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House of Representatives

The House met at 10:30 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 21, 1997, 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 Texas, Mr. SAM JOHNSON, for 5 minutes.

REPEAL OF THE 16TH AMENDMENT

Mr. SAM JOHNSON of Texas. Mr. Speaker, believe it or not, today is tax day. It is on this day that every hard-working American sends more money than is necessary to the Federal Government, a day that most people probably would like to forget.

Most Americans are tired of big government, high taxes, the complexity of the current Tax Code and, guess what, the IRS. Well, I am too, and I plan on doing something about it.

Last week I introduced a bill that everyone can support and rally behind. It will unite Members and the public behind a common goal, eliminating the IRS and developing a new tax system. I think that is something every one understands and is energized about.

My bill is called the tax freedom bill and would repeal the 16th amendment to the Constitution. That is the amendment that authorizes the income tax. The tax freedom bill is designed to reverse one of the most destructive amendments, in my view, to the U.S. Constitution.

As most of my colleagues know, the 16th amendment was passed by Congress in 1909, ratified in 1913, and upheld by the Supreme Court in 1916. It has been 81 years since the Supreme Court's approval and Congress, in all its wisdom, has developed a tax system that has become the most economically destructive and possibly complex, overly intrusive, unprincipled, dishonest, unfair, and inefficient system in this Nation's history. I do not think anybody can disagree with that.

The current Tax Code has become an uncontrollable and rampant institution with no regard for what has made this country great, individual freedom.

Mr. Speaker, there is a bill on the floor that we will consider today that illustrates the problems we face. The bill makes browsing or snooping through taxpayer files a crime, subjecting offenders to criminal penalties of up to $100,000 and/or 1 year in jail. To me this is a serious violation of privacy, and I am greatly disturbed that has been allowed to occur within the IRS.

Mr. Speaker, this is just one more reason why the IRS should be abolished. It is time for us to stop tinkering around the edges, time for us to get serious and abolish the IRS and replace the current system.

The tax freedom bill is the first step to do that. I believe it will encourage an open, honest, and constructive debate about why our current tax structure has failed and what we should expect. By embracing the principles of freedom, we can create a system that is fair and simple, that reduces the bureaucracy, that encourages savings, that is efficient, that drives the economy, that creates opportunity for all and finally puts more money in our pockets.

The current system fails to meet these commonsense criteria. It is not fair or simple.

The current system has 480 different forms plus 280 more to say how to fill out the 480. Explain to me how the first 480 can do anything. The original Tax Code, by the way, only had 11,000-plus words in it. Today it has 7 million plus.

It does not reduce bureaucracy. The IRS staff is over 100,000, about 110,000, one of the most out-of-control big government staffs that we have, more people in the IRS getting into our pockets than there are immigration and customs agents on our borders.

The current system discourages savings and investment by taxing income when we earn it, taxes it when we save it, taxes us when we invest it, and taxes us again when we die.

It is not efficient. Complying with, I think, the Federal Tax Code costs taxpayers more than $600 billion a year.

Replacing this system will cause interest rates to go down, by every testimony that we have had, and savings and capital investment to increase.

Finally, we have stifled opportunity by designing a system that picks winners and losers, one in which Washington decides what is best for the people instead of letting the people decide what is best for America.

As recently as 1982, Americans paid only 19.9 percent of their income in taxes. New data reveals that in 1995 Americans paid 31.3 percent of their income in taxes, the highest level in history, and that does not count local and State. If we add those in, we are paying nearly 50 percent, 51, I guess.

Mr. Speaker, those that say the system can be fixed are crazy, in my view. It has undergone 31 major revisions and 400 minor ones in the past 40 years. I believe any new system must be based on a vision of America that places the individual, not the Government, in charge.

THE AMERICAN DREAM TAX FAIRNESS EQUITY ACT OF 1997

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 21, 1997, the

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gentleman from Montana [Mr. HILL] is recognized during morning hour debates for 5 minutes.

Mr. HILL. Mr. Speaker, I am planning to introduce a bill to reduce the high rate of capital gains and eliminate the current estate tax burden that falls disproportionately on farmers and small business owners.

My legislation will restore the American dream to hard-working citizens who choose to invest in or expand a business. It will give hope to those who wish to pass along their life's work to their children and grandchildren without fear that more than half of their estate will go to the Government.

Reducing the high rate of capital gains is vital to our ability to compete in the global marketplace and to expand our work force here at home. My bill will reduce the capital gains rate to a new, lower 15 percent rate on investments held 3 years or more. Taking this action would create a strong incentive to help establish a vibrant and growing economy. And a strong, growing economy will help us achieve a balanced budget.

Mr. Speaker, reducing the burdensome estate tax has long been a goal of mine. My bill will entirely replace the estate tax. At the time of death, the estate would pay a 15-percent capital gains tax rate on investments held 3 years or more in excess of the $600,000 unified exemption credit and in excess of the tax basis. The gains on assets held less than 3 years would be taxed at the current 28 percent rate. Any assets without gains would be passed without tax.

By replacing the current estate tax with a lower capital gains tax, children of farmers and small business owners would not be forced to break up their inheritance to pay estate taxes. Unlike most other tax proposals, my legislation will pay for itself. It would simplify the tax law by establishing the same treatment for the taxation of trusts. A trust would pay a 15-percent capital gains tax and follow the same tax treatment as the estate tax on all capital assets.

My bill would create an even playing field between trusts, estates, and prior gifting. Life insurance proceeds would not be taxed and there would be no tax on cash transfers.

When the estate tax began in 1913, it was limited to 10 percent of one's inheritance. Today the tax has become exorbitant and punitive. With the highest marginal rate of 55 percent, more than half of an estate can go directly to the Government. It hinders passage of many family owned farms and small businesses to the next generation.

In addition, if the estate must be sold to pay the tax, application of current capital gains tax can further diminish the inheritance. Many observers rightly see this as double taxation of income from capital assets. And it does not end there. Families must often pay lawyers and accountants and planners for estate tax planning purposes, one of the most complicated areas of our Tax Code.

According to the IRS, families average 167 hours complying with the maze of estate tax law. Further, even after the best tax planning, the IRS undertakes tax audits in nearly 40 percent of the estate returns compared to a mere 1.7 percent on normal income tax returns.

After all the money and effort spent on compliance, the estate tax contributes only 1 percent of our national revenues. The inefficiencies of the estate tax are further demonstrated in recent economic studies that indicate compliance and enforcement costs 65 cents of every dollar collected. Every IRS field office has separate estate and gift tax units to handle the more than 80 pages of the Tax Code and almost 300 pages of rules in the Federal Register that are devoted to enforcing this tax. The Federal courts are now clogged by 10,000 estate tax cases.

Mr. Speaker, the bill I will soon introduce reduces the capital gains tax rate, replaces the estate tax with a simpler, fairer tax on capital gains. It will revitalize the American economy and restore the American dream to hard working citizens who choose to pass their assets onto their children and grandchildren instead of pouring them into the Government's tax grinder.

