing that written consent is important to conform this bill's language to the Goals 2000: Educate America Act, which requires written consent. Mr. Speaker, H.R. 1271 has nothing to do with Goals 2000. Even with these proposed amendments, the bill will be significantly different from the Goals 2000 language. For example, this bill is limited only to surveys and questionnaires, and does not cover evaluations or analysis.

In addition, it has four major exceptions not included in the Goals 2000 Act: First, criminal investigations; second, inquiries regarding the health, safety, or welfare of a minor; third, administration of immigration, internal revenue or customs laws, and fourth, information required for participation in a program receiving financial assistance.

These changes reflect the reality that surveys and questionnaires within a school setting are different from surveys in other areas. It may be reasonable to require written consent for school-based surveys as required by Goals 2000. In that setting, it is common practice for children to carry consent forms back and forth on a daily basis. However, in other areas, obtaining written consent will be next to impossible.

As Dr. Lloyd Johnston, program director, Survey Research Center, at the University of Michigan testified:

> The representativeness of the national samples will be dramatically poorer than in the past, because many parents fail to respond in writing even though they have no objection to their children's participation.

Similarly, Mr. William Butz, Associate Director for the Bureau of the Census testified:

> Written consent would reduce response rates, increase costs, and/or increase survey bias. Requiring written consent would reduce the flexibility of statistical agencies, like the Census bureau, to collect data cost efficiently.

Moreover, as a matter of federalism, why should we dictate to State and local recipients of Federal financial assistance the type of consent they should require? If the States know best how to administer welfare benefits, they should also know best what type of consent should be required.

In conclusion, I would say that the only reason that this bill was not on the suspension calendar is because of shameful backroom politics. It points out that the leadership staff and not the committee members now control legislation in the Government Reform and Oversight Committee. This process, I believe, will destroy the bipartisanship on the committee. It saddens me that we have come to this point today.

Mr. MCINNIS. Mr. Speaker, I yield myself such time as I may consume.

Well, first of all, to the gentlewoman from Illinois, your statement about shameful back-room politics is garbage. I do not know what you are objecting to. We have an open rule. What more do you want?

If I understand the gentlewoman from Illinois, you now want a closed rule? Let me explain, as I understand it, there was no deal broken by bringing this bill to the floor so Members could offer amendments to it.

As I understand it, I know the committee worked in a bipartisan manner. No commitments were made, from what I understand, in the committee about the status of the bill when it got to the floor.

□ 1330

After they had the committee markup I spoke with the chairman of the committee who said members had come up to him, and that was at the testimony yesterday in the Committee on Rules, that members came up to him and asked him for amendments. So the chairman of the committee then agreed that this should come to the floor instead of on suspension and be offered under an open rule. So I yield to the gentlewoman to explain, is she proposing a closed rule? What is her objection?

Mrs. COLLINS of Illinois. If the gentleman will yield further, my objection is not to the open rule. My objection is to the fact that we worked out a bipartisan piece of legislation that some staffer on the gentleman's side of the aisle did not like, and that the members on both sides of the aisle had worked out in the Government Reform and Oversight Committee has been negated. This does not make any sense to me.

First of all, if there is a deal, there is a deal, if there is going to be bipartisanship on legislation, where there can be, and if not, there is no need for us to even try. I think that is what we are all about. I thought this was a body where on both sides of the aisle we can work together on legislation for the good of the people of the United States of America.

Now if it means we are going to work and hope that we have trust and faith in each other and somebody is going to come behind a back door and create a deal, there is no need to even try to work in a bipartisan manner. I thank the gentleman for yielding.

Mr. MCINNIS. Reclaiming my time, I do not get that understanding at all. I think that when the chairman is there after the markup and members have come up to him—and there was no deal made in the committee markup about this, about coming to the floor. When members came up to the chairman and said ''Look, the bill appears to be noncontroversial. We have a few amendments that appear to be noncontroversial that we would like to have on the floor.'' I still do not understand through all the rhetoric that I have just heard what the gentlewoman's objection is to an open rule.

Mrs. COLLINS of Illinois. As I say for the third time, I have no objection to the open rule. However, I do have objection to the implied understanding that I had that we had fashioned legislation that was acceptable to both sides of the aisle. And I find out now that that is not the case because a staff member on the gentleman's side of the aisle, not an elected Member of Congress but a staff member, has decided that a bill that had been worked out with Mr. HORN, worked out with Mrs. MALONEY, and worked out with Mr. CLINGER and myself, should be in some way changed. It does not seem to me that that is the way we should be operating around here. The staff member is not elected to Congress to represent anybody, and we are. And I think we have a responsibility to our constituents. And I think when a person tells

you that we have worked out an agreement that we negotiated, that is supposed to stand. Now when I was told that there were going to be amendments, nobody showed me any amendment. Nobody said that this has been changed. I mean, I am the ranking member on the committee and I think the least that could have been done would have been if you could have said that, ''Look, why don't you look at these and see if you agree with these amendments.'' That has not yet happened.

Mr. MCINNIS. Reclaiming my time, there was no deal that was broken. There was not any deal made.

Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. Mr. Speaker, I thank the gentleman from Colorado for yielding this time to me.

Mr. Speaker, I apologize to the gentlewoman from Illinois for not showing her directly my amendments which I have testified about in front of the Committee on Rules and which we have discussed with committee staff. I also want to make it clear as a member of the Government Reform Committee that I am an elected Member of Congress, that I am the person who went to the leadership, to the staff of the committee and requested additional changes in the language, much of which was accommodated. But we felt that going to markup, as we progressed through the markup that it was not appropriate for me to offer any amendment at that time. I am an elected Member of Congress. I do not appreciate that I have been hearing, in ''Dear Colleagues,'' in the Rules Committee and on the floor that it was a staff-directed request. I had a survey problem in my district as I will bring out, with my children, as I stated in the markup in committee. My staff worked hard on this. The majority staff worked hard on this. I am not taking anything away from the fact that staff members were involved. I myself was a Republican staff director in the Children and Family Committee for a while, but I am a Member elected to Congress and I am the one who initiated the process.

Mr. BEILENSON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Speaker, for point of clarity, I have here, and I will bring it over and show it to the gentleman, a note that is dated March 29, 1995:

For Representative Maloney (Fax 54709). Carolyn: There are 4 changes the majority leader's staff would like to see changed in the bill reported from the committee in order to reflect the ''Contract'' language. I am assured that there will be no more, and if there are, the Senate will worry about them.

And there is Mr. HORN'S signature on here.

I will bring it over right now.

Mr. BEILENSON. Mr. Speaker, we have no further requests for time on this side, and I yield back the balance of our time.

We urge support for the rule.

Mr. MCINNIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCINNIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent members.

The vote was taken by electronic device, and there were—yeas 423, nays 1, not voting 10, as follows:

[Roll No. 284]

YEAS—423

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
de la Garza
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hall (OH)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
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Young (AK)
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Zimmer

NAYS—1

Abercrombie

NOT VOTING—10

Berman
Ford
McCollum
McDade
Reynolds
Rush
Saxton
Torres
Torricelli
Young (FL)

□ 1355

Mrs. THURMAN, Mr. BROWN of California, and Mr. MOAKLEY changed their vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 125 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union or the consideration of the bill, H.R. 1271.

□ 1356

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1271) to provide protection for family privacy, with Mr. KNOLLENBERG in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 30 minutes, and the gentlewoman from Illinois [Mrs. COLLINS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in very strong support of H.R. 1271 which was recently reported out of the Committee on Government Reform and Oversight. This is a small, but very important, bill, I believe, that will protect and help strengthen family values. The original provision was incorporated as part of H.R. 11, the Contract With America, and very simply provides that parental consent is required for surveys or questionnaires of minors containing highly sensitive or potentially objectionable questions.

This legislation cuts to the core of our value system, Mr. Chairman, for it is the American family which is the basis of our civilization. Parents have a right to know what their children are taught and certainly have a right to know what questions may be asked of them and for what purposes those questions are asked.

Should minors be subjected to questions about their religious beliefs or sexual attitudes without parental consent? We have all heard about situations that contain what many would view as inappropriate questions for minors, but it should be left up to the parents to decide what is and is not appropriate for their own child. In some cases questions have been phrased in a manner which suggests neutrality or even tactic approval for behavior or attitudes which might contradict what the child is being taught in the home. Currently, Mr. Chairman, there are several large-scale surveys being conducted by the Department of Health and Human Services and the Bureau of Census that cover sensitive issues and for which parental consent for minors is not required.

This legislation, Mr. Chairman, is not without precedent. Similar legislation was enacted into law just last year for the Department of Education with an amendment provided by Senator GRASSLEY. H.R. 1271 simply broadens this provision to include all other Federal departments and agencies that are funding surveys or questionnaires given to minors. There are questions on these surveys that parents may and have in the past found to be objectionable. By strengthening the rights of parents, minors and their families will be protected from having to answer embarrassing or offensive questions.

□ 1400

This legislation provides that parental consent is required prior to a minor responding to such sensitive questions as parents' political beliefs, religious affiliations, sexual behaviors or attitudes, and mental or psychological problems.

In addition, a few very commonsense and, I think, needed exceptions are included. For example, exceptions are provided for protection of childrens' health and safety, inquiries related to criminal investigations, questions related to the administration of immigration, Internal Revenue, and customs laws and the seeking of information to determine eligibility for participation in a program. The legislation also provides that families will have the opportunity for advance availability of each survey or questionnaire for review prior to making the consent determination.

Our country has long recognized the rights of parents with respect to the education of their children. There is very strong feeling in this country that government intervention has undermined that right, that very fundamental right. This legislation provides another step toward reinforcing support for the rights of families, again, the fundamental building block of our society.

So I would urge strong support of my colleagues for this legislation, and would reserve the balance of my time.

Mrs. COLLINS of Illinois. Mr. Chairman, I yield myself such time as I may consume.

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Chairman, H.R. 1271 as it now stands unamended, is a good bill that is intended to protect the privacy of families, by requiring parental consent for certain types of information asked of minors in federally funded surveys. Similar language was passed last year by the Goals 2000: Educate America Act for most programs administered by the Department of Education.

I believe we can all agree that parents have a vital role to play in research involving children. Standard practice for most social science research today requires some form of parental consent before interviewing minors. This bill would standardize that practice for the Federal Government.

Several technical issues were raised during the subcommittee hearing on the bill. These drafting problems could have created the unintended consequences of hampering legitimate inquiry into child abuse, and jeopardizing important areas of Federal research. I am pleased that we were able to clarify these drafting issues to everyone's satisfaction.

Mr. Chairman, H.R. 1271 was reported by our committee, as amended, by a unanimous vote. It is a good bill as it now stands, and should be supported without amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. CLINGER. Mr. Chairman, I am very pleased to yield 5 minutes to the gentleman from California [Mr. HORN], the chairman of the subcommittee that reported this bill, who has worked very long to bring us this bill today.

Mr. HORN. Mr. Chairman, I rise on behalf of H.R. 1271, the Family Privacy Protection Act of 1995. Safeguarding the privacy rights of minors and their families is an essential part of the Contract With America. Both our Subcommittee on Government Management, Information, and Technology and the Committee on Government Reform and Oversight have taken great care to ensure that the bill's language reflects that important objective.

Let me briefly summarize the bill's provision. H.R. 1271 establishes a consent requirement for those conducting a survey or questionnaire funded in whole or in part by the Federal Government. Those seeking responses of minors on surveys or questionnaires must obtain the consent of parents or guardians before asking seven types of invasive questions.

The areas of concern for which parental or guardian consent is required for minors are questions related to:

First, parental political affiliation or beliefs; second, mental or psychological problems; third, sexual behavior or attitudes; fourth, illegal, antisocial, or self-incriminating behavior; fifth, appraisals of other individuals with whom the minor has a familial relationship; sixth, relationships that are legally recognized as privileged, including those with lawyers, physicians, and members of the clergy; and seventh, religious affiliations and beliefs.

The bill also provides five types of commonsense exceptions from this requirement. They are: The seeking of information for the purpose of a criminal investigation or adjudication; any inquiry made pursuant to a good faith concern for the health, safety, or welfare of an individual minor; administration of the immigration, internal revenue or customs laws of the United States; the seeking of any information required by law to determine eligibility for participation in a program or for receiving financial assistance; and seeking information to conduct tests

intended to measure academic performance.

The legislation requires that Federal agencies provide implementation procedures and ensure full compliance with the legislation. The procedures shall provide for advance availability of each survey or questionnaire for which a response from a minor is sought. The Family Privacy Protection Act does not apply to the Department of Education, because a similar provision is already contained in the General Education Provisions Act pertaining to that department. The act would become effective 90 days after enactment.

On March 16, 1995, the subcommittee held hearings on the legislation. Senator GRASSLEY was our lead witness. Other testimony came from representatives of the Office of Management and Budget and the Bureau of the Census. We also heard from an experienced litigator on behalf of families which have suffered harm due to invasive questions posed to their children. We solicited and received written comments from a cross-section of interested professional, educational, and family groups. Both the Departments of Justice and Health and Human Services also submitted statements.

We found that a strong mandatory parental consent standard was essential for federally funded surveys and questionnaires given to minors that contained privacy-intrusive questions. In both the statutory and the committee report language we made certain that parents and guardians would be able to consent to their children's participation in these surveys or questionnaires. We wanted to be especially vigilant against situations in which parents would only be notified of surveys and would not be given a simple, straightforward way to consent or decline before that survey was provided to their minor children.

H.R. 1271 was marked up by the subcommittee on March 22 and by the full committee on March 23. At its subcommittee markup, two amendments were proposed, briefly, debated, and approved by voice vote. The full Committee on Government Reform and Oversight favorably reported the bill by unanimous voice vote.

Mr. Chairman, H.R. 1271 will advance the protection of our children's and our families' privacy beyond the 1994 Grassley safeguards, to protection from all surveys or questionnaires administered with any degree of Federal funding support. We have crafted this bill in a way which will do that without unduly hamstringing legitimate public interest activities.

Mr. CLINGER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOX], a member of the committee.

Mr. FOX of Pennsylvania. Mr. Chairman, I rise to speak in favor of the Family Privacy Protection Act of 1995.

Mr. Chairman, this bill in fact establishes a parental consent requirement for federally funded surveys or questionnaires that ask sensitive questions of minors. Concerns have been raised that minors may be asked to participate in surveys asking personal or private questions. Included as part of the Contract With America (H.R. 11).

Areas of concern in surveys which would require parental consent include questions related to, first, parental political affiliations or beliefs; second, mental or psychological problems; third, sexual behavior or attitudes, fourth, illegal, anti-social, or self-incriminating behavior; fifth, appraisals of other individuals with whom the minor has a familial relationship; sixth, relationships that are legally recognized as privileged, including lawyers, physicians, etc. and seventh, religious affiliations and beliefs.

There are some commonsense exceptions to the parental consent requirements for; first, seeking information related for criminal investigations or adjudications; second, inquiries related to a good faith concern for the health, safety or welfare of an individual minor; third, administration of immigration, internal revenue or customs laws of the United States and; fourth, seeking of information required by law to determine eligibility for participation in a program or receiving financial assistance.

Legislation covers all Federal agencies with the exception of the Department of Education. A very similar provision is already contained in the General Education Provisions Act which is specific to that department.

Mr. Chairman, we believe this is important legislation. I believe that this is the type of legislation that has bipartisan support, and I appreciate the time to speak on behalf of it. I would urge my colleagues to vote in favor of it.

Mr. GILMAN. Mr. Chairman, I rise today in support of H.R. 1271, the Family Privacy Protection Act of 1995. I commend the gentleman from California [Mr. HORN] and the gentleman from Pennsylvania [Mr. CLINGER], who serves as chairman of our Committee on Government Reform and Oversight, for his efforts in bringing this important measure to the floor.

I support this proposal which establishes a parental consent requirement for federally funded surveys that seek responses of a sensitive nature from minors. This legislation requires parental consent for questions relating to such sensitive areas as: Parental political affiliation, mental or psychological problems, sexual attitudes and behaviors, and religious beliefs. Similar provisions have already been enacted for the Department of Education under the General Education Provisions Act.

Accordingly, Mr. Chairman, I urge our colleagues to support this measure which will protect the privacy right of American families by extending to all Departments of the Federal Government the commonsense parental consent provisions which we have previously included in legislation pertaining to the Department of Education.

Mrs. COLLINS of Illinois. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. CLINGER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment, and each section is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Family Privacy Protection Act of 1995''.

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2. The text of section 2 is as follows:

SEC. 2. FAMILY PRIVACY PROTECTION.

(a) RESTRICTION ON SEEKING INFORMATION FROM MINORS.—Notwithstanding any other provision of law and subject to section 6, in conducting a program or activity funded in whole or in part by the Federal Government a person may not, without the consent of at least one parent or guardian of a minor or, in the case of an emancipated minor, the prior consent of the minor, require or otherwise seek the response of the minor to a survey or questionnaire intended to elicit information concerning any of the following:

(1) Parental political affiliations or beliefs.

(2) Mental or psychological problems.

(3) Sexual behavior or attitudes.

(4) Illegal, antisocial, or self-incriminating behavior.

(5) Appraisals of other individuals with whom the minor has a familial relationship.

(6) Relationships that are legally recognized as privileged, including those with lawyers, physicians, and members of the clergy.

(7) Religious affiliations or beliefs.

(b) GENERAL EXCEPTIONS.—Subsection (a) shall not apply to any of the following:

(1) The seeking of information for the purpose of a criminal investigation or adjudication.

(2) Any inquiry made pursuant to a good faith concern for the health, safety, or welfare of an individual minor.

(3) Administration of the immigration, internal revenue, or customs laws of the United States.

(4) The seeking of any information required by law to determine eligibility for participation in a program or for receiving financial assistance.

(c) EXCLUSION OF ACADEMIC PERFORMANCE TESTS FROM RESTRICTIONS.—Any restriction under any provision of Federal law on the seeking of information from minors through surveys, questionnaires, analyses, or evaluations shall not apply to any test intended to measure academic performance.

The CHAIRMAN. Are there any amendments to section 2?

AMENDMENTS OFFERED BY MR. SOUDER

Mr. SOUDER. Mr. Chairman, I offer amendments for sections 2 and 4, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. SOUDER: Page 2, line 9, strike ''without the consent'' and insert ''without the prior written consent''.

Page 2, line 13, strike ''intended to elicit'' and insert ''which is intended to elicit, or has the effect of eliciting,''.

Page 3, strike lines 13 through 18 and insert the following:

(c) ACADEMIC PERFORMANCE TESTS.—Subsection (a) shall not apply to tests intended to measure academic performance except to the extent that questions in such tests would require a minor to reveal information listed in a paragraph of subsection (a).

Page 4, beginning in line 10, strike ''if requested monetary damages are not in excess of $500''.

Mr. SOUDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Is there objection to the original request of the gentleman from Indiana [Mr. SOUDER] that the amendments be considered en bloc?

There was no objection.

The CHAIRMAN. The gentleman from Indiana [Mr. SOUDER] is recognized for 5 minutes.

Mr. SOUDER. Mr. Chairman, I stand in support of H.R. 1271, but I believe it must be strengthened to accomplish our objective of protecting family privacy. This amendment is in response to concerns of parents around the country about federally funded questionnaires and surveys, in general much of what is going on with our children. This will finally give parents and children the legal cover that has been theirs from the beginning. It will safeguard family privacy unless and until the government has legitimate reason to intrude upon it. Written consent is essential, not burdensome. The individual dignity of a child and the privacy of a family are paramount to saving an agency time or money.

Opponents to this amendment in academia, the Clinton administration, and the Census Bureau find it troublesome that we are seeking prior written consent because data for their surveys might not be as accurate as possible. They are really saying science and data are now more important than the family. Is this what we call family values?

This amendment will not protect parents who abuse their children or affect legitimate criminal investigations. This amendment will not interfere with academic tests that are truly academic. This amendment will not impose any additional requirements on schools. Schools already assist the U.S. Department of Education with obtaining written consent and administering surveys through the standards of the General Education Provisions Act which covers only Department of Education surveys. In other words, we already have this type of protection in the education bill.

I have a particular concern in that I am on the Committee on Government Reform. I supported this bill. We worked together with the committee chairman and subcommittee chairman and ranking members in the report language, but I had some additional concerns because of some things I have seen going on around the country, not directly related to in some cases a Federal survey such as in my district, but some are directly related to Federal surveys.

I would first like to read a survey that was given in my district that caught my attention and prompted me to go one step further for written consent. One problem we have in schools is that you get consent forms, and sometimes mass forms, which we separate, and often you do not know whether you have given consent or not given consent. To some degree this protects schools. This protects people, whether it be religious or political or other types of things such as sexual behavior.

But the particular survey that upset me in my district was asked in a high school and had such questions as:

Are you a virgin?

What age were you when you lost your virginity?

Do you use any form of contraceptives?

Do your parents provide your contraceptives?

Do you pay for your contraceptives?

Do you get contraceptives from your friends?

Have you had sex with more than one person?

Have you had sex with more than five people?

Do you have sex more than three times a week?

Are you going to wait to have sex until you are married?

Do you know what gonorrhea, genital warts, herpes or syphilis are?

Do you know if your partner(s) have a sexually transmitted disease?

Have you ever had an HIV test?

Have you ever performed or received oral sex?

Have you ever performed or received anal sex?

Have you ever had an orgasm?

Have you ever had a homosexual experience?

Do your parents know that you have sex?

□ 1415

This type of questionnaire is reprehensible. I find it particularly reprehensible because it was given to my two children, one of whom is a junior and one of whom is a freshman.

I believe it is extremely inappropriate for this type of thing to be passed out in English classes, to be distributed by the Federal Government in other cases.

I have a survey here that was distributed under the auspices of HHS, where they asked similar questions on religious activity and sexual behavior of children.

There are others. I have one that was sent to me from San Antonio where they start to come into religious activity, asking whether the parents ever scream at each other, whether the parents take a prescription for stress, whether the parents have ever been drunk. Do either of your parents get drunk?

Another question is, do you or your parents, they are asking whether they attend school functions. They want to know what the parents know about who they are dating. Have you done things in a relationship that you would not tell your parents about? Another, do your parents approve of your older friend, if you have a friend who is at least five years older than you?

This type of questioning of young people about the parents' behavior, about the relationship with their parents is outrageous. We need protection for the children of America, for the parents of America so that you have to have written consent before you can probe into private matters.

I am sorry for any impact it has on cost. I am sorry for any impact it has on future research, if some people do not get their response questionnaires back. We have gone past the point of protecting individuals, and we need to reinstate the protection for individuals so we do not go on witch-hunts for religious behavior, for deviant sexual behavior, for normal sexual behavior.

Many things in these surveys imply that it is normal to have as a freshman in high school multiple sexual partners. I think we need to stand up, put this in this law.

My amendment also lifts the $500 cap which, if we leave it at $500, means that in effect the parents are going to probably have to pay more in attorney costs to challenge a questionnaire than they could recover.

I believe these amendments are essential. They are in our original contract. I hope my colleagues will support them.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. SOUDER] has expired.

(At the request of Mr. HORN and by unanimous consent, Mr. SOUDER was allowed to proceed for 2 additional minutes.)

Mr. SOUDER. I yield to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, I ask the gentleman, which one of the questionnaires were federally funded?

Mr. SOUDER. Mr. Chairman, as I said, the question that was in my district that was asked my children was not. It is unclear to me whether the one in San Antonio where I read some of the questions is. The HHS questionnaire, which I did not get into detail, had similar questions on how many people did you have sexual intercourse with? This is a middle school survey. During your life how many people have you had sexual intercourse with? At what age did you first have sexual intercourse? Did you drink alcohol or drugs? That was an HHS survey.

Mr. HORN. Mr. Chairman, if the gentleman will continue to yield, I wanted to clarify that this legislation only applies to federally funded in whole or in part surveys, questionnaires, interview instruments. Most of those were not that. It is possible that the Federal

might fund something like that. I cannot quite believe it. But that still leaves the local State, the local school district, as I think the gentleman would agree, to have such surveys.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, while I intend to vote against the gentleman's amendment, I understand his outrage. Mr. SOUDER distributed a copy of a questionnaire which was used at his children's school during the full committee markup of H.R. 1271. That questionnaire is absolutely revolting to me, and should never have been distributed to school kids without the consent of their parents.

However, that questionnaire would not have been affected by this legislation. It was distributed by students from the school who worked on the school newspaper. That is a matter internal to the local school board, not to the U.S. Congress.

Local policies on parental notification of surveys and questionnaires are rightfully a matter of local law. The Federal Government should not dictate to State and local governments how to handle issues of parental notification on surveys.

H.R. 1271, unanimously approved by the Committee on Government Reform and Oversight, involves only Federal and federally-assisted surveys. The administration tells us that all Federal agencies already receive the consent of parents prior to sending surveys to minors. The Administrator of the Office of Information and Regulatory Affairs testified during a subcommittee hearing that it is currently standard practice for the Federal Government to require some form of parental consent before interviewing minors. H.R. 1271 would merely standardize the current administration practice of requiring prior parental consent.

Supporters of written consent point to the Goals 2000: Educate America Act as a precedent. However, surveys and questionnaires within a school setting are different from surveys in other areas. It may be reasonable to require written consent for school-based surveys as required by Goals 2000. In that setting, it is common practice for children to carry consent forms back and forth on a daily basis. That is why school-based surveys receiving Federal funds from the Department of Education require written consent. That policy is specifically kept in place by H.R. 1271. However, in other areas, obtaining written consent will be next to impossible.

At a hearing held by the Subcommittee on Government Management, Information, and Technology, chaired by Mr. HORN, every expert witness who addressed this issue testified that requiring prior written consent would undercut the effectiveness of critical Federal surveys.

Dr. Lloyd Johnston, program director of the Survey Research Center at the University of Michigan, made a number of points:

First, the national samples will be dramatically less representative because many parents will not respond in writing even though they have no objection to their children's participation.

Second, schools, not the researchers, will be required to contact parents to encourage their written response, since most schools are precluded from giving information about parents, their addresses or phone numbers to outside people.

Third, the required followup will substantially increase the costs of the surveys.

Fourth, many parents will have to be repeatedly contacted to return the written consent forms, and they will see that as a further intrusion.

Mr. William Butz, Associate Director for the Bureau of the Census, which conducts the National Crime Victimization Survey, the Youth Behavior Survey and the Teenage Attitudes and Practices Survey, testified that prior written consent would reduce response rates, increase costs, and/or increase survey bias. Requiring written consent would reduce the flexibility of statistical agencies, like the Census Bureau, to collect data efficiently.

Let me quote from a letter from Kevin P. Dwyer, assistant executive director for the National Association of School Psychologists to Chairman HORN:

> It would be functionally more effective to permit ''passive'' consent, where parents are made aware of the information to be surveyed and the purpose of the information gathering. This is more cost effective and less burdensome upon both schools and families.

Sally Katzen, Administrator for the Office of Information and Regulatory Affairs, testified that with few exceptions, surveys are conducted anonymously. She states:

> In other words, no personal identifier information is collected and the identity of the minor and the family cannot be ascertained. In this circumstance, it is unclear whether written consent is really necessary to protect the privacy of the respondent or the family.

The CHAIRMAN. The time of the gentlewoman from Illinois [Mrs. COLLINS] has expired.

(By unanimous consent, Mrs. COLLINS of Illinois was allowed to proceed for 3 additional minutes.)

Mrs. COLLINS of Illinois. Mr. Chairman, we should not second-guess the unanimous position of every expert who testified on this issue. We should not second guess the unanimous decision of the subcommittee and full committee against requiring prior written consent. In the absence of any new evidence. we should support the unanimous committee position against requiring written consent.

The existing prior consent requirement in H.R. 1271 will give all parents the ability to prevent their children's participation in Federal surveys. As the committee report makes clear, H.R. 1271 requires active consent from a parent or guardian. The consent can be handled in various ways, including in writing. Moreover, mere notice of a survey is not enough to satisfy the consent requirement. Consent must involve both disclosure and the opportunity to decline.

The amendment also lifts the $500.00 cap on monetary damages for violations of this bill. Lifting this cap would be an open invitation for frivolous litigation. Lawyers would have a field day with this bill. For example, H.R. 1271 covers surveys involving ''antisocial behavior.'' Yet, the bill has no definition of what constitutes ''antisocial behavior.'' It is not hard to imagine multimillion dollar cases for psychological injury because a particular survey covered antisocial behavior.''

Mr. SOUDER's attempt to lift the cap on monetary damages is even more disturbing in view of his other amendment to further broaden H.R. 1271. Mr. SOUDER proposes to cover any survey which has the effect of eliciting certain types of prohibited information. This amendment would give people the opportunity to bring lawsuits for unforeseeable mistakes made by minors in responding to surveys.

In conclusion, Mr. Chairman, I would say that at some point this mindless marching in lockstep must end. The only reason we are here is because a member of the majority leader's staff did not like the bill we unanimously reported out of committee. We must stand up for what is right, not what some staff thinks is politically correct. If committee members lose confidence in the value of talking to one another to reach compromises, this House will lose its ability to move forward constructively. Unfortunately, it is clear that the bipartisan agreement in our committee was not worth the paper it was written on.

The CHAIRMAN. The time of the gentlewoman from Illinois [Mrs. COLLINS] has again expired.

(By unanimous consent, Mrs. COLLINS of Illinois was allowed to proceed for 1 additional minute.)

Mrs. COLLINS of Illinois. Mr. Chairman, these amendments, while well intentioned, simply just do not work. As Chairman HORN said during full committee approval of this bill, and I quote: ''We have attempted to strike the right balance between Government power and individual rights.'' The unanimous subcommittee and full committee votes on H.R. 1271 strongly suggests that we did strike the correct balance. I urge defeat of the amendments.

Mr. CLINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Souder amendment which does provide for strengthening and clarifying some issues which are contained in the bill. First, as has been discussed, it does provide the consent must be in writing.

I would just emphasize that this is consistent with a provision that we have included in the GEPA, that is the Department of Education bill, which we passed last year, which did require that the consent be in writing. So it falls in line with that statute for the Department of Education.

It extends a similar type of consent request, that is written request, written consent to all other agencies which are involved in conducting these kinds of surveys. So it is not unique. It is not a new provision. It is basically just tracking what we had already provided for in GEPA.

I think the written consent also has the effect of strengthening, obviously, the parental consent requirement and ensures that parents understand what the survey is about before providing consent, which might not be the case without a formal requirement for written consent, I think that it would create less confusion.

I think it might also result in less litigation, because we would have proof positive that the consent was in fact given, whereas on an oral consent thing, that would always be subject to question.

Second, the Souder amendment provides for judicial review without a cap. The other pieces of the amendment just provide clarifications, including the issue that academic tests should not include any of the prohibitive issues without parental consent.

□ 1430

Let me just say, Mr. Chairman, there was no deal broken, and I listened to the debate on the rule with regard to this. I would suggest that no deal was broken by bringing this bill to the floor under an open rule. We worked on the bill, as has been indicated, in a very bipartisan manner. I think we worked very constructively with the Republicans and Democrats to fashion this bill.

I would also say no commitments were made. It was the intention, indeed, to bring this bill to the floor under suspension. It was my sense, however, that there were a number of Members who felt very strongly that the provision did not go far enough. I really suspected perhaps that the measure would not prevail if brought to the floor under suspension, and that all Members should be given an opportunity to offer amendments, that being the case.

After the committee markup we started to hear not from staff members but from members, the gentleman from Indiana [Mr. SOUDER] among them, that they wanted to offer amendments to the bill. We do have an open rule. That does not preclude any Member both on the majority and minority side from offering an amendment to what I think is fundamentally a very strong bill as it is.

Mr. Chairman, I would say I was very pleased with how we worked within the committee on a bipartisan basis on this legislation. I believe that the Souder amendment strengthens the legislation, and the Members will have a chance to vote their will on this amendment. I would rise in support of the amendment and urge all Members to support it.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the amendment offered by the gentleman from Indiana [Mr. SOUDER]. This amendment undermines the bipartisan spirit of the compromise which was worked out by myself, the gentlewoman from Illinois [Mrs. COLLINS], the gentleman from California [Mr. HORN], and the gentleman from Pennsylvania [Mr. CLINGER], the chairman. This amendment would require prior written consent for surveys or questionnaires with Federal funding.

This issue was carefully considered in our subcommittee and rejected. Several professionals testified that prior written consent would do one of two things: Block these surveys from ever being performed, or render their conclusions useless, because of skewed data. This rejection was confirmed at the full committee, where this issue was raised.

I think the committee's unanimous, bipartisan decision should stand. This amendment addresses no real problem that anyone can identify. It would also considerably increase the cost of conducting surveys. Requiring parental consent may make some sense for surveys conducted through the school system, but expanding it to all federally funded surveys makes no sense at all.

Some who argue in favor of these changes will talk about what goes on in schools. Let me make it clear right now, Mr. Chairman, this bill does not apply to schools. We already have legislation that does that. Our bill as reported requires that any survey or questionnaire using Federal funds must get parental consent before interviewing minors.

We asked OMB for a list of Federal surveys that did not get consent. There are not any. Our bill protects minors to the full extent possible, but does not destroy information vital to solving some of the most important problems facing our country today.

We are told that this amendment is to bring this bill back into line with the contract, but that is just a smokescreen. I believe the changes offered in this amendment are designed to block surveys from ever being performed, specifically, surveys of teenage behavior, including the causes of rising teen pregnancy, drug abuse, and suicide.

Members of both parties are sincere in their desire to solve these problems, but pretending a problem does not exist will not make it nonexistent. By rendering these surveys worthless or eliminating them altogether, that is what some Members hope to do, that will not work. It has never worked. It is naive.

In order to solve a problem, we first have to research it. We cannot cure a sick patient without asking the patient what is wrong. This amendment will not cure anything. It will only make it more difficult for researchers to study the problem and gain information, and information is the most important commodity to any social scientist or legislator.

This amendment would also undo the thoughtful solution the committee reached on judicial review. As a result of the hearings, the chairman, the gentleman from California [Mr. HORN], added to the bill a private right of action with a limit to $500 of damages in cases where parental consent was not obtained.

The amendment of the gentleman from Indiana [Mr. SOUDER] would remove that limit. That seems particularly ironic to me. Just a few weeks ago the Republicans fought very hard for tort reform to limit damages.

Mr. Speaker, I believe that the underlying bill is the best compromise attainable. In that bipartisan spirit, I urge my colleagues to vote against the Souder amendment, and support the Republicans and Democrats who have carefully considered the issues raised by this bill and addressed them responsibly in H.R. 1271.

Mr. MCINTOSH. Mr. Chairman, I move to strike the requisite number of words.

(Mr. MCINTOSH asked and was given permission to revise and extend his remarks.)

Mr. MCINTOSH. Mr. Chairman, let me first say I want to commend the committee and the gentleman from Pennsylvania [Mr. CLINGER], the chairman, the gentlewoman from Illinois [Mrs. COLLINS], the gentleman from California [Mr. HORN], and the gentlewoman from California [Ms. PELOSI], for their hard work on this bill. I think it is a tremendously important piece of legislation for us to move forward. Although we may disagree on this particular amendment, I think all are to be commended for their hard work on something that will definitely benefit families in this country.

Le me rise in favor of the Souder amendment. I think it is a reasonable addition to this bill. It is an area where Federal leadership can set the tone of the type of questions that are asked in our schools.

When I go home and talk with parents in my district, time and time again, in Anderson, in Yorktown, in Richmond, parents have come up to me and said they are very concerned that they do not know what is happening in their schools. They do not feel that the moral values that they think are important to teach their young children are necessarily being conveyed in the school setting.

When they hear about surveys such as the one that the gentleman from Indiana [Mr. SOUDER] read to us earlier,

their concern is reinforced among parents and the family. I think the Federal Government is introducing into the personal lives of the families, and especially with impressionable young schoolchildren, so that I think it is very important that we do have this amendment to restrict the options that the Federal Government has when it conducts surveys of young people, so their parents know in advance what the questions are, and have indeed agreed to those questions being asked to their children.

The Souder amendment will enhance family privacy protection. It is not protective of abusive parents. It is well crafted to not affect academic testing. I believe it is very important to protect family privacy in areas where the Federal Government, quite frankly, has no legitimate interest.

Mr. Chairman, I rise in favor of the Souder amendment, and want to commend him and the other committee members for their work.

Mrs. COLLINS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MCINTOSH. I am delighted to yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. Mr. Chairman, I believe when the gentleman said the Federal Government is asking certain questions, the Federal Government is not asking the kinds of questions that the gentleman from Indiana [Mr. SOUDER] read, and also that we have copies of from the full committee hearing. The Federal Government is not asking those kinds of questions.

What we are trying to do is to make it so that the Federal Government would say that local school boards, et cetera, could ask those questions if they had written consent. I do not know if I misinterpreted the gentleman or not.

Mr. MCINTOSH. Mr. Chairman, I understand that is the case with the particular survey that the gentleman from Indiana [Mr. SOUDER] raised. I do think it is, nonetheless, important to limit the Federal Government in the types of surveys it can do without parental consent. I hope that will be a model for States and school boards locally to also seek that consent, although I agree, in his amendment we would not be extending that requirement.