The American Dream Tax Fairness Equity Act of 1997 will help level the playing field between estate tax, trusts and gifting. It will stimulate the economy, expand investment incentives and reinvigorate the American tradition of individual enterprise and risk taking. Unlike most tax proposals, it will pay for itself.

I urge my colleagues to join me in doing the right thing. Let us restore the American dream with an equitable estate tax policy and provide America the capital gains incentive she needs for competition in tomorrow's marketplace.

TAX DAY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from South Dakota [Mr. THUNE] is recognized during morning hour debates for 1 minute.

Mr. THUNE. Mr. Speaker, when most folks think about April 15, they think about somehow coming up with enough money to fend off the tax man. However, if the truth be told, April 15 is really about people subjecting themselves to government. In other words, it is about giving up your God-given freedom.

By forking over your hard-earned dollars, you are empowering the Government to decide how your money should be spent to help you, instead of you deciding how you should spend your own money to help yourself.

I am not suggesting for a moment that you should not pay your taxes. You should. Nor am I suggesting that the Government should not collect taxes. It should.

However, Mr. Speaker, I am suggesting that average American families should not have to pay 40 percent of their income to the Government. That is way too much freedom for any one family to give up. Let us reduce taxes on saving and investment. Bring tax relief to families and pass the tax limitation amendment.

NO TAXATION WITHOUT RESPIRATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997 the gentleman from Colorado, Mr. BOB SCHAFFER, is recognized during morning hour debates for 1 minute.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, it is April 15, tax day, and I rise to speak about a grave matter. The American farmer, the owners of small businesses, the freedom-loving Americans across the land want to abolish one of the most offensive taxes of all. That is right, I am talking about the inheritance tax or the death tax as it has come to be known.

Mr. Speaker, let me be clear about what our policy ought to be. No taxation without respiration. The injustice of this tax, a tax that strikes at the hearts of the bond between generations, cannot be denied. It is offensive to the American ideal. This tax is a scandal among thousands in our Tax Code and, an outrage against the living and a crime against the departed.

□ 1045

Mr. Speaker, what kind of sinister motives lie behind this tax? Who could conceive of such a scheme that assures that the Federal Government has more of a claim on our life's work than the family we have left behind?

I say death to the death tax. The tax man cometh already once, may the tax man cometh no more.

TAX LIMITATION AMENDMENT

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 21, 1997 the gentleman from Washington [Mr. METCALF] is recognized during morning hour debates for 5 minutes.

Mr. METCALF. Mr. Speaker, we are all very much aware that today is April 15: Tax day. Millions of Americans are feverishly working to complete and mail their tax returns by midnight tonight.

With that in mind, it is very appropriate that today we will vote on the tax limitation amendment. I have joined with 118 colleagues from both parties to sponsor this amendment to the Constitution. It would require a two-thirds congressional appropriation for any new or higher taxes.

Mr. Speaker, in 1950 about 3 percent of the average American family's income went to taxes. Three percent in

1950. Now, over 40 percent of the family's income goes for local, State, and Federal taxes. And, for what? Intrusive regulation on small business, tobacco subsidies, snooping into tax records by Internal Revenue Service agents, duplication in the Federal bureaucracy, and an ever increasing agency bureaucracy that hinders rather than helps our local schools teach our kids.

According to a 1994 study by the National Taxpayer Union Foundation, the coming explosion in Federal entitlement spending could cause after-tax incomes to fall by as much as 59 percent over the next 45 years. We cannot stand a 59-percent increase.

The study shows that funding benefits and other Government services will require taxes of between 57 to 69 percent of our income. Mr. Speaker, the American family simply cannot survive and pay those kinds of taxes. At 40 percent we are close to the breaking point.

For 124 years the U.S. Constitution protected the American people against the expansion of the Federal Government and against unlimited taxes. It prohibited the income tax, and constitutional scholars stressed that Congress had only 18 powers that were granted specifically in the Constitution.

Ratification of the 16th amendment in 1913 authorized an income tax with no limitation. The result: With constitutional limits on taxes stripped away, Federal tax collections have climbed more than 175,000 percent since 1913. Now, let us go over that again. My colleagues heard me right. It has increased 175,000 percent since 1913.

It is time we restored constitutional limits on taxation. The tax limitation amendment is in the spirit of the Bill of Rights, which limits Government to preserving individual freedom. We must protect the people from excessive taxes.

The fact is, Mr. Speaker, it is just too easy to increase taxes on the American people. During the past 30 years, of 16 votes to increase taxes, only 8 would have passed if the two-thirds supermajority requirement had been in place. In the 1980's and 1990's, more than $660 billion in new taxes was passed by the slimmest of majorities. That is $660 billion that taxpayers would not have had to pay if the tax limitation amendment had been in effect.

President Clinton's 1993 tax increase, the largest in our Nation's history, at $275 billion in one shot, passed by only one vote in the House. That hammered small businesses, millions of people on Social Security and anyone who drives a car.

Opponents say that passage of the Tax Limitation Amendment would be fiscal disaster for our country. The facts just do not support that argument. Already 28 States have some form of limitation on taxes or government spending, and 13 of those States require supermajorities to increase taxes, including my own home State of Washington.

In addition, Mr. Speaker, the tax limitation amendment will help check runaway Federal spending because it is tougher to pass taxes. Congress and the President will need to make the tough choices necessary to slow the growth of the bloated Federal bureaucracy. Under our current system it is not easy to cut spending. Every line item expenditure has a constituency or interest group fighting to keep their pet program in place.

History has shown us that tax increases do not reduce the deficit, they make it worse by fueling more Federal spending. Example: In 1982, Congress passed $217 billion in higher taxes with the promise they would match every dollar in new taxes with $2 in spending cuts. In fact, spending skyrocketed and the national debt went through the roof.

Mr. Speaker, we must pass the tax limitation amendment today.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess until 12 noon.

Accordingly (at 10 o'clock and 51 minutes a.m.), the House stood in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GOODLATTE) at 12 noon.

PRAYER

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

Let us pray. We know, O God, that we need the power of the spirit to walk the paths of life and to do the work of justice. And so we ask Your guidance as we seek that way that honors our own creation and shows us the way of service to other people. Grant us strength for the task, wisdom for our minds, love for our hearts, and enthusiasm for our spirits that we will be the people You would have us be. Bless us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Oregon [Mr. DEFAZIO] come forward and lead the House in the Pledge of Allegiance.

Mr. DEFAZIO 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.

WORKING AMERICANS WAGE RESTORATION ACT

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

Mr. NETHERCUTT. Mr. Speaker, today taxpayers throughout America will do their civic duty by paying their Federal income taxes. The typical American family will pay more in all taxes than it spends on food, clothing and shelter combined.

Our colleague in the Senate, Senator JOHN ASHCROFT, and I believe this is too much, that working Americans know better how to spend their money than the Government does. So I am pleased today, with Senator ASHCROFT in the Senate, to introduce the Working Americans Wage Restoration Act.

This bill will allow American workers to deduct their share of Federal payroll taxes. These payroll taxes are inherently unfair because workers are taxed twice in the same income. They are taxed once as a portion of gross income for Federal income purposes and for a second time for the contribution to the Social Security trust fund.

By allowing workers to deduct on their income taxes their share of Social Security contributions, the Working Americans Wage Restoration Act will eliminate this double taxation and allow workers to keep more of the money they earn.

So I urge my colleagues to join with us in this bill in giving fair tax relief to the American workers.

LINE ITEM VETO ACT HELD UNCONSTITUTIONAL BY FEDERAL DISTRICT COURT

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

Mr. SKAGGS. Mr. Speaker, I am joining with three other colleagues in introducing a bill to give the President and Congress new, effective and, very importantly, constitutional powers to weed out wasteful Government spending.

As my colleagues know, the Federal District Court last week held unconstitutional, as it should have, the Line Item Veto Act that was passed by Congress last year and became effective the first of this year.

The bipartisan approach that I am taking today with colleagues is the introduction of the Expedited Rescissions Act of 1997, it will provide an effective tool for getting at those items of wasteful spending that sometimes get buried in appropriations bills, but doing so in a way that honors the constitutional principle of separation of powers that was central to the court's

holding of unconstitutionality of the line item veto last week.

This bill is similar to one that passed the House but was not taken up by the Senate in 1993. It will provide a very useful tool for getting at wasteful items in appropriations bills, and I urge my colleagues to consider cosponsorship.

STOP THE TAX RIP-OFFS

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

Mr. CHABOT. Mr. Speaker, it is a sad fact that simply to mention today's date is to utter a phrase that most Americans find repugnant: April 15, tax day. The words just sort of lie there, cold and hard and ugly. We take a perfectly good month like April and we spoil it with this tax ritual, because the amount of money that the Federal Government takes away from working families is a scandal, the amount of money that the Federal Government spends and wastes is a scandal, and the arrogant, bureaucratic system by which the Federal Government takes that money is a scandal, too.

We have to change the system, Mr. Speaker. We have to get back to the idea that the bureaucrats work for the taxpayer, not vice versa. The presumption ought to be in favor of the taxpayer, not in favor of the Government. The presumption ought to be against Government boondoggles, like the National Sheep Industry Improvement Council. Not a single sheep is being improved but the taxpayer is being fleeced.

We need to end corporate welfare, we need to stop the government rip-offs, and we need to give the American people tax relief. Let us cut taxes now.

TRIBUTE TO JACKIE ROBINSON

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

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to pay tribute to Jackie Robinson, Jackie Robinson, the man, the native Georgian. On this day 50 years ago this son of America, this citizen of the world, broke the color line in professional baseball.

He was a good athlete. He succeeded on the field and he was superb off the field. He was able to catch and hit. He was able to steal bases. He was able to run. But his greatest contribution was not baseball, his greatest contribution was to the cause of social justice. Through his actions he inspired hundreds to walk in dignity, to march for pride, to stand up for America by sitting in places where African-Americans had never been able or allowed to sit before.

For his action on the field, he opened doors that had been closed for generations. This one man, this one man, Jackie Robinson, continues to inspire men and women, young and old, to strive to do their best.

Today, Mr. Speaker, we salute, we pay tribute, to a great American: Jackie Robinson.

IT IS TIME TO SLASH THE OPPRESSIVE TAX CODE

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

Mr. HEFLEY. Mr. Speaker, it is time to take a cue from Lorena Bobbitt. It is time to slash. We need to slash away at the crushing tax burden that is holding back the American economy, dashing the hopes and dreams of middle class families, and robbing millions of new college graduates of opportunities.

We can adopt the audacious strategy of boldness and with one stroke we can slash tax rates across the board, giving tax relief to all working Americans. Or we can adopt a more calculated strategy, and with systematic thrusts we can slash first the death tax, then slash the tax on capital gains, and then, just to be sure, slash the rates on personal income to complete the task.

Today, on April 15, is a reminder, it is the season to slash and cut. We must get to work now and slay the giant job-killer, an oppressive Tax Code that threatens us all.

PROPOSED CONSTITUTIONAL AMENDMENT WOULD PROTECT CORPORATE AND SPECIAL INTEREST TAX LOOPHOLES

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

Mr. DEFAZIO. Mr. Speaker, as we debate today, millions of Americans across the country are still laboring over their taxes. No one can argue that the current system is simple or fair. But today, under the guise of offering relief to average taxpaying hard-working wage-earning Americans, this Congress is going to consider a constitutional amendment that would make it impossible to close the loopholes and make other needed changes in the Internal Revenue Service and the Tax Code.

It would be more properly titled ''The Corporate and Special Interest Loophole Protection Amendment.'' It would not allow us, except with a two-thirds vote, to close the loophole that allows 71 percent of the profitable foreign corporations in America to pay not a penny of tax in this country, and 31 percent of the largest, most profitable U.S. multinationals to pay not a penny of tax in this country.

Foreign firms filed claims on our precious minerals last year. A foreign company got $13 billion of gold for $13,000. We would not be able to charge them anymore without a two-thirds vote under this ridiculous amendment.

AMERICANS NEED A TAX CUT

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

Mr. WELDON of Florida. Mr. Speaker, I want to increase the take-home pay of American workers. What could be done? We could cut the tax on job creation that would improve economic growth, create new jobs and more opportunities, or we could reform the Tax Code in a way that will give businesses a greater incentive to invest in new machinery and equipment that would improve productivity and raise wages. Or we could encourage greater investment in education and training, so workers could have more skills, be more productive, and earn higher wages.

But the best way to increase the take-home pay is to do so directly. This is not rocket science. Raise take-home pay by allowing workers to keep more of their money that they earn.

Mr. Speaker, millions of workers live paycheck to paycheck. A tax cut would allow that paycheck to go a little bit further, especially for those just getting by. It is time to give American workers a break. They need a tax cut.

NO EXTENSION FOR BUDGET COMMITTEE ON BUDGET RESOLUTION DAY

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

Mrs. TAUSCHER. Mr. Speaker, today is tax day, the deadline for all Americans to submit their Federal income tax returns. But there is another deadline today. April 15 is the day by which the House is statutorily required to have approved a budget resolution. The IRS generously allows taxpayers to file an extension if they cannot complete taxes by today. The House should not be so kind to the Committee on the Budget.

The American people sent us here with a mission to restore fiscal sanity to the Federal budget. Today only the Blue Dog Coalition has prepared a balanced budget proposal. Unfortunately, the Committee on the Budget has refused to tell the American people what steps it would take to eliminate the deficit by 2002.

In the absence of a budget resolution, the House has been brought to a grinding halt. Important legislation cannot move forward without knowing how much money is available. Decisions on priorities ranging from education to transportation have been put on hold.

The Committee on the Budget does not warrant an extension on Budget Resolution Day. Show us your plan and let us decide if it makes sense for the American people.