Mr. SOUDER. Mr. Chairman, will the gentleman yield?

Mr. MCINTOSH. I yield to the gentleman from Indiana.

Mr. SOUDER. Mr. Chairman, I also read, in response to the gentleman from California [Mr. HORN], some questions that were in a Federal HHS survey that asked ''Have you ever had sexual intercourse? How old were you when you had sexual intercourse for the first time? During your life how many people have you had sexual intercourse with? During the past 3 months with how many people did you have sexual intercourse? Did you drink alcohol or use drugs before you had sexual intercourse the last time?'' This is an HHS Youth Risk Behavior Survey that was in middle schools.

Mrs. COLLINS of Illinois. Mr. Chairman, if the gentleman will yield further, did the Federal Government ask for written consent or any consent before asking those questions?

Mr. SOUDER. I would hope they asked for written consent. My amendment would make sure they ask for written consent.

Mrs. COLLINS of Illinois. We can find out. I think they did. I think it was implied in this legislation. Wherever the Federal Government has asked for the consent, they have protected the right of written consent on matters of that nature, I believe.

Mr. MCINTOSH. Mr. Chairman, let me just mention that the survey that the gentleman from Indiana just read indicates that there are these concerns out there. If in the past the Federal Government has asked for consent, his amendment will just make that an absolute requirement in the law, so therefore I think it is a valuable addition to this legislation.

Mr. SAWYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Souder amendment, although I have to join with the gentlewoman from Illinois [Mrs. COLLINS] and previous speakers in associating myself with the concerns that the gentleman raises in this particular amendment. Those concerns are legitimate and shared by every parent across this Nation.

Frankly, however, my concern is that this amendment is so broad and so unnecessarily restrictive that the fundamental underpinnings of a wide range, if perhaps not all, of Federal data collection efforts could be in jeopardy.

Some of the Members know that I spent a number of years, perhaps more years than any existing Member of Congress, in overseeing the conduct of the census and the broader Federal statistical systems of this country. That was an enlightening experience. The 1990 census demonstrated how difficult it is to get Americans to participate in Federal surveys, for that matter, in virtually any kind of survey even those that are mandatory, as the 10-year census has been for the entire existence of this Nation.

The response rate for the 1990 census was far lower than the census before it. It was also worse than the Bureau had anticipated in planning for this enormous and complex undertaking. That low response rate not only jeopardized the consistency of the data derived from it, but it drove up costs, requiring a $100 million supplemental appropriation right in the middle of the census. It affected the very accuracy of the census. In fact, the 1990 census was the first in modern history that was less accurate than the one before it.

Mr. Chairman, the gentleman from New York, former Under Secretary of HEW, Mr. MOYNIHAN, suggested 30 years ago that if you cannot measure a problem, you cannot solve it. What we are trying to do is come to grips with some problems of our Nation. I am bringing this troubling information about the census to the attention of my colleagues because I am afraid that the Souder amendment unintentionally would make data collection efforts even more difficult than they already are.

Policymakers at all levels of government, including the Congress, rely on accurate information to develop sound policies and to ensure the sound implementation of programs, but the accuracy of those numbers directly depends on the willingness of Americans to respond to surveys and questionnaires.

The question here is one of privacy. We need to bear in mind that Federal agencies already obtain direct personal permission from parents before asking questions of minor children, but requiring prior written permission to obtain information from minors almost certainly would result in the loss of many valuable responses, and that diminished participation would skew the results and make the resulting data unreliable and potentially useless.

Moreover, a requirement for prior written consent would raise the cost of Federal research and data collection in much the same way as it did for the 1990 census, a hard-learned lesson, adding millions of dollars to surveys conducted with taxpayers' funds.

Mr. Chairman, the bill that was reported unanimously from the Government Reform and Oversight Committee strikes an appropriate balance between the need to protect families against unnecessary invasions of privacy and the need to collect accurate information for important policy purposes.

The work that the committee did last year under the gentleman from Wyoming, Mr. THOMAS, now in the other body, and the gentleman from California, Mr. CONDIT, really created sound underpinnings for, perhaps, the single most volatile and sensitive area of information, health care information.

The work on that needs to go forward. It needs to go forward in the same way as we have protected information gathered by the Department of Education, as the chairman of the committee suggested earlier in his commentary, but our ability to collect information about homeless youth, about street kids, about kids whom this kind of permission is virtually impossible, much less the added cost of dealing directly with the problems of gathering information in a way that is being done responsibly today, is going to be unnecessarily upset by the overbroad language of the Souder amendment.

It is with great sympathy but grave concern that I rise in opposition to this amendment and ask my colleagues to join me.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. COBURN asked and was given permission to revise and extend his remarks.)

Mr. COBURN. Mr. Chairman, I find myself in a peculiar position as a physician, and also as a scientist. I am very much interested in accurate data collection, and I think it is imperative that we have that. I also am very much concerned about the lack of parenting in our country, and what has come about through that lack of parenting.

My worry, and I rise to support the Souder amendment, because I think, No. 1, it does put some burden back on parents which we have been trying, through many of the bills that we have passed in the last weeks, to force more direction on parenting, and I think we should do that.

□ 1445

But I also have a greater problem with the arguments that are used against this.

I guess, No. 1, is scientifically I do not buy the fact that if we have a parent's permission we are going to, No. 1, make the cost too great or, No. 2, make the scientific data to where it is not accurate. That is spurious logic. Because we do that all the time in the medical field in terms of informed consent on testing, on data and on information. So I find that.

I think the other thing is that even though this was not a federally funded questionnaire I think it shows significantly what the opportunity for abuse is in terms of what can happen.

Again, I would not necessarily say that some of the questions to this survey would not be good information as a physician and one who treats adolescents and has delivered over 2,000 teenage mothers, very much interested in the results of information from that. But I am not more interested in that information if it means I violate a parent's right to parent. I think that is the real issue.

I do not think that we will have spurious data. I think the Government has an obligation to go beyond a reasonable doubt to make sure that parents are informed about what their children are asked.

I would just urge those that oppose this amendment to ask what questions they would like their children asked. And is there any extent to which they might go that you would find a point in time when you thought that you might want to give permission before those questions are asked? I think that is the real issue.

I do not find fault with your desire to limit. I do not want to limit the Government's ability to collect data, but I think the Government can already collect data and still fulfill the rights of informing the parents about what questions we are going to ask.

Finally, I think that we certainly would not want the questions as outlined in this survey given to 12-year-olds throughout this country without their parents' permission. I am not saying that the Federal Government has done that, but there is not anything wrong with saying that parents ought to have the right to say yes or no to that kind of questioning.

Mrs. COLLINS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. I thank the gentleman for yielding.

Mr. Chairman, this bill does not say parents do not have to give consent. It only says it does not have to be written consent. In fact, it says there has to be parental consent. That is what this bill says already. H.R. 1271 says that.

Mr. COBURN. Reclamining my time, I have a great deal of difficulty in my own experience in surveys similar to this in this very delicate area of teenage sexuality in ascertaining whether or not we have parents' consent without written parents' consent. Because in my experience the majority of the time we do not have parents' consent, even though we have a recognition that we did.

I think this is a very definable addition to this bill, and I think written consent is the least that we can do if we are going to ask these types of questions of children.

Mrs. COLLINS of Illinois. If the gentleman would not mind yielding for a second, I hope that we do not ask children these type of questions. But perhaps as a physician, perhaps you find that there is a need to do so. I think you have so stated. But these are the kind of questions I would not want anyone to ask my child. But if there is consent requested already, then I would certainly give my consent to do that, in a nonwritten.

Mr. COBURN. There should be written consent, but we have already seen that the Department of Health and Human Services has already asked questions similar to this in one of their own surveys. So all we are saying with the Souder amendment is that they should have written consent to ask this of adolescents.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if the gentleman from California [Mr. HORN], the good chairman of the subcommittee, would respond to a couple of questions.

On page 2, I am interested in lines 6 through 9. This says that this would affect any program or activity funded in whole or in part by the Federal Government.

Let me ask this, because I truthfully do not know the answer to this: Does this mean that if some local agency, some school, receives Federal money anywhere in its agency's school or system that this bill would then attach to any inquiry or survey that that agency or school is conducting?

Mr. HORN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from California.

Mr. HORN. The gentleman is drawing an analogy with some of the civil rights laws, and my interpretation would be that this bill does not work that way. If the question is who funded the questionnaire, if the Federal Government funded the questionnaire in whole or in part, this law would apply.

One point I will need to clarify, because there has been a little confusion in the debate, is that the Grassley law that was referred to earlier and that you know so well, the General Education Provisions Act, that applies only to programs under that particular act, most of which occur in a school context.

This applies to all Federal agencies except those covered by the Grassley act who would have questionnaires that are triggered and this act is triggered, that discuss areas in the bill that have already been noted by many speakers.

Mr. WILLIAMS. I thank the gentleman.

Let me ask the gentleman further, the bill would affect the seeking of certain information, among those pieces of information on line 17 of page 2, and that is any survey, for example, that would seek information about sexual behavior or attitudes.

Mr. Chairman, on page 3 there are exceptions. And one of the exceptions is on line 6 which said any inquiry made for the purpose of concern about health or safety.

It seems to me there is a dichotomy there. One of the great attacks on the safety and health of young people has to do with certain of their sexual behavior. So my question is, which is it? If we wanted to ask questions about young people's sexual behavior in an effort to determine whether or not they are practicing safe sex in order to avoid the possibility of various difficulties, including, of course, this epidemic called AIDS, could we do it under this bill?

Mr. HORN. Let me refer the distinguished gentleman to the report on page 11 where it notes about halfway down the page that each of the four exceptions, and the second one, there is the same one the gentleman has stated that is in the proposed law, each of these four exceptions involves specific individual circumstances in order to be triggered.

The criminal investigation or adjudication requires a specific investigation or adjudication. An inquiry can be made pursuant to a reasonable concern for the health, safety, and welfare of an individual. The essential requirement is a reasonable belief that an individual minor is at risk and evidence to show that such an inquiry is appropriate.

Using the health, safety, or welfare exception to circumvent parental concern or prohibited topics is not acceptable. In other words, it says here, a survey on sexual behavior or attitudes would not be covered by this exception.

Obviously, the questions can be asked if the parent gives consent.

Mr. WILLIAMS. I appreciate the gentleman's response.

I will not ask the gentleman, the subcommittee chairman, any further questions, but I do want to say that I think he is attempting to arrive at moderate and reasonable legislation here.

We ought to know, though, speaking of moderation and reasonableness, that we have already passed similar legislation with regard to education in this country. We have taken care of that. I know that we took care of it before some of the Members who got elected last November were here, so they may not have known it, but we have taken care of this very problem.

The CHAIRMAN. The time of the gentleman from Montana [Mr. WILLIAMS] has expired.

(By unanimous consent, Mr. WILLIAMS was allowed to proceed for 2 additional minutes.)

Mr. WILLIAMS. Mr. Chairman, in fact, the Federal Government has for the past 20 years vigorously promoted the protection of people in its research. An institutional review board has been created a couple of decades ago for the very purpose of scrutinizing these surveys, and it has established procedures for protecting people when we are doing a study.

That can include written consent from the parents. It includes follow-up phone calls. It includes notification of parents about a study. It includes a variety of other methods.

We ought not to go off thinking that there has been no thought about this whatsoever in the Congress until this moment because that is demonstrably not true. The Federal Government actively pursues trying to protect people.

Let me read into the record the following groups that are opposed to the amendment, as I am, that is now on the floor: The Society of Behavioral Medicine, the National AIDS Fund, the Institute for the Advancement of Social Work Research, the Federation of Behavioral, Psychological and Cognitive Sciences, the Consortium of Social Science Associations, the American Sociological Association, the American Psychological Association, the American Educational Research Association, the American Anthropological Association and, finally, the AIDS Action Council.

Some of these groups are groups, as the chair knows, that are vitally interested in this legislation and, in fact, have been somewhat supportive of it and have worked with those on the committee to try to write appropriate legislation. But those groups believe, as many of us do, that this amendment destroys the basis for cooperation that the legislation has reached.

I urge my colleagues to oppose this particular amendment.

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

(Mr. FOX of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. FOX of Pennsylvania. Mr. Speaker, I rise in support of H.R. 1271. This legislation strengthens the family and has received bipartisan support by this Congress.

I am concerned about protecting the rights of parents in knowing about the activities in which their children are involved, and it particularly applies to surveys which ask children about their most sensitive and private activities.

We need to bolster family ties. Thus, we need to protect our children from answering questions their parents would not have approved of and could possibly invade privacy.

Through H.R. 1271 and the Souder amendment, we would provide written consent for parents to protect minors who may or may not want to participate in any funded surveys that are designed to obtain information on sensitive subjects.

Mr. Speaker, passage of H.R. 1271 with the Souder amendment is imperative in reaffirming a commitment to privacy and a commitment to our Nation's families. I urge my colleagues to support this pro-privacy and pro-family legislation.

The rights of parents, it seems to me, in regard to the welfare and privacy of their children is paramount to the Government's need or others to collect sensitive data. With written approval, informed consent would be a reality achieved. It is a matter of fundamental fairness.

I ask my fellow colleagues to support the Souder amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Indiana [Mr. SOUDER].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. VOLKMER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 379, noes 46, not voting 9, as follows:

[Roll No. 285]

AYES—379

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli

Towns	Wamp	Wolf
Traficant	Ward	Woolsey
Tucker	Watts (OK)	Wyden
Upton	Weldon (FL)	Wynn
Vento	Weldon (PA)	Yates
Visclosky	Weller	Young (AK)
Volkmer	White	Young (FL)
Vucanovich	Whitfield	Zeliff
Waldholtz	Wicker	Zimmer
Walker	Wilson	
Walsh	Wise	

NOES—46

Abercrombie	Frank (MA)	Rangel
Becerra	Gibbons	Sabo
Beilenson	Gonzalez	Sanders
Berman	Hastings (FL)	Sawyer
Brown (CA)	Hilliard	Scott
Clay	Johnson, E. B.	Stark
Clyburn	Johnston	Stokes
Collins (IL)	Lantos	Studds
Collins (MI)	Maloney	Thompson
Conyers	McDermott	Velazquez
Coyne	McKinney	Waters
Dellums	Meek	Watt (NC)
Dingell	Miller (CA)	Waxman
Fattah	Moran	Williams
Filner	Nadler	
Foglietta	Payne (NJ)	

NOT VOTING—9

Barrett (NE)	McDade	Rush
Ford	Pelosi	Slaughter
McCollum	Reynolds	Torres

□ 1519

Messrs. FOGLIETTA, COYNE, BECERRA, and GONZALEZ changed their vote from ''aye'' to ''no.''

Ms. ESHOO, Ms. WOOLSEY, Mr. SERRANO, Ms. HARMAN, Mrs. CLAYTON, and Messrs. MEEHAN, FAZIO of California, TOWNS, and MINETA changed their vote from ''no'' to ''aye.''

So the amendments were agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Chairman, I was unavoidably detained and was unable to be present for rollcall vote No. 285. Had I been present, I would have voted ''nay.''

AMENDMENTS OFFERED BY MR. DORNAN

Mr. DORNAN. Mr. Chairman, I offer several amendments.

The CHAIRMAN. Are they amendments to section 2 of the bill?

Mr. DORNAN. They are to section 2, Mr. Chairman

The Clerk read as follows:

Amendments offered by Mr. DORNAN:

Page 2, line 7, strike ''section 6'' and insert ''section 4''.

Page 2, strike line 9 through line 12 and insert ''person may not require or otherwise seek the response of a minor to a survey or questionnaire''.

Page 3, line 5, strike ''Any inquiry'' and insert ''Any individual inquiry''.

Page 3, beginning at line 19, strike sections 3 and 4 (and redesignate the subsequent sections accordingly.)

The CHAIRMAN. Does the gentleman from California request unanimous consent that his amendments be considered en bloc?

Mr. DORNAN. Mr. Chairman, I do, and this is merely timesaving.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mrs. COLLINS of Illinois. Mr. Chairman, reserving the right to object, Mr. Chairman, we do not have a copy of the amendments here.

We do now, Mr. Chairman, and I thank the gentleman.

The CHAIRMAN. The gentlewoman has a copy of the amendment at this time?

Mrs. COLLINS of Illinois. That is correct, Mr. Chairman. Yes.

Mr. DORNAN. Mr. Chairman, may I explain the amendment?

The CHAIRMAN. Is there objection to consideration of the amendments en bloc?

Mrs. COLLINS of Illinois. Mr. Chairman, reserving the right to object, I have not yet had an opportunity to read the amendments.

Mr. DORNAN. Mr. Chairman, would the gentlewoman like to engage in a colloquy to explain the unanimous part of my request?

Mrs. COLLINS of Illinois. Mr. Chairman if the gentleman will yield, I am still reading this amendment, because it has just been given to us. We are just trying to see what it does here. I will be ready in just a second.

The CHAIRMAN. The gentlewoman from Illinois has reserved the right to object, and the Chair wishes to wait.

Mr. DORNAN. Mr. Chairman, I am at the gentlewoman's service for a colloquy. I will be glad to explain why I have asked unanimous consent to have all three of them together.

Mrs. COLLINS of Illinois. Yes; Mr. Chairman, if the gentleman would do that, I would appreciate it.

Mr. DORNAN. I thank my good friend. Mr. Chairman, will the gentlewoman yield?

Mrs. COLLINS of Illinois. Further reserving the right to object, Mr. Chairman, I yield to the gentleman from California.

Mr. DORNAN. Mr. Chairman, to the gentlewoman, the unanimous aspect here is a timesaver. I have this broken down into three separate parts. They are all at the desk, and we can take it one step at a time, but I, from my viewpoint, do not believe that would make sense, because although there will be a good, healthy discussion on this, if we take this unanimously en bloc, it is just all geared toward one objective, and that is to end these surveys completely. So the unanimous aspect merely means we get further into the issue and start off right away taking what I am trying to do all at once.

Mrs. COLLINS of Illinois. Further reserving the right to object, Mr. Chairman, we have now had the time to look at this.

I withdraw my reservation of objection to the request that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DORNAN. Mr. Chairman, having fenced briefly in my youth, and it is an elegant sport, the one thing I do remember is the gentlemanly or ladylike challenge at the beginning, ''En garde,'' I would say to my friends in this House who want these surveys. This is simply an attempt to end the surveys at the Federal level totally. So I am saying, En garde, and I do want to get a vote on this and will proceed, I hope, to a good discussion under this open rule.

Mr. Chairman, H.R. 1271 just strengthened somewhat by two simple words, ''Written consent,'' is still, I believe, not the way this newly constituted Congress as of November 8 wants go. Even with the written consent, it requires that Federal funds be spent on surveys aimed at several unique categories. We have strengthened parental consent somewhat. Parental political affiliations or beliefs, I do not believe that is what they are really after. Mental or psychological problems, not much drive to get these facts down. Sexual behavior or attitudes; that is the main impetus behind almost all of these surveys. Illegal, antisocial, or self-incriminating behavior, that really turns off an overwhelming majority of the Members on both sides of the aisle.

But that is not really what they are after.

Appraisals of other individuals with whom the minor has familial relationships, an uncle, aunt, siblings, brothers, sisters, all Members of extended families; that is offensive to be asking questions about those folks, but that only comes in as an ancillary to the sexual underpinnings of all of these surveys.

Another point, relationships that are legally recognized as privileged, including relationships with lawyers or physicians or members of the clergy. With four or five medial doctors now serving in the Congress and almost a halfway point with lawyers, I do not think that is really what a lot of these surveys want to get in the face of the U.S. Congress about.

Now, what my Dornan amendment would do, the three lines are really all dovetailed together, it would prohibit the funding of all of these type surveys, period, end of report. The language specifically strikes this entire paragraph that we have just slightly made tougher, the parental-consent provision, and it leaves the remaining text which prohibits these surveys, period.

And I only have three simple points, and we will get on with the debate. Point No. 1, the Federal Government has no business subsidizing government social engineers or people who want this detailed information. What is the overwhelming evidence mandating that these types of surveys take place? Who is it really that wants children to answer questions within these very sensitive subject areas?

H.R. 1271, as now drafted, would indemnify in law a whole new industry of busybodies feeding on familial dysfunction and divisiveness.

No. 2, is this bill really aimed at surveys of sexual attitudes and behaviors? I have just made the point it is. Very

few surveys aimed at schoolchildren address all of those other categories I mentioned. It really is the sexual attitudes and behaviors that we are going after.

This has happened out here in Fairfax County just recently. They withdrew one of these surveys. I will bet it was mentioned in the prior debate which I missed because I was chairing another committee.

We definitely know some people within the Federal Government are dying to ask questions about sexual attitudes and behavior. We have been through this for several years now. First, it was the adult sex survey in 1989. Then 1 year later we had to put a stop to a sex survey for teenagers and preteens, and even still, Centers for Disease Control, six centers that generally have my respect, in the name of AIDS research, they just keep pressing for more and more information in areas that still should remain sensitive without influencing at all what the specific six Centers for Disease Control are trying to do.

And I repeat, Fairfax County again last week.

□ 1530

No. 3, no one collects numbers unless they are going to do something with those survey numbers. Surveys based on personal and intimate subjects should not end up being the basis for public policy. Such basis is a prescription for failure.

Not only do we not have the right to intrude into the personal lives of schoolchildren, often asking that they snitch on this, but we add insult to injury when we gather the information regarding dysfunctions and then turn right around and indemnify these dysfunctions in public policies.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

(By unanimous consent, Mr. DORNAN was allowed to proceed for 1 additional minute.)

Mr. DORNAN. AIDS education is a perfect example, the results of the survey on sexual behavior end up becoming the basis to teach schoolchildren about homosexual sex; surveys revealing not enough knowledge about sex encourage the sexperts to develop new programs, and surveys revealing that children know a lot about sex encourage the same sexperts to develop more programs to handle the flow of information and traditional families lose either way.

Point No. 4: The House has had to squelch controversial sex studies of both adults and youths at least 3 times over the past 5 years. If we pass this bill as it stands, we will encourage the attitude that these controversial subjects are going to be addressed year after year. Let us vote right now to end this problem. The majority will decide this. Let us see where the 104th Congress stands on this first clean-cut social-issues debate of 1995.

Mr. CLINGER. Mr. Chairman, I move to strike the last word, and I reluctantly rise in opposition to the gentleman from California's amendment. We just enacted an amendment introduced by the gentleman from Indiana [Mr. SOUDER], the objective of which was to do what we have provided in this legislation with the procedures that are followed by the Department of Education in terms of these surveys, which I think places the responsibility and the requirement on those who would seek to conduct surveys to get the written consent of the parents before that survey can go forward. Mr. Chairman, I think this provisions goes way beyond anything that exists in the law relating to the Department of Education and certainly way beyond what we have provided in this bill. I believe parents should have the right, they should have the ultimate right to choose to have their children participate or not participate in surveys. That is what we have provided. We have strengthened the requirement that parents be directly involved in making those determinations. Government should not decide in advance for the parents, which is what the gentleman from California's amendment would do. In effect, it would put the government in a position of saying, no, we are never going to be able to survey, we are going to ban any survey whatever.

I sympathize with the gentleman from California's concern about Federal busybodies sticking their noses into parental business. But I think he goes sort of off the deep end when he says we will never allow any surveys to be conducted in these areas, even though there may be very meritorious reasons why we should be conducting these surveys, to gather vital information with regard to a vast array of things. It is not just in regard to sexual behavior or sexual activity that we are talking about.

This amendment which we adopted just a moment ago, the gentleman from Indiana's amendment, I think strikes the right balance between the rights of the parents which should be paramount here and the interests—the very legitimate interests—of having very valuable information. Obviously, if it is a prurient interest, if it is an interest where they are sticking their noses into where they clearly do not belong, clearly the parental consent would not be forthcoming. But to take away any kind of a survey, the ability of the Federal Government to gather data, vital data, I think would be a mistake. I think it becomes a matter really of public policy: Are we going to totally close the ability of the Federal Government to gather information which may be useful in setting important matters of public policy? I would hope not.

I would respectfully and reluctantly ask that the gentleman's amendment be defeated.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank you for recognizing me.

I think the problem is not that the last amendment was not a good amendment. I supported that. It was a step in the right direction. But I believe we need to go further. Listen to some of the things that are being asked of kids right now. Should we be involving these things in the curriculum or in the educational system? They are asking political affiliations or beliefs. What right does an educational system have to ask that question? They ask about mental or psychological problems. They ask about sexual behavior and attitudes, they ask about illegal, antisocial and self-incriminating behavior, they ask about appraisals of other individuals with whom the minor had a family relationship or a family-type relationship. They ask about relationships that are legally recognized as privileged, including those with lawyers, physicians, and members of the clergy. They ask about religious affiliations and religious beliefs. I do not believe those questions have any business in the educational system.

Let me give you a couple of questions that were actually on a questionnaire put out by a school district. I do not remember the school district. I believe it was in Virginia here.

It says in question number 11, ''Have you ever been in a physical fight in which we you were hurt and had to be treated by a doctor? Yes or no.''

Then it says that sometimes people feel so sad and unhappy that they may think about attempting suicide or killing themselves. The next three questions ask about attempted suicide. That puts thoughts in kids' minds that should not be there, in my view.

Here is another question, question number 34: The next four questions ask about sexual intercourse. Have you ever had sexual intercourse? How old were you the first time this occurred? What business does the educational system have in asking these questions of young people? And it makes absolutely no sense to me. I cannot understand why Federal tax dollars should directly or indirectly be involved in these types of questions.

I believe that the amendment that just passed that said parents have to give parental consent before they can give or ask these questions is a step in the right direction. However, many people are very busy, many parents do not pay attention to all the things being put in front of their kids. They have confidence in the educational system, so they do not really look into them as thoroughly as they should. So I believe many of these questionnaires will be approved by parents when the parents really would rather those children not participate in answering those types of questions.

So the best way to make sure that the educational systems of this country do not infringe upon the rights of individual parents and families, do not stick their noses into areas where they should not, is to make absolutely sure that they cannot do it by not allowing Federal funding for these kinds of projects.

Mr. HORN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California.

Mr. HORN. I thank the gentleman for yielding to me.

Mr. Chairman, I have been listening with great interest to the gentleman. Are any of the surveys and questions that the question mentioned funded by Federal moneys?

Mr. BURTON of Indiana. I believe, indirectly.

Mr. HORN. Indirectly?

Mr. BURTON of Indiana. Indirectly.

Mr. HORN. They either are or they are not.

Mr. DORNAN. Directly, directly.

Mr. BURTON of Indiana. They were?

Mr. DORNAN. Some directly.

Mr. HORN. Which agencies did this?

Mr. BURTON of Indiana. Reclaiming my time.

Mr. DORNAN. CDC, the Centers for Disease Control.

Mr. HORN. The Centers for Disease Control?

Mr. BURTON of Indiana. Centers for Disease Control.

In addition to that, we all know there is Federal aid in the way of block grants and other ways, and that money then goes down to the school districts and school corporations through various distribution formulas and they do use Federal moneys. We do not believe Federal moneys should be used for these kinds of questionnaires.

Mr. HORN. If the gentleman from California's proposal is adopted, I say to the gentleman, it will not affect the money given by the Department of Education one iota, because the gentleman has left in the exemption here which says in section 6, ''This Act does not apply to any program or activity which is subject to the General Education Provisions Act.'' That is the so-called Grassley amendment. That law is already on the books. The Secretary of Education cannot have questionnaires that cover the seven areas that we have blocked out. This is designed to apply to other Federal agencies such as the Centers for Disease Control which is not in the Department of Education, which might ask those questions.

Let me move to another question.

Mr. BURTON of Indiana. But those questions are asked of children in the schools in the education system.

Mr. HORN. When the gentleman says ''children,'' I do not know what he means by ''children.'' But I feel we are talking about 5 and 6 and these questions are generally asked of juniors and seniors in high school.

Mr. BURTON of Indiana. If I may reclaim my time, the gentleman is saying, generally they are asked of juniors and seniors in high school, but that is not exclusively the case. Many times they are asked of children in primary and secondary education, way down below the senior high school level.

Mr. DORNAN. The gentleman has just been reading from a middle school survey, not seniors in high school but a middle school, not seniors or juniors or even sophomores in middle school.

And CDC usually funds about 95, 96, 97, 98 percent of this. So if there is some other loophole we will look at that later.

Mr. Chairman, this amendment does the job.

Mr. BURTON of Indiana. Let me reclaim my time once again.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. Mr. Chairman, let me read once again, since the gentleman said that this was mostly high school seniors, these were middle school students, we are talking about children in the 10, 11, 12-year-old age range.

Listen to this question. It is very important: This is of 10, 11, 12-year-old kids: How old were you when you first had sexual intercourse for the first time? Many of these kids are still in puberty, and you are asking them when they had their first sexual experience. And the answers are ''Never had sexual intercourse.'' ''I was 9 years old.'' Or younger. Do you believe that they have a right to ask that kind of a question in that kind of a situation in school? And many of the parents are working parents and they will not read these questionnaires.

Mr. HORN. If the gentleman will yield, if that was administered under the GEPA, that is the proposal that is the law of the land, then they had to have parental consent, if that was federally funded. That applies to every single questionnaire of the Department of Education.

Mr. BURTON of Indiana. If I may recall my time, we are talking about more than just the Grassley amendment. Does the gentleman from California have any more comments he would like to make?

Mr. DORNAN. No, except I think we have debated this so many times over the years.

Mr. Chairman, I respect the opinions of my good colleague from the adjoining district, to the west of me, Mr. HORN, and I respect the gentleman from Pennsylvania, Mr. CLINGER's opinion. Obviously, it is tearing his heart apart, and I appreciate his putting it in that context. But I think it is about time we just voted on this and saw how this entire Congress feels about this. Right now controversial surveys are an iffy proposition at best. This bill will successfully ensure that these surveys are not allowed. If we go the other way they will flourish, I predict that. Common sense tells us that.

I will repeat one thing I said early: Why do they want the information? To act upon it. This is more of the social engineering that I think the American majority rejected on November 8th last.

Mr. HORN. Mr. Chairman, I move to strike the requisite number of words.

Let me ask the author of this amendment, if I might: How does the gentleman feel about a survey on drugs given to high school students? Does he think those should be given or not given on use of drugs?

Mr. DORNAN. Mr. Chairman, will the gentleman yield?

Mr. HORN. I yield to the gentleman from California.

Mr. DORNAN. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is going for my Achilles heel, because I feel that there is a war going on in narcotics and it is all on the side of the cocaine cowboys, and we have never mobilized our country on the side of the good guys to fight a drug war. But asking kids about ''Are they drug users,'' so totally different and so far removed from the intimacy of asking about parental sex habits, those of their older brother or younger sisters' sex habits or their parents' political affiliation. I would resent a political affiliation question tied to a survey on drugs, I say to the gentleman.

Mr. HORN. I would ask the gentleman, does he favor surveys on drugs among high school students, yes or no?

Mr. DORNAN. I think at the State level, I have never seen one proposed at the Federal level, and I would have to make a judgment on that when it is presented to me.

Mr. HORN. Let me just say, Mr. Chairman, I can recall numerous situations in the 1960's where scholars and people with real ability in developing questionnaires surveyed classes in California high schools and California junior high schools and found extensive drug use. When they brought those surveys to the superintendent of schools' attention and the school boards' attention, great denial set in, ''Oh, we don't have a drug problem. Those data must be wrong.'' That happened in Long Beach, that happened in San Diego. They closed their eyes to what was going on about them.

All I can say is, if the gentleman's language is adopted, it says here that you could have no questionnaire that had any questions about illegal, antisocial or self-incriminating behavior. And all that is doing is tying reality's hand behind one's back. So you cannot develop the DARE Programs and you cannot have solid evidence for, ''Let's say no to drugs.'' All of that grew out of the fact that social scientists and school counselors who knew what was going on, when the parents did not know what was going on—with all due

respect—but regardless of whether the parents did or did not, they would have absolute control whether their child, their son, their daughter would be able to answer that question under this legislation.

□ 1545

So, I suggest that we vote down the gentleman's amendment because all I see is mischief where the thing that is being turned loose is types of illicit behavior that are not discovered, and we cannot develop programs to cope with them, and they need to be coped with, not simply at home, because for some students there is not much home. They need to be coped with in the school system whether we like it or not. There is no question. Society has dumped on the school systems of America many of the problems that society has not been able to handle in the home, in the churches, in the community organizations. Like it or not, that is reality.

I live in a world of reality. I suggest we vote down this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. DORNAN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CLINGER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 131, noes 291, not voting 12, as follows:

[Roll No. 286]

AYES—131

Allard
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Bartlett
Barton
Bateman
Bevill
Bono
Browder
Bryant (TN)
Bunning
Burton
Buyer
Callahan
Canady
Chabot
Chambliss
Chenoweth
Christensen
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Emerson
Everett
Fields (TX)
Flanagan
Forbes
Fox
Frisa
Funderburk
Gekas
Goss
Graham
Gutknecht
Hall (TX)
Hancock
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
King
Kingston
Laughlin
Lewis (KY)
Lightfoot
Linder
Lucas
Manzullo
McInnis
McKeon
Metcalf
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Orton
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Poshard
Quillen
Roberts
Rohrabacher
Roth
Royce
Salmon
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Skelton
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Thornberry
Tiahrt
Wamp
Watts (OK)
Weldon (FL)
Weller
Wicker
Wolf
Young (AK)

NOES—291

Abercrombie
Ackerman
Andrews
Baesler
Baker (LA)
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Burr
Calvert
Camp
Cardin
Castle
Chapman
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cremeans
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dixon
Doggett
Dooley
Doyle
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastert
Hastings (FL)
Hefner
Heineman
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Houghton
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lincoln
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDermott
McHale
McHugh
McIntosh
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Ney
Norwood
Nussle
Oberstar
Olver
Ortiz
Owens
Oxley
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Portman
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Souder
Spratt
Stark
Stokes
Studds
Stupak
Taylor (NC)
Tejeda
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
White
Whitfield
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Coburn
Dingell
Ford
Largent
LaTourette
McCollum
McDade
Minge
Obey
Reynolds
Rush
Torres

□ 1605

Messrs. SKEEN, CHRYSLER, and KIM changed their vote from ''aye'' to ''no.''

Messrs. McINNIS, ROBERTS, STOCKMAN, SKELTON, WAMP, ORTON, WELLER, CRAMER, BROWDER, WICKER, HEFLEY, CRANE, SMITH of Texas, Mrs. SEASTRAND, and Mrs. SMITH of Washington changed their vote from ''no'' to ''aye.''

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there other amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. NOTIFICATION PROCEDURES.

The head of any Federal department or agency which provides funds for any program or activity involving the seeking of any response from a minor to any survey or questionnaire shall establish procedures by which the department, agency, or its grantees shall notify minors and their parents of protections provided under this Act. The procedures shall also provide for advance public availability of each questionnaire or survey to which a response from a minor is sought.

The CHAIRMAN. Are there any amendments to section 3?

If not, the Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. COMPLIANCE.

The head of each Federal department or agency shall establish such procedures as are necessary to ensure compliance with this Act and the privacy of information obtained pursuant to this Act by the department or agency and its grantees; Nothing in this Act shall be construed to foreclose any individual from obtaining judicial relief if requested monetary damages are not in excess of $500.

The CHAIRMAN. Are there any amendments to section 4?

If not, the Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. MINOR DEFINED.

In this Act, the terms ''minor'' and ''emancipated minor'' will be defined under the laws of the State in which the individual resides.

The CHAIRMAN. Are there any amendments to section 5?

If not, the Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. APPLICATION.

This Act does not apply to any program or activity which is subject to the General Education Provisions Act (20 U.S.C. 1221 et seq.).

The CHAIRMAN. Are there any amendments to section 6?

If not, the Clerk will designate section 7.

The text of section 7 is as follows:

SEC. 7. EFFECTIVE DATE.

This Act shall take effect 90 days after the date of the enactment of this Act.

The CHAIRMAN. Are there any amendments to section 7?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BARRETT of Nebraska) having assumed the chair, Mr. KNOLLENBERG, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1271) to provide protection for family privacy, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CLINGER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 418, noes 7, not voting 9, as follows:

[Roll No. 287]

AYES—418

Ackerman
Allard
Andrews
Archer
Armey
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Towns
Traficant
Tucker
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—7

Abercrombie
Collins (IL)
Conyers
Hastings (FL)
Scott
Williams
Wilson

NOT VOTING—9

Bachus
Buyer
Ford
McCollum
McDade
Reynolds
Rush
Torres
Velazquez

☐ 1615

Mrs. COLLINS of Illinois changed her vote from ''aye'' to ''no.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3913, EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR FISCAL YEAR 1995

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, April 4, 1995, to file a conference report on the bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

☐ 1630

REQUEST FOR PERMISSION FOR THE HOUSE TO CONSIDER A CONCURRENT RESOLUTION REQUESTING THE PRESIDENT TO RETURN H.R. 831 AND PROVIDING FOR ITS RE-ENROLLMENT

Mr. DEUTSCH. Mr. Speaker, I ask the House to now take up a concurrent resolution requesting the President to return the enrolled bill, H.R. 831, and providing for its re-enrollment without the targeted tax benefits contained therein. Specifically, those are the benefits that have been reported in the press as $63 million being given to Mr. Rupert Murdoch.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The request is denied. Under the Speakers' guidelines shown in section 757 of the House Rules and Manual, the Chair does not recognize the gentleman for that purpose. The request has not been cleared with the floor and the committee leaderships on both sides.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 1271, the bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection

PARLIAMENTARY INQUIRIES

Mr. DOGGETT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DOGGETT. Mr. Speaker, with regard to the last ruling of the Chair that the gentleman would not be permitted to present his concurrent resolution concerning the tax benefits accorded to Mr. Murdoch, what was the basis for the Chair's ruling? Is it that the majority has not consented to the presentation of this resolution?