THE TRUTH ABOUT THE BENEFITS OF H.R. 400

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

Mr. COBLE. Mr. Speaker, several weeks ago I received a call from a man who identified himself as a frustrated small inventor. He then proceeded to give me a tongue-lashing about the patent bill, H.R. 400, claiming that it would put the little guy out of business.

I asked him what was his source of information. He referred to a talk show featuring a Congressman who said that. I asked the caller if he had read the bill. No. I asked him if he wanted to read the bill. Yes. I mailed a copy of the bill to him, and then about 10 days later he called me and apologized. He said, this is a good bill, not at all like I was told on the talk radio show.

Yesterday, Mr. Speaker, a woman came to me, a Member of this body who was scheduled to speak on behalf of the bill later this week. She said, I cannot do it. I said, why? Because I have received mail that says H.R. 400 is bad for the little guy. I said, were there any details spelled out? No, she said.

This is how she bases her opinion. This is how the caller based his opinion. Scare tactics are very effective. Scare tactics make a formidable opponent.

NEIGHBOR HELPING NEIGHBOR

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

Mr. PEASE. Mr. Speaker, April 15 is the day notorious among Americans. We dread the tax deadline, despair over the amount of money we turn over to the Government and wonder how much benefit it will reap. Many citizens assume that, once they pay their taxes, the Government will take care of everything. History has proven this untrue.

What history proves is that this Nation is great because of a tradition of neighbor helping anybody or and community and faith-based institutions assisting others when they need help. This tradition allows people to take responsibility for themselves and their neighbors rather than abdicating this responsibility to the government.

I join the hundreds of thousands of others today in celebrating National Youth Service Day and the 10th anniversary of Youth as Resources. Gathering today in Indiana is a group of unique young people. The Coalition of Community Foundations for Youth has gathered teenagers from all walks of life and all ages, from the poorest to the wealthiest, who actively participate in community service and allows them to exchange ideas and discuss models for improving the quality of life in their own neighborhoods.

One such partnership is in my district, at the Wabash Valley Community Foundation in Terre Haute, IN. The Youth Grant Committee involves young people in evaluating projects for awards to other young people and in the process allows them to take responsibility for their future.

INVITATION TO CONFERENCE ON ISSUES IMPORTANT TO UNITED STATES-MEXICO BORDER

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

Mr. REYES. Mr. Speaker, I rise today to talk about an important event being held in Washington this week and to invite all my colleagues to attend. The United States-Mexico Chamber of Commerce and the University of Texas at El Paso are sponsoring a conference this week in Washington about issues that are important along the United States-Mexico border.

The border between our countries is almost 2,000 miles long. We have a common border, and we have common challenges to meet.

This conference will be held Wednesday and Thursday. It will address such issues as the economics of the border, environmental concerns of the border, transportation and infrastructure needs of the border, cultural aspects of the border and a status report on the impact of NAFTA on the United States-Mexico border.

I invite all my colleagues to a congressional reception from 6 to 8 p.m. on Wednesday, April 16 in B–369 Rayburn. I also invite all my colleagues to attend all the conference or parts of the conference. I also ask my colleagues to look for my Dear Colleague letter this afternoon.

IN SUPPORT OF THE TWO-THIRDS TAX LIMITATION AMENDMENT

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

Mr. BARTON of Texas. Mr. Speaker, I hold in my right hand a copy of the Constitution of the United States of America. When this document was ratified by the Original Thirteen Colonies in 1787, in article I, section 9, I want to read the following sentence: No capitation, or other direct, tax shall be laid, unless in proportion to the census or enumeration herein before directed to be taken.

What that meant was there could be no income tax in the original Constitution, but on February 3, 1913, the 16th amendment was passed to the Constitution that overrode that sentence that I just read. The 16th amendment says: The Congress shall have the power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States.

We need to pass the two-thirds tax limitation constitutional amendment on the floor of the House of Representatives this afternoon to put back into the Constitution not an absolute prohibition against leveling income taxes but at least a supermajority requirement that will take two-thirds of the House and the Senate before we raise taxes.

TAX BURDEN ON SENIORS MUST BE LIFTED

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

Mr. STEARNS. Mr. Speaker, today is tax day. I think most of us would agree that we are taxed too much. But do we really need to tax seniors like we do? I do not think so.

Sadly, that is precisely what happened with the Clinton 1993 budget package. Some might try to argue that that was a good package. They were wrong. They are still wrong. These folks in the administration have long pursued a tax and spend policy. Try telling seniors that their taxes on Social Security are fair and necessary.

I have introduced legislation to roll back this additional tax burden that was placed on seniors by the Clinton administration in 1993. It also includes indexation of capital gains and American dream savings accounts for young people who are trying to purchase their first home. I urge my colleagues who believe in tax relief, true tax relief for all Americans, to sponsor my bill which is budget neutral. It is H.R. 1266. It is entitled the Budget Neutral American Tax Relief Act.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Pursuant to the provisions of clause 5, 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, but not before 4 p.m. today.

TAXPAYER BROWSING PROTECTION ACT

Mr. ARCHER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1226) to amend the Internal Revenue Code of 1986 to prevent the unauthorized inspection of tax returns or tax return information, as amended.

The Clerk read as follows:

H.R. 1226

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 ''Taxpayer Browsing Protection Act''.

SEC. 2. PENALTY FOR UNAUTHORIZED INSPECTION OF TAX RETURNS OR TAX RETURN INFORMATION.

(a) IN GENERAL.—Part I of subchapter A of chapter 75 of the Internal Revenue Code of 1986 (relating to crimes, other offenses, and forfeitures) is amended by adding after section 7213 the following new section:

''SEC. 7213A. UNAUTHORIZED INSPECTION OF RETURNS OR RETURN INFORMATION.

''(a) PROHIBITIONS.—

''(1) FEDERAL EMPLOYEES AND OTHER PERSONS.—It shall be unlawful for—

''(A) any officer or employee of the United States, or

''(B) any person described in section 6103(n) or an officer or employee of any such person,

willfully to inspect, except as authorized in this title, any return or return information.

''(2) STATE AND OTHER EMPLOYEES.—It shall be unlawful for any person (not described in paragraph (1)) willfully to inspect, except as authorized in this title, any return or return information acquired by such person or another person under a provision of section 6103 referred to in section 7213(a)(2).

''(b) PENALTY.—

''(1) IN GENERAL.—Any violation of subsection (a) shall be punishable upon conviction by a fine in any amount not exceeding $1,000, or imprisonment of not more than 1 year, or both, together with the costs of prosecution.

''(2) FEDERAL OFFICERS OR EMPLOYEES.—An officer or employee of the United States who is convicted of any violation of subsection (a) shall, in addition to any other punishment, be dismissed from office or discharged from employment.

''(c) DEFINITIONS.—For purposes of this section, the terms 'inspect', 'return', and 'return information' have the respective meanings given such terms by section 6103(b).''

(b) TECHNICAL AMENDMENTS.—

(1) Paragraph (2) of section 7213(a) of such Code is amended by inserting ''(5),'' after ''(m)(2), (4),''.

(2) The table of sections of part I of subchapter A of chapter 75 of such Code is amended by inserting after the item relating to section 7213 the following new item:

''Sec. 7213A. Unauthorized inspection of returns or return information.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to violations occurring on and after the date of the enactment of this Act.

SEC. 3. CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OF RETURNS AND RETURN INFORMATION; NOTIFICATION OF UNLAWFUL INSPECTION OR DISCLOSURE.

(a) CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION.—Subsection (a) of section 7431 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''DISCLOSURE'' in the headings for paragraphs (1) and (2) and inserting ''INSPECTION OR DISCLOSURE'', and

(2) by striking ''discloses'' in paragraphs (1) and (2) and inserting ''inspects or discloses''.

(b) NOTIFICATION OF UNLAWFUL INSPECTION OR DISCLOSURE.—Section 7431 of such Code is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

''(e) NOTIFICATION OF UNLAWFUL INSPECTION AND DISCLOSURE.—If any person is criminally charged by indictment or information with inspection or disclosure of a taxpayer's return or return information in violation of—

''(1) paragraph (1) or (2) of section 7213(a),

''(2) section 7213A(a), or

''(3) subparagraph (B) of section 1030(a)(2) of title 18, United States Code,

the Secretary shall notify such taxpayer as soon as practicable of such inspection or disclosure.''

(c) NO DAMAGES FOR INSPECTION REQUESTED BY TAXPAYER.—Subsection (b) of section 7431 of such Code is amended to read as follows:

''(b) EXCEPTIONS.—No liability shall arise under this section with respect to any inspection or disclosure—

''(1) which results from a good faith, but erroneous, interpretation of section 6103, or

''(2) which is requested by the taxpayer.''

(d) CONFORMING AMENDMENTS.—

(1) Subsections (c)(1)(A), (c)(1)(B)(i), and (d) of section 7431 of such Code are each amended by inserting ''inspection or'' before ''disclosure''.

(2) Clause (ii) of section 7431(c)(1)(B) of such Code is amended by striking ''willful disclosure or a disclosure'' and inserting ''willful inspection or disclosure or an inspection or disclosure''.

(3) Subsection (f) of section 7431 of such Code, as redesignated by subsection (b), is amended to read as follows:

''(f) DEFINITIONS.—For purposes of this section, the terms 'inspect', 'inspection', 'return', and 'return information' have the respective meanings given such terms by section 6103(b).''

(4) The section heading for section 7431 of such Code is amended by inserting ''**INSPECTION OR**'' before ''**DISCLOSURE**''.

(5) The Table of sections for subchapter B of chapter 76 of such Code is amended by inserting ''inspection or'' before ''disclosure'' in the item relating to section 7431.

(6) Paragraph (2) of section 7431(g) of such Code, as redesignated by subsection (b), is amended by striking ''any use'' and inserting ''any inspection or use''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to inspections and disclosures occurring on and after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. ARCHER] and the gentleman from Pennsylvania [Mr. COYNE], each will control 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

GENERAL LEAVE

Mr. ARCHER. 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 matter on the bill, H.R. 1226.

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

There was no objection.

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

Mr. Speaker, today is tax day. As most of the country knows by now, I continue to do my own taxes. Like millions of other Americans who struggle to fill out their forms before tonight's midnight deadline, I keenly know how difficult, time-consuming and troubling it is to comply with our Tax Code. But once the forms are complete and mailed in, you would think taxpayers could then look forward to a refund or, for some unfortunate souls, an audit.

But we have now learned that taxpayers have something else to fear: IRS agents, who snoop through people's personal, confidential tax records.

Mr. Speaker, this is a copy of form 1040. Taxpayer records are among society's most confidential and sensitive documents. They often describe how much alimony people pay, how much they spend on health care, and, of course, how much money they make. This information belongs to the taxpayers, not the Government. And taxpayers who suffer enough already should not have to worry about snooping Toms at the IRS who abuse their trust by looking up private tax information.

Yet the General Accounting Office tells us that there are more than 1,000 incidents that they know of in which IRS agents snooped into someone's files. That is why I am pleased that the House today, as a part of taxpayer protection week, will pass this bill that makes it a crime to snoop into taxpayer records.

This bill also adds an important privacy shield for taxpayers by requiring the IRS to notify taxpayers when criminal browsing activity is indicated. If someone's privacy has been violated by the Government, they have a right to know it, and they should be outraged.

I believe these two provisions will serve as a twin deterrent to protect the privacy of taxpayer information.

Mr. Speaker, I look forward to the time when we can protect taxpayers not only from the IRS but also from the current Tax Code which, after all, is the root cause of these problems. The current code is unfair, excessively complicated, overly intrusive, and antigrowth.

I believe we must pull the income tax out by its roots and throw it away so that it can never grow back. When we do, we will have made the tax system fairer, simpler, created more economic growth, and we will have gotten the IRS completely and totally out of the lives of every individual American.

Until that great day comes, we must do everything in our power to protect the rights of taxpayers. When it comes to fighting those who browse and snoop into personal taxpayer records, there ought to be a law, and now there will be.

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

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

Mr. Speaker, I rise in support of H.R. 1226, the Taxpayer Browsing Protection Act. This bill was introduced on a bipartisan basis in April 1997, and I want to thank my Democratic and Republican colleagues on the Committee on Ways and Means for their support of H.R. 1226 and their very quick action.

As expected, H.R. 1226 was approved unanimously by the committee with

one amendment on April 9, 1997. The bill before us today is a good example of the Committee on Ways and Means working together to improve and support the Internal Revenue Service. Also H.R. 1226 has the strong support of the IRS and the Treasury Department.

Enactment of this bill will provide needed statutory support for the IRS Commissioner's current zero tolerance policy for browsing. I should mention that earlier this year IRS Commissioner Richardson contacted members of the Committee on House Oversight to renew her request for criminal sanctions in the tax code to deal with unauthorized inspection of an individual's tax information.

Legislation similar to H.R. 1226 had been introduced by Senator GLENN during the 104th Congress but was never acted upon at that time. I want to commend the gentlewoman from Connecticut [Mrs. JOHNSON] for her leadership on H.R. 1226 and the gentleman from Texas [Mr. ARCHER] and the committee ranking member, the gentleman from New York [Mr. RANGEL] for their support for this legislation. It is time that something be done. The public has the right to expect that its tax records will only be reviewed by those authorized to do so. Browsing is unacceptable, period. It must and it will stop.

In summary, H.R. 1226 would clarify in the Tax Code the criminal sanctions for unauthorized inspection of tax information and application of civil damages. First, violators would be subject to significant criminal sanctions and dismissal from the IRS in their employment. The offense that would be committed would be a misdemeanor, with a fine of up to $1,000 and a prison term of up to 1 year, plus the cost of prosecution.

Second, the criminal sanctions would apply to IRS employees, IRS contractors, and other Federal and State employees having access to Federal tax information.