The SPEAKER pro tempore. Under the Speakers' guidelines shown in section 757 of the House Rules and Manual, the Chair does not recognize the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I have a parliamentary inquiry.

Mr. Speaker could I take it up as a privileged motion at this time?

The SPEAKER pro tempore. It is not a privileged motion at this time?

Mr. DEUTSCH. Mr. Speaker, could the Speaker cite a rule why it is not considered as that?

The SPEAKER pro tempore. The gentleman has not properly presented a resolution.

Mr. DOGGETT. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DOGGETT. If I understand the previous ruling of the Chair in response to my parliamentary inquiry, it was that this is a Speaker's guideline. It is not a rule; it is a guideline that the Speaker has himself applied to the rules. Is that correct?

The SPEAKER pro tempore. This is an exercise of the Speaker's power of recognition for a unanimous-consent request.

Mr. DOGGETT. I thank the chair.

Ms. WATERS. A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentlewoman will state it.

Ms. WATERS. Mr. Speaker, if it is not a rule and you cannot cite a rule, and you are saying it is a prerogative of the Speaker, is it documented anywhere that the Speaker intended to handle his power in this way?

You may not be aware that the Speaker said that he is adamantly opposed to this tax giveaway to Mr. Murdoch, and that he wishes to do something about it. I do not think you should shut down that opportunity.

The SPEAKER pro tempore. The Chair will cite the rule: Clause 2, rule XIV, from which the guidelines have been determined.

Ms. WATERS. I am sorry?

Mr. DEUTSCH. Mr. Speaker, I would like to appeal the ruling of the Chair.

The SPEAKER pro tempore. The decision of the Chair denying recognition is not appealable.

Mr. DEUTSCH. A parliamentary inquiry, Mr. Speaker. Why is that?

The SPEAKER pro tempore. This a discretionary recognition on the part of the Chair. It is not appealable.

Mrs. SCHROEDER. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentlewoman will state her inquiry.

Mrs. SCHROEDER. Mr. Speaker, would the Chair receive the gentleman's concurrent resolution to put it in the RECORD at this point and see if we can get the Speaker to read it, and maybe we could bring it up tomorrow, get recognition, because we obviously cannot get over this discretionary hurdle that the Speaker has.

Could I ask unanimous consent that we put the concurrent resolution in the RECORD at this point?

The SPEAKER pro tempore. The gentleman may introduce the resolution through the hopper.

Mr. DEUTSCH. I think what the gentlewoman is requesting, Mr. Speaker, is that we have some type of recognition in terms of the Speaker himself, the gentleman from Georgia [Mr. GINGRICH], to actually take a look at it. He has stated publicly that he supports taking out this provision, and we really want to give him the opportunity to do exactly that.

Mr. TIAHRT. Regular order, Mr. Speaker.

The SPEAKER pro tempore. Does the gentleman seek approval to print the text of the resolution?

Mr. DEUTSCH. I think in terms of the gentlewoman from Colorado, the request——

Mrs. SCHROEDER. Mr. Speaker, my inquiry would be since the gentleman in the Chair is the designee of the Speaker at this point, and this is all discretion from the Speaker, but I understand the gentleman in the Chair saying he does not have the Speaker's OK to exercise this discretion, could the gentleman in the Chair take the concurrent resolution and, A, put it in the RECORD, and B, see if we can get the Speaker's concurrence, so the gentleman from Florida [Mr. DEUTSCH] could be recognized tomorrow to bring this up?

Mr. DEUTSCH. Mr. Speaker, if I might——

The SPEAKER pro tempore. Does the gentleman seek unanimous consent to insert the resolution into the RECORD?

REQUEST FOR PERMISSION TO ADDRESS THE HOUSE FOR 1 MINUTE

Mr. DEUTSCH. Mr. Speaker, I ask unanimous consent to speak for 1 minute on the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. TIAHRT. Reserving the right to object, Mr. Speaker, am I to understand that this resolution which we have not seen is going to be printed in the RECORD as if it were condoned by the Chair?

The SPEAKER pro tempore. The request is that it be printed in the RECORD for the information of the House.

Mr. DEUTSCH. And also, further, that we be able to speak for 1 minute to be able to explain the resolution.

Mr. TIAHRT. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PARLIAMENTARY INQUIRIES

Ms. WATERS. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentlewoman will state her parliamentary inquiry.

Ms. WATERS. Mr. Speaker, if you do not have the power by which to grant unanimous consent, acting on the Speaker's behalf, how, then, do you have the power to grant the opportunity for this to be put in the RECORD and to be dealt with tomorrow?

The SPEAKER pro tempore. The Chair can entertain a unanimous-consent request at any time at the Chair's discretion.

Ms. WATERS. But then, Mr. Speaker, you are exercising the discretion of the Speaker, as I understand it, sir, but you do not have the power to exercise that discretion fully? There appears to be a contradiction here.

The SPEAKER pro tempore. The Chair has the power of recognition. The Chair chooses not to exercise it now, under the bipartisan guidelines as suggested earlier.

Mr. DEUTSCH. A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DEUTSCH. Mr. Speaker, was the objection of the gentleman from Kansas [Mr. TIAHRT] to the motion by the gentlewoman from Colorado [Mrs. SCHROEDER]? Therefore, I believe I have the opportunity to seek to address the House for 1 minute, not the issue regarding the printing of the resolution.

The SPEAKER pro tempore. In the opinion of the Chair, it was the gentleman from Florida [Mr. DEUTSCH] who asked for the unanimous-consent request.

Mr. DEUTSCH. Again, Mr. Speaker, I would stand corrected, but I believe the gentlewoman from Colorado [Mrs. SCHROEDER] asked for that request, and it was actually slightly different, both the printing and the attempt to talk. It would actually be the first time this issue was ever discussed on the floor, so it might be an appropriate thing. It is a significant issue.

The SPEAKER pro tempore. Does the gentleman from Florida [Mr. DEUTSCH] have a request at this time?

REQUEST FOR PERMISSION TO ADDRESS THE HOUSE FOR 1 MINUTE

Mr. DEUTSCH. Mr. Speaker, I ask unanimous consent that I be able to address the House for 1 minute on this particular issue.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. TIAHRT. Reserving the right to object, Mr. Speaker, do we not have 5 minutes coming up now where everybody is going to get a turn to speak?

The SPEAKER pro tempore. The Chair will entertain 1-minute speech requests.

Mr. TIAHRT. I object, Mr. Speaker. Let us go to the 5 minutes and continue the business of the House.

The SPEAKER pro tempore. Objection is heard.

FURTHER REQUEST AND CLARIFICATION OF PROCEDURE

Mr. DEUTSCH. Mr. Speaker, I move to adjourn.

Mr. Speaker, I withdraw my motion to adjourn.

Mr. VOLKMER. Mr. Speaker, if I may be heard, I think there was a misunderstanding of what the gentleman from Florida [Mr. DEUTSCH] was attempting to do. I think it would be very helpful, perhaps, if the Speaker would now recognize the gentleman from Florida [Mr. DEUTSCH] and let him renew his unanimous-consent request. I think we can move along.

INTRODUCTION OF CONCURRENT RESOLUTION TO REMOVE PROVISION FOR SPECIAL TAX BREAK FOR RUPERT MURDOCH

The SPEAKER pro tempore. Does the gentleman from Florida [Mr. DEUTSCH] renew his request?

Mr. DEUTSCH. Yes. I do, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. DEUTSCH] is recognized for 1 minute.

Mr. DEUTSCH. Mr. Speaker, I am introducing, along with many Members, I believe, a sustainable one-third vote, a concurrent resolution to take out the provision that gives a special tax break to Rupert Murdoch for $63 million. At a time when we are cutting back on student loans, student work programs, student lunch programs, to do a thing that is just sleazy, it looks sleazy, it smells sleazy, it walks sleazy, it talks sleazy, and it is sleazy, and it is just something that this House, the greatest deliberative body in the world, should not be part of.

We have the opportunity to correct our actions. I urge the House tomorrow, I urge the leadership of this body, the gentleman from Georgia [Mr. GINGRICH], specifically, who has said that he is against this particular provision, let him speak in deeds, not just words.

I do not think there is one person in the entire country that believes that Senator MOSELEY-BRAUN was the impetus. We know that is not how this process works. The Speaker's relationship with Mr. Murdoch is clearly something that has been well documented in the press. I urge the support of both parties with the concurrent resolution tomorrow.

DISCHARGE OF COMMITTEE ON HOUSE OVERSIGHT FROM FURTHER CONSIDERATION OF HOUSE JOINT RESOLUTION 70 AND REREFERRAL TO COMMITTEE ON RESOURCES

Mrs. CHENOWETH. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of House Joint Resolution 70, and that the joint resolution be re-referred to the Committee on Resources.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

PERMISSION FOR CERTAIN COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TOMORROW, WEDNESDAY, APRIL 5, 1995, DURING 5-MINUTE RULE

Mrs. CHENOWETH. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule: the Committee on Banking and Financial Services, the Committee on Commerce, the Committee on Economic and Educational Opportunities, the Committee on Government Reform and Oversight, the Committee on House Oversight, the Committee on International Relations, the Committee on the Judiciary, the Committee on Resources, the Committee on Small Business, and the Committee on Transportation and Infrastructure. It is my understanding that the Minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

Mr. DOGGETT. Mr. Speaker, reserving the right to object, we have checked with the ranking members of each of those committees and subcommittees, and they have agreed to that.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

[Mr. BONIOR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE TAX CUT PACKAGE IS GOOD FOR THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman for Indiana [Mr. HOSTETTLER] is recognized for 5 minutes.

Mr. HOSTETTLER. Mr. Speaker, I rise this afternoon because Americans are overtaxed. Because of this, I support my colleague Mr. ARCHER's bill to lower taxes.

There is a growing realization in this country that we cannot afford to operate on deficit budgets. We spend too much money primarily because we are involved, at the Federal level, in too many things. If we really want to control spending, we must come to grips with the fact that the Government is entirely too big. Day after day, special interest groups file through this city claiming that they understand the need to reduce Federal spending but that their program only costs a little relative to the size of the budget. This reminds me of the chairman of the Council of Economic Advisers' boast that progress is being made regarding the size of the national debt as it relates to the national economy, while the national debt gets larger and larger and larger. These interest groups, and some of my colleagues, are missing the point. Government is too big.

But the mindset that still has a formidable presence in Congress is to see how little in Federal spending we can get away with cutting. Oh, they say, the voters are really mad about the deficit and debt, so we'll have to cut some things, but maybe not too much. Even among Members who say they want a balanced budget, there seems to be a large group that isn't interested in cutting $1 more than needed to do this.

The chief reason why there is resistance to cutting taxes, even among those who campaigned in favor of tax cuts, is that if you cut taxes, but are striving for a balanced budget, you have to cut spending that much more. The current argument against cutting taxes is that it is irresponsible to do so in the face of a $5 trillion national debt. My response is this: We have this debt not because of the tax rate but because of this body's insatiable lust for spending. What is irresponsible is for

us to continue spending like we have. We spend too much because we have developed a mindset that Uncle Sam has to do everything.

I am willing to trade being called draconian and mean spirited by the liberal media and the liberals on the other side of the aisle in exchange for being about to tell my constituents that I voted to cut spending enough to balance the budget. I am willing to tell voters I voted to cut their taxes while at the same time voting for heavy spending cuts. I am willing to do this because I have come to a conclusion after 3 months in this city—the powers that be in this city—and I am not referring to Members of Congress—don't care about the taxpayers of my district. The powers that be in this city don't care about the future of my children. The powers that be in this city don't care about balancing the budget. The powers that be in this city only care about feeding their faces in the Federal trough. As a result, since the powers that be in this city have set their faces against the taxpayers in my district, against the future of my children and against balancing the budget and retiring the debt quickly, I am setting myself against them. So when you tell me that if we cut taxes that means we will have to cut spending that much more to balance the budget, my response is: ''That's the whole point.''

You have heard and will hear from our friends on the left that we're about to repeat the same cycle that brought massive deficits and debt in the 1980's. Let's look at what the Kemp-Roth tax cuts did and what happened to spending at the same time.

Early in the 1980's, President Reagan delivered on his promise of deep, across-the-board tax cuts. Aside from the 20 million new jobs and the longest and largest uninterrupted economic recovery in postwar American history, the tax cuts brought 14 years of increased Federal revenues. Total Federal revenues went from $517 billion in 1980 to $1.1 trillion in 1993. Total individual income tax revenues went from $244 billion in 1980 to $509 billion in 1993. Congress cut taxes considerably and doubled Federal revenues. You can't blame increasing deficits and debt on something that caused revenues to double.

So why did the deficit go up by 250 percent? Because during this same time period spending went up by $800 billion or 130 percent. The increase in spending was $200 billion greater than the increase in revenues caused by the tax cuts. That's why the deficit and the debt went up. Remember this when our friends on the left tell you that cutting taxes will increase the deficit. That's only true if we abrogate our responsibility to cut spending, and I'm not going to do that.

Now, let's remember just what is being proposed here. The American Dream Restoration Act stated that families should receive a tax credit of $500 for each child under age 18. This credit is available to families earning up to $200,000. A segment of that credit is available to families earning up to $250,000.

That there is an earnings limit at all is in itself a compromise. That there is an earnings limit at all—make no mistake about it—constitutes redistribution of wealth, albeit on a small scale.

The opponents of this bill say it is wrong to offer a tax credit to families earning up to $200,000. That means they believe it is OK to exclude these families, no matter how many children they might have, solely on the basis of the fact that they earn more money.

Although these families are just as capable to taking the $500 or $1,000 or $2,000 or $3,000 and investing it or spending it, the mindset on the left says the Federal Government needs that money more and that those families do too well to qualify for tax relief.

Now, this idea to sock it to the so-called rich is nothing new. Yesterday's Wall Street Journal quoted some IRS statistics showing that, in 1992, before the Clinton tax increase, households making more than $100,000 accounted for 3 percent of all tax returns but paid 39 percent of all Federal income taxes. The same editorial notes that households making more than $100,000 reported a total income of $858 billion, of which $512 billion remained after taxes and deductions. If each of those families was forced to pay everything past $100,000 in taxes, which everyone in this Chamber would agree is an asinine concept, the Government would have collected an additional $135 billion in tax revenues, less than half of the budget deficit that year.

The point is that the effort to exclude families because they make more money is simply caving in to the shrill, yet baseless—the much-publicized yet anemic and the intimidating yet foolish cry from the left that the tax credit favors the rich. The fact is, those of us who know the tax cut package is good for the economy should have the courage to vote for a package that includes the provision to give a $500 per-child tax credit to families making up to $250,000, a 50-percent capital gains tax reduction, a front-loaded IRA, a repeal of the Clinton tax increase on social security benefits and an increase in deductions for small businesses. We can do this and balance the budget if we have the courage to cut spending and ignore the special interests that dominate this city.

□ 1645

TAX CUTS

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from California [Mr. BECERRA] is recognized for 5 minutes.

Mr. BECERRA. Mr. Speaker, there is nothing wrong with tax cuts. Obviously, it is great if we can give the American people a tax cut.

Two questions we have to ask, though, are: Is it being done equitably and can we afford to pay for the tax cuts, because somewhere we will have to pay for the loss in revenue.

We have heard Speaker NEWT GINGRICH describe within the contract on America this tax-cut proposal as the crown jewel of the contract. It is a crown jewel all right, but the only problem is you only get the jewels if you are privileged enough in society and can afford them.

The plan gives away billions of dollars in tax breaks and other goodies to corporations and the well-to-do, those groups, the only groups, in fact, that in the 1980's benefited from the trickle-down economics we experienced in that decade. If you do not belong to this group of corporations or well-to-do, the plan not only does not help but you have to pay for it as well.

How will you pay? We have seen a little already. Who takes the hit? School lunch programs, student loan programs, student grant programs for colleges, summer youth employment programs, home heating assistance for seniors. There will be more middle-class programs cut and dismantled over the next several months to pay for these expensive tax cuts.

The capital gains tax cut that we will see by itself benefits, for the most part, those that have incomes in the six-fugure range. Seventy-five percent of the benefits will go to the top 12 percent of Americans in this country. Overall, 50 percent of the benefits go to those who earn over $100,000, 12 percent of the entire population.

Let us take a quick look at a chart that we prepared here to show who benefits but who pays. If you happen to earn $200,000 or more, you are going to get about $11,266 from a tax cut from the Republican proposed legislation. If you earn under $30,000, you can expect to get, over the year, $124 in that tax cut.

If you take a look here, you can see how many people in America earn those different ranges of income. How many people earn over $200,000 a year? Less than 1 percent of the population. Yet they are going to take the lion's share of those tax cuts. How many earn under $30,000 or between $30,000 and $75,000? About 45 percent of the American public.

You can see from this chart how much, close to 50 percent of the American public will get out of these tax cuts. They are not going to the average middle-class family. They are not going to the average family period. They are going mostly to those who are well-to-do.

Why? It is unclear. We have not specified where the cuts will come from, the money to pay for those cuts. We have not discussed how we will somehow make up for the loss in money to pay for school lunch programs, but we do know that those who earn over $200,000 will benefit tremendously from this.

Is it just a Democrat or someone who happens to represent an area that has a lot of middle-class or working-class

people in it that is subjected to this tax-cut bill, Democrat or Republican tax-cut bills? No.

Let me give some quotes from people on the Republican side of the aisle on this tax-cut proposal.

''Most people in my district don't consider someone making over $200,000 middle class.'' Republican from Iowa.

''It's a message that we need to give. That we don't think $200,000 is middle class. Just because everyone signed the Contract With America does not mean that everyone agreed with every detail.'' Republican from Nevada said that.

''I want something that defends Democrats' charges that we are the party of the rich.'' Republican from Illinois.

''There's a lot of concern that if we were to enact all the tax cuts in the Contract With America that it would make it all but impossible to bring the deficit under control.'' The chairman of the Committee on Rules, Republican from New York, said that.

Clearly, what we see here is not a tax-cut plan that will go to middle America. It is a tax-cut plan that removes the minimum protection that we have to make sure that corporations pay any minimum taxes that we passed about 10 years ago because we saw some mega-corporations, transnational corporations getting away without paying a cent of tax.

The Republican proposal that we will have before us this week eliminates that law that requires corporations to pay at least a minimum tax. This is not a tax plan for average Americans. This is not a tax plan that the Congress should pass. This is not a tax plan that the President should sign. This is a tax plan that will go to a few and be paid by many.

Mr. Speaker, I would urge all my colleagues as we debate this measure to take a close look at what we do here today and tell the American people that, before we start talking about tax cuts, let us start talking about deficit reduction.

H.R. 1215, TAX FAIRNESS AND DEFICIT REDUCTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. TIAHRT] is recognized for 5 minutes.

Mr. TIAHRT. Mr. Speaker, today marks a dramatic change in the way Washington sets policy, and the way Congress does business. We have begun discussing a truly revolutionary tax bill. I would like to share with you why this bill, H.R. 1215 the tax relief bill is so important to me.

I want to be clear from the very beginning that this tax relief bill is not about rich versus poor. It's about rewarding behavior which grows our economy, pays off our debt, and keeps the torch of our system of self-governance burning bright.

You know, I was just elected to Congress last November. My wife, my three children, and I have enjoyed a nice life. But, we've worked hard, have been careful with our money, and have planned for the future.

I can still remember growing up on our family farm. As a family we woke up early and worked just as hard then. Like most farm families, our life was tough. But the love and good times we shared around the kitchen table, made all the tough times worth it.

When I hear people talking in this well about the Republicans trying to line the pockets of their rich friends, I think back to my days on that farm with my brother and sisters. I think back to the high-water pants I wore, and tried to cover up with lace-up boots, so no one could see.

President Dwight Eisenhower, a proud Kansan, used to talk about his humble childhood. He said he never realized he was poor when he was a kid, because he didn't know anything else. When I look back on my roots, President Eisenhower's description, I can identify with my fellow Kansan.

It is not despite my humble roots that I strongly support this bill, but because of my roots. This tax cut bill we will be discussing tomorrow is about families, and it is also about rewarding behavior which leads to a better community and a stronger nation.

This tax bill is about aiming at a goal, and trying to attain that goal. This tax bill is about Americans becoming their highest and best.

Americans can do better than to encourage its oldest and wisest citizens to mothball their talents prematurely, just because they reach the age of 65. But, that is exactly what this country does when it discourages productive behavior on the parts of its senior citizen. Allowing seniors to earn more and pay less taxes is reason alone to support this bill.

In fact the entire bill will help to keep this economy growing, and thus making it possible for us to balance our books by 2002. But the part of the bill which I support the strongest is the decrease in estate taxes.

I shared with you my farm background. Family farms are like so many other small businesses. Like my grandparents who worked hard their whole life, and they never felt they had any money. When they died they left the farm. In a sense my grandfather was rich for a day. My parents inherited the family farm. But after they paid all the debts, the notes and the dreaded inheritance tax, it was like they bought the farm from a stranger, the Government.

Is it right in America, a land where the right to own property is a fundamental right, that younger generations have to mortgage the family land to pay the Government's taxes.

Is it fair to burden families with outrageous inheritance taxes, when that capital used to purchase the land has already been taxed once or twice already?

I am proud to support this bill which will increase the estate and gift tax exemption from $600,000 to $750,000. I am also proud that the $750,000 amount will be indexed for inflation from 1998 on.

Anyone who has worked in a family business or on a family farm knows that a value of $750,000 is not large as businesses or family farms go. And oftentimes families are forced to sell the businesses after a death just to pay the inheritance taxes.

Mr. Speaker, families have to deal with enough hardship when a loved one dies. Let's not add to their grief. In fact let's give them a hand, but keeping the hand of government out of their pockets. Let's pass H.R. 1215. It's the right thing for farmers, it's the right thing for small businesses, and it's the right thing for families.

☐ 1700

THE REPUBLICAN CONTRACT: WHO WINS, WHO LOSES?

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, at the end of this week the Republicans will have a celebration of passage of items in their Contract on America in 100 days.

The most important question we need to ask about the Republican contract is: Who wins, and who loses? The breakneck pace the Republican leadership has employed to pass the items in the contract has obscured the answer to this question. I am confident that as time goes on, and the American people are given the time they deserve to consider these measures, they will understand that they will be the losers because their interests are not represented as they were led to believe.

So let us step back for a moment and take a look at these first 100 days. What are the Republicans really selling with the contract, and who is buying?

The Republican leadership moved quickly to tend to the needs of their special patrons: the special corporate interests who have for decades sought relief from their responsibilities for the health, safety, and well being of Americans.

Corporate America's special interests' day has finally come. In their zeal to protect their patrons the Republican leadership and members immediately moved to issue a blanket moratorium on all new regulations of the Federal Government. This blind, unthinking payoff to the special interests did not discriminate between good regulations and bad ones. It did not consider who might get hurt. That of course, was not the point. So this House voted to bring to a halt rules to protect the food supply from deadly E-coli contamination;

rules to protect the drinking water; rules for greater toy safety; rules for workplace safety, and many other regulations issued to protect the interests of average Americans—the public interest.

Well, so what if we suspend all regulations which serve to protect the public health and safety? As American citizens don't we still have the right to control irresponsible corporate behavior through the most democratic institution of all, the citizen jury in a court of law? Well my friends, think again.

As the Republicans in the House take away with one hand, they also try to take away with the other.

Soon after voting to stop regulations that might serve to protect consumers from dangerous products and irresponsible corporate behavior, they rammed through a measure which makes it far more difficult for citizens to secure damages in court for harms they have suffered from dangerous products. Punitive damages, those awards made by juries as a message to stop future irresponsible and negligent behavior of corporations, were capped in the House bill. This takes away the power of the jury and reduces the prospect for punitive damages to just another calculation in the cost of doing business.

And by tying punitive damages to the income of the victim, the Republican sponsors of this bill have sent a clear message to Americans that their worth is determined by how much they can earn. I urge the women, elderly, children, workers, and poor of America to take note of this startling fact. No where else is the real agenda of the Republican contract made more simple and more clear.

Now what about welfare reform? Wasn't that supposed to make changes in a program for the benefit of all Americans—poor and working Americans alike? Well, the Republican leadership chose instead to avoid an honest evaluation of the Federal welfare program: fixing what needs to be fixed and improving what should be improved. They chose to avoid the underlying problems of jobs, health care and child care which beg for solutions. Instead they chose to slash the budget and callously pass the problem along to the individual States.

And yet as they cut $69 billion from programs like WIC and the school lunch program, they refuse our efforts on the Democratic side to ensure that these cuts would go to reduce the deficit, a benefit for all Americans. Instead, they chose to reserve those funds to plug a hole in their tax cut plan for the wealthy. I am sure that many working class Americans who supported welfare reform in the contract will be shocked when they discover who will reap the benefits. It is, of course clear, who will suffer.

It should come as no surprise that we have recently learned that much of the legislation in the contract was actually, literally drafted by professional lobbyists for the special interests. We learned that the Republican leadership gathers for lunch weekly with this small cadre of lobbyists so that they can represent the interests of their clients more effectively.

Well, let me tell you that I gathered for lunch with some VIP's myself last month. They were kids from an elementary school in my district. The young ones—babies 4, 5, and 6 years old—start asking their teacher what time lunch is about 9 in the morning each day. They are that hungry.

Mr. Speaker, If there were a few of these kids in your weekly lunches, and a few less special interest lobbyists—America would be a far better place for everyone.

The tactics employed by the leadership in ramming through anti-people programs have been designed to hide the truth from the American people about what they're really selling in the contract; about who gains, and who gets hurt.

This contract is for corporate America and fat cats, not for the people.

ORDER OF BUSINESS

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Maryland [Mr. BARTLETT].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

SUPPORT FOR A CAPITAL GAINS TAX CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Florida. Mr. Speaker, I rise to speak out in support of our tax package coming before the House to be voted on this week, and Mr. Speaker, I specifically want to talk about our capital gains tax cut. I had a woman in my district who called me in support of our capital gains tax cut, and contrary to what we may hear from our colleagues on the left that this is for rich people, well connected people, fat cats, so to speak, this lady was actually unemployed. She is at home and she is recovering from cancer surgery. And indeed, she is a widow, her husband was killed in an automobile accident 5 years ago. But she called me to tell me that she supports the Republican capital gains tax cut because she has a house that she is putting up for sale and she needs that money to pay her medical bills and to pay for her son's education.

We are going to hear a lot of rhetoric from the left that this capital gains tax cut benefits the rich. But in reality the number of people that it benefits, by and large, are middle-class working people. If you add up the dollars, yes, the dollars suggest that it helps the rich. But if you add up the number of people who are benefiting from it, the vast majority of the people are middle-class working people, people earning less than $50,000 a year.

There is another benefit from our capital gains tax cut which goes totally neglected by the opponents of initiative; it is that the people who benefit from this then appreciate those capital gains and when they do not have to send that money to Washington and they take that money and they invest that money, it creates jobs. It creates jobs for working class people.

There is something much, much better in our economy when you stimulate investment and when that creates jobs than when jobs are created by make-work projects here in Washington. This capital gains tax cut is going to help the middle class, it is going to help working people, it is going to help unemployed people who are looking for work, and I support this tax package.

Mr. SAXTON. Mr. Speaker, will the gentleman yield?

Mr. WELDON of Florida. I am happy to yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Speaker, I would like to point out what the gentleman from Florida [Mr. WELDON] mentioned here just a few minutes ago is demonstrated on this chart. He said that most of the people who benefit from capital gains on an annual year-to-year basis earn less than $50,000 a year. And that is absolutely correct. If you take out the one year when they have gotten the benefit of the capital gain and average all of their other years out, as a matter of fact, 38.4 percent of the people on a year-to-year basis actually earn less than $50,000 a year and 22.4 percent, for a total of almost 60 percent of the people, earn less than $100,000 a year who benefit from the capital gains tax cut that we are suggesting.

So, when our friends from the other side of the aisle suggest that it is the rich folks that benefit, this chart tells a different tale.

Mr. WELDON of Florida. I really appreciate the gentleman from New Jersey sharing that and that chart illustrating the point very effectively.

There is one other thing I want to mention to my colleagues on the left. We are in a competition worldwide with the Europeans, with the people on the Pacific rim. For competitiveness sake we need this capital gains tax cut. If you go to those countries, their capital gains rates are much, lower than ours are. The result of that is capital tends to move out of the United States into those other countries, so if we lower our capital gains rate it will not only create jobs, it will not only stimulate the economy, it will not only help the middle class, working class people, unemployed people looking for jobs, it will also bring foreign investment into the United States which further stimulates our economy, strengthens our dollar which is currently taking a beating in foreign markets.

Mr. Speaker, this bill is good for America, it is good for working-class

Americans, middle-class Americans, unemployed Americans.

Mr. Speaker, I support this bill. I encourage our colleagues on the other side of the aisle to put partisan politics aside and join us in a bill that is good for the whole Nation.

STUDENT LOANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. HILLIARD] is recognized for 5 minutes.

Mr. HILLIARD. Mr. Speaker, I stand before you today to protest the latest calamity that the Republicans have forced upon the citizens of this Nation. Once again, the Republicans are robbing middle-class families in order to offer tax benefits for the wealthy. This trend of the new Republican majority has reached alarming proportions.

Now, the Republicans have targeted college loan programs for cuts to pay for tax breaks to rich special interest groups. The contract on America would drastically cut funding for the Perkins Loan Program, Work-Study Programs, and Supplemental Education Opportunity Grants. Money from all of these programs accounts for over 75 percent of the financial aid that is distributed in this country every year.

If we allow the Republicans to cut funding for college students, the middle class will end up having to pay over $20 million over the next 5 years. This burden is too heavy to place upon the backs of the working families of America, and we cannot allow it.

Our young people are one of our most important resources. No young person who is capable of learning should be denied the opportunity to pursue a higher education.

A good education is crucial for success in this country. Investment in the successful futures of young people is one of our most critical obligations, and everyone must take it seriously. There is no greater cause than investing in the expansion of young minds.

I know that many of this Nation's most prominent citizens arose from humble beginnings, and improved themselves with Government-funded financial aid programs. With higher education costs rising every year, more and more families need a little more assistance in sending their kids to college.

The Republicans want to deny these underprivileged youths the opportunity to improve themselves, even though many of them relied on student loans to finance their own education. I don't know how they can justify taking away one of the best means to improve America's future, just to satisfy the greed of the very wealthy.

President Clinton has stated that he will stand firm against any attempts to eliminate or scale back student loan programs. We, as Democrats, are behind the President in standing up for working families.

Middle-class families work much too hard to have the fruits of their labor taken away for the benefit of the Republican's wealthy contributors.

The Republicans have reached an all-time low with this proposal. I give them and their Contract on America an ''F.''

□ 1715

And for emphasis, I suggest once more to you that if we are to survive as a strong nation, Mr. Speaker, we must educate our youth.

INVESTMENT AND JOB CREATION

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Maryland [Mr. BARTLETT] is recognized for 5 minutes.

Mr. BARTLETT of Maryland. Mr. Speaker, I rise this evening in strong support of H.R. 1215, because it is an investment and job-creation bill.

Let me talk for just a moment about tax cuts in general and what they do. First of all, let me say that tax cuts are not a government giveaway. What the Government is doing is simply taking less of your hard-earned money.

The Federal Government has no a priori right to your money. When they take less of your money, that is not a Government giveaway. It is simply letting you keep more of what is rightfully yours.

Republicans and small business all across the country, indeed, large businesses also recognize that the engine of job growth in America is small businesses. The statistics from our recovery from the last recession are really very illuminating. If you place the companies across our country in categories relative to the number of employees, 5,000 employees and above, and then smaller and smaller until you get down to the smallest companies, and those are with zero to four employees, the new jobs that were created in recovery from the last recession, a tiny percentage of those were created in the companies that had 5,000 employees and more. No company below that, no group of companies below that, increased their work force at all. It relied on the smallest of these groups of companies, the zero to 4 employees. There more than 90 percent of all the new jobs were created. This makes it very apparent that capital investment, capital for small businesses is very, very important in our job force, particularly so when we are trying to recover from a recession.

I sit on the Small Business Committee, and I have been impressed over and over with witnesses there how important, how important venture capital is. Regrettably, the Federal Government has in the past, and we are correcting that, the Federal Government has been playing the role of investment banker. It has been taking the hard-earned dollars from American workers and trying to make choices of who will succeed and who is not likely to succeed in the business world. They have not done very well at that, because it is not a proper function of government.

We do need money for small business, but this money should not be controlled by the Government. Our oppressive tax structure, after a business finally even gets enough money to get started, our oppressive tax structure penalizes people for success in the business.

We had one witness in the committee which told of a friend of his who had a company of over 100 people. The Government was taking more than about half of the money that his company made, and if he was able to save the rest of it, when he went to pass it on for his children, the Government would take more than another half of it. So his children were going to get about 20 cents of each dollar that he earned now. He did not need the company and all of the headaches and the Government harassment, and so he quit. There were 100 people out of work, because there was no incentive for him to continue to work.

We need to lower this oppressive tax structure.

Mr. SAXTON. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT of Maryland. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Speaker, I would just like the gentleman to yield on the point he is making about Government taking a bigger and bigger bite out of people's pockets and a bigger and bigger bite out of national income.

This chart demonstrates, beginning in 1930 when the Government took 12 percent of national income, to 1940, when the Government consumed 25 percent of national income, to 1960, when it consumed 32 percent of national, all the way up to 1990 when local and Federal Government consumed 42 percent of national income.

What the gentleman is saying correctly and very articulately is that this bill is about trying to turn this around so national income is consumed less by the Government rather than more each decade, as we see is evident on this chart.

I thank the gentleman for making that point.

Mr. BARTLETT of Maryland. Thank you very much. If you continued that, last year, May 27 was tax free day. That is more than 42 percent. But we were not through yet supporting Government, because between May 27 and July 10, every person in America who worked spent all of their money, all the money they made went to pay for unfunded Federal mandates, so the cost of total Government last year took all of the income of all working Americans up until July 10.

This is a tax burden that we cannot bear.

Just a word, in closing, about the capital gains tax. By statute, CBO cannot dynamically score a tax cut. They must statically score it. What that

means is all of those capital gains tax reductions will certainly create jobs and increase revenue to the Government. They cannot score it that way, but everyone who studies this knows a capital gains tax cut is a real winner for everyone.

INTRODUCTION OF THE VETERANS HEALTH CARE REFORM ACT OF 1995

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. EDWARDS] is recognized for 5 minutes.

Mr. EDWARDS. Mr. Speaker, the Congress has a long record of support for America's veterans and for the VA health care system on which so many veterans depend.

That system, like health care delivery generally, is facing an era of challenge and change. A critical factor for both the private and public health sectors, of course, is the high cost of health care delivery. Managing within a fixed budget, the VA has long been a cost-conscious provider of care. In recent months, however, VA's leadership has initiated additional reforms aimed at achieving more efficient service delivery.

We continue to press the VA to streamline and improve its delivery of care. We also recognize, however, that the Department operates within a statutory framework which from time to time needs revision. It has become clear to me that at least one key element of VA benefits law no longer serves the veteran or VA effectively. Specifically, the laws governing eligibility for VA care have become archaic and need to be modified. Those laws—some reflecting medical practices of years ago—make it easier to get costly hospital in-patient care than routine outpatient treatment. As a result, VA facilities often face the choice of denying a veteran routine outpatient treatment, providing that treatment illegally, or hospitalizing the individual to circumvent statutory limitations.

There is relatively broad consensus that enactment of health care eligibility reform is a top priority. Veterans have been urging Congress to enact a law which would guarantee comprehensive health care coverage, including long-term care, to service-connected, low-income, and others with a high priority to VA services. We attempted to achieve that goal last session as part of the broader pursuit of national health care reform, but were ultimately unsuccessful. I do not believe the prospects for that kind of comprehensive legislation have improved.