Third, tax information retained by the IRS on paper and electronically as well would be protected from unauthorized browsing.

And finally, the availability of civil damages for unauthorized inspection or disclosure would be expanded. The taxpayer would be notified when there has been a criminal indictment for illegal browsing or disclosure, and the taxpayer would be able to sue for civil damages in the same manner as under current law for an unauthorized disclosure, the greater of $1,000 or actual punitive damages, plus costs.

□ 1230

It is important to note that the IRS employee would not be subject to criminal sanctions in the bill unless the unauthorized inspection was willful inspection.

Also, the bill would not provide civil damages in the case of an accidental or inadvertent inspection, such as making an error in typing into the computer a taxpayer's identification number.

H.R. 1226 should not be construed as an attack on the IRS. While there are a small number of IRS employees intent on violating the law, the vast majority of IRS employees are hardworking and committed public servants. IRS employees nationwide will benefit from this legislation, knowing that any browsers identified by the IRS will be fired from their jobs and prosecuted criminally.

Mr. Speaker, I urge passage of this important legislation and I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield 2½ minutes to the gentlewoman from the State of Washington, [Ms. DUNN] who has contributed a great deal toward the development of this bill today. In fact, an amendment that she offered in committee is included in the bill, and I congratulate her for all of her very, very good work.

Ms. DUNN. Mr. Speaker, I want to commend Chairman ARCHER for his leadership in bringing this timely issue of taxpayer privacy to the floor of the House today.

Throughout my tenure in the Congress I have heard from thousands of constituents who have described to me a myriad of problems they see within our system of taxation.

Granted, our Nation suffers under an unfair and incomprehensible Tax Code that takes too much of what we earn. Worse, some rogue members of the IRS, the organization responsible for the enforcement of the Tax Code, have a record of seeking to intimidate and to frighten honest hard working taxpayers. They damage the reputation of a huge majority of the honest people working at the agency. We must not tolerate a Tax Code that punishes families just as we should not tolerate an IRS agent who is eager to bully, harass, or snoop on a taxpayer.

An important element of the IRS Accountability Act that I have offered and of the bill on the floor today is the protection of taxpayer privacy. It is well-documented that certain agents have been able to snoop through confidential taxpayer information with no regard for individual rights of the honest and the law-abiding taxpayers.

Furthermore, recent reports shed additional light on the need for this legislation and the adoption of my amendment. According to the GAO, for fiscal year 1994 and 1995, over 1,500 instances occurred where IRS employees were accused of unlawful browsing. After accounting for firings, for disciplinary action, and for counseling, 33 percent of these cases were closed without action.

I am glad the Committee on Ways and Means adopted my amendment to require that the taxpayer be notified when an IRS agent is indicted or otherwise charged with unauthorized inspection.

The bottom line is that this provision addresses what I believe to be a matter of common decency.

My amendment also provides taxpayers a civil remedy in such unauthorized inspection or browsing cases. The honest American family works too long and too hard to have to deal with an unfair and, on occasion, overly intrusive IRS and agents who trample on their rights.

The IRS deserves closer scrutiny when certain agents go beyond acceptable enforcement procedures and commit outright intimidation or when it is unable to use common sense as a yardstick.

This bill, the one we are considering on the floor today, will ensure that the powerful government agency, the IRS, will no longer scoff at the rights of well-intentioned and law-abiding taxpayers.

Mr. Speaker, I thank the chairman for his proposal of this legislation, and I urge my colleagues to support the adoption of this measure.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut, [Mrs. JOHNSON] another member of our committee, highly respected, and chairman of the Subcommittee on Oversight.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the chairman for yielding me this time and commend him for his leadership on this matter, bringing forth a bill that is truly bipartisan and addresses a very significant problem at the IRS.

The American public's willingness to provide the Federal Government with sensitive personal information on their tax returns each year depends on the confidence that the people have that this information will be held in the strictest confidence. That is why it is vitally important to have strong measures in place to ensure the security of tax return information.

Public confidence in the IRS has been again shaken by new reports that the IRS personnel continue to snoop into taxpayer files. Last year the IRS confirmed almost 800 cases in which IRS employees looked through taxpayer files without authorization. That has just got to stop.

As an original cosponsor of the Taxpayer Browsing Protection Act, I believe this legislation will give the IRS the tool it needs to enforce its zero tolerance policy against unauthorized browsing into taxpayer records by making it a crime punishable by up to a year in jail.

Today we are telling IRS employees that if they go into other people's private files, they will be heavily penalized and they may go to jail. As Americans file their tax returns today, they can be confident that their tax return information is theirs alone and their privacy rights will be protected by law by this Congress.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. SAM JOHNSON, another respected member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, from 1982 to 1993, the Democrats in Congress voted to increase the taxes of hardworking Americans by $666 billion. This new revenue was not

put toward the debt or used to eliminate the deficit. Instead it was used to increase the size and scope of Government.

History has shown us that every time Congress increases taxes, they also increase spending. I believe that it is one more reason why the American people should demand that Congress abolish the IRS. I think the agency is out of control.

What the tax limitation amendment will do is provide a safeguard for taxpayers and no longer be simple and easy for Congress to increase taxes. It is a win-win for the American taxpayer. Not only will they get a smaller, more efficient government, but protection from higher taxes.

I think the Speaker agrees with me that something must be done. I think that of the browsing that has been going on, the Speaker probably does not know that 1,500 IRS agents were caught browsing from fiscal year 1994 to 1995, and only 23 of them were tried. The rest were either given a slap on the wrist or counseled. What does counseling mean? I do not know.

We ought to demand accountability not only from the IRS, but from the judges in Boston who ruled it was OK as long as they did not use it maliciously.

Mr. Speaker, I strongly urge my colleagues to vote with us today. Give Americans the assurance of trust they deserve from their Government.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. CAMP] another respected member of the committee.

Mr. CAMP. Mr. Speaker, I thank the chairman for yielding me this time, and I rise in support of this protaxpayer bill.

For years the American people have told us that our Tax Code needs reform. Seventy-five percent of Americans believe we need a fundamental overhaul of our tax law. We in the Committee on Ways and Means are continuing a series of hearings today on doing just that.

Incidents like those reported recently, IRS employees browsing through tax records of neighbors, relatives, friends, and with friends like that who needs enemies, IRS employees even browsing the records of celebrities like Tom Cruise, all this shows how badly reform is needed.

With 108,000 IRS employees, twice as many as DEA, CIA, and FBI combined, there is plenty of time, apparently, to fool around. In only 2 years, over 1,500 cases of unauthorized browsing have occurred. Clearly, these IRS employees are doing the wrong things. Do these people have no sense of respect for the privacy of the customers they serve? We and they work for the U.S. taxpayer, and now IRS employees are arrogantly snooping wherever they choose.

Let us pass this bill today. Then we will be able to take appropriate action against those who violate our trust. Meanwhile, we in the Congress must continue our work and, as the gentleman from Texas, [Mr. ARCHER] is so fond of saying, tearing our present Tax Code out by the roots and putting in its place a fairer and simpler tax system with less room for such fraud and abuse.