In my judgment, we can best achieve our common goals for VA eligibility reform incrementally. The reforms proposed in the Veterans Health Care Reform Act of 1995, which I'm introducing today, are incremental, but they are also important. My bill would for the first time eliminate barriers to routine outpatient treatment, and make medical need rather than a questionable legal test the basis for determining whether a patient requires hospitalization or a clinic visit. The changes would not only make VA eligibility rules more rational, they would expand the benefits available to most veterans. Under current law, only a limited group of veterans—those 50 percent or more service-connected disabled—are assured of receiving comprehensive outpatient treatment. The bill calls on VA to manage resources so as to provide comprehensive outpatient treatment, as well as hospitalization, to a much broader spectrum of veterans, including those receiving compensation for a service-connected disability, former prisoners-of-war, World War I veterans, and lower income veterans.

Although I believe VA medical care merits a greater percentage of discretionary funding than it receives, the bill's proposed expansion of eligibility does not depend on additional appropriations. The bill instead envisions that the VA will shift care from its hospital wards to its outpatient clinics, and with the shift free up resources. Studies have found that some 40 percent of episodes of VA hospital care could more appropriately have been provided on an outpatient basis. In part, the problem is that VA facilities have more hospital bed capacity than they need, but not enough space and staff devoted to providing outpatient treatment. The bill would reverse that. It would provide VA a means to expand its outpatient treatment capacity by permitting the Department to retain for these purposes third-party collections above the Congressional Budget Office baseline level.

Let me stress that this bill is an important step forward, and a step on which we can build in the future. While its provisions would only have effect for a 3-year period, its implementation will provide the kind of data and experience VA and the Congress need for the still more comprehensive reforms that veterans seek and deserve.

DISTORTIONS ABOUT THE TAX REDUCTION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DOOLITTLE) is recognized for 5 minutes.

Mr. DOOLITTLE. Mr. Speaker, many of us are looking forward with greater anticipation tomorrow to passing what is a most significant provision of the Contract With America. That is the tax bill with all of the attendant benefits for families throughout the United States.

We have heard much talk from the other side about benefiting the rich, gross distortions of what this bill actually does, and a constant reference to the rich or to really utilizing a technique, if you will, of class warfare.

Mr. Speaker, I just would like to point out the Constitution of the United States and the writings of the Founders of this great country make no mention of class or income level. Indeed, the Declaration of Independence proclaims that all men are created equal, which means that all men and women stand equal before God in their entitlement to exercise their inalienable or God-given rights of life, liberty, and the pursuit of happiness.

We all know that the American family is overtaxed today. In fact, Americans are overtaxed, paying a higher percentage today in taxes than at any time since World War II, and we are not in a war right now, Mr. Speaker. We are fighting for survival against the Government which seeks to regulate and tax out of existence the very Americans who provide for its support.

Now, we hear from many critics on the other side the idea that we ought to sacrifice in essence for Government so that Government can tax the people's money, bring it back here to Washington, run it through the bureaucracy and trickle it back down again out to the end recipient.

Study after study shows that we lose between half and two-thirds of every tax dollar that is taken in that fashion. That is a gross waste of resources and a burden on Americans that we can no longer afford. We are making a start to turn that around with this very important piece of tax legislation tomorrow which cuts taxes for everyone.

I would just like to reference a chart that shows the effect, for example, of the capital gains tax cut where we are constantly criticized for benefiting the rich, and I would just like to reference this chart prepared by the Bureau of National Affairs which indicates that the distribution of tax returns reporting a capital gain with income measured as the adjusted gross income minus the capital gains, and you can clearly see that 70 percent of the returns filed claiming capital gains are for people whose incomes, adjusted gross incomes, are under $50,000, 70 percent. For those with adjusted gross incomes of over $200,000, only 2 percent filed such returns.

So do we all benefit from these capital gains provisions? Yes, we do. And by the way, the distribution of the benefits for the $500-a-child tax credit is roughly in similar proportion to what we see here with the capital gains.

Again, the vast bulk of the benefits go to people of middle incomes. But again we are changing the tax provisions to say children have value and whether you are rich or poor, we as a government are going to recognize that with a $500 per child tax credit. It is right in the philosophy of a man who as a good Democrat, President John F. Kennedy, who proclaimed ''A rising tide lifts all boats.'' That is the philosophy of the Contract With America. We believe in restoring competitiveness to our economy. We believe in increasing the rate of economic growth. We believe in increasing the savings rate of individuals, and we do that in this tax

bill by changing the provisions relative to IRA's, individual retirement accounts, so that all people have an incentive to put some money away for a rainy day and when they do that, after 5 years, they can take it out tax-free.

That will create the incentive that Americans need to begin saving once again. The whole basis of this country, the free enterprise system, is based on incentive.

In the Contract With America we restore that incentive.

I look forward to that very important bill tomorrow.

BACK TO THE FUNDAMENTALS ONCE AGAIN

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 5 minutes.

Mr. POSHARD. Mr. Speaker, I love baseball. Growing up in farm country in southern Illinois, I always managed with my cousins to start the baseball season this time of the year with some pickup games, and I dreamed of the time that I could become a baseball coach. I went into the Army when I was 17, and I got out at age 20 and started going to the university. I got a bachelor's degree in physical education and became a baseball coach. I started coaching in a small rural high school. After the basketball season had ended my first year of coaching, it was only a few weeks' time that we had to get into the baseball season. In between that and the April showers we did not have much practice time. Lo and behold, the kids had not had the privilege of playing in Little League or Pony League or Legion Ball, so they knew nothing about the fundamentals of baseball.

In our first game of the year we were playing another team in a nearby community. We were behind 9 to nothing in the bottom of the 5th inning. In high school ball there is a 10-run rule. If you are behind 10 runs at the end of the 5th inning everybody goes home. They make the assumption you are not going to catch up; the game is over.

So the opposing team had the bases loaded and nobody out. If the kid on third base scores the game is over and we all go home. So I walked outside the dugout and yelled to my men in the infield. I said, ''Okay, men, let's bring the infield in for the play at the plate.'' I turned and walked back to the dugout and every single kid on the infield followed me straight into the dugout. Well, I was shocked. Derisive laughter came out of the stands. People were guffawing their heads off. I chewed my kids out. But the truth is, on the way home I got a guilty conscience. You see, it was not their fault that I had not taught them a basic fundamental of the game, how to bring the infield in and throw the guy out at the plate. It was my fault. I had forgotten to teach the fundamentals. I want to tell you in this last baseball strike here lots of fundamentals were forgotten, mainly that baseball is a game. But let me tell you about a labor-management dispute that is not a game.

In my district the United Paper Workers, the United Auto Workers, the United Rubber Workers have been in the midst of a labor-management dispute for some as long as 2 years. These are people that will never make a million dollars in their entire lifetime.

They are not cry babies. But their babies are crying. No jobs, less food on the table, no health insurance. These people do not labor in high-paying, hero-worshipping jobs in right field or center field or even the infield. They labor in coal fields and cornfields and wet-milling plants and making rubber tires and making heavy equipment, tough jobs.

When their complaints of unfair labor practices were filed, some as long as 2 years ago, no one expedited their case in the National Labor Relations Board. When their employers locked them out in the case of the rubber Workers permanently replacing them because they wanted the same contract as this Japanese-owned corporation that their counterparts had received from American companies, no Federal judge said a word. Why? Is their labor less worthy? Are their families less important to the welfare of this country? How can we be so out front for people making $4 million or $5 million a year and so reluctant to help people making $20,000 or $25,000? I know unions are not in favor today. But I grew up in coal-mining country. I saw young men go down into the mines and come up, at 35 years of age, with black lung and die and leave their families with nothing, until the UMWA organized. I saw the working conditions change so that accidents did not take hundreds of lives.

Mr. Speaker, Mr. President, I am not asking for the administration or the Congress to take sides in this labor-management dispute, but I am asking that the same sense of urgency and concern be given to the working people of this country.

Let us not forget the basic fundamentals of what built this country: Respecting people's work and expecting that their government will go to bat for them no matter their station in life or their position of power and influence in this country.

PASS H.R. 1215

The SPEAKER pro tempore. Under a previous order of the House the gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to support an increase in the Social Security earnings limit and to ask for the repeal of the Clinton tax hike on Social Security benefits. Both are included in H.R. 1215.

Mr. Speaker, the Social Security earnings limit is an unfair and detrimental burden on all senior citizens who find it necessary to work. A fixed Social Security income alone, or a planned savings program designed to supplement income during retirement, does not in any way provide sufficient financial security for senior citizens to live in the current world of rising prices. Moreover, and equally important, after being accustomed to bring in the work force for various decades, retirement leaves many seniors with a feeling of worthlessness and a lack of identity, hence there need for employment.

Unfortunately, Mr. Speaker, instead of repealing the earnings test which he once felt was punitive, President Clinton failed to even increase the earnings limit. Last year, his Social Security Administrator testified that only a $1,000 increase was possible.

Under current law, senior citizens lose $1 in Social Security benefits for every $3 they earn above $11,280.

The earnings limit translates into an added effective tax of 33 percent, combined with a 7.65-percent FICA withholding tax, and a 15-percent Federal income tax. This combines into a preposterous effective marginal tax rate of 55.65 percent—twice the tax rate of millionaires. This, Mr. Speaker, is outrageous, because it keeps people from working and I feel that no one person should be discouraged from working or, worse yet, penalized for trying to be financially independent. That is why I favor H.R. 1215, which eliminates the bias against older Americans who continue to work in order to help themselves and to create a better future for all.

This legislation phases an increase in the earnings limit to $30,000 by the year 2000 and allows seniors to earn $4,000 more each year.

An increase in the earnings limit is synonymous with positive benefits for senior citizens and for the overall welfare of this Nation. An increase in the earnings limit will provide for increased economic growth resulting from the wealth of expertise gained from seniors who possess decades of workplace experience, not to mention a strong work ethic, punctuality, and flexibility. We need the expertise and manpower that our seniors provide, in addition to the billions of dollars in the annual output of goods and services which their manpower renders.

The implementation of the earnings limit is a complicated procedure which requires that seniors produce estimates of their earnings for the upcoming year so that the Social Security Administration can reduce their checks. Any incorrect estimate, however, translates into a lump sum reduction in benefits or, worse yet, increased costs for these seniors if they have to employ tax accountants to determine the changes in their tax rates.

As if these limits to earnings were not enough, Mr. Speaker, current tax laws serve to place even harsher penalties on America's seniors, specifically those who continue to work, be it

for financial or emotional reasons, beyond the age of 65. By requiring America's seniors who earn more than $34,000 as individuals, or $44,000 as couples, to pay income taxes on 85 percent of their Social Security benefits, the 1993 Clinton tax hike on Social Security benefits placed a heavier economic burden on millions of middle- and low-income senior citizens.

The bill repeals the Clinton tax hike in a 5-year period. By the year 2000 the percentage of the tax on Social Security benefits will be lowered to 50 percent. This was the amount originally in effect before the 1993 tax increase. H.R. 1215 is designed to grant tax fairness for millions of American families and, more importantly, for those who have made this country what it is today, our elders.

By increasing the earnings limit seniors can receive, and eliminating the 1993 tax hikes to which they are exposed to, this legislation will serve to lift the financial burden of our older Americans and will grant them a feeling of usefulness and contribution as the continue to produce in the workplace.

WHAT ARE OUR PRIORITIES AS A SOCIETY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. WARD] is recognized for 5 minutes.

Mr. WARD. Mr. Speaker, I am proud to join my Democratic colleagues today in speaking out against the proposed cuts in student loans offered under the Republicans' rescission package. Now let me hasten to point out that I am not saying, as you may have heard some Members of the other party say today, that Democrats just want to tax more. It is not a question of taxing more, it is a question of what is going to be cut? It is a question of what are our priorities as a society?

As we have seen in these rescission programs, the priorities that have been reflected in the cuts that have been made are not the priorities that I was elected to Congress to talk about or to promote.

I want to mention one thing that is particularly of concern to me today. This concerns this body, that as a body we should have a rule, as we did in the State of Kentucky where I served in the Legislature, that any conference committee change of a bill has to be explained on the floor of this House.

What we have seen, ladies and gentlemen and Mr. Speaker, is a change in a very simple bill, a simple bill that was passed by a wide margin in the House and in the other body, but with little differences. Those differences were worked out in a conference report. That conference report had the power to add things that were never discussed in either the House or the other body. But with that power what they did in this case was to add one tax break for one very rich individual named Rupert Murdoch. This tax break, one of 17 that were proposed, relating to the Federal Communications consideration of purchases of minority enterprises, sales to minority enterprises, a tax break that will mean tens of millions of dollars in money directly to that corporate empire, which was not told to us on the floor of this House when it was brought up.

As I say, in the State of Kentucky, there is a specific rule, a requirement that a change of that nature has to be raised on the floor. Had it been raised, Mr. Speaker, there would have been cries of foul from one side of this floor to the other. Had it been raised the bill would have been changed on the floor or defeated and sent back to be changed before it was brought back before us.

□ 1745

So today I have urged the President to veto that bill, veto that bill because, while it does offer an important tax break to small business people who buy their own health insurance, that is something we can do in an hour and a half after the veto.

Ms. MCKINNEY. Mr. Speaker, will the gentleman yield?

I am so glad that the gentleman is talking about this.

Now I have got a newspaper article here from the New York Daily News where Mr. GINGRICH says, ''I'm against affirmative action for rich people,'' and he was urging the repeal of this tax break.

Now I am also further reading here that the exception cleared by the House leaders was so tightly crafted that, by rearranging the dates in the legislation, it hands the break only to Murdoch.

I ask, ''Can you believe that we were duped just like that?''

Mr. WARD. I appreciate the gentlewoman from Georgia making that point because what it shows is that it is business as usual.

I am a freshman Member; the gentlewoman from Georgia is a sophomore Member. We were sent here to do things differently that work. We were sent here to change things.

Ms. MCKINNEY. We abolutely were.

Mr. WARD. I yield again.

Ms. MCKINNEY. We were sent here to change things, but, as it stands, nothing is being changed. These people are going too far, the Gingrich revolution has gone too far in the special interests category, benefiting one person, and I cannot believe that we began this hundred days with a discussion about NEWT GINGRICH and Rupert Murdoch with their arms entwined, and now here we are ending this hundred days. What? With the same discussion, about the gentleman from Georgia [Mr. GINGRICH] and Mr. Murdoch with their arms entwined again.

Mr. WARD. Mr. Speaker, I thank the gentlewoman, and the point I want to make is, ''If you're going to give up this kind of revenue to the Federal Government, what are you going to cut to make up for that revenue,'' and that is what we have seen, especially in the student loan program.

H.R. 1215 WILL RESULT IN A BALANCED BUDGET BY 2002

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from New Jersey [Mr. MARTINI] is recognized for 5 minutes.

Mr. MARTINI. Mr. Speaker, I am pleased to report that when H.R. 1215 comes to the floor, the tax relief bill this week, it will now contain language that clearly states that the tax cut provisions in the bill can only become law as part of legislation that will result in a balanced budget by the year 2002. This provision certainly strengthens the bill and clarifies and reinforces our party's commitment to balancing the budget as well as providing tax relief to the American people. I intend to support the rule and H.R. 1215 and urge the support of all of the Members of the House.

As a freshman this year, this past fall I also ran on a platform committed to reducing the deficit, reducing the size of the Federal Government and, ultimately, balancing the budget, and I think that point of view was shared by the majority of the Members of this House.

Looking at the bill, H.R. 1215, in anticipation of this upcoming vote this week, as originally reported from the committee, it did not contain, in my opinion and in the opinion of several others who have worked very hard in the past week to bring this language to the bill, my colleagues, the gentleman from Delaware [Mr. CASTLE] and the gentleman from Michigan [Mr. UPTON]. In reviewing that bill it would appear to us it did not contain the type of safeguards that deficit reduction would not take place to passage at the cost of the promised tax cuts.

As a freshman going through one rescission bill in the past, a month here as a Member of the House, I quickly began to realize that, faced with the tough decisions, how difficult it is to bring a majority to reducing the size of government, to making government more cost effective and to bringing about the deficits that we so direly need to balance the budget.

We certainly have a responsibility to the American people to take the additional step of tying the tax cuts directly to the passage of budget reconciliation legislation that will balance the budget by the year 2002.

I am pleased to say, as well, our leadership has agreed this requirement in this language should be included in the tax bill that we will be voting on this week. I would like to take a moment just to briefly explain what the three provisions of this language are.

First and foremost, it assures us that there will not be any implementation of a tax package that we vote on this

week unless and until this House later this year puts into place a balanced budget or a budget that reflects that we will reach a balance in the year 2002. It further provides, No. 2, a mechanism by which we can focus on that process each year from now until the year 2002, and in the event we do not reach those deficit reductions anticipated for each year, each Budget Committee of the respective Houses of Congress would report to the Congress of policies and recommendations to get us back on to that glide path, but, most importantly, Congress would then have to incorporate those policies and recommendations in that year's annual budget resolution. So there is some teeth to this provision that will force the Members in Congress, as a body, to each year look at the glide path to reaching a balanced budget by the year 2002 and to take the necessary actions to incorporate those provisions into that year's annual budget resolution.

The third part of this, I think, is important because to ensure the responsibility for balancing the budget, as is articulated by all of us here, including the executive branch, that process should be shared by both the legislative and the executive branches, and the third part of the language that will be included in the tax bill will require the executive branch annually to submit, in addition to his proposed, to the executive's proposed, balanced—proposed budget each year, should it not be balanced, the executive branch will be required by this language, as well, to come up with an alternative budget that will reflect how he would or she would envision reaching a balanced budget by the year 2002.

In closing Mr. Speaker, we strongly believe that these provisions strengthen and improve H.R. 1215. In my opinion they will lessen the prospect that each Member of Congress, when faced with the tough deficit reduction decisions that we will have to make later on in this year, that each Member of Congress will not blink in the bright lights of those decisions, but rather will go forward in making those decisions, understanding that, in addition to the good fiscal policies that this bill will now reflect, there will also be a vested interest in the American people to obtain the much needed tax relief that they so rightly deserve. We will make tough spending cut decisions before tax cuts go into effect with this language included in the bill.

In closing, Mr. Speaker, this provision is good policy and is fully consistent and supportive of the Contract with America in providing the necessary tax relief that the American people so rightly deserve. We will support the rule and the bill and recommend its support by other Members of Congress.

REPUBLICAN TAX CUTS—POLITICIAN'S DREAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

Mr. DURBIN. Mr. Speaker, during the course of the next 24 to 48 hours there will be an extensive debate on the floor of this House of Representatives about a tax cut bill. Talk about a politician's dream, to stand up in front of the American people and say, ''Guess what? I've got a tax cut for you.''

Mr. Speaker, people applauded. They say, ''You're the greatest elected official in the world. How can you be so generous and so kind?''

Well, there will be some of us who will be questioning this tax cut, and you say, ''Wait a minute. Why would any politician in his right mind question the idea of a tax cut? Don't you want to promise people you're going to cut their taxes?''

Well, of course we do, and there are a lot of deserving people in America who should have their taxes cut, but unfortunately the Gingrich Republican tax cut bill is not a fair bill for this country.

First let me tell you this:

This year we have a $190 billion deficit, $190 billion more that we will spend than we take in. This tax cut proposed by the Gingrich Republicans is going to add about another $190 billion more to the national debt over the next 5 years, and, over 10 years, $630 billion more to the national debt. Why are we doing this at a time when we are cutting school lunches and other programs because of deficits? Why would the Gingrich Republicans want to give tax cuts away and add to the deficit, require us to cut even deeper into spending for education and for school lunches? Well, let me tell you why.

Take a look at what this tax bill does. It tells the whole story. Who is going to get the benefit of this tax cut? Working Americans? Folks who get up every day, pack the lunch box, punch the clock, drop the kids at day care, do the things you have to do? They will get a little bit, but look who the real winners are. Take a look at this chart. Who benefits from the Republican tax bill?

Under a $30,000 income, if you happen to have a family, making under $30,000, your average cut for your family is $124, $2 and, what, 80 cents a week or so? And then take a look. From 30,000 to 75,000, $760; 75,000 to 100,000 thousand, $1,572. Hang on to your hats, folks, when you get over $100,000. From 100,000 to 200,000 the Gingrich Republicans want to give you $2,465 in tax breaks, and the superrich, the privileged few over $200,000, $11,000 tax break, an $11,000 tax break to folks making over $200,000 a year?

Pardon me; what did I miss here? We are in a deficit? We are cutting school lunches? We are cutting back on student loans? We are reducing money for schools and education for our future so that folks making over 200 grand a year can have an $11,000 tax break? That does not make any sense.

Let me yield to my colleague from Texas.

Ms. JACKSON-LEE. I thank the distinguished gentleman from Illinois [Mr. DURBIN], and I think what you have just highlighted is a lot of smoke and mirrors. I am confused, and I am asking the same question. You know, we get labeled a lot, liberals and conservatives, conservatives and liberals. The idea is to come here and represent the American people.

I say to the gentleman, You made a good point. People are excited about a child tax credit. Do you realize that 40 percent of the children getting this tax credit are the children of the wealthy, and yet those low income family children will benefit only 3.5 percent?

Then they talk about the marriage penalty. I have had good working people sit in my office, labor folk who work every day. They simply say, ''Give us a living wage, give us a job. We'll work with this country. We just want to send our kids to school. We just want to make sure they've got a good meal.'' And yet, when we think about the marriage penalty, let me tell you what it actually does.

The provision would only help 14 million of the 30 million couples who experienced a marriage penalty. In addition, the average benefit is only $145 per couple, and the penalty is far more than it is in terms of what we are getting as a benefit, and yet the smokes and screens tell us that we are getting a great benefit for the American people.

I am wondering, What's the rush? What's the rush? This does not account for the 1995 taxes. We need to deliberate and begin to talk about bringing down the deficit because we are going to lose $650 billion in revenue with this kind of tax cut.

Mr. DURBIN. Let me tell the gentlewoman she has hit the nail on the head. The reason why there is a rush is the folks making over a hundred grand a year are going to need $2,465 in tax breaks under the Gingrich Republican bill, and the folks over 200 grand, 11,000. Well, I want to suggest to you, Let's make a deal, and here is the deal, a bipartisan approach, Democrats and Republicans together, and here is what I would like to suggest:

One hundred and six Republicans wrote to Speaker GINGRICH and said, ''This is embarrassing. It is embarrassing to be giving this kind of tax break to people at a time when we have a deficit and we're cutting school lunches, student loans.'' And 106 Republicans said to the Speaker, ''Why don't you cut it off at $95,000? If the families making $95,000 or less, let's give them the tax break for their kids. Don't give it to the superrich, the privileged few.''

Well, those 106 Republicans stood up to Speaker GINGRICH. They made a proposal we can do business with. Let us

get Democrats and Republicans together in a bipartisan way helping real working families.

DEMOCRATS NEVER SEE A TAX CUT THEY LIKE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Washington [Mrs. SMITH] is recognized for 5 minutes.

Mrs. SMITH of Washington. As my colleagues know, it does not surprise me that the gentleman from Illinois [Mr. DURBIN] does not believe this is a time for a family tax cut. Until 6 months ago, I was not planning to come here. I was a write-in candidate, and I was sent by a blue collar Democrat district who said, ''We have had it with Congress. We're going to replace the person who is here who has never seen a tax cut she liked either,'' and they replaced her with me after I had passed a measure in our State that said no more tax increases without a toll of the people, after we had put our State on a budget of no larger budget increases than population and inflation. And guess what? They sent us a message, and they sent us a message because my colleagues who were here on the Democrat side have never in 42 years of being in control seen a middle-class tax cut that you liked.

Let me tell you my other profession, and I do believe politics can be a good profession, we can make it that, my other one, though, is preparing tax returns and helping people with their tax planning.

□ 1800

For many years that is what I did for a living. Next April, let me tell the families that I worked for and helped plan their taxes what is going to happen on their taxes, and it will remove the rhetoric of the percentages and the crud that you have been hearing from the other side.

If you have two kids, I am going to say you got a $1,000 bigger refund because you got those two kids than these folks that have been fighting and giving you all the rhetoric from the other side.

You pass this tax cut, it is $1,000 in you pocket. You can fix the old car, you can take the kids to Disneyland, it is money in the bank if you have two kids.

Now, if you have three kids, you get $1,500, and you need to also know that most kids are middle class, they are people right in the middle, mom and dad are working, they are under $100,000.

This rhetoric about it going to the rich means if some rich person happens to have a kid, they get $500, too. Now let me ask you, if I line up six kids here, are you going to tell me one of them is not worth $500 and the other five are?

Mr. SAXTON. Will the gentlewoman yield to me?

Mrs. SMITH of Washington. I would be glad to.

Mr. SAXTON. Mr. Speaker, the gentlewoman just made a point that most families that are going to benefit from the $500 tax credit are middle class, and that is, in fact, absolutely correct. This chart shows graphically just how that works out.

As a matter of fact, according to this chart, which comes from the Tax Foundation, who will get the contract's $500 per child tax credit, it shows clearly that 85.5 percent of the people who will get the tax credit, the family earns less than $75,000 a year as the gentlewoman correctly pointed out, and that those over $75,000, there are only 12.5 percent who will benefit from the tax cut.

Mrs. SMITH of Washington. So it does not go to the rich unless some of us in the middle there are in the rich?

Mr. SAXTON. I said the families that make $75,000 a year, perhaps the one spouse makes $40,000 and the other spouse makes $35,000 a year, that to most people today would be considered to be a middle-class family.

Mrs. SMITH of Washington. So that family next April when they come in and have their tax return done, that family is going to get $500 off their taxes per child.

What was the rate? You know, I had heard it but I cannot remember. What was the rate? In 1948 I do know it was 2 percent of the family income went to Federal tax. I know it is somewhere around a quarter now. Do you know what that is now?

Mr. SAXTON. Well, on average today the total amount that government takes out of a family's budget is well over 40 percent.

Mrs. SMITH of Washington. And the Federal takes quite a bit?

Mr. SAXTON. This is an attempt to get back to what it was at an earlier time before inflation eroded the exemption that we have for members of our family.

Mrs. SMITH of Washington. Well, you know, I think it is just about time——

Mr. HOKE. Would the gentlewoman yield for one question?

Mrs. SMITH of Washington. I would be glad to yield.

Mr. HOKE. Does not what this chart reflect or prove is the central problem that we have got with taxation, and that is this chorus that you hear over and over and over which is to say, tax the rich, tax the rich, tax the rich? The problem with it is that there are not enough rich people to actually make the difference that they want to make.

The reason that we have a tax burden that is strangling this country is because there are too many taxes on middle-income working men and women, that is the problem. If we could go further, we would. That is the solution in easing the burden on the middle class.

Mrs. SMITH of Washington. That is right. I think when we do it tomorrow the American people are going to be tickled.

SUPER-WEALTHY GAIN AT EXPENSE OF COLLEGE STUDENTS

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, in the coming days, pundits and politicos will take to the airwaves to grade the Republican Contract With America and the first 100 days of the 104th Congress. But, how you grade the Contract With America all depends on where you're sitting:

For instance, if you're a billionaire tax evader sitting on a Caribbean beach somewhere, give the contract an A+, because Republicans have preserved the tax loophole that allows you to renounce your citizenship and avoid paying taxes.

And, if you're a lobbyist or a corporate special interest sitting in a wood-paneled boardroom, give the Contract an A+, because it eliminates that pesky corporate minimum tax and rolls back health and safety regulations.

But, if you're a senior citizen sitting in your New England apartment, the contract gets a failing grade, because it cuts your heating assistance for next winter.

If you're a elementary school student sitting down to a reduced-price lunch in the school cafeteria, the contract gets a failing grade, because it cuts school lunch and deprives thousands of children the one balanced meal they get all day.

And, if you're Victoria Dunn, a mother and college student who I met last week, the contract fails you twice.

Victoria, a 37-year-old student who also has a daughter who is a college freshman, came to a student loan forum I sponsored on Friday in my district. She came because Republican cuts in student loans threaten both her's and her daughter's education.

''I'm scared to death about this,'' she told me. ''God forbid this happens and I can't finish my degree. It's my hope for my future.''

In Connecticut, the Republican proposal would increase the cost of a college education by $4,547 per student. Nationwide the Republican proposal represents a $13 billion cut that will result in the largest increase in colleges costs in history. That's an increase that will end the dream of a college degree for many students in my State. Students like Victoria Dunn.

How you rate the first 100 days of the Republican-led Congress, all depends on your perspective. If you happen to be a lobbyist, a millionaire, a billionaire, or a corporate special interest—you're a winner. But, if you happen to be a child, a senior citizen, a student or a middle-class family, unfortunately, you lose.

I would now like to yield to my colleague from North Carolina, Mrs. CLAYTON.

Mrs. CLAYTON. I thank the gentlewoman from Connecticut for yielding.

Mr. Speaker, there are winners and losers in this tax bill. Americans should know, making the tax bill fair to Americans and who wins and who loses in that should be reemphasized. I just want to ask the gentlewoman from Connecticut, who do you think really are the big winners in this again? I understand that we are saying this is going to be tax relief all America is going to benefit from. The gentlewoman who spoke earlier said that when next tax time comes, who will be the great winners in this? Will it be the average American who is under the $50,000 or will it be those who are working every day trying to send their kids to school, or will it be the very poor or who really will win under this big tax break we are going to give by Friday? Who are the winners under this?

Ms. DELAURO. Mr. Speaker, it is very clear. I tell the American people that they need to take a look at the numbers, not to listen to what we have to say, but it is clear those who make over $200,000 in this country, the richest 1 or 2 percent in this Nation are going to get an $11,000 tax break.

Those people who are working middle-class families who are making $30,000, $40,000, and $50,000 a year are looking at a pittance in terms of a tax break. They are looking at $274.

Now, you tell me where that is equity. The other piece of this tax cut package says to the richest corporations in this Nation, let's repeal the alternative minimum tax, that floor that you have to pay in taxes to this Nation to contribute to the well-being of this country, let's eliminate and you pay zero taxes to the United States.

Mrs. CLAYTON. Will the gentlewoman yield?

Ms. DELAURO. I would be happy to yield.

Mrs. CLAYTON. Mr. Speaker, also being part of an American is to have equity, and part of it we think the compassion of this American society would say that those that are most vulnerable should not have to pay at the expense of allowing those who are the very rich, that are schoolchildren, that are senior citizens, that are veterans. There are people who are paying dearly for this tax, in fact we have already paid for it and we will pay more.

Mr. Speaker, tomorrow we will begin debate on the Republican tax cut proposal.

At a time when low- and middle-income Americans are struggling to make ends meet, relief is being given to the rich, while burdens are being borne by the poor.

The tax cut plan gives $11,000 to those who make more than $200,000.

For those who make less than $30,000, the plan allows a paltry $124.

The plan reduces the capital gains tax to its lowest in 40 years, and gives the richest 1 percent in America, 20 percent of the tax breaks.

A $500 tax credit is available to taxpayers who earn up to $200,000.

While cutting taxes for the rich, the plan cuts programs for children, senior citizens, and college students.

Who loses under the plan, Mr. Speaker?

The Federal School Lunch Program, serving 25 million children each day; the Women, Infants, and Children Program, serving 100,000 pregnant women and children; and the student loan program, serving 4½ million students.

Who wins under the plan?

Those who have made billions in America and now renounce their citizenship to avoid taxes; those who have made millions and now want a tax giveaway on top of profits earned from investments; and those who have made the most money from those who have the least money.

To pay for this tax cut, the Republican majority has constructed a series of attacks on programs that benefit the poor.

Most of the money comes from spending caps and from drastic cuts in public assistance programs.

Little or none of the money comes from those with a lot of money.

We have heard that, "winning isn't the most important thing, it's the only thing."

Under the plan, those who need to win lose and those who do not need to win prevail.

In the end, Mr. Speaker, I suppose children, seniors, pregnant women, and students will win.

After all, winning is, "the only thing."

I thank the gentlewoman for yielding.

Ms. DELAURO. I thank the gentlewoman.

SENIOR CITIZENS WILL BENEFIT FROM THE REPUBLICAN TAX BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, the previous speaker talked about who are the winners in this tax bill that we are voting on tomorrow. Well, let me tell about who are some of the winners, and those are the senior citizens of this country.

The seniors represent a very large portion of my congressional district in Florida. In fact I have more senior citizens in my congressional district than any other congressional district in the country, and this bill has significant benefits for the seniors of our country. Let me tell you why.

First of all, we hear about the child tax credit and the capital gains. The seniors would support this tax bill just for those two reasons alone. For the child tax credit, who knows better the cost of raising a child than the senior citizens? It is their children and grandchildren who are raising these kids in the country today, and they know they need that $500 tax credit. So that is one reason the seniors will support this bill.

Capital gains. Senior citizens have a lot to gain from the capital gains. When seniors retire from up north and move to my district in Florida, they are selling their small business, they are selling real estate, they are selling their investments, they are selling stocks, and they are moving to Florida. They are paying capital gains.

Mr. Speaker, capital gains affects real people that are not wealthy people, and that includes senior citizens. So for those two reasons they should support the bill alone, but there are a number of very specific pieces of this legislation that help senior citizens specifically. Let me identify two of them. One is the repeal of the 1993 tax increase of social Security and the other one is raising the earnings limit on senior citizens.

Mr. HOKE. Would the gentleman yield for that?

Mr. MILLER of Florida. Yes.

Mr. HOKE. The gentleman said there were some winners, and the senior citizens are the winners under the bill. Have the senior citizens been the losers in the past year or so?

Mr. MILLER of Florida. Yes, seniors are always on the losing end. In 1993 that tax bill increased the tax on Social Security. Now, I don not know, this is over $34,000 worth of income. That is not a wealthy person to me. They raised the tax on Social Security for someone making $34,000 a year. That is not very fair.

Mr. HOKE. Mr. Speaker, my understanding is that that cut Social Security benefits for senior citizens by $24.8 billion. Not a single Republican voted for that either in the House or the Senate?

Mr. MILLER of Florida. Absolutely. That tax increase in 1993 was a tax increase to balance the budget and to reduce spending. That thing, our deficit in this country is getting higher and higher every year. The solution to solving our deficit problem is cutting spending, not raising taxes.

As Ronald Reagan used to say, it is not that we are taxed too little, we spend too much. Until we address the spending side of the equation we are not going to get this deficit under control, so raising taxes in 1993 was a wasted exercise and it was very painful for our senior citizens as they are finding out this month of April when they pay their taxes for 1994.

Another thing that is going to be really good for seniors, in addition to the repeal of that tax increase in 1993, the other is raising the earnings limit for senior citizens. This is a penalty on lower income seniors. If you make over $11,280 you get taxed at 33 percent of your Social Security income.

President Clinton campaigned on that issue back in 1992, and we do not even hear about it anymore. It is a regressive tax on working seniors. Wealthy seniors, they have $100,000 of income on interest and dividends and stock investments and such, they get to draw their Social Security, but a working senior citizen, once he makes over $11,280 has to pay a 33 percent tax. That is in effect what he is paying. That is not fair.

This tax bill repeals that over the next 5 years. This tax relief bill is good for senior citizens, it is paid for by spending reductions, and that is the only way we are going to balance this budget, is when we go after spending reductions. It starts us on the glide

path to a balanced budget. Seniors know it is a moral issue to balance that budget, and we have got to start working on it sometime. Tomorrow is the day that we can cast our vote to move in balancing that budget.

□ 1815

ELIMINATION OF ALTERNATIVE MINIMUM TAX

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from New York [Mr. SCHUMER] is recognized for 5 minutes.

Mr. SCHUMER. Mr. Speaker, we are going to be voting on this tax bill and there are some parts of it that I think are good and that I will support. Certainly the parts on the senior citizen taxation is something I have always supported, but there are lots of things in the tax bill that I think would make the American people's hair stand on edge if they knew. These are not the things the Republicans are getting up and talking about, but they are things that are things for their buddies. The worst of them all is the elimination of alternative minimum tax.

Let me tell you why I feel strongly about this. In 1986 Congressman Marty Russo—who is no longer in Congress—and I proposed an alternative minimum tax. Until that point, some of the biggest corporations in America were paying no taxes at all. Imagine how the average working stiff felt. He or she worked hard, paid 5,000, 6,000, 7,000 and 8,000 bucks in taxes and the companies in America like Mobile, like Ford, like Champion International, like UniCal, like Shell, like Scott Paper, like Phillips Petroleum paid not a smaller percentage of taxes but less dollars. They paid no taxes at all because they had the ability to hire the accountants and the lawyers and pay none.

Mr. Speaker, we stopped that. We did not say they had to pay more taxes then the average American but we said they ought to pay a minimum of 25 percent, no matter how many lawyers or accountants or loopholes they were able to employ.

Now, quietly, almost whispered, the Republicans have decided in this tax bill to repeal that and so the good old days, at least they think they are the good old days, when major corporations paid no taxes at all will return. It is a disgrace.

Mr. Speaker, here at the same time we are telling students they ought to pay more for their loans. We are telling Medicare recipients that they ought to get less back and pay more. We are telling kids on school lunches there may not be enough money for them. We are telling Champion and Chrysler and Dow and Ford and Mobil and Scott and Shell and Texaco, some of the biggest companies in America, ''You can go back to the good old days when you paid no taxes.''