Mr. COYNE. Mr. Speaker, I yield myself such time as I may consume just to submit for the RECORD a letter that was written to me by Commissioner Richardson of the IRS on March 10, citing the need for the legislation that we are debating here today and insert that in the RECORD; also, a memo from Commissioner Richardson in October 1993 to all employees of the IRS stating her policy of zero tolerance for any type of browsing within the agency.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, March 10, 1997.

Hon. WILLIAM J. COYNE,
Subcommittee on Oversight, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. COYNE: I wanted to let you know about a case that was recently decided by the United States Court of Appeals for the First Circuit, *United States v. Czubinski,* No. 96–1317, 1997 U.S. App. LEXIS 3077 (1st Cir. February 21, 1977) and to request your support for legislation to clarify the criminal sanctions in the Internal Revenue Code for the unauthorized access of taxpayers' accounts by Internal Revenue Service employees.

Since becoming Commissioner, I have repeatedly stated that the IRS will not tolerate violations by employees of the rules against unauthorized access. The Service's ''zero tolerance'' policy prohibits any employee access to (and use of) tax information, except to the extent necessary for an employee to perform assigned duties.

In the *Czubinski* case, the First Circuit reversed the conviction of a former IRS employee for improperly accessing taxpayer information in the IRS database. That person had been indicted and convicted of several counts of violating 18 USC §§1343 and 1346 (wire fraud) and 18 USC §1030(a)(4) (computer fraud). In reversing the conviction, the court stated that ''unauthorized browsing of taxpayer files, although certainly inappropriate conduct, cannot, without more, sustain [a] federal felony conviction [under 18 USC §§1343, 1346 and 1030(a)(4)].''

This decision and a 1996 acquittal, by a Memphis, Tennessee jury of another former IRS employee who had been indicted for improper access of taxpayer accounts under 26 USC §7213 (Unlawful Disclosure of Tax Return Information), *United States v. Patterson,* Cr. No. 96–20002 (W.D. Tenn. April 10, 1996), are very troubling and make it more difficult for the Service to appropriately discipline employees who violate our policy against unauthorized access.

In the past several years, the IRS has taken a number of steps to ensure that unauthorized access of taxpayer information by IRS employees does not occur. For example, each time an employee logs onto the taxpayer account database, a statement warns of possible prosecution for unauthorized use of the system. All new users receive training on privacy and security of tax information before they are entitled to access the Integrated Data Retrieval System (IDRS). The Service has also installed automated detection programs that monitor employees' actions and accesses to taxpayers' accounts, identify patterns of use, and alert managers to potential misuse. Employees are disciplined according to a Guide for Penalty Determinations that includes dismissal. In the *Czubinski* opinion, for court noted that ''the IRS rules plainly stated that employees with passwords and access codes were not permitted to access files on IDRS [the database] outside of the course of their official duties.''

In addition to the internal actions, the IRS has recommended and supported legislative efforts to amend the Internal Revenue Code and Title 18 to clarify the criminal sanctions for unauthorized computer access to taxpayer information. A recent amendment to 18 USC §1030(a)(2)(B) by the Economic Espionage Act of 1996, Pub. L. No. 104–294, 110 Stat. 3488 (1996), provides criminal misdemeanor penalties for anyone who intentionally accesses a computer without authorization or who exceeds authorized access and thereby obtains information, including tax information from any department or agency of the United States. I have been advised by counsel that had this amendment been in effect and applicable to the *Czubinski* and *Patterson* cases, the government very likely would not have lost those cases.

Although the recent amendment to 18 USC §1030(a)(2)(B) will hopefully serve as a significant deterrent to unauthorized computer access of taxpayer information, this statute *only* applies to unauthorized access of computer records. It does not apply to unauthorized access or inspection of paper tax returns and related tax information. Legislation such as S. 670, introduced in the 104th Congress, would achieve that result. By clarifying the criminal sanctions for unauthorized access or inspection of tax information in section 7213 of the Internal Revenue Code, whether that information is in computer or paper format, the entire confidentiality scheme respecting tax information and related enforcement mechanisms would be appropriately found in the Internal Revenue Code.

An amendment to section 7213 such as was proposed in the 104th Congress would serve important tax administration objectives. (Of course, as is currently the case under section 7213 for convictions resulting from the disclosure of tax information to unauthorized third parties, a conviction of federal officers and employees for the unauthorized access or inspection of tax information would, in addition to imprisonment and fine, continue to result in dismissal from office or discharge from employment.)

We would like to work with you and your staff to assure that improper access can be dealt with appropriately.

Sincerely,
MARGARET MILNER RICHARDSON.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC October 20, 1993.

Memorandum for all employees.
From: Margaret Milner Richardson, Commissioner, Internal Revenue Service.
Subject: Taxpayer privacy and security.

One of the most important issues facing the IRS today is the privacy and security of taxpayer account information. Many of the changes we are experiencing right now, as well as the ones we hope to make, depend on our ability to protect private tax information.

In our daily work, we must continue to perform our duties in a manner that recognizes and enhances individuals' rights of privacy and ensures that our activities are consistent with laws, regulations, and good administrative practice. The Privacy Advocate, recently established under the Chief Information Officer to oversee the privacy concerns of the IRS and American taxpayers, has developed a Privacy Policy Statement. I fully endorse the attached statement, which

gives a clear message about the importance of protecting taxpayers and employees from unnecessary intrusion into their tax records.

Any access of taxpayer information with no legitimate business reason to do so is unauthorized and improper and will not be tolerated. I made a pledge to Congress and I make it to you; taxpayer privacy and the security of tax data will not be compromised. We will discipline those who abuse taxpayer trust up to and including removal or prosecution.

The fundamental basis of our tax system, voluntary compliance, is directly affected by the level of trust taxpayers have in our ability to protect their information. The vast majority of IRS employees are dedicated and trustworthy. We must depend on each other's integrity and commitment to this agency and to keeping our tax system the best in the world.

Attachment.

TAXPAYER PRIVACY RIGHTS

The IRS is fully committed to protecting the privacy rights of all taxpayers. Many of these rights are stated in law. However, the Service recognizes that compliance with legal requirements alone is not enough. The Service also recognizes its social responsibility which is implicit in the ethical relationship between the Service and the taxpayer. The components of this ethical relationship are honesty, integrity, fairness, and respect.

Among the most basic of a taxpayer's privacy rights is an expectation that the Service will keep personal and financial information confidential. Taxpayers also have the right to expect that the Service will collect, maintain, use, and disseminate personally identifiable information and data only as authorized by law and as necessary to carry our agency responsibilities.

The Service will safeguard the integrity and availability of taxpayers' personal and financial data and maintain fair information and recordkeeping practices to ensure equitable treatment of all taxpayers. IRS employees will perform their duties in a manner that will recognize and enhance individuals' rights of privacy and will ensure that their activities are consistent with law, regulations, and good administrative practice. In our recordkeeping practices, the Service will respect the individual's exercise of his/her First Amendment rights in accordance with law.