There has been a coalition, the AMT Working Group, that are companies that are lobbying to eliminate this alternative minimum tax provision. We can see why. Almost every one of them in the 3-year period 1982 to 1985 paid not a little bit of taxes, but no taxes for some point in time, for 1 of those years, 2 of those years, up to 4 of those years. It is 4 years.

So my colleagues, let us not pass a tax bill that benefits the wealthiest corporations. Let us not pass a tax bill that gives such a high proportion of the money to corporations and then cut money for the students on loans, cut money for the kids on lunches.

What kind of contrast is that? Who is the Republican party representing? This was not in the contract. Every one of you who signed that contract talked about a $500 credit for children. Mobil does not have any children, yet they are getting a tax reduction. Texas Utilities does not have any children.

So this is the wave of the future, I am afraid to say, my colleagues. Once the contract is over, the contract some of us did not like parts of it, some parts I supported, but once the contract was a restraining thing for our colleagues on the other side, business and the wealthiest of businesses are going to run rampant.

Now, I like these businesses, frankly. I think they are good for America. I think they employ people, but I like the average American a little bit more. If the average American has to pay taxes, why should not our biggest companies?

That is our message. It is very simple. You do not see them talking about that in lights, but you can be sure in the corporate boardrooms tonight and tomorrow night and after the tax bill passes, they are going to be congratulating each other, having put one over on the American people and repealing the Schumer-Russo alternative minimum tax.

ALTERNATIVE MINIMUM TAX REPEAL PART OF GROWTH PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, the gentleman from New York [Mr. SCHUMER], my good friend, and I work about as well together as a Democrat and a Republican who come from different ends of the political spectrum can work.

I would just like to say to the gentleman that I appreciate the things that he just said about the alternative minimum tax and the companies that he referred to. He mentioned that they do not have children and I guess that is true, but I will tell you what. They have a lot of workers. Mobil has a lot of workers and Ford has a lot of workers and Chrysler has a lot of workers. I cannot really read the whole list. I am sure all those big companies have a lot of workers that depend on them.

One of the things that my friend from New York did not say is that what the alternative minimum tax repeal does is to make it easier for these companies to do business. Studies show conclusively that 42 cents out of every dollar that we give back to a corporation in taxes goes directly to the workers in salaries, more workers, and higher salaries. So the repeal of the alternative minimum tax is not such a bad way to go to make things better for everybody.

As a matter of fact, that is what the Republican tax package is about: To make things better for everybody. It is patterned, believe it or not, after something John Kennedy said years ago when he said, ''A rising tide lifts all boats.'' It is true. This is a growth-oriented tax package and the alternative minimum tax provision is part of that growth package.

Mrs. SMITH of Washington. Would the gentleman from New Jersey [Mr. SAXTON] yield?

Mr. SAXTON. I will yield to my colleague, the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. I want to ask you a question, but I want to say something first. I remember why I got into politics. I just was sitting here thinking they doubled my taxes in one year on my small business. Had more than 125 people. They doubled them.

And in our State we have a business and occupation tax. That means you can have no profit like these companies, and the government still taxes you. So you can end up with a net nothing, and the government gets theirs. They skim off the top always, just like the minimum tax. Always, always.

In the early 1980's, I was losing money. At the same time, we had this business and occupation tax, which was a gross tax. It was gross in many ways. I laid off two people. I got mad. Folks, I was a Democrat, 30-some-year Democrat, adamant Democrat.

I got a book on how to campaign. The guy was a Democrat that had voted for the taxes raised, and I defeated him, too, and I think about that.

You have to stop thinking that every time you turn around it is better to tax. Because I lost two jobs, and I think, ''Isn't that what we are talking about, job creation in most of this? Don't most dividends that you get from stocks, I think I pay tax on all the dividends I get from stock, isn't that tax, too? Aren't they getting their tax out of these corporations?''

Mr. SAXTON. Well, it is tax.

I would say to the gentlewoman when I was chairman of the working group that put the growth part of our tax package together during the summer of last year and we identified a number of issues that we thought needed to be changed and had broad agreement, for example, the capital gains tax, which

was increased in 1986 from 20 to 28 percent, statistics show again, conclusively, that not only did it not raise the money that CBO said it would raise, but it acted as a wet blanket on the expansion of business. And that is what caught up with us beginning in 1988.

One of the red herrings that is brought by our friends on the Democrat side is that the rich get all the breaks from the capital gains. As the gentlewoman knows, who prepared taxes for people and businesses for years, and as this chart shows, 38.4 percent of the distribution of capital gains realizations, 38 percent of the money from capital gains comes from people under $50,000. So 38 percent of the tax break comes for people who make less than $50,000. That is the biggest single group of people who will benefit from the capital gains tax cut.

Of course, 22.4 percent make between 50 and 100. When you get to $100,000 to $200,000, which I consider a pretty good salary, it is only 13.8 percent of the people who pay capital gains there and 25,4 percent who make over $200,000.

So by far and away the benefits here are for people who are in the modest income category.

This is another issue here on this chart that has been, I think, mischaracterized by the other side of the aisle, the distribution of the $500 per child tax credit. We had this chart up here a few minutes ago when somebody else was speaking, and it shows clearly that 87.5 percent of the people who will benefit from this, the families earn less than $75,000 a year.

MIDDLE-CLASS TAX CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. OLVER] is recognized for 5 minutes.

Mr. OLVER. Mr. Speaker, I think that the discussion here that has been going on really is most appropriate because tomorrow we are going to be talking about the beginning of the debate on the middle-class tax cut.

We have all heard a great deal about the middle-class tax cut over the last couple of years, and the reason why we have been talking about a middle-class tax cut is that the middle class really is very anxious.

Jobs have been insecure for a number of years, for quite a few years. The cost of health care in the last 15 years has gone up by an enormous amount. The cost of educating your college-age kids has gone up tremendously, much faster than inflation.

In sum total, I think it can be summarized in this chart, which shows what has happened over the last 15 years or thereabouts, or at least the 15 years from 1979 to 1993 when for different parts of the electorate, different parts of the citizenry and the electorate, of course, the rate at which people's income has gone up has been very different from the rate at which inflation has gone up.

People's income, for people who are relatively low- and middle-income folks down here at the left side of the chart, has actually been going up slower than inflation for that 15 years, and so the broad middle class in here has seen their incomes erode for a long period of time. The very high-income people in the top 20 percent, these rightmost two bars representing the top 10 and the next 10 percent of all people's incomes in this country, they have seen their incomes in that 15 years go up considerably faster than inflation and have done pretty well in that period of time.

So we have heard, theretofore, a great deal about a middle-class tax cut in order to give people down in this region, which the middle of the American citizenry falls right in this region, who have lost a little bit in the last 15 years certainly, and those who are in the lower middle class and those who are low-income working people and down there have all seen their incomes go down, and so indeed they should be very anxious.

Well, so what do we have now coming up? We are going to be starting debate on a $190 billion tax bill. By the way, there is not a single economist who came before the Committee on the Budget in all of our hearings yet this year who suggested that we should be giving a tax cut of this sort when we are running the kinds of deficits, when we are running 200——

Mr. KINGSTON. Would the gentleman yield?

Mr. OLVER. No, I do not have time to yield.

Mr. KINGSTON. I will give you a minute of my time when it is my turn.

Mr. OLVER. Fine. I will yield if you would take less than a minute so I will not lose any of my time.

Mr. KINGSTON. We will time it.

I have a chart here. I do not know if you have seen it, but what this one shows clearly is that a lower tax rate actually increases revenue to the Federal budget and also that the economic——

Mr. OLVER. Lower tax break.

Mr. KINGSTON. A lower tax rate increases revenue to the Federal budget.

Mr. OLVER. If I may reclaim my time, I think that I am not sure exactly where that chart is from. It is hard for me to see it, but we tried that economics. It was called voodoo economics by the gentleman who was later the President of the United States and who had served as Vice President under President Reagan.

Mr. KINGSTON. Was that John F. Kennedy? I see that this goes back to 1960.

Mr. OLVER. Mr. Speaker, is this my time or not my time?

The SPEAKER pro tempore. The gentleman from Massachusetts has the time.

□ 1830

Mr. Speaker, the idea that you can increase revenues was very thoroughly debunked in the 1980's, when tax reductions were given and when the deficits went right through the ceiling during that period. And during a 12-year period we saw more than a quadrupling of our national debt, with deficits year after year that ran between $200 and $350 billion per year, that economically have brought us to the sorry state that we are presently in.

But in any case, no economists agree that we should be doing this kind of tax break.

Now, let us look at the tax break that is going to be given, though, given that we might want to do something for people in this lower area, this left hand area who are middle-class people and whose incomes have been going down hill in the last few years.

I am going to show a second chart here which shows where the actual tax benefits under the contract that we are going to be starting to debate tomorrow will fall. This is a little different from the chart that some others of my colleagues have been showing because it is trying to show what happens while we are in the phase-in period in the next 5 years, rather than the out years.

During that phase-in period, more than 50 percent of all the tax break would go to the highest income, two groups here, and those are exactly, of course, the people who fall in these two categories out here who have done the best during the 1980's. More than 50 percent of all the tax break occurs there.

ON THE TAX BILL

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, just to continue with those charts, the first chart, this is the tax cut for working-class families. For those families earning less than $25 thousand, there is 100 percent tax cut. For those families earning less than $30,000, a 48 percent tax cut. For those less than $45,000 a 21 percent tax cut.

You see the tax cut continues to go way down. Those families with over a $200,000 income only have a 2-percent tax cut. So it must be tremendously frustrating for people to look at one side of the aisle and then the other side of the aisle as we go through these charts.

But if you look at what is going to happen in terms of the tax day. You know, the tax day is how much of the year you have to work so that work and that effort goes to the Federal Government to pay taxes. Currently, it is June 4. Under the budget proposal that was submitted by this president, that tax day increases to June 7.

Under this tax proposal that we are going to be considering for the next 2

days, it goes back to May 26 and, my colleagues, it even should be earlier than May 26.

There has been suggestions that the tax breaks go to big business. With all due respect, I suggest to you, Mr. Speaker, that taxes placed on business are passed on in the price of their products. Right now between the regulations and the taxes that we charge business, they are paying every year $750 billion. That is twice the amount that you are paying on increased costs of the goods and services you buy compared to what you spend in your tax bill. It is bad enough, in the next couple weeks, as you sit down and figures out your tax bill of what you have to pay this Federal Government to operate its huge, overzealous, overbloated government, but just think for a minute the price, increased price that you pay for the products in this country because of the regulations that cost $500 billion a year to that business that they pass on to you in increased costs of their products, to the additional $250 billion that we change those businesses in taxes.

If they are not successful in passing it onto you and I, the consumers of this country, then they go out of business. So I guarantee you, they price on that product.

Let me show you what we are doing to business in this country on taxes. On the far-right column, you see in the United States we charge our business on our capital gains tax rate the marginal rate is 28 percent. You compare that to France, it is 18 percent; Germany totally exempts their businesses; Japan is down to 20 percent; U.K. exempts the first 5,500 pounds and after that charges 40 percent.

We are overtaxing our businesses. We are losing businesses that, No. 1, go out of business; that, No. 2, decide to go to another country to operate. We cannot continue to place our businesses at a competitive disadvantage with what other countries in the world are doing.

I request my colleagues to look at this tax bill of what is good for business and jobs.

Mr. SAXTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from New Jersey.

Mr. SAXTON. I just want to be recognized to ask the gentleman a question. And that is, as you pointed out, correctly, our capital gains tax rate is high. Mr. SCHUMER was just talking about the alternative minimum tax.

When corporations or businesses are charged these taxes, how do they recoup the money that they have sent to the Government? Where do they get the money to send down here to Washington, DC for the politicians to spend?

Mr. SMITH of Michigan. They increase their price of toys and toothbrushes and automobiles and everything else. The only thing that that business can do is pass on that cost.

Mr. SAXTON. It is the consumer that ends up paying higher prices so businesses can pay taxes to send to Washington for the politicians to spend.

Mr. SMITH of Michigan. Yes, and I think the important point is, we cannot place our businesses at a competitive disadvantage with other businesses in the world. We have got to encourage them to buy the equipment and machinery that is going to make their employees more efficient. If you put good tools in the hands of our workers, they are going to outproduce anybody on Earth. And we have got to have a tax system that encourages that action by business.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from Georgia.

Mr. KINGSTON. I was on the board of directors of a corporation before I came here. I know from talking to other business people that generally you decide how much profit you are going to make. Everything else is overhead, your payroll, taxes, everything else. I think you can successfully argue that corporations are not going to pay taxes regardless of what the rate is because it is a pass-through cost, just as the gentleman from New Jersey and you have said. It all goes back to the consumer so we are just playing games when we say it is corporations.

Mr. SMITH of Michigan. It is a hidden tax.

EFFECTS OF THE TAX CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, we are now into the home stretch, I think to the relief of Members on both sides of the aisle, the home stretch of the 100 days. And as has been announced by the Speaker, we are able this week to appreciate in all of its glory the crown jewel of the contract, the tax bill that the Members of the Republican Party are going to bring to the floor later this week.

I think it is important for the country to understand in this week in which we are finally able to pull all of this together to understand who are the winners and who are the losers in this entire contract exercise.

Particularly with regard to the tax bill, we should be under absolutely no illusions that this bill certainly fulfills the promises that have been made over the months and years by the GOP to its supporters. That distribution is accurately reflected in the chart here to my right.

About half of the benefit from this tax legislation will go to the top 10 percent in this country, about a five-to-one return. The Wealthiest 5 percent get about a 7-to-1 return, getting about over a third of the benefits of this tax legislation. The wealthiest 1 percent, a 20-to-1 return.

I am sure that this nice return on investment was made possible in part, as we are learning more and more about the very intimate relationship between many special interest lobbyists in Washington and the drafting of legislation being brought to the floor by the new majority party, despite their protests about a new way of doing business, makes it all the more understandable why we had such a hard time at the beginning of the session getting them to take seriously the efforts that many Members on our side were trying to make to take up gift and lobbying reform.

I wish we would not be having these kinds of pie charts and demonstrations of exactly who gets the benefits from these tax breaks, if some of the very well-intended moderate Members on the majority side of the aisle had been more successful in getting their leadership to pay attention to the inequities in this bill.

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Ohio.

Mr. SAWYER. Mr. Speaker, I rise because in fact as we are doing this, we are taking, in order to finance these kinds of tax breaks, at least $13 billion from the pockets of Americans who are trying to send their kids to school, to higher education. I would not raise this except for the fact that we have been here before.

This Nation a century ago made a fundamental decision, when we looked around the country and we saw 200 institutions of higher education largely for the sons of the very wealthy in this country and we saw the railroads expanding westward, we said that in order to build a nation as fast as we are expanding, we need to elevate our skills. And so we took from some of those expanding railroads and we invested those dollars in the largest single expansion of higher education this Nation has ever seen.

It did not quit even until today. And with it we have created the skills that have defined the American century.

Today we run the risk of reversing that decision, of giving back those dollars to those corporations in ways that they may not need and absolutely depriving Americans from the chance to continue, at a time when it has never been more important, the increasingly important effort to raise job opportunities and standard of living with the ability to bring skills to the American workplace. We have been here before, Mr. Speaker.

Mr. HOKE. Mr. Speaker, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Ohio.

Mr. HOKE. Here is my question for you——

Mr. SAWYER. I was in the middle of a sentence, but that is all right.

Mr. HOKE. Mr. Speaker, I apologize to the gentleman.

Mr. SAWYER. The fact of the matter is that today, the fundamental underpinnings of Federal aid to higher

education in the form of Stafford Interest-Deferred Loans, Perkins Student Loans, College Work-Study programs and Supplemental Education Opportunity Grants are really the equivalent today of what those land grant colleges were 100 years ago. In order to sustain that growth into the next century that we developed in this century, in order to have the kind of productive leadership that has defined the American era, in order to extend that American era into the leadership of a redefined world, it seems to me that the last thing we need to do is to take those $13 billion out of Americans' pockets and to give them back in the form of tax breaks that we do not need.

DISCUSSION OF THE TAX BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

Mr. HOKE. The question that I wanted to ask the gentleman was if he was aware that 39.2 percent of all Federal income tax paid is paid for by only 3.3 percent of the taxpayers, the top 3.3 percent of taxpayers pay 40 percent of the taxes?

That being the case, the numbers that you quote there, they are, you know, made to appear, and I do not know if the numbers are right on the floor. You know on the floor we see all kinds of stuff and people make averments that God only knows if they are true or not, but I will assume your chart is correct.

It only stands to reason that the people making more money are going to get more dollars back when you consider the fact that you have got 3.3 percent of all returns, all individuals paying income tax paying 40 percent of the taxes. This is the way, this is the way our system works.

The problem is that we do not have enough people at the top, if you tax them completely, if you leave them with just a, you know, a minimum wage, it still does not solve our deficit problem.

What has happened is that we have year after year after year continually eroded to a greater extent the amount of money that is being paid by middle-class working American men and women. That is the problem we have in our tax system.

Mr. SKAGGS. Mr. Speaker, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from Colorado.

□ 1845

Mr. SKAGGS. I think the gentleman's point begs the question. One, are we doing deficit reduction? We are not. The tax bill, as the gentleman knows, is going to bust the deficit.

Mr. HOKE. Mr. Speaker, reclaiming my time, I want to recognize the gentleman from Massachusetts [Mr. OLVER], who my good friend from Georgia [Mr. KINGSTON], borrowed a minute from, and I want to give him back his minute, if he will take it quickly.

If not, I yield to the gentleman from Georgia [Mr. KINGSTON] while the gentleman from Massachusetts is moving to the microphone.

Mr. KINGSTON. Mr. Speaker, it is important for us to realize that lower taxes, specifically lower capital gains taxes, increase revenue, and that does not come from the Republican Party, it comes from the Congressional Budget Office. A young fellow named Steve Robinson and I spent the whole day tracking this.

This chart is busy, and it is very difficult to see it, but generally what it shows is, remember back in high school sines and cosines and that go like this: Basically when the tax revenue is high, the capital gains tax is high, and let's say the capital gains tax is low, it goes like a wave, then the tax revenues are the same thing.

At a high tax rate, the revenues are low. At a low tax rate, the revenues are high. It goes like that. There is an absolute relationship between the two. It is not voodoo economics. This actually goes back to——

Mr. HOKE. What you are saying is there is a direct correlation between raising rates and lowering revenue, lowering rates and raising revenue?

Mr. KINGSTON. That is exactly right. That is the point I was trying to make.

Mr. HOKE. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding to me.

I'm not sure how many economists or how many economics books would agree that there is a direct proportion of the nature that you have just described. I do not think there are very many of them that do.

However, it is clear that what is happening here is that $15 billion, for instance, of the elimination of the tax, the alternate minimum tax on corporations, which you would give back $15 billion to corporations, would be taken by the Republican proposals as $15 billion directly from financial aid for American students, who really do cut across the middle class in this country.

Mr. HOKE. Mr. Speaker, I am going to reclaim my time. It does not answer the question, and frankly, that disinforms, it confuses the public. In a word, being polite, it fogs the facts, at the very least.

Mr. Speaker, I want to quote a very famous American, and I'm not going to say who it is, but I want to quote some of the things that he said in the not very distant past at all.

First of all, he had said ''Our present system exerts too heavy a drag on growth. It siphons out of the private economy too large a share of personal and business purchasing power. It reduces the financial incentives for personal effort, investment, and risk-taking.''

He goes on to say ''Our tax rates are so high as to weaken the very essence of the progress of a free society, the incentive for additional return, for additional effort.'' Then he says ''I am confident that the enactment of the right tax bill will in due course increase our gross national product by several times the amount of taxes actually cut.''

Who was this unrepentant supply-sider? Who was it? Jack Kennedy. That is who it was. He knew that by reducing tax rates, you increase revenue.

THE TRUTH ABOUT THE BUDGET AND TAX CUTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE. Mr. Speaker, I am really taking the time because I think that, beyond the comments about jewels and gold and crowns, we have a very important obligation to the American people really to take our reasonable time to be reasonable, to let you understand the facts.

I know there have been a lot of cross signals, a lot of rebutting of what the tax cut really means, but I would simply like to suggest that all of us of reasoned mind can argue about Social Security and the exemptions that may be proposed in this particular tax legislation, and the value of it.

My question becomes: What is the rush? Because as we look at what can help senior citizens, and I certainly have supported programs to improve the conditions of senior citizens, and to ensure that the maximum income that they may earn as working senior citizens goes into the maintenance of their quality of life, but that is not really the issue. We've got a murky water here, muddy waters, if you might.

First of all, no one will acknowledge that the revenue being reduced by this tax cut, without the Democratic alternative, is some $650 billion over 10 years. Many of you would listen to that number and begin to say ''Well, it's way beyond my comprehension.''

What is not beyond your comprehension, however, is the necessity for me to assure you that your grandchildren will not have a deficit so overwhelming that they will have no quality of life.

The importance when I speak to working people in my district, they are true Americans, they are patriots, because they believe in this Nation. They want us to be prepared militarily. They want to have the opportunities for affordable housing for their citizens. They want to make sure that those young people seeking an opportunity can do work study and college loans, but yet, rather than giving them those opportunities, we are burdening them with a deficit that is so overwhelming it is incomprehensible.

Let me explain to you again, as I had the opportunity to talk to the gentleman from Illinois, I like the idea of a child tax credit, because every child

is worthy, but now we are knocking heads with the rich children and the poor children, for most of the tax credit goes to families way beyond your imagination in terms of income.

Those people that are at the lowest income level, who do pay taxes, they only bear 3.5 percent of the benefit of a child tax credit. Twenty-four million children in this Nation would not receive any benefit from the tax credit. What that means simply is we are knocking heads with rich children and poor children. As far as I am concerned, all children are worthy, and there should be an applicable tax credit that goes across the line.

Then the smoke and mirrors that I talked about earlier, because all of the married couples are running to their tax preparers, shouting about the marriage penalty. I believe in family. We should affirm family. It is important that we ensure that people do the right thing, and that is to be married.

But yet this particular tax benefit, in quotes, again the smoke and mirrors game, only provides an average maximum benefit of $145 per couple, which is less than the current marriage penalty. The average marriage penalty for couples earning between $30,000 to $40,000 is $260, and $1,540 for couples earning between $75,000 and $100,000.

Wouldn't we be better suited to tell you the truth, and tell you that it is more important to invest in your young people, for them to have college loans and work study programs; that we want to ensure that school lunches are maintained; and yes, we want to infuse energy into the economy, so that you will have jobs?

I certainly believe that we must begin to look seriously at making sure that the economy is such that you will want to invest and buy businesses and transfer property. We have to support that. That is the true American dream.

However, let me tell you what happens to this present tax break. For someone earning under $75,000, oh, you think you are going to get a big lump of money. It will only buy you a couple of tanks of gas for the family car. You only average $36 a month.

I have been in local government and I have had taxpayers say ''The heck with that. I want good parks. I want police. I want fire persons to come to the serious crises, the fires, in the necessary time.'' Citizens of America believe in government, if it does the right thing, but $36 a month, a couple of tanks of gas, and then we cut at the very fabric of what we need to ensure that we are good governments.

What does a $200,000 a year person get? Cadillacs, Mercedes, and BMWs. Let us have the truth be told about this tax cut. Let us tell the American people the real truth and get rid of the smoke and mirrors. Let us work together to get a better tax cut.

THE DIFFERENCE BETWEEN REPUBLICANS AND DEMOCRATS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, if we could sum up what we have been hearing for the last hour on the floor of the House, I think you could just say Democrats love taxes. Republicans hate taxes. Democrats love big government. Republicans hate big government. Democrats love the public sector. Republicans like the private sector.

I won't venture to say that maybe Democrats seem to love poor children and hate rich children, but there does seem to be, in the Democrat mindset, a distinction between a rich child and a poor child, as opposed to loving all children equally.

Let us get back to the tax issues. I think the reason why the Democrats are gripping this tax so hard is because they love taxes. We are taking taxes away from them. You don't mess with their toys. They don't like that. So what do we have?

Ms. JACKSON-LEE. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. Certainly.

Ms. JACKSON-LEE. Mr. Speaker, I appreciate the dialog the gentleman is raising.

Mr. KINGSTON. I'm going to yield quickly. Don't make a speech on my time.

Ms. JACKSON-LEE. I fully appreciate the comments you have made.

My question becomes, however, if you tax credit falls in a greater percentage to the higher income persons of this Nation, and none of us will talk about children, and does not equally benefit those working families who have children in the lower income rungs, would you not think out of this logic that this is a tax credit for the rich?

Mr. KINGSTON. Reclaiming my time, Mr. Speaker, I guess one of the big differences in Democrats and Republicans is we are not afraid of achievement. You know, if somebody pulls themselves up and they start out of school, and maybe they go to college and maybe they don't, maybe they serve in the military, maybe they don't, but they get a job, and the man and woman hang together and become a family, and they move up into an income bracket, well, I don't think it is right to suddenly say ''Ha, your child is now not worth any money anymore.''

I say ''Go for it. We want that achievement.'' I know a lot of government bureaucracies which are affinity groups to the Democrat party want more dependents. They tend to fight success. We want to nurture success. We want to say ''Go all the way to the top.'' That is why we want to return, and not even return, just don't take it away to begin with, people's tax dollars from them.

Let me give some very important statistics which I really wish you all would, and I will promise you, any of your Democrats or any of your constituents that would call my office, I will give you a copy of these charts, and I will explain it to you. Let me tell you what these numbers show. When taxes are high, growth goes down. When growth goes down, the deficit increases. If growth and revenue increase, the deficit is lowered.

This is not just JACK KINGSTON and the gentleman from Georgia, NEWT GINGRICH, and the Republican Party, this comes from the Joint Economic Committee, which as you know, is Senate and House Members chaired by, I believe, the Committee on Ways and Means Members, the gentleman from Florida, Mr. GIBBONS on this side, and Mr. MOYNIHAN on the Senate side.

They say ''As these increases in productivity, brought about by lower taxes and economic growth, accumulate over time, a gradual expansion of taxable income base generates additional tax revenues.'' This is straight from here.

Ms. JACKSON-LEE. Mr. Speaker, will the gentleman yield just for a moment?

Mr. KINGSTON. I yield to the gentlewoman from Texas

Ms. JACKSON-LEE. I say to the gentleman, I, too, applaud excellence. That is why we must give to those who are making $30,000 and $35,000 a year, who are working as hard but are yet not getting the tax benefits.

Mr. KINGSTON. Reclaiming my time, I will be glad to yield when we get back on your time schedule.

Ms. JACKSON-LEE. We must realize that the taxes in this country are low.

Mr. KINGSTON. Mr. Speaker, I want to say to the gentlewoman, and learned, and one of the more intelligent Members on the Democrat side, surely you know the wisdom of the chart shown here earlier, saying the bulk of the tax returns go to people who make under $75,000 a year. What could be better for the middle class?

It was your President who promised the middle-class tax cut. We are just the party who happens to be keeping its feet to the fire on it. Welfare reform, let's end welfare reform as we know it. The President forgot about that, but we are going to help him out with it. The balanced budget amendment, we are going to help him out. The line-item veto, no mention of it for 2 years, but we are going to help him out.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. I yield to the gentleman from Pennsylvania, but you have been not been yielding to us, and I hope you will yield back when you have the time.

Mr. DOYLE. Mr. Speaker, a quick question. You made the statement that when we have tax cuts, that that causes growth in revenues to the Federal Government and helps lower the

deficit. I would just ask the gentleman, back in the 1980's when we had three tax cuts, I guess the same would hold true back then?

Mr. KINGSTON. Taking back my time, absolutely. In 1980, the total revenue is $500,000. By 1990, it is $8 trillion.

Mr. DOYLE. How do you explain the deficit going from $1 trillion to $4 trillion during that same time? The deficit quadrupled in that time.

THE REPUBLICANS' PROPOSED BUDGET WILL SEVERELY UNDERCUT THE OPPORTUNITY FOR AMERICA'S CHILDREN TO ATTEND COLLEGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. LOFGREN] is recognized for 5 minutes.

Ms. LOFGREN. Mr. Speaker, I don't have a chart about tax cuts, and I do not plan to give a talk about tax cuts specifically, today, except that we have talked a lot about the need to help the middle class, and there is a big argument on whether this tax cut really helps the middle class or just the wealthy.

Mr. Speaker, I would like to talk about something that really is important to the middle class and to the working families of this country. That is the chance to make sure that your child can go to college after they got straight A's in high school. That opportunity is about to be severely undercut.

The plans in the works are to cut about $20 billion in student loans over the next 5 years, as well as 750,000 students off the work study program.

□ 1900

I would argue that these cuts are unwise, they are pennywise and pound foolish. We know that we have a lot of problems in this country, but when I think about the problems that I see in San Jose, the kids that are getting in trouble, I know that there are not kids hanging out on the street corner dealing drugs or holding weapons when they are on the honor roll.

In our country, I was on the county board of supervisors in Santa Clara County until January 4 of this year and I can attest that there is not a single ''A'' student in the juvenile hall. The more we put into education, the more we put into achievement for our young people, the more we will see problems resolved and a country that is full of excellence and hope instead of despair. I think the cuts that are proposed in the student loan program have a lot to do with that and I am hearing about the middle-class cuts and the $500 per family and how that will help. I am cognizant that the cut per student that is proposed for 4 years of undergraduate education is about $5,000, and if you have 2 kids, as is common, going to college, that is over $10,000 in cuts that you are looking at as a family. The $500 is not going to make it. It will take 21 years of $500 tax credits to make it up. I know. My children are 10 and 13. I do not have 21 years to save up that money at that rate.

I heard the Speaker say that we should be a country of excellence, we should be a country that rewards those who work hard and try to get ahead, and I think back on my own life and the opportunities that this country gave to me.

I worked the night shift in a factory in my last year in high school. My parents were working people, they were great people, but they did not have a lot of money. We just barely made ends meet. Through working and through student loans and through scholarships, I was able to go to college and I was able to have a part of America that I would not have had otherwise.

I remember several years ago I was out visiting Overfelt High School in east San Jose, an area that educates the children of blue-collar families, working families, and I gave a talk to three combined classes and encouraged them to get A's in school and look ahead and go to college, and then I left. About 2 years later, I was invited back and I was talking to the students and afterwards a young girl came up to me and she said, ''You changed my life.'' I was shocked. I did not remember her. She said, ''You told me I could go to college and not to worry about how to pay for it. I have just been admitted to the University of California, I am going to major in physics and here is my honor roll.'' She got on the honor roll because she believed if she worked, if she got A's she would have a chance to go to college. That is what this country has been all about and that is what a $20 billion cut in student loans will destroy.

We say that we are for the middle class. If we are for the middle class, let's take care of the thing that matters most to each of us and that is our children. Along with that, I think about the benefit for this country. After World War II, a whole generation of men were given the opportunity to go to college through the GI bill. At the time, it was looked upon as a benefit for veterans, but in fact in addition to a benefit for veterans, it was a benefit for the country, because a whole group of people whose parents were not rich had the chance to get an education, and those people became engineers, they became scientists and they built Silicon Valley and the affluence that they built through their education carried the economy of this country to this day.

If we were to put that kind of emphasis on the middle class, on the children, on the future, and our need to develop high-technology jobs and a highly skilled work force, we would not have to be worrying about the deficit or the future.

What we need to do is to invest in the future, and I would argue this and relate this story. A gentleman came to me in San Jose 2 weeks ago and said, ''Don't give me a tax break. Put it all in education. Let's give this country a future.''

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1215, CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–100) on the resolution (H. Res. 128) providing for consideration of the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs, which was referred to the House Calendar and ordered to be printed.

H.R. 1215, TAX FAIRNESS AND DEFICIT REDUCTION ACT

The SPEAKER pro tempore (Mr. HOKE). Under a previous order of the House, the gentleman from Kentucky [Mr. BUNNING] is recognized for 5 minutes.

Mr. BUNNING. Mr. Speaker, I want to extend my thanks to all the Members who have worked so hard on Congress' contract with senior citizens—our commitment to bring economic equity to the older generations of Americans.

Serving as chairman of the Social Security Subcommittee and working with many of my colleagues who share my concerns about the welfare of seniors has been a fulfilling and challenging experience.

We have accomplished a lot in just 3 short months. This week we will see our efforts pay off. This week is a turning point for America's senior citizens.

On the first day of this Congress, I, along with Mr. HASTERT, Mrs. KELLY, and Mrs. THURMAN, introduced the Senior Citizens Equity Act, H.R. 8.

Four of the provisions under the Senior Citizens Equity Act have been incorporated into the Tax Fairness and Deficit Reduction Act which will be on the floor tomorrow.

The Social Security Subcommittee has worked diligently on two of these—the repeal of the 1993 Social Security tax increase and a three-fold increase in the earnings limit for Americans over age 65.

Our subcommittee held hearings and heard from real Americans—working seniors who are unduly burdened by Government policy.

That's what this contract is about—real Americans, working Americans. And giving them the ability to work and earn.

Just as important as the ability to work is the ability to keep what they have spent a lifetime building.

When we made a Contract With America, we also made a promise to senior citizens to restore financial equity and fairness.

Now we are going to keep that promise, by relieving older Americans of some of the major financial burdens

placed on them by the Federal Government.

The Government is burdening seniors with tax rates as high as any millionaire could pay. I read in the paper the other day that the new top marginal tax bracket for some retirees is 51.8 percent.

The Government is burdening them with disincentives to work and contribute beyond retirement age. Current law requires that seniors between the ages of 65 and 69 lose $1 in Social Security benefits for every $3 they earn above $11,280.

Most important, the Government has been burdening them with polices that say no. Policies that just don't make sense.

Where is the common sense in a national policy that says don't plan and don't save for your retirement years. Don't continue to work and contribute to society past age 65. Don't expand your long-term-care insurance.

These policies just don't make sense.

It's time the naysaying of the Federal Government stopped. It's time Congress stood up and said yes to our seniors.

Yes to lifting the earnings limit to $30,000. Yes to repealing the 1993 tax hike on Social Security benefits. Yes to providing tax breaks for long-term-care insurance.

There was no good reason to increase the Social Security tax on benefits in 1993. It was unfair to single out Social Security for a 35-percent tax increase. We are going to repeal it.

It is bad policy to hold older American's earned income to $11,000 a year.

The earning limit is an antiquated policy that punishes older Americans for being productive citizens. Many older Americans must work to make ends meet. Senior citizens have a wealth of knowledge and experience to share.

The time has come to stop punishing senior citizens. The time has come to recognize hard work, savings, and contributions to society. The time has come and it is now.

We are going to move forward with the Senior Citizen's Equity Act by passing the Tax Fairness and Deficit Reduction Act tomorrow.

REPUBLICAN TAX BILL BENEFITS WEALTHY

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

Mr. BISHOP. Mr. Speaker, as the 100 days come to an end, I want to compliment our friends on the other side of the aisle for the positive things that have happened, including, for example, the enactment of measures to put Congress under the same laws that we impose on others and to restrict unfunded mandates on the States and on communities

Unfortunately, though, these bright moments have been too few and too far between. All too soon, the 100 days became excessively partisan and very extreme. In too many instances, the Contract With America became a means of lining the pockets of the wealthy at the expense of the poor and middle-income working families. It became a flamboyant, circus-like, promotional vehicle worthy of P.T. Barnum at his best. And yes, tomorrow the circus does come to town.

As we consider the Republican tax bill and the offsetting spending cuts, just consider who the winners really are. The wealthiest 10 percent of our population get 47 percent of the benefits. The wealthiest 5 percent get 36 percent of the benefits. The wealthiest 1 percent get 20 percent of the benefits. This causes a revenue loss of $178 billion in the first 5 years, and $458 billion in the second 5 years.

Is this loss of revenue going to reduce the deficit? No. Is this loss of revenue going to balance the budget? No. It is going to the rich.

Who is going to pay for it? I will tell you who is going to pay for it: hungry children who are cut from school lunches, mothers and infants who depend on WIC for healthy births and early childhood development, promising students who cannot afford higher education without student loans, older citizens whose lives depend on heating assistance.

These are spending cuts, Mr. Speaker, but they do not go to balance the budget as Republicans claim they want to do with spending cuts. No. Instead, they choose to take money from children, from mothers, from students and from the elderly and give it to the wealthy 10 percent of our population.

This is a tax bill that robs the poor and working families to pay the rich. This is a tax bill that hoodwinks the American people. This is a tax bill that is immoral. This is a tax bill that ought to be sent to purgatory.

REPUBLICAN TAX BILL BENEFITS REAL PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HASTERT] is recognized for 5 minutes.

Mr. HASTERT. Mr. Speaker, it is interesting to hear my colleague from the other side of the aisle talk about immorality and how tax breaks go to the rich.

But let me talk a few minutes about what this tax bill will do for people, real people, people who are 65 years of age. And because they have never been very wealthy all their lives or never had great jobs all their lives they do not have big pensions, and they do not have a lot of income coming in from other types of investments, investments in rents and other things. But, lo and behold, people who have to work, people who have to work to make ends meet, people who have to work to pay the taxes on their homes that they live in and, heaven forbid, maybe even buy a new car someday, real people like your mother and father and your grandparents, people in your lives that you know every day, day in and day out.

What happened with the 1933 tax bill is something called the earnings test on Social Security. The earnings test on Social Security says once you earn $11,280, you have to pay $1 out of every $3 in penalty that you make on your Social Security.

So when you add up all your taxes and all your tax liabilities, if you are a senior and you are 66 years of age and you have to work to keep your family together and maybe pay your taxes on your home and maybe groceries and things like that, all of a sudden you are paying a marginal tax of 56 percent, twice the amount that millionaires pay.

But you know in the tax bill that our friends on the other side of the aisle talk so vehemently about, there is some real relief for seniors that have to work, that have to take care of their families, that want to live a life like everybody else, that want to be productive.

Mr. Speaker, what happens there is that seniors get a break with this tax bill, that we raise over the next 5 years the earnings test to $4,000 a year, and so in 5 years you can earn $30,000, not a lot of money in our day and age but enough for sustenance to keep a family together and not pay that penalty on your Social Security.

□ 1915

Now we think this is a fair bill. The President thought it was certainly something fair because he included it in his campaign report. But let me talk to you a little bit about some real people, real people who live in my district and probably in your district and across this country:

Betty Bourgeau: Betty entered the work force at age 50 when her husband left her and her children. She worked two part-time minimum wage jobs at a department store and for a security company. She then became a teacher's aide for a HeadStart program, went back to school and became qualified to be a HeadStart lead teacher. However, Betty quit teaching HeadStart, the job she loved, when she began taking Social Security. She would lose most of her benefits with both jobs. Her department store job included health care benefits she needed, so she remained employed there.

Betty has received several ''Employee of the Year'' awards at the department store over the years, accompanied by pay raises. However, when she takes the raises, she must reduce her hours or lose more of her benefits to Social Security. This puts her in a particularly difficult situation because her health benefits are predicated on working a certain number of hours for the department store. Regulating her

hours is also difficult during the busy holiday season at the end of the year. The store needs her more during these times, but she loses most of her benefits if her work puts her further over the Social Security limit.

Now that type of a situation happens time and time again. Why do we penalize? Why do our friends on the other side of the aisle want to penalize working seniors? Why do they want to vote no on this type of legislation?

Let us look at Mary Lou Livingston from Springfield, IL: Mary Lou was divorced 19 years ago and has worked ever since. She has no pension or retirement plan to draw from. She had to pay the Social Security Administration back $549 in 1991, $281 in 1992, $935 in 1993 and $730 in 1994 for earnings exceeding the Social Security earnings limit. During those years, her average Social Security check was $288 per month. In 1994, Mary Lou cut back her hours to try to avoid the penalty, but still had to pay some money back. Mary Lou supplements her grocery bill each month through the Share Program sponsored by Catholic Charities. This program allows her to pay $14 per month and receive $35 worth of groceries.

Mary Lou works as an information receptionist at the Visitors Center of the Lincoln Home National Historic Site in Springfield, IL. She has worked there for nearly 12 years and has received numerous complimentary letters for her job performance. She was also featured as a staff star of the Springfield Bureau of Tourism.

Here is a person who needs to work, needs to have the tax relief that the tax bill that we will vote on the rule tomorrow will give her, but yet there are some who want to demagogue the issue and talk about how all these benefits go to the rich when, in fact, they go to real people, real people who really need them.

Mr. BILIRAKIS. Mr. Speaker, I want to take this opportunity to express my strong support for increasing the Social Security earnings test and eliminating taxes on Social Security recipients.

With regard to the Social Security earnings test, currently, older Americans between the ages of 65 and 69 lose, $1 in Social Security benefits for every $3 they earn above $11,160.

I have consistently cosponsored legislation to repeal the limitation placed on the outside earnings of Social Security benefit recipients. Current law, in my opinion, punishes seniors who choose to remain productive beyond age 64.

The Senior Citizen's Equity Act, which I strongly support, raises to $30,000 the amount which seniors can earn before losing Social Security benefits. I believe this is a necessary step—we should be encouraging rather than penalizing productive, experienced people who want to work.

I also strongly support repealing President Clinton's Social Security benefits tax—in fact, one of the primary reasons I voted against President Clinton's 1993 tax package was due to the additional tax burden it placed on Social Security beneficiaries.

I am pleased that the Contract With American includes provisions to repeal this unfair benefits tax.

Since I was first elected to Congress, I have always fought to protect the social contract represented by Federal retirement programs, including Social Security. As a Member of Congress who represents one of the largest concentrations of older Americans in the Nation, I am committed to continue this battle to protect the benefits of our seniors.

Therefore, I will be supporting the Tax Fairness and Deficit Reduction Act of 1995 when it is voted upon by the House of Representatives this week.

Mr. GOSS. Mr. Speaker, tomorrow the House will take up the last item in our Contract With America.'' The passage of H.R. 1215 will reverse the tax-and-spend mentality of recent Congresses, and finally give the American taxpayer some long-overdue relief from the highest Federal tax burden in our country's history. Not only does our bill provide much-needed tax relief for working families, it includes several badly needed, and long-overdue relief measures for our Nation's seniors. I'm especially proud of the fact that our bill provides several carefully crafted provisions to help seniors with the ever-looming, and potentially devastating cost of long-term health care. Our bill will allow seniors to deduct the cost of long-term care insurance premiums and the cost of any substantial long-term care expenses. Adopting these changes will end the tax codes' current discrimination against seniors, and make the tax treatment of long-term care costs similar to that currently provided for employer-provided health insurance and out-of-pocket medical expenses. Not only is this fair—but it is a good idea. These provisions will help seniors provide for their own future health needs while enabling them to maintain their independence and dignity in the event they are saddled with a costly, long-term care episode. Rather than compel millions of seniors to spend down their life savings to qualify for medicaid benefits, as our current laws do, these provisions help seniors preserve their savings while helping themselves. We've also provided a tax credit for families who care for a loved one at home. This will help families stay together, and again, help prevent older Americans from having to suffer, unnecessarily, from the cost and isolation of institutional care. H.R. 1215 also includes several other provisions to provide seniors immediate economic help. First, we've committed to repealing the ill-conceived new tax on social security benefits—imposed by the 1993 Clinton tax bill. This tax is really a double tax on retirees' past earnings. While proponents of this tax like to label it a tax on the wealthy, in reality it applies to any recipient earning over $34,000 a year or to any couple with a combined income over $44,000. This is hardly what most people would consider wealth. And I would contend this is hardly a lavish amount of income for seniors facing today's health care costs. Worst of all, these income thresholds are not indexed for inflation, so over time, as people's earnings rise, more and more seniors will find that they are wealthy as defined by the Clinton tax bill, and be subject to this confiscatory tax. Given all these facts, I think the case for repealing this tax is clear. Finally, H.R. 1215 would provide immediate relief to thousands of Social Security recipients who are currently penalized by the un-American application of the Social Security earnings test limit. Today when a senior between the ages of 65 and 69 earns more than $11,280 a year in wages, we start confiscating a third of that person's Social Security benefits. This puts seniors living on fixed incomes in a terrible dilemma—if they find their benefits are inadequate to live on, and they try to supplement their incomes by returning to work, they face marginal tax penalties of nearly 50 percent. Worst of all, because the limit doesn't apply to dividend income, capital gains, or other nonwage earnings, it disproportionately impacts those seniors who need the additional income from working. Not only does this discourage people from trying to be responsible and take care of their own needs, it deprives our entire economy of the accumulated knowledge of an entire generation of older workers. By raising the earnings limit to $30,000 per year, our bill takes an important step toward ending this nonsense of the vast majority of seniors who need or want to return to work, and return us to a policy which again respects our traditional American ethics of hard work and self-reliance. Mr. Speaker, these reforms constitute the bulk of our Contract With America's seniors. They deserve the full support of this House tomorrow when we take up H.R. 1215.

TAX CUTS—JUST WHEN WE ARE BEGINNING TO MAKE PROGRESS ON THE DEFICIT

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Massachusetts [Mr. MEEHAN] is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I rise this evening to talk about the budget deficit, and I have heard comments made back and forth about demagogic conversation, speeches. I ran for Congress because I felt that the Federal budget deficit was out of control and threatening future generations of Americans. We are paying $240 billion a year in interest on the national debt. If you look at projections of Federal spending from now until the year 2002, and 2005 and beyond, it is not easy to see that we are going to bankrupt future generations of Americans. Long-term economic growth will be impossible if we do not get our Federal budget deficit under control, and we must have the courage to act and the courage to make tough choices. Getting the Federal budget deficit under control is not about easy choices, and hear all the talk about tax cuts; those are the easy choices.

I had a plan when I got to Congress, my own plan to actually balance the budget. It was not easy to put together. It was put together through a combination of increases in revenues, in cuts, in spending. I have been committed to cutting the deficit since I got to Congress. It is why I got the fourth highest rating in the country from the Concord Coalition on deficit reduction. I believe that the future growth of this country

and the opportunity for future generations of Americans to enjoy the prosperity that this generation has enjoyed hangs in the balance as to whether or not politicians here can make tough choices about how to get our budget deficit under control.

One way that we will never get our budget deficit under control is to give tax cuts just when we are beginning to make progress on the deficit. I am fortunate to have been in the U.S. Congress fighting for deficit reduction, and we have seen, for the first time in 3 years—3 years in a row, first time since Harry Truman was President—where the deficit has actually been cut, we have begun to make progress.

I voted for a balanced budget amendment, a Democrat voting for a balanced budget amendment. That was the easy part. Anyone can vote for a balanced budget amendment. The difficulty is actually balancing the budget, and there is no way that you can balance the budget by the year 2002 if these ridiculous tax cuts are approved by the Congress.

Now the revenue losses to the year 2000 are significant, but the 10-year losses approach $700 billion. It is impossible to balance the budget while providing tax cuts to the tune of $700 billion at the same time, and the irony is everyone in America gets it. People across America do not really think that you can balance the budget by drastically cutting taxes. But what makes this tax cut so tragic is that it cuts the taxes for the wealthiest Americans while enduring a deficit reduction.

Let us balance the budget to a plan to make tough choices over the next several years, and all you have to do is look at projected Federal spending to realize that nonsense about cutting discretionary spending, that we can even balance the budget by cutting children further or by cutting education programs. There is not enough discretionary spending in the budget to do it.

We need to get real about how we are going to cut this deficit. If the choices were easy, politicians in past years would have done it already. This is about difficult choices, and a bidding war over tax cuts for the middle and upper classes has to be avoided if we are going to confront these issues.

The pandering over tax cuts is threatening any chance for deficit reduction. We need to make investments in certain areas, and cutting school lunch programs, and cutting child care, cutting worker retraining, is not the way to prepare future generations to compete.

The Carnegie Corp. did a study last year that showed we are not investing nearly enough in children. You do not balance a budget by cutting children and giving tax breaks to those who are the wealthiest in society.

The Republicans claim that their tax cut will be fully paid over the next 5 years. Let me tell you they have only come up with enough cuts, $189 billion, to pay for the first 5 years, and $100 billion of those are not even specific.

I would hope that we would get real in this discussion. Let us cut taxes and have a debate about cutting taxes after we balance the budget.

Mr. Speaker, the American people get it. I do not know why the Republicans in this House do not get it.

GENERAL LEAVE

Mr. BAKER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on the special order of the gentleman from Illinois [Mr. HASTERT].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE FIRST STEP ON THE ROAD TO A BALANCED BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BAKER] is recognized for 5 minutes.

Mr. BAKER of California. Mr. Speaker, I was very much interested in the previous speaker's remarks until at the end he became shrill and partisan as usual, and I have to say that we believe that you have to balance your approach toward balancing the budget just like you have to take incremental steps, and that is why the Contract with America did not say we are going to balance the budget first time you make us a majority because we knew that is impossible. We talked about the year 2002 and how we were going to work and take that first step on the road of a thousand miles to balance the budget. The problem is not that we can cut, because the gentleman had it absolutely right. He said we cannot have just tax cuts for the rich, we cannot have just that, and we do not want to denigrate this debate over who is going to have the biggest tax cut for the American people, and then in the next breath he said, ''But we can't cut discretionary spending either because there is not enough money in discretionary spending to balance the budget.''

So how was he going to balance the budget?

Mr. Speaker, the answer is, ''You're going to do both. You're going to slow down the growth rate of government spending from its 6 to 10 percent rate and get it down closer to the 6 percent growth in income that this Nation has each year, even during the recession.''

''Do you think, if you went to the American people,'' I ask you, ''and said, 'Do you think your Federal taxes are just about right? Are they too high or are they too low?' ''; what would the American people say to you, Representatives?

The answer is they would say they are too high.

In 1950 this Federal Government took 5 percent of Americans' income. In 1970 this government took 16 percent of Americans' income. In 1990 we are taking 24 percent of the average American's income. So we are paying today, at the 1970 level, an average family, if we could pay at the 1970 level, the average family would have $4,000 more to spend.

At the same time we are running up a huge debt because we have not even slowed down in our spending, and the debt, which is today over $4 trillion, will leap to about $6 trillion by the year 2000, and by 2010, which is historically when the baby boomers all run from one side of the boat to the other, from the paying side on the Social Security, from the taxpaying side, to the retirement side and the drawing of Social Security. We will have a national debt each year of $6.7 trillion. Debt is going to consume America.

How do we get out of this debt? The answer is we are going to reduce taxes, and we are going to reduce taxes on the producers, even business, and the reason is that is where you create jobs, that is where you put people to work and create taxpayers to bring more revenue to this Federal Government. If we could increase this Federal Government's revenue by 1 percent a year, we would balance the budget about 4 years sooner than the 2002 than we are going to be able to balance it through cuts and through the small tax decreases we are going to have in capital gains.

The budget deficit is projected by the Clinton administration to continue growing into the future without a solution. Interest on the debt today is some several hundred billion dollars. But between 1995 and 2006 we are going to pay $3.9 trillion in interest. That is money we could have spent on our children. That is money we could have spent on problems that we have today—80 percent of the Americans want a balanced budget, and this gentleman says, ''You can't cut your way out.''

My answer is, ''You've got to grow your way out.'' Americans will pay a lot just in interest on the debt that builds up their entire lives. In 1974, Americans paid a hundred fifteen thousand in their lifetime in interest on the national debt. This year, 1995, a child born today, will pay $187,000 in interest on the national debt.

I yield to the gentleman from New York [Mr. OWENS].

□ 1930

Mr. OWENS. Is the gentleman aware of the fact that during the last 12 years, beginning with Ronald Reagan that debt accelerated greatly? Jimmy Carter, when he left office, left a national debt of less than $100 billion.

It rose to almost $400 billion under President Reagan, who counseled that lower taxes would mean increased revenue. It never happened, and the deficit exploded.

Mr. BAKER of California. The correct answer is when Jimmy Carter left there was $1 trillion worth of national debt and now there are $4 trillion, but your point is well taken.

Pick the President you like the least. Over the last 26 years we have had how many Presidents? Seven. So I would pick out Jimmy Carter who was playing on the tennis court, and you would pick Ronald Reagan who you say would sleep through all the Cabinet meetings. Then you take Bill Clinton who despite all the rhetoric on cutting the budget is going to add a trillion dollars. Pick the President you want.

Mr. OWENS. What amount of debt was accumulated under each President?

Mr. BAKER of California. Pick the President you want. This Congress for 40 years has had its foot stuck on the accelerator. We appropriate, we spend. Heal thyself.

THE TIME IS NOT RIGHT FOR TAX CUTS

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Pennsylvania [Mr. DOYLE] is recognized for 5 minutes.

Mr. DOYLE. Mr. Speaker, I was born and raised in, and now represent western Pennsylvania and I can tell you that in our region we remember the 1980's very well—we remember the huge tax cuts that were enacted under the guise of stimulating the economy, under the guise of increasing revenues, but the corresponding spending cuts needed to keep the budget under control never took place. What happened? In western Pennsylvania we watched as the Federal budget deficit quadrupled from 1 trillion to over 4 trillion and brought on an economic downturn from which we have not recovered. Now we see that the new Republican majority in Congress wants to do it all again—enact huge tax cuts before we make the necessary cuts in spending. It sounds like the same mistakes made in the 1980's are coming back again in the 1990's.

The Republicans want to enact a bill of massive tax cuts that they claim is designed to help the middle-class. Let it be perfectly clear that this is one Member who believes the best way to help the middle-class, and everyone else for that matter, is to reduce our monstrous Federal debt. Since we are just beginning to make some progress in this area, I do not believe it is the right time for any tax cuts and I am confident that most of the country and the people in my district would agree that we must stay focused on reducing the deficit rather than exacerbating the problem by enacting tax cuts that we cannot afford.

Still, when we actually examine this Republican plan, my opposition to it grows even stronger because there is no question in my mind that these proposed tax cuts will in truth, benefit the wealthiest Americans at the expense of the middle and lower classes! A Treasury Department study has shown that the wealthiest 1 percent of Americans will derive 20 percent of the benefits under this bill. In fact, over half—51.5 percent—of the tax benefits derived under the Republican proposal will go to benefit families with annual incomes over $100,000. This is plainly and simply—an outrage.

Adding insult to this injury, the Republicans have made their ''tax credit for families with children'' nonrefundable. This means only wealthy families will be able to take full advantage of the credit while low and middle-income Americans lose out again. I heard one of my friends on the other side of the aisle say that the Contract With America wanted to make a statement that children have value, but with this provision, a family of three with one child, earning $15,000 a year would get a $90 credit, not $500. A family of five including three children, earning $22,000 a year would get $375 not $1500. I guess under the contract, a child's value is determined by the wealth of his or her parents.

As I said before, I do not believe the time is right for tax cuts of any kind—but for the Republicans to propose a plan designed to help those who need it least while it hurts those who most need help is not only foolhardy—its reprehensible.

I urge my colleagues to oppose this proposal, and I yield back the balance of my time.

PRO-SENIOR TAX PROVISIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Mrs. FOWLER] is recognized for 5 minutes.

Mrs. FOWLER. Mr. Speaker, I would like to highlight a number of pro-senior provisions which are contained in the Tax Fairness and Deficit Reduction Act. H.R. 1327 not only reduces the tax burden on American families, it repeals the Clinton tax increase in Social Security, raises the Social Security earnings test limit, and provides tax incentives for the purchase of long-term care insurance.

The failed notion that Government knows best how to spend people's money has given us a Government that is too big, taxes that are too high, and a huge debt to lay at the feet of our children. The American people have subscribed to a new idea of government—that people and not bureaucrats know best how to spend and invest money. They have sent a clear message that they do not want Government policies that over-burden the taxpayer while encouraging dependence on Government support.

These provisions are in line with the philosophy of smaller government and fewer taxes. At the same time, the bill is distinctly pro-senior. First, the bill would repeal the tax increase imposed by President Clinton's tax package of 1993. It would provide needed relief to seniors on fixed incomes, whom the administration labels as ''wealthy.'' Senior citizens with incomes of more than $34,000 a year are not rich. Seniors face escalating costs for housing, medical care, and prescription drugs and the Clinton tax increase made it even more difficult for many seniors to fend for themselves.

The repeal of this provision is also important because it scales back a very dangerous precedent. The Clinton tax on Social Security actually transferred money away from the Social Security trust fund. Revenue raised from the increased taxation on Social Security benefits is not returned to the Social Security Trust fund. We heard lots of talk from opponents of the balanced budget amendment that Republicans were going to raid Social Security, but ironically, it is President Clinton who has set the standard for raiding the trust fund.

The Tax Fairness and Deficit Reduction Act will also raise the Social Security earnings test limit. The earnings test is a penalty imposed on seniors—our most valuable and experienced resource in the work force—who choose to continue working after they turn 65. Social Security recipients earning more than the current limit of $11,280, will have $1 of benefits reduced for every $3 over the limit. That means that low to middle income seniors will face marginal tax rates of 55.65 percent—when you consider the 15 percent Federal income tax and 7.65 for FICA. That is unfair and discriminatory policy that will end under H.R. 1327.

The current earnings test sends a clear message to seniors: Do not work. It will not pay, which is not the message we should be sending.

Finally, this legislation encourages the purchase of long-term care insurance. Too often, senior citizens who have exhausted their resources or rely solely on Social Security as a primary source of income—perhaps because the earnings test discouraged them from continuing to work—must spend down their resources to become eligible for long-term care under the Medicaid program. There must be a better way, and I believe encouraging the purchase of long-term care insurance will allow more seniors to keep their assets and independence from Government support.

Mr. Speaker, these three provisions will greatly benefit seniors, and at the same time encourage self-reliance. I look forward to having the opportunity to support these changes when we consider H.R. 1327 on the House floor this week.

THE REPUBLICAN TAX CUT IS IRRESPONSIBLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GENE GREEN] is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, the best of America is to stay and fight and the worst is to cut and run. This Republican majority tax cut takes the money and runs. It does not stay and fight the deficit, it does not stay and fight for better education, stay and fight for summer jobs for teenagers, stay and fight for higher educational opportunity or stay and fight for job training for our future.

Tomorrow the Republican majority will bring this massive tax cut to the floor. Everyone wants a tax cut and so do I, but it is irresponsible with the huge deficit that we have. As a business person, I have used capital gains and investment tax credits to help the business that I help manage grow, but until we get our own economic house in order, cuts are irresponsible.

The bill makes the top 2.6 percent of families the winners with over 58 percent of the tax cuts. Corporations would be winners with repeal of the alternative minimum tax, which simply required a corporation to pay something, even if they made a profit.

Who are the people and the issues losing under this bill? Well, of course deficit reduction, because you cannot have a tax reduction without taking $100 billion out of the effort to reduce the deficit.

Teenage summer jobs. Just two weeks ago we saw the House abolish for this year and next year the teenage summer jobs.

Grade school and college students. We saw $100 million cut out of Federal funding for Chapter 1 funding education. College students, the reduction in the student loan program, and finally the losers are the taxpayers of America.

The Speaker calls this the crown jewel of the Contract With America. Well, this jewel is cracked. Why should hard-working Americans pay taxes while profitable corporations may pay nothing?

Why should seniors go cold in the winter and endure hot summers when the top 2 percent of Americans will receive the 58 percent of the capital gains cuts?

The Republican majority wish to point to the lack of responsibility in our Federal Government, but is it responsible to have a larger Federal budget deficit in 1999 than under current law? No, it is not.

Mr. Speaker, the first 100 days has been a blitzkrieg of cuts in education funding, summer jobs for teenagers, school lunches, denying legal and taxpaying immigrants assistance.

The contract has several issues which I agreed with and supported: Putting Congress under the laws that it passes, line item veto and unfunded mandates, and all of these issues needed to be addressed.

But the crown jewel will be paid for by cuts in safe schools and financial aid for the college students. Congress must not sell out the future for some of the good times for the wealthiest families. The American people are tired of paying taxes, and I am willing to work to have cuts for Americans, but Congress would be irresponsible to explode the budget deficits simply to give tax cuts to a small minority of our Nation.

Mr. Speaker, we all want a tax cut, and their money is best left in their pocket, but it is irresponsible to our children and our grandchildren not to stay and fight for our future.

Mr. BAKER of California. Will the gentleman yield?

Mr. GENE GREEN of Texas. I will be glad to yield, Mr. Speaker.

Mr. BAKER of California. Did you vote for the $17 billion rescission package and would you vote today to cut $213 billion from this budget which is this year's deficit?

Mr. GENE GREEN of Texas. I would be more than happy. Last year I voted, in 1993 as we hear, I voted to cut $250 billion out of the budget that did not have one Republican vote. I did not vote for the rescission because the rescission cut 2,000 jobs in my district of summer jobs programs.

Mr. BAKER of California. The rescission was 8 percent of the deficit.

Mr. GENE GREEN of Texas. On a short term basis, we are going to say, well, let's do not have those 2,000 people in my district or 6,000 in the City of Houston who have a summer job, let's put that money into abolishing the alternative minimum tax for corporations. Let's get our priorities straight.

Mr. BAKER of California. Mr. Speaker, the point I would like to make is you cannot cut your way out of this. You did not vote for the $17 billion in cuts and you are not likely to vote to $213 billion.

Mr. GENE GREEN of Texas. I will vote for cuts.

Mr. BAKER of California. You better pray that the tax reduction brings more revenue.

Mr. GENE GREEN of Texas. Reclaiming my time. I like a lot of Democrats will vote for cuts, but let's vote for cuts that do not take the cuts today and penalize those in the future. Let's vote like you said, let's grow out of this deficit, but you do not grow out of it by cutting job training funds, by cutting summer jobs programs. We want those youngsters to be productive citizens so they will pay those taxes 5 and 10 years from now, but if you cut the job training today and you cut their summer jobs, then growing out of this deficit is really a pie in the sky and a pipe dream, just like the 1981 tax cut was to balance the budget.

Mr. BAKER of California. If the gentleman would further yield.

Mr. GENE GREEN of Texas. I will further yield.

Mr. BAKER of California. Let me be honest, I will not vote to cut $213 billion because it could not be done without hurting all the programs you are talking about. The capital gains tax and the alternative minimum tax will bring us more revenue and allow us to balance the budget sooner. Thank you for yielding.

Mr. GENE GREEN of Texas. If I believed that rationale, I would be voting for it tomorrow, but obviously I do not.

□ 1945

BUDGET ITEMS INTERRELATED

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, we have heard a lengthy discussion of the tax cut that will be on the floor tomorrow. It is very relevant to the subject that I would like to discuss and that is the coming budget. It is all interwoven. You cannot separate one part from the other. The $17 billion in rescissions that have been passed by the House already, the tax cut tomorrow, the coming budget that we will deal with in May, all of it is interrelated and very complex.

I wished there was some way to really simplify it so anybody could understand it without all of these lengthy discussions, but the discussion is necessary. The charts and the graphs, all of it is necessary but I think it could be summarized and we could take some guides to lead into an understanding of what is happening.

There are a few basic facts that must be understood from the beginning and I want to start by explaining an interchange, a dialogue that I had with one of the speakers where I said that under Jimmy Carter the deficit was less than $100 billion and under Ronald Reagan it went up to $400 billion. I want to correct that. The deficit for one year under Jimmy Carter never exceeded $100 billion. I think the highest annual deficit that Jimmy Carter had in the budget was $64 or $68 billion. Under Ronald Reagan, it soared to an annual deficit of $400 billion. It all added up to, between the time Jimmy Carter left and the time Ronald Reagan left and the present, a $3 trillion difference. The deficit when Jimmy Carter left office was $1 trillion, overall deficit, and it is now $4 trillion. But the annual amount was as low as $64 or $68 billion under Jimmy Carter. It is the highest annual deficit that he ever created. Under Ronald Reagan it went up to more than $400 billion.

Part of the reason it went up so high under Ronald Reagan was due to the fact that there was a philosophy dubbed by many before he was elected as voodoo economics which said that you could lower taxes, lower taxes but increase revenue. We have heard the same argument here on the floor today. Instead of offering it in a voodoo economic package, he came with higher mathematics and said something about cosines and sines and I guess what simultaneous equations must have shown. He said it was complicated. We

could not see the chart that he showed. But no matter how complicated you make it, he is still saying the same thing that Ronald Reagan said: You can lower taxes and at the same time increase revenue.

No matter how many charts you bring, experience, the years under Ronald Reagan and the years after that have shown us that the lower taxes produce lower revenues. Why do you have a deficit? Because the revenues could not keep pace with the spending. The revenues did not match the previous revenues even after you had found ways to lower taxes. It is simple and any high school sophomore would validate that. You cannot lower taxes and increase revenues at the same time.

That is a basic set that we have to put in place. We have to understand part of the problem is the continuing addiction to voodoo economics, the continuing addiction to a kind of magic, an attempt to make the public believe that you can have everything at the same time.

The Contract With America proposes, first, to balance the budget by the year 2002 in a 7-year period. We usually handle budgets over a 5-year period. They projected they could balance the budget by the year 2002 and they have issued a statement that any budget that comes on the floor of the House during the budget debate in May must show that it is on a glide path toward a balanced budget by the year 2002.

If it is on the glide path toward a balanced budget by the year 2002, it means about $59 billion is the amount of the deficit 5 years from now. Our budgets are using 5-year projections, so the budgets that come to the floor will be for a 5-year period and you must show that the deficit is down to $59 billion by the 5th year, which means that it is estimated in 2 more years that the budget would be totally balanced.

They have created that condition, the insistence that there must be a balanced budget by the year 2002. At the same time, the same Contract With America says we are going to increase the defense budget. We are going to increase the defense budget dramatically, although there is absolutely no need to increase the defense budget. I will talk about that later.

It insists that the defense budget must be increased. So you are going to balance the budget, you are going to increase the defense budget, and on top of that, there will be a cut in taxes, a cut in taxes which would generate additional deficit if you do not have simultaneous cuts in expenditures.

So we are down to the problem, is what shall the expenditures be that are cut. If you out there have asked the question, ''Why did the Contract With America in the fine print or no print at all, why did it go into such strange budget saving tactics as cutting school lunches?'' The Congressional Budget Office says that, yes, there will be a cut over a 5-year period, it is more than $2 billion when you add all the factors in. The conservative Congressional Budget Office confirms that there will be a cut of $2 billion, a savings of slightly more than $2 billion.

Why did the Republican majority reach into the school lunch program to get a paltry $2 billion? Because that is part of what they need to make all of these magical things work together. In order to balance the budget by the year 2002 and give a tax cut, they need every dime they can get.

So they have reached into the school lunch program. They have reached into the Aid to Families With Dependent Children Program and related programs, food stamps. They have reached in there to get additional billions of dollars. They are cutting in order to be able to give the tax cut and at the same time move toward a balanced budget.

Why do we have to have in the middle of the year a rescission package which reaches into an existing budget? We are in this budget year now. We have allocated that money after a lot of deliberation. We authorized the money. We appropriated the money. It is in the budget now, but they reached in to get $17 billion, slightly more than $17 billion to pull it out in order to save money and move toward the balanced budget and to give money for a tax cut.

What do they get? What did they reach in to get? The biggest cut was on low-income housing in HUD. Seven billion dollars was cut out of the Department of Housing and Urban Development, most of it for low-income housing.

What did the get from education? Most of the programs they cut in education, $1.7 or $1.8 billion out of the education budget.

Now they are contemplating moving toward a cut in the student loan program. The student loan program is subsidized. We pay interest on the loans during the time the students are in college. And what they are saying is we will take that away, which increases the amount of the student loan programs to the students and places a burden on that segment of our population which we are most dependent upon to carry forward the America of the year 2000, the America of new world order which must have the best possible technicians and scientists and managers. They will come out of your colleges and universities.

So we are going to tamper with the mechanisms that allow us to educate students. We are going to lessen the numbers of students.

So these are the parameters of what we are dealing with. Where shall we get the money to balance the budget and, at the same time, give this tremendous tax cut to the rich?

Because I think all the charts confess, when it is all over, the charts say that the rich will get the biggest benefits on the Republican side. We heard arguments that, yes, the rich are paying the most taxes; and by, yes, they are paying the most taxes, they, in essence, said, of course they will get the benefits because they are paying the most taxes.

I am sure there are many Americans out there who would like to share in the wealth and would be happy to pay the taxes that the very wealthy pay. If they had more money they would pay more taxes, and they would be quite pleased to be in that category.

So any way you cut it there is an admission that the people who are going to gain most from the tax cut are the wealthiest Americans. They gave the percentages. They showed the graphs and the charts. I will not go back into that, but it is clear what is going to happen.

Then the last speaker issued a challenge: What are you going to cut if you are not going to deal with the deficit? It looks as if any Democrats who want to bring a budget to the floor of the House and offer that budget as an alternative budget is going to have to play by the rules that have been set by the Republican majority. They say you must present a budget which shows that it is going to be balanced by the year 2002.

Any budget that comes to the floor as a substitute, and we hope that they will allow substitute budgets as we have had in past years, will have to be on a glide path and have a deficit in 5 years of no less than $59 billion.

So I am the chairman of the Congressional Black Caucus alternative budget. We are working hard to prepare that alternative budget. We accept the challenge. We do not think that it is necessary.

We do not think that you should create an artificial crisis the way the Republican majority has done. They created an artificial crisis, and we have to squeeze everybody very hard in order to meet these artificially created goals. But if that is the challenge, we accept the challenge.

The last speaker sort of threw that challenge to the Democrat side here and said, ''What are you going to cut.'' Well, we say that we will balance the budget. We will cut what is necessary in order to balance any budget we bring, and we are going to make cuts that need to be cut.

There is waste in government. There is waste in government that can be cut. There is waste in the defense budget that can be cut. There is a bloated CIA that can be cut. There are places where we will show that the American people can get a better deal with a more streamlined government without having to cut the people who are most in need.

The Congressional Black Caucus will again offer its own substitute budget as we move toward the year 2000 and into the 221st century. More than ever before, our alternative budget is needed to offer a vision of America which includes all of the people.

The vision of America offered by the Contract With America and the Republican majority is a vision for an elite minority. An elite minority will be taken care of, and they are proposing to go dump overboard certain other groups. They are going to play a game of triage and just forget about certain segments of America.

They have cut part of the budget which deals with children with disabilities. Part of the Social Security budget has already been proposed to be cut. They are cutting school lunch programs. They are going to cut the aid to dependent children programs. Wherever they are cutting, low income housing, the HEAP program which provides money for heat for people during the winter, all of those cuts are for people most in need. Americans who are most in need are the ones who are going to be cut.

We are going to show how we can offer a vision of America that does not play the game of triage, that is a vision of America which includes all of the people.

To counter the scorched earth approach of the oppressive elite minority which presently controls the House of Representatives, the Congressional Black Caucus must discharge its longstanding obligation to present a budget which promotes the general welfare and advances the interests of the caring majority. The overwhelming majority of American people can be taken care of in the process of moving toward the year 2000 and balancing the budget and streamlining government.

The CBC, the Congressional Black Caucus caring majority alternative budget will encompass the interests of all Americans. However, it will also represent a moral counterattack against the forces of the oppressive elite minority which have launched a blitzkrieg against the political, economic and social infrastructure of the African-American community. Our budget will speak for the caring majority of America.

It will also specifically address the issue of what the oppressive elite minority which presently controls the House of Representatives intends to do to the black community in America, to the African-American community. We have been singled out for special attention. Black people in America are presently being subjected to a powerful and dangerous double-barrel assault. Devastating budget cuts of programs developed over the last 60 years threaten to deny basic necessities to ordinary black citizens and thus break their spirits and cripple their will to fight back.

□ 2000

At the same time, a dirty war, assault on affirmative action, designed to serve as a campaign weapon in the 1996 elections, will seek to brainwash America into the belief that every black is a new kind of Willie Horton threatening to rob them of their job.

You will recall in the Bush campaign against Dukakis, they were running neck and neck until an advertising campaign was introduced of a monstrous person who had been in prison and released and committed murder and all of a sudden, all you saw on the screens was this black Willie Horton and the threat that he was to the American people and that turned the tide and the polls began to show Mr. Bush climbing over Mr. Dukakis.

It was such a great success, it has been repeated in various ways since then. In the campaign of Harvey Gant against a senator, who is now sitting in the Senate from North Carolina, there was a close race until the senator from North Carolina introduced a campaign ad which showed a white hand with a job application and a black hand reaching out to take the job application away from them. So that kind of racist appeal, the gut racist appeal, has proven to be workable.

It is a case where civilized people appeal to very primitive instincts. Parties that used to act very responsibly, both the Republican party and the Democratic party, the leadership at one time refused to succumb to the temptation to make their campaigns racist. But the Republicans broke with that tradition when Ronald Reagan decided to go to Philadelphia, MS and launch his campaign. Philadelphia, MS is a place where three civil rights workers were murdered, two Jewish young people and a black—Chaney, Schwerner, and Goodman were murdered in Philadelphia, MS. Mr. Reagan chose to go there to launch his campaign and send a message to the south and the people who believed, like those in Philadelphia, MS, that there was a new Republican party.

And since then the use of racism, the use of racism in campaigns has been dignified, has been made acceptable. So we go from Philadelphia, MS to Willie Horton and now the kingpin of the 1996 campaign is going to be an assault on affirmative action.

The budget process is one attack on the African-American community. The assault on affirmative action is the other.

Tonight I am dealing with the budget process. For African-Americans, the present declaration of war by the oppressive elite majority which controls the Congress represents the clearest and most overwhelming threat to the black community since the first black reconstruction effort was brutally demolished shortly after the Civil War. There were many Members of Congress who were black at one time and, shortly after the Civil War, when the reconstruction effort was underway, they came into Congress. And after the Hayes agreement, the blacks were driven from Congress as they were driven from office all over the country. And the Ku Klux Klan began the riots and murder, brutality, lynching, 100 years of that took place.

So we are not going back to that, but there is an attempt to roll us back into that by taking the second reconstruction, we call the second reconstruction from the time of Martin Luther King, the Montgomery bus boycott to the time we got the Voting Rights Act.

It was the launching of the second reconstruction, that reconstruction now they are going to attempt to demolish. The CBC caring majority alternative budget will be a major component of the master plan which will guide the counteroffensive that we must launch in order to guarantee our survival. Because this budget will clarify and highlight important goals and objectives for all of us, it will serve to strengthen and accelerate a renewed struggle by the African-American community with the help of the other millions who make up the caring majority. The other millions are the enlightened white Americans, Latinos, Asians, native Americans, Jews, Christians, immigrants, and important people everywhere.

We are confident that with their help, the total caring majority, we will be able to defeat the deadly design of the oppressive elite majority. We are confident that we should be able to overcome.

We have, in the Congressional Black Caucus, laid out a set of about 11 basic principles and themes that will guide our preparation of the budget. As you know, we will not be doing the budget until May. The Committee on the Budget is late in that process so we will not be considering it on the floor here until May. But we have set out a set of principles that will guide us.

First of all, we began by condemning the entire rescission package that I have just spoken about a few moments ago. The rescission package was the launching of those devastating cuts primarily aimed at the poor, the urban poor and more specifically aimed at the African-American community. At least 65 percent of the cuts in that $17 billion rescission package, 65 percent of those cuts are aimed at poor urban communities. We condemn that. We hope that the President will veto that package. We hope that the Senate, first of all, the Senate will make some drastic changes. But if they do not make those changes, we hope that the President will veto that package. It is necessary that those $17 billion in cuts not take place in this year's budget.

We also particularly condemn the zeroing out of the Summer Youth Employment Program. We call for the immediate restoration, as the number one item that is most urgent, immediate restoration of the summer youth employment program. The Summer Youth Employment Program provides jobs for teenagers during the summer. It is a very successful program. It has worked very well. Nobody challenges its effectiveness. It provides 32,000 jobs in New York City. And in big cities all across America it provides thousands of jobs during the summer for teenagers.

Why must this program be zeroed out? No reason has been given except that it is part of the plot aimed at the poorest communities, the urban communities and particularly aimed at the African-American community. We insist that the teenage employment program in the summer be restored.

Item three is the basic principle that we support a tax cut for the working class, as set forth in the progressive caucus budget. They have a tax cut for the people who make the least amount of money, and we are united with the progressive caucus on giving a tax cut to the people who are working people and need the cut the most.

Item five, we support the establishment of a commission on creative new revenue options to develop new sources of Federal revenue and shift the primary tax burden from personal income taxes.

I agree with the other side that personal income taxes should be cut. We should find ways to cut them and cut them fairly. Personal income taxes are too great a portion of the overall Federal revenue package.

There was a time when corporate income taxes bore at least half the burden of the Federal revenue package. Corporate income taxes need to be raised. But that is not creative. That is just an adjustment that needs to happen. We need to look at more creative sources of revenue.

As I have said on this floor before, we are selling the spectrum above us. There was a time when the Government gave land out to people. They did not sell it. When this country was first established, you got land grants and there were land rushes, various ways that people were almost given the land.

Now we have above our heads a realization that above our heads is wealth. The atmosphere above our heads, the spectrum can be sold and is being sold. Why not find ways to get more revenue from the leasing or the selling of the spectrum?

Technology has brought us to this point. The technology was produced by the genius of people over many, many years, but it has brought us to the point where suddenly the atmosphere above our heads is valuable. It is worth a great deal of money. Let us find a way to tax that for the benefit of all Americans. That is just one of the taxes.

Let us place a royalty on all the products that have been developed with Government research. Let us go back and place a royalty on them and let us make certain that all future products developed with Government research have a royalty on them which exists forever, going to the American people, giving the American people the benefits of those technological advances.

There are a number of ways we could change the tax structure, end personal income taxes as we know it. Get rid of personal income taxes or bring it down to such a low level that it is a minor part of the budget by finding other creative ways to tax people. We want to call for this commission.

I see the leadership of the Senate, the Republican leadership of the Senate, the Republican leadership of the House have called for a similar commission. We join with them in the call for the commission, and we would like to offer some ideas. And if they are not going to be creative, we call for creation of a special commission that is going to look for real creative options and not find new ways to bleed the same old people with personal income taxes.

We have a very important item in this set of principles with respect to cutting programs and cutting expenditures. We support means testing for all agricultural subsidy programs. Here is a bombshell. Here is Republican pork. Here is rancid Republican pork.

Go look in the districts of people who represent Kansas and a large part of the Midwest, who claim that they do not want any help from Government. They have been getting help from Government for years and years. A program created by the New Deal to help farmers has been expanded to a program which is an almost racketeering enterprise. Checks are being pumped into big cities to people who have never set foot on a farm. So the agriculture subsidy programs and various programs run by the Department of Agriculture need to be examined closely.

We propose to streamline and downsize the huge Department of Agriculture. They did a great job so we have a most effective industry, an agriculture industry that is unparalleled anywhere in the world. Government can step out now. The agriculture does not need to be the second largest bureaucracy. Right now the Department of Agriculture is the second largest bureaucracy in the country, second only to the Pentagon in the number of employees.

Instead of calling for the eradication of the Department of Education, which we need very badly, let us downsize and streamline the Department of Agriculture. We will show you how to save money in that process.

We support the collection of fees for the difference between current rates and market rates for electric power, the various power marketing commissions, administrations are giving away revenue that could be gained by charging market rates for electricity where Federal projects are involved in pricing that electricity.

We support the maintenance of foreign aid at the present level. We support the continuation of Federal benefits to all eligible immigrants. We support the elevation of education and job training as the highest priority item in the budget. We are going to offer increases. We are going to call for increases in education programs. We want Head Start to be available for all eligible children, all eligible children. We want no cuts in the college student loan programs or the work study programs or anything related to higher education. We are going to place the increases where they should be.

Finally, we will call the drastic cuts in defense. We do not need, after the cold war is over and the evil empire is defeated, we do not need to spend $28 billion, $28 billion for the CIA. We could, over the 5-year period, cut the CIA by 10 percent a year and by the fifth year you would have it down to about a $14 billion budget. Nobody really knows. This is a conservative estimate, that the CIA and intelligence agentagency budget is $28 billion.

First of all, we would like to end the secrecy. We see no reason why the American people cannot know exactly what this fumbling, very deadly, some things have been revealed, it is a very dangerous agency. It should let the American people know what the budget is. We want to cut the budget that is there.

We certainly want to cut the F–22. The F–22 is a fighter plane, the most sophisticated ever conceived. It is being manufactured in the district of the Speaker of the House, Marietta, GA. It has great benefits for the district, but we do not need it. We do not need a super-sophisticated fighter plane because we already own the most sophisticated fighter plane already. If the Russians are not building another one, no other country is building another one, why do we need a plane to compete with our own sophisticated fighter plane?

So we will cut the defense budget. The Congressional Black Caucus budget will go forward to achieve balance, but we will show you where the waste is. We will show you what sensible, compassionate people will look at.

We can cut without throwing people overboard. We can cut and have a balanced budget, a sensible budget without cutting school lunches, without making the lives of senior citizens miserable. We do not want to touch Medicaid. We do not want to touch Medicare. We can show you what the vision of America should really be like.

We represent the caring majority as opposed to the oppressive elite majority. Our budget will reflect that. The caring majority budget will be for all of the people of America.

□ 2015

REAL TAX RELIEF FOR THE AMERICAN PEOPLE

The SPEAKER pro tempore (Mr. BILBRAY). Under the Speaker's announced policy of January 4, 1995, the gentleman from Pennsylvania [Mr. FOX] is recognized for 60 minutes as the designee of the majority leader.

Mr. FOX of Pennsylvania. Mr. Speaker, I appreciate this opportunity to speak up on behalf of the American people, I think, who are waiting for the House of Representatives to take its first step towards real tax relief.

The fact of the matter is there are three goals that the American people

want us to have. First, they want to make sure we have deficit reduction, they want to make sure we have spending cuts, and they want tax cuts.

We have already passed, within the Contract With America, $180 billion in deficit reduction. We have already passed $190 billion in spending cuts.

What awaits action tomorrow by this House of Representatives, Mr. Speaker, is the tax cut part, the three parts of the Contract With America to help our senior citizens, to help businesses, to help individuals, and to help everyone who lives here in the United States by having a better chance to get a job, a better chance to keep a job, and a better chance to keep their family together, because these tax credits and these tax cuts are of real value to the American people.

We have seen over the period of time, Mr. Speaker, that the government is too big. It spends too much, and the American people remain overtaxed. As we cut spending, American families deserve tax relief. That is why 76 percent of the tax cuts go directly to families.

We also want to make sure that when America's families say good-bye to one another in the morning, they have good jobs to head off to. Twenty-four percent of the tax cuts go to job creation. The tax money is not ours. It belongs to the taxpayers. It is about time we cut Government spending, reduce the size of the Government, and let people keep more of what they make.

Our tax cuts, which represent 2 percent of Federal spending over the next 5 years, are fair, they help Americans from all walks of life, and they will lead to a better future with better jobs.

First, let me speak about the family tax credit. This bill would provide families with a $500 tax credit for each qualifying child under age 18. This will help families with their expenses.

The marriage penalty tax relief: This would make sure that married couples who file joint returns would be eligible to claim an income tax credit. Generally the credit is intended to mitigate the unfavorable tax consequences that the present law has, which may arise when two single workers marry.

The American dream savings account: For so long now, we are talking about in this bill a new savings vehicle called the American dream savings account. This would permit annual nondeductible contributions of up to $4,000 for a married couple filing a joint return, $2,000 for an individual.

We are also talking about deductible contributions to spousal IRA's, individual retirement accounts. This will increase savings and encourage each family to prepare for the future. This bill would permit deductible IRA contributions up to $2000 to be made for each spouse.

Senior citizens' equity: The Republican Majority has called for, and this bill would allow for, the repeal of the 1993 Clinton increase in the amount of Social Security benefits which are subject to income taxation.

The present law requires senior citizens, most of them, to pay income tax on up to 85 percent for their Social Security benefits. This would roll it back to 15 percent.

It also would raise for the first time Social Security income and allowances. Right now if you are getting Social Security and you are employed, you can only make $11,280. Under our proposal tomorrow, this would over 5 years gradually raise to $30,000 that senior citizens could earn.

Not only would it give them the chance to have more funds to in fact pay for expenses—many of them are living on fixed income—but, Mr. Speaker, it would also bring more tax dollars into the system. It would extend the quality and the length of years for our seniors who have given so much to our country and to each of us.

This would also provide, the same legislation, tax incentives for private long-term care insurance. This would improve for health for all Americans. Long-term care is always thought of as expensive care, but under this tax incentive for private long-term care insurance it would be encouraged.

It would also allow for tax-free withdrawals from IRA's for just this kind of insurance, long-term care. It would also give accelerated death benefits under life insurance contracts. The bill would provide terminally or chronically ill individuals with new means of paying their increased medical bills and living expenses.

Finally, let us talk about capital gains relief. Mr. Speaker, this bill contains four different capital gains provisions, the most important of which would be a 50 percent capital gains reduction for individuals. This would encourage savings, business expansion, and job creation. It also would provide a 25 percent corporate alternative tax for capital gains.

Everyone knows that capital gains is going to help this country move forward. It will be the kind of stimulus that would encourage investment, savings, and new jobs.

Within this legislation will be pension reform for the Members of this House. It will call for our pensions to be more akin to Federal employees' and not some bloated pension that was in prior Congresses. This is the kind of recovery and reform where we are leading by example, Mr. Speaker.

This goes part and parcel with the franking reform we are discussing, and we are going to act on; the gift ban we are going to act on; and campaign reform we are going to act on. It is part of moving this Congress to the kind of new credibility that the American people want us to have.

Mr. Speaker, as well, this legislation would allow for expensing for small businesses. The bill would increase the amount of property a small business can expense. This would have the effect, of course, of encouraging the engine of our economy, Mr. Speaker, small businesses, the chance to grow, produce, and hire.

This is certainly what we want to do, because the backbone of our country are the small businesses. You have heard time and again from the U.S. Chamber of Commerce and the National Federation of Independent Businesses just how important it is to help our small businesses grow.

We already passed legislation to have the 25 percent deduction for the insurance paid for by the employers. We hope that will now go to 100 percent, but this is one more way we can help small businesses in fact meet their expenses and be able to meet their payroll, and then be able to move on to new heights.

There is also within this legislation, Mr. Speaker, tax credits for adoption expenses of up to $5,000; tax credits for the care for the elderly. This is very important to individuals throughout the country in every single State.

Mr. Speaker, the fact is we can have all three with this legislation. We can have our spending cuts, which are very important to trimming an out-of-control Federal budget. We can have our deficit reduction. We also can have our tax cuts.

The fact is, without all three, the country won't move forward. New jobs can't be created, and we won't realize the American dream.

We have other legislation that is going to happen after the 100 days. We are talking about the kind of review where we are going to sunset Federal agencies. The freshman class has come forward with the possible dissolution or elimination of certain agencies and functions, but we have legislation as well that is going to call for every 7 years to review Federal regulations, to review Federal agencies, and to sunset those regulations and those agencies when they are not performing.

This is all part and parcel of the 104th Congress moving forward. I believe, Mr. Speaker, with the adoption of these tax cuts, we will in fact realize the dream that many Americans want us to have, to keep the contract.

We already had the balanced budget amendment. We have a line-item veto. We have prohibited unfunded mandates being sent back to States and local governments. We have had regulatory reform, legal reform. Now we need to have the final, 10th item on the contract for us to deliver on.

We believe this is legislation, Mr. Speaker, that is bipartisan in nature. This is not just Republican or Democrat, this is not for liberals or conservatives, for those who live in the North, the South, the East, or the West.

This legislation, this tax program, is something that every Member can embrace. We hope that the Senate, once it is passed in the House, will find favor with it as well, because the American people have, by overwhelming numbers, said a tax cut, as long as you are going to have deficit reduction, spending cuts, is consistent with what the

American dream is all about: expanding opportunity, helping us keep jobs and get more jobs, helping us make sure that each family in fact has the opportunity to help provide for their children, to make sure they can buy a home, and to make sure that they can provide for their expenses.

That is what these tax cuts will do, give them that kind of flexibility, Mr. Speaker. We believe this is a step in the right direction. No one piece of legislation is going to solve all the problems. It takes cooperation. It is going to take persistence. However, this legislation is a step in the right direction. Tax-and-spend prior Congresses have been out of touch, been out of control.

This 104th Congress has already seen, by bipartisan adoption of the contract items which have overwhelming numbers from the Republican side, and great numbers, as well, from the Democratic side, that we can stop the finger pointing, we can stop the gridlock, and we can work together for the American people. That is what they want us to do.

They want us to work together. They want us to make sure when we go to Washington, we don't get caught in that Beltway mentality of an echo chamber that says ''Whatever you are doing is fine.'' We need a make sure we keep track back home, go to those town meetings, and hear what they are saying.

What I am hearing is they want tax cuts, but they want to make sure they are tied to deficit reduction. That is what this legislation does. Under the proposal from the gentleman from Delaware, MIKE CASTLE, and as well from the gentleman from Michigan, FRED UPTON, and also from the gentleman from New Jersey, BILL MARTINI, we are going to have that initiative within this legislation which will make sure that we tie the tax cuts we are speaking of to deficit reduction. That is very important for our long-term economic health.

However, I believe that you will find that senior citizens can certainly find favor with this. Couples, married, middle class individuals, everyone in the economic stream will find that this legislation is going to give us that boost. It is going to give us that hope.

Together with our great community groups that are doing wonderful things in the private sector to help our communities be strong, we can make sure that we are doing our part by getting out of the way of business, helping expand opportunity, and making sure that House bill 1215, which is the tax cut legislation, will in fact move us forward.

I believe this is a step in the right direction. I would like to call on the gentleman from Michigan, NICK SMITH, at this time to continue this dialogue with the American people, because we need to make sure, Mr. Speaker, that in fact this legislation is adopted for the benefit of all Americans, and for moving our country forward.

Mr. Speaker, I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. FOX] for yielding to me.

Mr. Speaker, first let me say that it is individuals like the gentleman from Pennsylvania [Mr. JOHN FOX], who are part of the driving force that is keeping the momentum going in this Congress to do the tough job of cutting spending and balancing the budget, and at the same time cutting taxes, so my compliments to the gentleman from Pennsylvania and my colleagues in the freshman class.

I think the question we really need to address, Mr. Speaker, is what do we want, what are we after, what do we want to achieve. I think probably it is a nicer, more friendly, better place to work and to live and to raise our kids.

How do we get there, I think is the next question. Part of what we need is more and better jobs in our society. Right now that is a real challenge. What we have seen over the last 40 years is a situation where we continue to increase the taxes on individuals and businesses so that government can do the things that they think are good for you.

We are suggesting now that we leave more of that hard-earned money in the pockets of people that are out there working for that money, and let them decide how to spend it, instead of this huge, overbloated government bureaucracy in Washington, DC.

What has happened in this country is our savings rate that used to be high, we have one of the lowest savings rates out of the industrialized world. When you add to that low savings rate the fact that the Federal Government is now overspending $300 billion a year, if you include what we are borrowing from the Social Security Trust Fund, we are overspending $300 billion a year, that in itself is negative savings, so we end up, compared to the rest of the G–7 countries, at the bottom of the totem pole on savings. That means there is less potential money out there to borrow, to lend.

The Federal Government now borrows 42 percent of all the money that is lent out. Last year, out of every cent and every dollar that was borrowed, here is the Federal Government saying ''Hey, we have to have that money, because we are doing important things.'' They are borrowing 42 percent of that dollar.

Somehow, Mr. Speaker, we have got to expand capital formation in this country. All economists agree that expanding capital and capital investment is the key to economic success. We have a low savings rate. The Federal Government's overspending has driven up the interest rates to businesses. What can we do to encourage productivity in this country, and allowing our businesses to be more competitive with the businesses in other countries?

If you look at the way the United States taxes our business when they invest money in equipment, in machinery, in facilities, we see that our marginal tax rate is higher on our businesses than almost any other country in the world. So what we are doing is we are penalizing the business when they buy that machine or that tool or build that new facility to allow their workers to work more efficiently, because here is what has happened. Let me tell you the way it works in this country.

□ 2030

We have a Tax Code that says that if you buy this new machinery and equipment you are going to have to spread the deduction out over the useful life of that machine or equipment or facility. That means that as we require them to spread this out over 5 or 10 or 15 or 20 or 30 years that inflation eats up the value of that deduction.

So what we have in this tax bill that we are going to start discussing tomorrow is we have a provision that says, look, for small businesses, we are going to stop penalizing you for buying that machinery and equipment, and we are going to allow you to deduct that as a business expense in the year that you purchase that machinery or equipment or facility, up to $35,000. That stops the penalty.

We are additionally saying for that out-year depreciation we are going to allow you to index that depreciation for inflation so inflation does not eat up the value of that deduction when you get to it.

Here is what the economists say is going to happen if we pass this bill into law. It is going to reduce the cost of machinery and equipment and those facilities by 16 percent.

What is going to happen if we lower the cost of new, modern, state-of-the-art tools that we can put in our workers' hands by 16 percent? I will tell you what is going to happen. Businesses are going to buy more of it. Those manufacturers that produce those tools and equipment, those builders and workers that build those facilities are going to build more of them and produce more of that machinery and equipment because now there is a higher demand for it.

The economists project that if we pass neutral-cost recovery into law and if we increase the expensing from the current $17,500 up to $35,000 and if we stop the penalty of the alternative minimum tax, we are going to end up with 3 million new additional jobs by the year 2000; we are going to increase the average salary, the average wage of these individual workers all across the United States by $3,500; and we are going to expand the gross domestic product by $1 trillion. That is going to result in increased revenues coming into the Federal Government.

So the point is, as we look at the rest of the countries around the world we are, in effect, treating our businesses with greater penalties when they buy this machinery and equipment. And we

cannot continue to do that. It is a postwar era. It is a situation where every country now wants to develop the kind of laws, the kind of tax policies to attract capital.

If you look at Adam Smith, Adam Smith says the countries that are going to progress and produce those jobs are the countries that have the kind of tax policies that attract capital formation.

Ludwig Vaughn Mises in 1949, when he came to this country, he looked around and he said, ''Why is the United States moving ahead of the rest of the world?'' What he said, he said it is because we have a policy in this country of encouraging savings and encouraging capital investment. That is exactly what this tax bill does.

I encourage my colleagues to sit down and figure out what can we do as a Nation to increase the number of jobs, increase the quality of jobs and, ultimately, increase the quality of life.

I would suggest that one part of that situation, part of that decision, part of that conclusion has got to be treating our businesses on our Tax Code similar to what happens in other countries, treating our families similar to what other countries are doing to their families in terms of the tax obligation.

If you are an average family now in the United States with at least one person working, you now pay over 40 percent of every dollar you make in taxes. So what this Contract With America is suggesting is not only do we lower taxes but we cut spending enough that we get on the glide path toward a balanced budget. That is so important.

I see my colleagues on the liberal side saying, ''Don't cut taxes. Don't cut taxes.'' I would simply remind everyone that it was about a year and a half ago that we had the largest tax increase in the history of this Nation, a $250 billion tax increase. Some of us on the Republican side said, look, since the economists say that a tax increase is bad for the economy, should we be giving a tax decrease as part of our Contract With America? The overwhelming answer was yes.

The next question was, how do we reduce taxes? We decided to give it to families and families with kids. We decided to give it to senior citizens. We decided to give it to businesses in such a way that they are going to expand their jobs and the employment opportunities. That is what the Contract With America said. That is what we are doing.

This week we are taking up that tax bill, but I need to remind everybody that being on the glide path to a balanced budget is just as important as these tax reductions.

The interest on our gross Federal debt this year is $339 billion; $339 billion is 25 percent of all revenues coming in from all sources to the U.S. Government. We have got to get on this glide path. We cannot continue saying that these are good programs, they should not be cut, we should not tamper with all of the things that the Federal Government is doing.

The fact is that we have had no shortage for good ideas on good programs. We are not only cutting the fat now. We are going to move into some cuts that are going to affect all of America. It is going to be Americans that are going to have to decide, look, are we willing to sacrifice a little so that we do not leave our kids and our grandkids with this huge mortgage and this huge debt that is now $5 trillion?

I thank the gentleman from Pennsylvania for yielding. I think it is so important that we have this debate, that we have this discussion, and I appreciate this opportunity, I say to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. I thank the gentleman from Michigan [Mr. SMITH] for his leadership, frankly, in the House. We have relied on several key individuals who are veterans here in Congress to move forward this dialogue, Mr. Speaker. The gentleman from Michigan [Mr. SMITH] has certainly been someone in whom we have relied in the Republican Conference as well as the entire House because he has spoken out for our seniors, for our families and for our businesses, our small businesses that really drive the economy.

I wanted, Mr. Speaker, if I could, to continue the dialogue that the gentleman from Michigan [Mr. SMITH] has started with regard to some of the other points that were raised in view of the importance of what is happening here tomorrow on this historic debate with regard to tax credits and tax cuts.

The gentleman from Illinois [Mr. HASTERT], the lead sponsor of the Senior Citizens Equity Act, has said it is time to retire the high-tax burden on our Nation's seniors, instead of retiring older Americans who want and need to work to remain independent, productive members of society. That is just what this tax cut bill will do.

The bill includes several tax-cut provisions designed to allow all Americans, poor, middle class, young and old, to keep more of their hard-earned money they would otherwise turn over to bureaucrats.

H.R. 1215 also has the added benefit of reducing the budget deficit. The bill will include caps on discretionary spending that the Congressional Budget Office says will cut the deficit by $91 billion over 5 years, which is $62 billion more in deficit reduction than President Clinton proposed in his budget.

While H.R. 1215 helps families and promotes economic growth and increase jobs, it also helps millions of senior citizens. It will make sure that the earnings limit, which has punished low-income seniors, will, in fact, be changed. Seniors want to work, and they are needed in the work force. The earnings limit increase will help all Americans.

The long-term care insurance that we have discussed in the legislation will ease the financial drain on seniors and their families. It will give private, long-term care insurance the same preferable tax treatment as accident and health insurance. It will exclude from income up to $200 per day in long-term care benefits, will allow long-term care services to be treated as medical expenses.

I would like to now at this time yield to the gentleman from Michigan [Mr. SMITH] for further comments regarding the benefits of this legislation.

Mr. SMITH of Michigan. I thank the gentleman from Pennsylvania for yielding.

These are two interesting charts. We talk about tax day, how long you have to work into the year to use that income to pay the Federal Government in taxes. Right now, tax day is June 4.

Under the administration's proposal, we actually increase taxes; and tax day by the year 2002 goes to June 7.

With this tax bill that we are about to pass tomorrow, actually tax day, because of the tax reduction, goes back to May 26. Some people say maybe that is not far enough. Maybe we should reduce taxes more. But this is a giant start.

Members of Congress are not used to taking away things from people. Our political careers have sort of depended on giving more and more to people.

I like to use the comparison of the Alamo and thinking that maybe one of the reasons those at the Alamo fought so hard was that there was not any back door. But in our Federal Government there is a back door, and that back door is taxing and borrowing. So we have continued to tax and we have continued to borrow to increase the propensity that we will be reelected by doing more things for more people. That has got to come to a stop if we give a hang about our kids and our grandkids.

We have heard a lot of people say, ''Look, it is a tax break for the rich.'' Actually, if you look at the tax cut for working-class families, if you are a family making less than $25,000 your taxes are reduced by 100 percent. If you are a family making $30,000, your taxes are reduced by 48 percent; $45,000, they are reduced by 21 percent; $50,000, reduced by 17 percent.

You see on down there, if you are a family making over $200,000, your taxes are only reduced by 2 percent. All of the economists have indicated that a tax increase is a depressant on the economy. That is where it is important that we modify the $250 billion tax increase that we had a year and a half ago and that we do it in such a way that it promotes jobs, promotes business and promotes a better life.

I go back to John Kennedy, because the idea that reducing taxes was good for the economy is not a Republican idea. John Kennedy said that when he came in, he went and he reduced taxes. This chart just shows what happened

after the Kennedy tax cuts. The real gross national product of this country in 1963 went from 4 percent, in 1964 it increased 5 percent and then in 1965 and 1966 it went on to 6 percent. The personal savings in billions went up. Business investment, which means jobs, went up.

Mr. Speaker, I plead with my colleagues, I plead with the American people, let's move ahead, let's have some of these tax cuts that are going to promote and expand our business, our economy and the well-being of the American people, and let's go ahead and cut the kind of spending cuts that are needed to get us on the glide path to a balanced budget and ultimately achieve that balanced budget by 2002. These tax cuts do not go into effect until we have passed the bill that lays out and locks in how we are going to reduce spending and get to a balanced budget by the year 2002.

Again I thank the gentleman from Pennsylvania [Mr. FOX] for yielding and I appreciate this opportunity.

Mr. FOX of Pennsylvania. I thank Mr. SMITH for his participation in this meaningful dialogue. The American people are waiting for what we will do to not only continue our fight to have the reduction in our deficit, a spending cuts reduction but also the third part which they are looking for now are the tax cuts, how we will make it possible.

We have heard from some on the other side of the aisle that say we are going to pay for these tax cuts at the expense of students. Nothing could be further from the truth. There is no Republican proposal to eliminate the Pell Grant Program, the college work study program, or the student loan program. We are going to continue these programs and they are very valuable to our students.

Let me look if I may, Mr. Speaker, to some very important individuals who, in fact, are Governors of four States who know best what has happened on a State level when they have cut taxes. What has happened in four States. I could give now at this time a letter which goes to some of the points they have made in recent discussions before my colleagues here in the House.

The four governors we are speaking of are William Weld, Tommy Thompson, John Engler, and Christine Todd Whitman. They write in support of the efforts both to cut Federal taxes and reduce the Federal budget deficit. As Governors, they have all cut taxes the same time. Yet they have also balanced their budgets.

□ 2045

They have not accepted the false dichotomy that claims that governments, State or Federal, can only balance their budgets, or cut taxes, but not both. They have been able to do both in their State capitals, exactly what we need to do in the Nation's Capital, cut the deficit and cut taxes and cut spending. They believe that government has a moral responsibility, as I do, to make the tax burden on the people of this country as low as possible and that focusing on the so-called revenue loss leads down a path that asks the question, the wrong question, ''How much does a given tax cut cost government?'' That is like worrying that a bank vault might reduce the income prospects of a bank robber.

Our motto instead should be this:

''There is no such thing as government money, only taxpayers' money.''

The burden of proof is on those who would increase taxes. The burden of proof is also on those who advocate current rates of taxation in the face of rational, just, and economically compelling arguments in favor of tax cuts. In short, we should be cross-examining government expenditures, not tax cuts.

The Governors think, as I do, that taxes are too high.

In Massachusetts they cut taxes nine times over the past 4 years, and yet they do not face a problem of either declining revenues or unbalanced budgets. In fact their tax revenues have grown by $2.2 billion over that time period. They have balanced six consecutive budgets despite the nine tax cuts, but, in fact, because they have the tax cuts.

In Michigan, 15 tax cuts in 4 years have turbocharged the State's economy to its best performance in a generation. These cuts include cutting property taxes on homeowners by two-thirds, Mr. Speaker, eliminating the State's tax on capital gains, cutting property taxes, private pensions and inheritances. While taxpayers are saving more than $1 billion annually, State revenues have continued to rise in Michigan.

In Wisconsin they cut taxes by more than $1.5 billion over the past 8 years, including the income tax, capital gains tax, inheritance tax, and gift tax. What happened, you say? Their economy created new jobs at nearly double the national rate and more new manufacturing jobs than any other State in the Union. Revenues to State government grew by 48 percent, and they balanced their budget each and every year. The lesson from Wisconsin is clear: Tax cuts help create jobs and opportunity for families and individuals and more revenue for government.

In New Jersey they promised to cut State income taxes by 30 percent, and Governor Whitman delivered over 3 years to create jobs and spur economic development through private-sector investment.

When the people's money is in the hands of government, it falls into many pits of stagnation dug by Washington bureaucrats. Money in private hands, however, Mr. Speaker, actively seeks out the entrepreneurial ventures of the present day that become the future job creating companies. By overtaxing, government has in its power to destroy small business, whether it be your home State of California, Mr. Speaker, or my home State of Pennsylvania. Before it is ever launched, we do not want to make a family choose between paying their rent and putting money aside for their children's education, to destroy a family's dream of owning a home.

A reduced capital gains burden will also be likely to persuade people to hold on to their investment longer, thereby increasing economic growth and the effect on the entire economy. When more stocks are bought and held longer, moreover, interest rates will tend to be lower as companies will rely less on borrowing. As a consequence the same family will find buying a home more affordable.

In short, tax cuts start not a vicious cycle that imperils fiscal stability, but a chain of prosperity that touches almost everyone, children, the parents, home buyers, and home builders.

The arguments against tax cuts just do not fly, Mr. Speaker, as they did in Massachusetts, Michigan, Wisconsin, and New Jersey. There is no either-or dilemma here when it comes to taxes, spending, and deficits. They can all be cut. Washington has an obligation to follow the States and to do for the American people what they want, and that is to make sure we help get the American dream, we achieve it in our lifetime, helping our children and grandchildren by continuing our trend of spending cuts, deficit reduction, and the tax cuts they want as well.

Mr. Speaker, I say, ''Thank you for my colleagues for listening and for hopefully voting with us tomorrow to make a difference for America, to make government smaller and to make our dreams brighter.''

NATIVE SAMOAN-AMERICAN JTPA PROGRAM

The SPEAKER pro tempore (Mr. BILBRAY). Under the Speaker's announced policy of January 4, 1995, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes as the designee of the minority leader.

Mr. FALEOMAVAEGA. Mr. Speaker, I reserve as much time as I may consume and ask unanimous consent to include extraneous materials. I rise today to talk about welfare reform and in particular a JTPA program that is earmarked for elimination in the Republicans' rescission bill H.R. 1158.

Mr. Speaker, I would like to talk about a program that provides assistance to the Samoan-American community in three States—the Samoan Service Providers Association [SSPA] in the State of Hawaii, National Office of Samoan Affairs [NOSA] in San Francisco, Los Angeles, Orange County, and San Diego—the State of California, and the American-Samoan Comprehensive Employment Program [ASCEP] in the State of Washington, a tristate program that assists training and retraining of Pacific Islanders for employment and community development.

Let me begin by stating the statement of purpose of the Jobs Training Partnership Act [JTPA], and it states:

It is the purpose of this Act to establish programs to prepare youth and adults facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the work force and enhancing the productivity and competitiveness of the Nation.

Mr. Speaker, this is what the JTPA program is supposed to do, prepare disadvantaged youth and adults by training them and in some cases retraining for entrance into the work force. It is the government's responsibility, to associate programs and community needs. The future of our great country depends on providing our people with the education and skills, in channeling our greatest asset—people, to maintain our work force, our economy and our communities. This great country is a melting pot of cultures and ethnic races each contributing something special to our country, our communities and our workplace to benefit generations to come.

Why do we have a program that targets a special population? Because the previous system did not cater for them. Because the previous system did not provide for diversity, sensitivity and competence. It was made possible by federal government oversight to ensure that the needs of this small population was met.

Mr. Speaker, I agree that we must look at reforming much of our welfare system and to look to make it equitable and fair, in terms of how it is funded and the distribution of those funds for the betterment of society and local communities. I agree it is time to hold onto what is right and what works, and to cut off or sift through that which impedes the course of action of turning our people into productive and responsible citizens.

Mr. Speaker, the course of action that H.R. 1158 proposes is not only ridiculous, but it is dangerous. This Republican led Congress has raced ahead to complete their Contract with America at the expense of many hard-earned programs. Already we are experiencing the results of rushed legislation, staffers too tired to check the bills, Republican legislators who now realize that this rescission bill includes programs they had not intended to be affected—now they want to raise amendments and reinstate that funding. There is reason for long serious deliberation—to avoid any loopholes and ensure that the legislation is in agreement to the intent.

I honestly do not believe that there has been much thought especially to the consequences, the long-term effects, that many of the proposed rescissions will force upon current and future recipients of welfare.

Mr. Speaker, I am deeply concerned over the ramifications that H.R. 1158 will have on the local Samoan communities in Hawaii, California, and Washington. A JTPA program that serves and has the support of the community—and all of a sudden we want to cut it off completely. Let us proceed with caution—the people of America sent out a clear message when we debated health care reform in the 103d Congress. Let us not rush into this until we have reviewed these important issues.

Mr. Speaker, when the JTPA program for the Samoan-Americans was established, the intent was to provide an agency that was competent, sensitive and attentive to the needs of the people from the Pacific. Based on the 1984–85 Department of Labor study ''Unemployment, Poverty and Training Needs of American-Samoans,'' office personnel in existing services and programs knew little about the unique aspects of the Samoan culture and tradition. Our people found that employment training agencies were not user friendly and that the environment was insensitive and not what they were expecting in terms of receiving help. There was a little attempt by employment programs to overcome this industry-wide shortage of Samoan-American staff who could liaison with participants and organizers. Programs did not contain a bilingual element—in most cases Samoan-Americans required language training and therefore were at an immediate disadvantage if a program lacked this bilingual component. They found that the cultural differences and indifferences for the training needs were not met by JTPA personnel.

As a result of this, Mr. Speaker, Senator INOUYE, helped pass legislation that provided for a special job training and employment program for Native Samoan-Americans residing in the United States. This is the only JTPA program that provides assistance to Samoan-Americans.

I would like to take this opportunity to refresh my colleagues on the history surrounding this program and to bring them up to date on the success of the JTPA Native Samoan-American program.

In 1988, Senator DANIEL INOUYE of Hawaii introduced an amendment to include Samoan-Americans in the JTPA Native American Programs under title IV(A) of the JTPA Act. However, by the time this amendment passed Congress, the program was funded as a discretionary program under title IV(D) of the JTPA Act as a pilot and demonstration project.

In 1991, Senators PAUL SIMON, TED KENNEDY and STROM THURMOND included a provision in S. 2055 Job Training and Basic Skills Act, to amend the JTPA Act to include Native Samoan-Americans and those residing in the United States in the Native American Program. Unfortunately, when the bill went to conference on July 29 to 31, 1991, the Samoa-American provision was defeated. The conferees had contended that it was within the jurisdiction of the Committee on Interior and not the Committee on Education and Labor in order to amend the definition of Native Americans.

Today, the program is still scored under title IV(D), as a discretionary item and the State Department of Labor of Hawaii continues to administer the program.

Why would we seek to include Native Samoan-Americans in the JTPA Native Americans Programs? Because the JTPA-NAP program was established by Congress to address the serious unemployment and economic disadvantages which exist among members of these communities, namely Native American Indians, Native Alaskans, and Native Hawaiians. And I feel that the Samoans who have migrated from American Samoa to Hawaii and the United States proper do qualify.

As Members of Congress will testify, of all the minority groups in the United States, Native Americans, Native Hawaiians and Native Samoan-Americans suffer the most economically, primarily due to educational, cultural, and language barriers. I submit to my colleagues in the House that 25 percent or more of the Samoan-Americans population here is the United States live in poverty.

An official 1980 census cited 42,000 Samoans in the United States proper. At that stage nearly half of that Samoan population was residing in California and more than one-third was in Hawaii. Although severely undercounted, the 1990 U.S. Census cites 63,000 Samoans now living in the United States, an increase of 50.1 percent over the 1980 statistics, 50 percent live in California, 23 percent in Hawaii and 6.5 percent in Washington. Overall 87.6 percent live in the West region of the United States.

I might also note, Mr. Speaker, that despite a 95-year relationship between American Samoa and the United States, the first official census taken by the U.S. Census Bureau of the territory was in 1990—only 5 years ago.

Statistics from the Hawaiian operation continue to show that male Samoans have an unemployment rate of over 9 percent while the unemployment female rate remains at 12 percent, both above the national norm. More than any other ethnic group, Samoans have substantially higher school dropout rate with higher incident rates of gang violence. In excess of 30 percent of the Samoan population in Hawaii reside in public housing projects, and Samoan youths and adults rate the lowest in terms in educational competencies and vocational/occupational skills.

Since its inception in 1988, the JTPA Samoan Employment and Training Program has begun to address employment and training needs of our people. Hawaii last year enrolled 360 participants and terminated 174. Of the 174 terminated, 98 percent were placed in unsubsidized work averaging $10.65/

hour for adults and $8.49/hour for youth.

California enrolled 578 participants against a planned enrollment of 625 and terminated 477; 240 participants out of the 477 were placed in unsubsidized jobs, that equates to a 50 percent success rate.

The success of this program is evident from the mass mailing my office received recently because of the rescissions bill:

Ms. Paulette Solt, Supervisor Senior Probation Officer of the Juvenile Probation Department for the City and County of San Francisco said the program provides, ''counseling, remedial education assistance, job education and readiness, and youth employment that is culturally and linguistically relevant.''

Donna Briggs of the Department of Social Services, also for the City and County of San Francisco said, ''Problems I've experienced during the four years that I worked with Samoan families, were monumental largely due to the fact that I am not Samoan and knew nothing about who they are as a people.''

The Mayor's Office of Community Development for the City and County of San Francisco said, ''The employment and training program they are currently providing is very successful at placing Samoan American youths and adults into jobs relating to the training they received as part of their community development.''

The City and County of Los Angeles has the largest Samoan population in the continental U.S. and Shirley Crowe-Massey, Principal of the Long Beach Unified School District said, ''Many Samoan youths are at risk due to cultural and language barriers. The office of Samoan Affairs addresses the needs of and provides for Samoan students and their families; it is an organization that is uniquely equipped to do so.''

Robert Agres, Jr., Deputy Director of the City and County of Honolulu Department of Human Resources said, ''While Samoans in Hawaii have made much progress over the years in moving towards increased economic independence, they continue to be the most economically and socially disadvantaged ethnic group in the State. Programs, like that of the [American Samoan JTPA program], are an investment of federal dollars . . . they help Samoans to move away from the dependence on public support . . . to become contributors to the economic life of our community.''

Mr. Speaker, of concern to many of the letter writers, from school teachers, to church groups, to probation services, to travel agencies, to past and present participants, was—who would become the intermediary agency should the Native Samoan Americans JTPA Program be cut?

Mr. Speaker, Before this American Native Samoan JTPA Program was here, there were no training programs that address the concerns of American Samoans, and there were no agencies familiar in the makeup of Samoan Americans in their surrounding communities—and this may be very true for many of the minority communities out there today. There was no one who could identify with the cultural aspect and the embodiment of being Samoan.

But, we now have the Samoan American JTPA Program producing promising results, considering the difficulties in obtaining data and preparing appropriate training for these people. The Hawaii program statistics indicate that the cost per participant was $1,806 last year. California's cost per participant was $1,907 with an average cost per participant was $1,643 over that last 3 years.

Mr. Speaker. I submit it would cost the Federal Government a lot more if these people were on welfare. In terms of investment this program sounds like a good return—it is a cost-effective initiative as well as a high yield in turning out productive and responsible citizens of our community.

Mr. Speaker, many of the graduates of the JTPA Program are now earning decent wages and holding meaningful jobs; several have gone on to pursue degrees in higher education and some have even started their own businesses. It is evident that the program removes members of our community from the welfare roles, and more importantly, it will keep them from getting back to the welfare rolls.

Mr. Speaker, I am in strong support of retaining the JTPA Program because it provides meaningful training for meaningful employment opportunities for our citizens. It is a proactive training program for youth and adults and especially their families improving their access to employment, improving their skills and enhancing the competitiveness of our labor force. It takes the sting out of turbulent years when families are in this transition phase of training and settling into new neighborhoods. It is a program that supports community development and cohesive and it is our responsibility as legislators to ensure that such programs remain part of our community and not be subject to the slash and cut program as outlined in the contract on America.

Mr. Speaker, I can only imagine what effect block granting will have on minority communities. If we choose to send block grants to the State level you can bet your bottom dollar that the black community will suffer, the Hispanic community will suffer, the legal immigrant communities will suffer, minority communities will suffer. It is at the local level of our communities where our concerns are felt and it is here where they should be addressed.

Mr. Speaker, the GAO report ''Block Grants—Characteristics, Experience, and Lessons Learned'' reinforces many of my concerns with block granting. I would like to see the local community service providers, the people who give their time and skills, the people who get their hands dirty, to continue to administer these programs without strings attached—to the State level. I am not convinced that States have the vested interest in serving a population that is politically and economically insignificant or if it can operate with the same efficiency and effectiveness. Let us not gag programs that we know make a difference in motivation, in personal self esteem, in positive reinforcement and outlook on life. Let us preserve this program that has continually proven to be successful while moving ahead to improve and provide a valued community service.

Mr. Speaker, how can we be sure that block granting to State governments will channel funds to the most needy in our communities? How can we be sure that these State governments are going to spend the money for the express purpose that Congress intended these funds to be spent? What certainty is there that we will help the minority communities who suffer the most, who put up with the discriminations because of their race, the way they dress, their language, where they work, and their gender?

Mr. Speaker, do not place the JTPA Program in a block grant if you intend to have it administered at the State level and on that basis Samoan-Americans would have ''zilch'' representation. Looking at OMB's Directive 15 Census category of Asians or Pacific Islanders [API] American-Samoans were 0.86 of 1 percent out of a group that total about 8 million people. With no disrespect intended, the political arena favors the Asian-American population and in terms of allocating resources it would appear that Samoan-Americans would not receive the attention deserving of such a special population. It is interesting to note that the stereotyping of Asian and Pacific Island Americans in the contemporary United States has led policymakers and corporate leaders to view this API category as ''the model'' for other minority groups. On the contrary, Mr. Speaker, for some 500,000 Pacific Island Americans, the American experience has been one of a vicious cycle of broken homes and families, tremendous tensions among young people currently involved in gangs and drug trafficking, limited educational opportunities, and simply out of frustration and tensions, these citizens of our community inevitably become victims of the ''dark side'' of life, and simply adding greater costs to both local, State, and our national government.

Mr. Speaker, my office has received hundreds of letters of support from all segments of the community, government agencies, local referral groups, institutions, church groups—each endorsing the special expertise that this program provides. They know of the impact that this program achieves because they deal with them on a day-to-day basis. We cannot ignore what they have to say: Don't close the door. Don't close the door.

Mr. Speaker, the success of this program can largely be attributed to the caliber of senior personnel and the personal interests they hold for our American Samoan people: Mrs. Pat Luce-Aoelua of the National Office of Samoan Affairs [NOSA] has been in the business of caring, education, and counseling our people for over 20 years. She has carried out many research projects from cultural awareness to mental health training and has been on

call as a consultant to many of the local Federal agencies in California. Bill Emmsley of the Samoan Service Providers Association [SSPA] has also been very instrumental in reaching out to our community in Hawaii. His involvement also stems back to over 20 years and has a strong commitment to employment training.

Many of SSPA's participants have gone onto community colleges and even to university. SSPA recently graduated 17 participants from one of its entrepreneur training programs. In Seattle the operation is cared for by Logologo Sa'au, Jr. Although smaller in size, the operation in Seattle is just as important. Remember this is a tri-State program, the only program reaching out to many of your constituents who are American Samoans.

In closing Mr. Speaker, I would like to share a few lines from a letter that speaks out in strong support of the Samoan-American JTPA program. From the mayor's Office of Community Development, City and County of San Francisco:

. . . attests to the fact that the [Samoan-American JTPA program] has an excellent operation as we have witness[ed] for the past 3 years. The employment and training program they are currently providing is very successful at placing Samoan-American Youths and Adults into jobs relating to the training they received as part of their community development. This is a program that we can all be proud of as they continue to provide outstanding counseling, education and training to this economically disadvantaged population.

Mr. Speaker, I include for the RECORD statements on this subject from program directors Pat Luce-Aoelua for California, and Bill Emmsley for Hawaii.

Mr. Speaker, I yield back the balance of my time, and I thank you for your patience and attention.

STATEMENT BY NATIONAL OFFICE OF SAMOAN AFFAIRS, INC., CALIFORNIA ADDRESSING H.R. 1158 AND 1159 JOB TRAINING PARTNERSHIP ACT

On March 16, 1995, the House of Representatives adopted two rescission bills (HR 1158 and HR 1159) relating to the Job Training Partnership Act. Certain provisions of the HR 1158 eliminated funds specifically earmarked by Congress for the American Samoan Job Training and Employment Program.

As the Executive Director of the National Office of Samoan Affairs which administers the American Samoan JTPA Program in the State of California, I am aware of the disappointments and dissatisfactions expressed by members of Congress with the level of accomplishments and the number of successes attained by the JTPA system as a whole. I can also understand and appreciate the fervor of Congressional effort to reform the system through either rescinding or reducing funds for the JTPA Program. However, I find it extremely perplexing to accept the House Committee's decision to rescind the funds for the American Samoan JTPA Program since Congress, by its own initiative and foresight, had adopted legislation, signed into law by President Ronald Reagan, authorizing special funding for the American Samoan JTPA Program in 1988. This enactment was based on the findings of the ''Unemployment, Poverty and Training Needs of American Samoans'' study by the U.S. Department of Labor as mandated by Congress in 1984. This study was conducted by Northwest Laboratory.

The findings of the Department of Labor study indicate that American Samoans are not making dramatic inroads into local labor markets, and predict that, based on demographic factors such as American Samoans residing in the United States live in urban, economically depressed areas; they are dispersed throughout the states and therefore are not visible in substantial numbers such as other large minority groups to be addressed by the Service Delivery Areas within the JTPA structure. The American Samoans continue to ''fall through the cracks.'' The problems currently exhibited by American Samoan will continue into the future unless culturally relevant programs are structured.

Various studies have shown that American Samoan adults encounter difficulties in finding and maintaining jobs because they lack training, job information, and knowledge on how to access resources, providing training and employment information.

But American Samoans in general do not utilize educational training and employment services commensurate with their numbers of needs, according to the DOL-commissioned study. As it is implemented, the Job Training Partnership Act exists to provide employment and training services to individuals and groups with socioeconomic characteristics, such as American Samoans.

Unfortunately, available evidence indicates that the present and future needs of American Samoans residing in the United States cannot be effectively met by existing JTPA traditional services.

The Department of Labor found that personnel in existing services and programs know little about the unique aspects of Samoan culture and tradition. Research also indicates that there have been few outreach efforts and only isolated attempts to hire American Samoan program staff or to increase American Samoan participation in programs. Due to these failures, local American Samoan communities lack knowledge about the range of existing services and consequently, participation is low.

On the other hand, those programs do not offer ESL training targeted for American Samoan-speaking adults and youths. Since many American Samoans require language training, in addition to technical training, they cannot easily participate in other programs lacking an English-Samoan bilingual component. The data indicate, American Samoan communities in the United States have high proportions of hard-to-train, hard-to-place persons. Because of the JTPA funding evaluation criteria, this makes American Samoans high-risk participants in programs sponsored by the general community. These same criteria makes American Samoan community sponsored program high-risk compared to programs which serve other minorities. It is for these reasons, then in 1988 and more so now, with one of the youngest population in the U.S., median age 21, that the existing American Samoan JTPA Program is so important to American Samoans in the United States.

The large family sizes and low income place many American Samoan families below the established poverty levels. According to the 1980 Census Bureau, the percentage of American Samoans living in poverty in the United States was 27.5%, compared to 9.6% for the total U.S. population. After 10 years, the incidence of extreme poverty for American Samoans is still about the same, 140 percent higher than for the country as a whole.

According to the 1990 U.S. Census, 25% of American Samoans lived in poverty in the United States compared to 10% for the total U.S. population. One out of every four American Samoan families live in poverty. The rate of poverty for the individual for American Samoans is 26% as compared to 13% for the total U.S. population. 9.9 percent of all American Samoans in the labor force are unemployed, a rate of 150 percent of the overall U.S. unemployment rate of 6.3 percent.

The action by the House Committee in this matter was not only ill-advised, insensible and reckless, but also insensitive to the continuing needs of the American Samoan population, a high risk population. With the tremendous pressure in Washington to reduce spending, it appears that programs with very little political pressure/influence are mindlessly being eliminated regardless of their benefits to the various communities across the country.

The perception of the American Samoan Program by the House Subcommittee as a political ''luxury'' that Congress can no longer afford is irresponsible. To this economically disadvantaged American Samoan population, the Program is the lifeblood of their livelihood. To its many participants, the Program has made the difference for their success in not only finding but keeping a job. To the very few, it's the opportunity to improve the quality of their lives and that of their families. All of them consider the Program as a serious and meaningful commitment by the Congress to reach out and help a struggling, underemployed and underserved, at-risk-population of indigenous people to the United States. Assuredly, the Program has gone far more than it is simply an aid for this group who ostensibly ''fall through the crack'' of governmental, mainstream programs. It has become a symbol of governmental foresight and responsiveness to the concerns and needs of this indigenous population of Native Americans.

I have received numerous letters and telephone calls from the participants of the Samoan Program, past and present, and from the Samoan traditional leaders. They expressed their concerns and disappointments with regard to the present situation. It is not an exaggeration to say, Mr. Chairman, that my people also expressed high regards for the Program and held steadfastly to the notion that the American Samoan JTPA Program represented a serious commitment by the Federal Government to provide economically and educationally disadvantaged American Samoans with skills and support services necessary to succeed in the labor market.

Although we understand and appreciate the need for the Federal Government to reform the JTPA system through consolidation or elimination of unnecessary or ineffective programs, we know, for good reasons, that the American Samoan Program is not one of them. I am proud to say that in California, the American Samoan Program has been a big success. For a brief example, our program has enrolled 3,472 adult and youth participants and placed a total of 1,247 in employment since the program's inception in 1988. These figures are higher than the national level. Unsubsidized placement for the past 3 years was met at 109%, 129% and 102%. Our data also shows that during the last 3 program years, it costs the Program an average of $2,258 for an adult participant to go through the program and find a job, while it costs $1,643 for a youth participant. Both cost factors are far below the national level.

The existing program's outcome fully demonstrates the cost effectiveness as well as the successes that would not have come about had it not been for the American Samoan JTPA Program.

Mr. Chairman, we strongly recommend the reinstatement of the American Samoan JTPA in its present form. The proposed statement is consistent with the historical precedents of the U.S. Government designed to protect the people of American Samoa. American Samoans are legally recognized as nationals of the United States, and authority over American Samoa is vested in the President.

The natives of American Samoa are Native Americans and are entitled to ask Congress for special consideration based on what Congress said that it has ''a special responsibility for the Samoan people that grows out of the treaties of friendship and commerce negotiated in the last century and the trust relationship created when the islands were ceded to the United States in early 1900s (H.R. 97–889, 1982:109–110).

With more American Samoans living in the United States than in American Samoa, with the largest concentration living in the State of California, the Government of the United States, through this program, will begin to meet its responsibility to this Native American population in the U.S.

On behalf of the American Samoan Community in California, we thank you.

Soifua ma is Manuia (Long Life and Good Health to You)

PAT H. LUCE,
Executive Director.

SAMOAN SERVICE PROVIDERS ASSOCIATION (SSPA), SAMOAN TRAINING & EMPLOYMENT PROGRAM (STEP),

Honolulu, HI, March 26, 1995.

Hon. ROBERT LIVINGSTON,
Chairman, Appropriations Committee.

DEAR MR. LIVINGSTON: As the Executive Director of the Samoan Service Providers Association, an established community-based non-profit organization in the State of Hawaii, I am writing to urge you to help preserve (reinstate) $5 million in funding for the American Samoan JTPA program for fiscal 1995, which Congress passed with strong bipartisan support last year. I justify my request based on the following reasons:

On April 17, 1900, the ''Stars and Stripes'' waved proudly over American Samoan soil: Since, the Samoans have fought courageously in all of our country's wars in the defense and the preservation of freedom and of our ''way of life''. In fact, during the Vietnam War (on a per capita basis) there were more American Samoans killed or wounded in battle than any other ethnic group in our country. Our unwavering patriotism and love for our country is very much evident. It is through our mutual Deed of Cession, the United States of America signed its obligation to be the custodian of American Samoa's education and welfare affairs. This trust has been honored by the United States since, and we hope it continues to be;

Unlike other American indigenous groups such as, the Native American Indians, Native Eskimos, etc., they have received special recognition and preferred treatment, and thus, have numerous federal programs at their disposal to service their respective communities. Believe it or not, JTPA is the only program that is currently serving the American Samoan community in the entire United States of America. Dreadfully, the current proposal (H.R. 1158 as reported), if it passes, will totally eliminate the only program that is helping our communities (Hawaii, California and Seattle) to realize the American dream. One in every four American Samoan families are under poverty which is well below the national norm, and we have the highest unemployment rate and high school drop-out among all other ethnic groups nationally;

Furthermore, as ''welfare reforms'' are being debated in Congress, the American Samoans have consistently advocated for JTPA programs as a means to the end. We deliberately did not opt for social service oriented programs, because we vehemently believed that by teaching specific skills, JTPA participants would not only learn long life skills toward ''self-sufficiency'', but they would also enhance the quality of our labor force which benefits our private sector through competitive selection. So, you see, we are not asking to sustain a ''pork'' program nor for a handout, but a ''win-win'' program that addresses both the public's educational and training need as well as the private sector's; and,

Finally, our program has proven to be working extraordinary given the level in which participants entered; their employment barriers; and educational deficiencies. Last year's (PY '93–'94) JTPA efforts produced superb outcome performances: we enrolled, in our state alone, a total of 360 participants and terminated 174 participants. Of the 174 terminated, 98% were placed in unsubsidized work averaging $10.65/hour (for adults) and $8.49/hour (for youth). Of the 98% placed, 31% were on various public assistance programs and with remaining percentage of having multiple employment-barriers at the time of their enrollment. Contrary to popular belief, our JTPA program has operated efficiently and effectively, and has continued to fulfill the purpose of JTPA above and beyond its measurable expectations.

Therefore, as data indicate, our JTPA program has worked marvelously throughout the years, and will continue to provide substantial opportunities for our disadvantaged community in our state. Having completely eliminate the only program that is now serving our community will have devastating impact socially, economically, as well as politically. So please, we urge you and the rest of your committee to reconsider the current proposal which unjustifiably eliminate the American Samoan's JTPA program totally and reinstate the already allocated $5 million.

Your serious consideration is most greatly appreciated.

Sincerely,

WILLIAM T. EMMSLEY, Jr.,
Executive Director.

[From the National Office of Samoan Affairs]

TABLE 1.—GOAL ANALYSIS AND PARTICIPATION SUMMARY OF THE NATIVE AMERICAN SAMOAN JTPA PROGRAM IN STATE OF CALIFORNIA

Program	Enrollment data			Terminations			Unsubsid. placement		
	Act.	Pln.	Percent	Act.	Pln.	Percent	Act.	Pln.	Percent
1988–89	237	237	100	148	148	100	113	113	100
1989–90	391	364	107	264	364	73	171	143	120
1990–91	604	480	126	361	480	75	176	243	72
1991–92	878	520	169	533	520	103	243	223	109
1992–93	784	572	137	701	572	123	304	235	129
1993–94	578	625	92	477	572	83	240	235	102
6-program year totals	3,472	2,798	124	2,484	2,656	94	1,247	1,192	105

Program Year 1988 was the beginning of the Native American Samoan JTPA Program in California. Since that time, 3,472 Native American Samoan residents in the Counties of San Francisco, Los Angeles, Orange Co. and San Diego have participated in the Program, receiving training and employment services it offers.

This Table shows the administering agency, the National Office of Samoan Affairs, has consistently surpassed their set goals, in all measuring categories of activities. Enrollment is consistently above the Plan which resulted in 124% overall performance in a 6 year period. Terminations is slightly below Plan with 94% as a result of participants lacking employable skills, insignificant work history and limited education which necessitates longer occupational/skill training period and remediation. In addition, our Summer Youth Program started two weeks prior to the closing of our 1990, 1991 and 1992 program year. The outcome is, summer youth participants were carried over to the next program year, which resulted in higher enrollment for the next beginning year. For those years, enrollments were consistently high and terminations dropped slightly.

Unsubsidized Placement, however, except for 1990–1991 PY was consistently above Plan. We closed out the 6 Program Year Total with 105% achievement of Plan for Unsubsidized Placement.

[From the National Office of Samoan Affairs]

TABLE II.—GOAL ANALYSIS AND PERFORMANCE ACHIEVEMENT SUMMARY FOR PARTICIPANTS OF THE NATIVE AMERICAN SAMOAN JTPA PROGRAM IN THE STATE OF CALIFORNIA FOR THE LAST 3 YEARS

Indicator description	PY 1991–92	PY 1992–93	PY–1993–94	3-PY average
Adult entered employment rate (percent)	87	96	84	89

TABLE II.—GOAL ANALYSIS AND PERFORMANCE ACHIEVEMENT SUMMARY FOR PARTICIPANTS OF THE NATIVE AMERICAN SAMOAN JTPA PROGRAM IN THE STATE OF CALIFORNIA FOR THE LAST 3 YEARS—Continued

Indicator description	PY 1991–92	PY 1992–93	PY–1993–94	3-PY average
Adult employability enhancement rate (percent)	103	108	114	108
Adult cost per entered employment	$1,723	$2,299	$2,753	$2,258
Youth entered employment rate (percent)	107	137	226	157
Youth employability enhancement rate (percent)	153	151	121	142
Youth cost per positive termination	$1,564	$1,458	$1,907	$1,643

TABLE II shows an average of 89% of Adult participants entering unsubsidized employment at a Cost of $2,258 per participant and 157% of Youth participants at a Cost Factor of $1,643. Both Cost Factors are far BELOW national level.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCDADE (at the request of Mr. ARMEY) for today, on account of illness.

Mr. TORRES (at the request of Mr. GEPHARDT) for today, on account of a medical emergency in the family.

Mr. RUSH (at the request of Mr. GEPHARDT) for April 3 and 4, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TIAHRT) to revise and extend their remarks and to include extraneous matter:)

Mr. WELDON of Florida.
Mr. LIGHTFOOT.
Mr. GOODLATTE.
Mr. LIVINGSTON.
Mrs. JOHNSON of Connecticut.
Mr. SMITH of New Jersey.
Mr. SOLOMON, in two instances.
Mr. WOLF.
Mr. BAKER of California.
Mr. LIGHTFOOT.
Mr. GILMAN, in two instances.
Mr. PACKARD.
Mr. FIELDS of Texas, in two instances.

(The following Members (at the request of Mr. THORNBERRY) to revise and extend their remarks and to include extraneous material:)

Mr. THORNBERRY, for 5 minutes, today.
Mr. MCINTOSH, for 5 minutes, today.
Mr. SHADEGG, for 5 minutes, today.
Mr. MARTINI, for 5 minutes, today.
Mr. TALENT, for 5 minutes, on April 6.
Mr. BILIRAKIS, for 5 minutes, on April 7.
Mr. KINGSTON, for 5 minutes, today.
Mr. BURTON of Indiana, for 5 minutes each day, on April 4, 5, and 6.
Mr. MILLER of Florida, for 5 minutes, today.

(The following Members (at the request of Mr. BECERRA) to revise and extend their remarks and include extraneous material:)

Mr. BECERRA, for 5 minutes, today.
Mrs. COLLINS of Illinois, for 5 minutes, today.
Mr. VOLKMER, for 5 minutes, today.
Mr. LIPINSKI, for 5 minutes, today.
Mr. POSHARD, for 5 minutes, today.
Mrs. SCHROEDER, for 5 minutes, today.
Mr. WARD, for 5 minutes, today.
Mr. DURBIN, for 5 minutes, today.
Ms. DELAURO, for 5 minutes, today.
Mr. STUPAK, for 5 minutes, today.
Mr. SCHUMER, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.
Mr. OLVER, for 5 minutes, today.
Mr. SKAGGS, for 5 minutes, today.
Mr. WYNN, for 5 minutes, today.
Ms. ROYBAL-ALLARD, for 5 minutes, today.
Mr. EDWARDS, for 5 minutes, today.
Mr. GENE GREEN of Texas, for 5 minutes, today.
Mr. DEUTSCH, for 5 minutes, today.
Ms. JACKSON-LEE, for 5 minutes, today.
Mr. HILLIARD, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mrs. THURMAN, for 5 minutes, today.
Ms. LOFGREN, for 5 minutes, today.
Mr. BISHOP, for 5 minutes, today.
Mr. OBERSTAR, for 5 minutes, today.
Mr. SAWYER, for 5 minutes, today.
Mr. MEEHAN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WARD, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. ROS-LEHTINEN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BECERRA) and to include extraneous matter:)

Mr. MINGE, in two instances.
Mr. MILLER of California.
Mr. RANGEL.
Mr. REED.
Mr. VISCLOSKY.
Mr. MENENDEZ.
Mr. HAMILTON.
Mr. TORRES, in two instances.
Mr. ACKERMAN.
Mr. KENNEDY of Rhode Island.
Mr. SANDERS.
Mr. LANTOS, in two instances.
Mr. FRANK of Massachusetts.
Mr. RICHARDSON.
Mr. BORSKI.
Ms. LOFGREN.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BARTLETT of Maryland, for 5 minutes, today.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 831. An act to amend the Internal Revenue Code of 1986 to permanently extend the deduction for health insurance costs of self-employed individuals, to repeal the provision permitting nonrecognition of gain on sales and exchange effectuating policies of the Federal Communications Commission, and for other purposes.

ADJOURNMENT

Mr. FALEOMAVAEGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 9 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 5, 1995, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

682. A letter from the Comptroller General of the United States, the General Accounting Office, transmitting a review of the President's third special impoundment message for fiscal year 1995, pursuant to 2 U.S.C. 685 (H. Doc. No. 104–58); to the Committee on Appropriations and ordered to be printed.

683. A letter from the Chairman, Joint Chiefs of Staff, transmitting a copy of a report to the Congress entitled, ''1995 Force Readiness Assessment''; to the Committee on National Security.

684. A letter from the Directors of Congressional Budget Office and Office of Management and Budget, transmitting a joint report on the technical assumptions to be used in preparing estimates of national defense function (050)—outlays for fiscal year 1996, pursuant to Public Law 101–189, section 5(a) (103 Stat. 1364); to the Committee on National Security.

685. A letter from the Employee Benefits Manager, Farm Credit Bank of Columbia, transmitting information on the retirement and thrift plans of the Farm Credit Bank of Columbia and the audited financial statement as of August 31, 1994, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform and Oversight.

686. A letter from Director, Institute of Museum Services, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1994, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

687. A letter from the Administrator, General Services Administration, transmitting an informational copy of a construction prospectus for the U.S. Secret Service administration building, Beltsville, MD, pursuant to 40 U.S.C. 606(a); to the Committee on Transportation and Infrastructure.

688. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide for the certification by the Federal Aviation Administration of airports serving commuter air carriers, and for other purposes; to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule III, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules, House Resolution 128. Resolution providing for consideration of the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs (Rept. 104–100). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUTCHINSON (for himself, Mr. INGLIS of South Carolina, Mr. CANADY, Mr. HOEKSTRA, Mr. POSHARD, Mr. GOSS, Mr. PARKER, Ms. DANNER, Mr. DICKEY, Mr. JACOBS, Mr. WAMP, Mr. HASTINGS of Washington, and Mr. CHRISTENSEN):

H.R. 1383. A bill to amend the formula for determining the official mail allowance for Members of the House of Representatives, and to require that unobligated funds in the official mail allowance of Members be used to reduce the Federal deficit; to the Committee on House Oversight.

By Mr. HUTCHINSON (for himself, Mr. EDWARDS, and Mr. SENSENBRENNER):

H.R. 1384. A bill to amend title 38, United States Code, to exempt certain full-time health-care professionals of the Department of Veterans Affairs from restrictions on remunerated outside professional activities; to the Committee on Veterans' Affairs.

By Mr. EDWARDS (for himself and Mr. MONTGOMERY):

H.R. 1385. A bill to amend title 38, United States Code, to improve the delivery of health care to veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ARCHER:

H.R. 1386. A bill to amend section 353 of the Public Health Service Act to exempt physician office laboratories from the clinical laboratories requirements of that section; to the Committee on Commerce.

By Mr. BARRETT of Wisconsin (for himself and Mrs. MALONEY):

H.R. 1387. A bill to amend the Congressional Budget Act of 1974 to establish a process to identify and control tax expenditures; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CLINGER (for himself, Mrs. COLLINS of Illinois, Mr. SPENCE, and Mr. DELLUMS) (all by request):

H.R. 1388. A bill to revise and streamline the acquisition laws of the Federal Government, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on National Security, the Judiciary, Small Business, Science, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HINCHEY (for himself, Mr. SANDERS, Mr. BROWN of California, Mr. FROST, Mr. FATTAH, Mr. OWENS, Ms. VELÁZQUEZ, Mr. UNDERWOOD, and Mr. MARTINEZ):

H.R. 1389. A bill to amend the Internal Revenue Code of 1986 to expand the availability of, and amount of, deductible individual retirement account contributions, and for other purposes; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 1390. A bill to provide means of limiting the exposure of children to violent programming on television, and for other purposes; to the Committee on Commerce.

By Mrs. JOHNSON of Connecticut (for herself, Mr. BLILEY, and Mr. ARCHER):

H.R. 1391. A bill to amend section 4358(c) of the Omnibus Budget Reconciliation Act of 1990 to permit Medicare select policies to be offered in all States on an extended basis; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LIGHTFOOT:

H.R. 1392. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. ROSE:

H.R. 1393. A bill to direct the Secretary of the Army to carry out an environmental restoration project at the eastern channel of the Lockwoods Folly River, Brunswick County, NC; to the Committee on Transportation and Infrastructure.

By Mr. DEUTSCH:

H. Con. Res. 55. Concurrent resolution requesting the President to return the enrolled bill (H.R. 831), and providing for its reenrollment without the targeted tax benefit contained therein; to the Committee on Ways and Means, and in addition to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STUPAK:

H. Con. Res. 56. Concurrent resolution expressing the sense of the Congress that rural health care should be addressed in any Federal health care legislation; to the Committee on Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLYBURN:

H.R. 1394. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Bewildered*; to the Committee on Transportation and Infrastructure.

By Mr. LIVINGSTON:

H.R. 1395. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel *Shaku Maru*; to the Committee on Transportation and Infrastructure.

By Mr. SHAW:

H.R. 1396. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Fifty One*; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mrs. ROUKEMA and Mr. CAMP.

H.R. 103: Mr. THOMPSON, Mr. BARTLETT of Maryland, and Mr. BREWSTER.

H.R. 145: Mr. ROGERS.

H.R. 159: Mr. NORWOOD and Mr. TANNER.

H.R. 200: Mr. ENGLISH of Pennsylvania, Mr. WELDON of Pennsylvania, Mr. BUYER, Mr. HOBSON, Mr. ROHRABACHER, Mr. KNOLLENBERG, Mr. KLUG, Mr. BAKER of Louisiana, Mr. ROSE, Mr. BURTON of Indiana, and Mr. CALLAHAN.

H.R. 218: Mr. KLECZKA.

H.R. 219: Mr. RIGGS.

H.R. 244: Mr. KENNEDY of Massachusetts.

H.R. 303: Mr. CAMP.

H.R. 311: Mr. MINGE, Mr. OBERSTAR, Mr. KLECZKA, Mr. LIPINSKI, Mr. BARRETT of Wisconsin, and Mr. DOYLE.

H.R. 394: Mr. BRYANT of Tennessee, Mr. UPTON, Mr. BLILEY, Mrs. MINK of Hawaii, Mr. SOLOMON, and Mrs. SEASTRAND.

H.R. 468: Mr. BURTON of Indiana, Mr. NEY, and Mr. TRAFICANT.

H.R. 500: Mr. MCINNIS.

H.R. 580: Mr. LUCAS, Mr. EMERSON, Mr. HOLDEN, Mr. PETERSON of Florida, Mrs. VUCANOVICH, Mr. BATEMAN, Mr. SOLOMON, and Mr. MARTINEZ.

H.R. 612: Mr. JOHNSON of South Dakota.

H.R. 645: Ms. LOWEY and Mr. FARR.

H.R. 662: Mrs. CHENOWETH, Mr. COOLEY, and Mr. JEFFERSON.

H.R. 696: Mr. JOHNSON of South Dakota and Mr. HILLEARY.

H.R. 752: Mr. SHAW, Mr. RAHALL, Mr. ENSIGN, Mr. CLEMENT, and Mr. NEAL of Massachusetts.

H.R. 773: Mr. DOYLE, Ms. FURSE, and Ms. LOWEY.

H.R. 774: Mr. THORNBERRY.

H.R. 850: Mr. ALLARD.

H.R. 867: Mr. DOYLE and Mr. BLUTE.

H.R. 1020: Mr. COLLINS of Georgia, Mr. LAHOOD, Mr. CLYBURN, Mr. PICKETT, Mr. EHLERS, Mr. FOGLIETTA, Mr. ZELIFF, Mr. CALLAHAN, Mr. SENSENBRENNER, Mr. FUNDERBURK, Mrs. MYRICK, Mr. HEINEMAN, Mr. FOX, Mr. SPENCE, Mr. BORSKI, Mr. LATOURETTE, Mr. RUSH, Mr. KLINK, Ms. ROS-LEHTINEN, Mr. HILLIARD, Mr. LIPINSKI, Ms. BROWN of Florida, Mr. TAUZIN, Mr. MCCRERY, Mr. CAMP, Mr. BAKER of Louisiana, Mr. WELDON of Florida, Mr. HEFNER, Mr. BISHOP, Mr. PAYNE of Virginia, Mr. TAYLOR of North Carolina, Mr. BLUTE, and Mr. LINDER.

H.R. 1024: Mr. GALLEGLY.

H.R. 1039: Mr. CALVERT and Mr. INGLIS of South Carolina.

H.R. 1041: Mr. CALVERT and Mr. INGLIS of South Carolina.

H.R. 1042: Mr. CALVERT and Mr. INGLIS of South Carolina.

H.R. 1045: Mr. BACHUS and Mr. KOLBE.

H.R. 1104: Mr. HANCOCK, Mr. ZIMMER, Ms. FURSE, Mr. COBURN, Ms. DANNER, Mr. ALLARD, and Mr. RIGGS.

H.R. 1147: Mr. PALLONE, Mr. SERRANO, Ms. WOOLSEY, and Mr. HINCHEY.

H.R. 1160: Mr. BROWN of Ohio.

H.R. 1201: Mr. MARTINEZ.

H.R. 1208: Mr. INGLIS of South Carolina.

H.R. 1229: Mr. BALDACCI, Ms. LOFGREN, Mr. SERRANO, Mr. POMEROY, and Mr. FARR.

H.R. 1232: Mr. HASTINGS of Washington and Mr. RADANOVICH.

H.R. 1279: Mr. STUMP, Mr. BALLENGER, Mr. WAMP, Mr. CHRISTENSEN, and Mr. MCCRERY.

H.R. 1297: Mr. LIPINSKI and Mr. FATTAH.

H. Con. Res. 23: Mr. INGLIS of South Carolina, Mr. LONGLEY, Mr. LUTHER, Mr. LAHOOD, Mr. NADLER, Mr. TAYLOR of Mississippi, and Mr. HASTINGS of Washington.

H. Con. Res. 35: Mr. BROWN of Ohio.

H. Con. Res. 50: Mr. FROST and Mr. KLUG.

H. Con. Res. 53: Mr. HILLIARD, Mr. HINCHEY, Mr. BURTON of Indiana, Mr. GEJDENSON, Mr. PETE GEREN of Texas, Mr. ENGEL, and Mr. FARR.

H. Res. 118: Mr. MCDERMOTT, Mr. STARK, Mr. GREENWOOD, Mr. JOHNSTON of Florida, Mrs. LOWEY, Mr. BROWN of California, Mr. BEILENSON, Mr. STUDDS, Mr. DELLUMS, Mr. FRANK of Massachusetts, Mrs. MORELLA, Mr. BOEHLERT, Mr. FARR, and Mr. FROST.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 310: Mr. SCHIFF.