As an advocate for privacy rights, the Service takes very seriously its social responsibility to taxpayers to limit and control information usage as well as to protect public and official access. In light of this responsibility, the Service is equally concerned with the ethical treatment of taxpayers as well as their legal and administrative rights.

Approved: Margaret M. Richardson, Commissioner.

Date: October 15, 1993.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, November 16, 1994.

Memorandum for all employees.

From: Margaret Milner Richardson, Commissioner of Internal Revenue.

Robert M. Tobias, President, National Treasury Employees Union.

Subject: Privacy and Security of Taxpayer Information.

Safeguarding public confidence in the integrity and competence of the Service is a top priority for all employees. Each of us must take seriously any perceived or real breach in public confidence and trust in our ability to administer tax laws. The availability of taxpayer information, or any other protected data, dictates a responsibility to observe privacy principles, to secure sensitive data, and to guard against improper disclosures. Clearly, most Service employees are conscientious and respect the taxpayer's right to expect that the information they provide will be safeguarded. However, any one breach by any one of us seriously undermines public confidence and trust in the Service.

Improper access to, or misuse of, taxpayer information violates law, rule, and regulation and is contrary to our ethical values and principles of public trust. In October 1993, the Service issued a Privacy Policy Statement. The policy emphasizes comprehensive privacy, security, and disclosure requirements. It also represents an application of Service ethical values and principles of public trust in our day-to-day operations. This year, we began to strengthen our commitment to the protection of taxpayer privacy through the Declaration of Privacy Principles and the issuance of the Guide for Penalty Determinations. Each of you received a copy of these documents and we urge you to become familiar with their contents.

Our efforts to maintain taxpayer privacy also includes continually improving Service ability to identify any employee who fails to safeguard taxpayer information and, where appropriate, taking disciplinary action, up to and including removal. This effort is not intended to impose an additional burden on conscientious employees in their use of tax systems. It is, however, intended as a concerted effort to maintain a work environment that reflects the highest standard for the protection of sensitive taxpayer information.

Privacy, security and disclosure issues will continue to be a major consideration and top priority for you as our Compliance 2000 and Tax Systems Modernization efforts lead to the identification of innovative approaches to the protection of taxpayer privacy. Each of us must continually examine how we accomplish our duties and be ever vigilant in safeguarding taxpayer privacy.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, January 3, 1995.

Memorandum for all employees.

From: Margaret Milner Richardson, Commissioner of Internal Revenue.

Subject: IRS information security policy.

Privacy, security and disclosure issues are key elements for the success of our Compliance 2000 and Tax Systems Modernization efforts. The success of the Service in addressing privacy, security and disclosure issues also has a critical impact on voluntary compliance, the fundamental basis of our tax system. Therefore, it is mandatory for each of us to secure sensitive data and guard against improper disclosures.

In October 1993, the Service issued a Privacy Policy Statement developed by the Privacy Advocate. A related document, the IRS Information Security Policy, has been developed by the System Architect's Office under the direction of the Chief Information Officer. The intent of this policy, which is attached, is threefold:

Ensure that the Service complies with the applicable guidance from public laws, regulations, and directives.

Ensure that taxpayer and other sensitive information is protected commensurate with the risk and magnitude of the harm that would result from inappropriate use.

Ensure that taxpayer and other sensitive information is used only for necessary and lawful purposes.

I fully endorse the attached policy statements.

I made a pledge to Congress and I make it to you: taxpayer privacy and the security of tax data will not be compromised. The implementation of the IRS Information Security policy is an important step in fulfilling this pledge.

Attachment.

IRS INFORMATION SECURITY POLICY

P1. It is the policy of the IRS to establish and enforce a comprehensive and appropriate security program that assures IRS information resources are protected commensurate with the risk and magnitude of the harm that would result from the loss, misuse, or unauthorized access to or modification of such resources.

P2. It is the policy of the IRS to collect, use, maintain, and disseminate only that information required for a necessary and lawful purpose.

P3. It is the policy of the IRS to ensure that its information collection, use, storage, dissemination, and derivation processes maintain the accuracy of the information relative to its intended use.

P4. It is the policy of the IRS to ensure that all information and resources required by an authorized individual to perform an assigned function are complete and available when required.

P5. It is the policy of the IRS to collect, use, maintain, and disseminate information with appropriate timeliness to ensure successful completion of IRS business functions.

P6. It is the policy of the IRS to limit access to IRS information and resources to authorized individuals who have a right to the information or resource or a demonstrable need for the information or resource to perform official duties.

P7. It is the policy of the IRS to disclose information to organizations or individuals outside of the IRS only when such disclosure is consistent with public law and other governing regulations.

P8. It is the policy of the IRS to ensure that only functions required for a necessary and lawful purpose be performed on IRS information or resources.

P9. It is the policy of the IRS to prevent, or to detect and counter, fraud.

P10. It is the policy of the IRS to ensure the continuity of operation of activities that support official agency functions.

P11. It is the policy of the IRS to establish and enforce security procedures for persons involved in the design, development, operation, or maintenance activities that affect the protection of IRS information and resources.

P12. It is the policy of the IRS to ensure that its work force has the technical and awareness training, appropriate to level of responsibility and authority, to implement and adhere to an IRS security program.

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

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona, [Mr. HAYWORTH], another respected member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman for yielding me this time. I apologize, but I was visiting with constituents from the great State of Arizona, so I hope I can be forgiven my tardiness.

Mr. Speaker, I rise in strong support of this measure. Indeed, the only criticism I would have would be with its name, Taxpayer Browsing, because I believe that is far too mild a term for what has transpired.

As Americans, if we truly champion the notion of privacy, then we should

react as we are reacting today, in a bipartisan fashion, to put an end to this obscenity, this voyeurism in the vault that allows bureaucrats to take a look at the most sensitive financial information supplied by any citizen.

What we will do today, Mr. Speaker, is to rise collectively, as a body, to end this obscenity, for it is totally at odds with our notion of a right to privacy. It is totally at odds with the notion of fairness and, indeed, I champion the fact that this legislation now prescribes exact penalties so that those voyeurs of people's records will be punished when they are caught and that taxpayers, whose records have been violated, will be notified of such violation.

□ 1245

Mr. Speaker, the late Supreme Court Justice Potter Stewart when talking about obscenity said, ''I can't define it. I know what it is when I see it.''

Mr. Speaker, what has occurred in the past has been an obscenity the American people can do without. Punishment will be swift and sure. This is a positive action we take together on a bipartisan basis to say let us rein in those who would abuse our rights to privacy.

Mr. COYNE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. I thank the gentleman from Pittsburgh for yielding me this time and for his good work.

Mr. Speaker, today is a day that we all dread, and we know that it comes every year. As the old expression goes, ''You can be certain about death and taxes.'' But there is another thing that you should be certain about, and that is your privacy.

As technology continues to advance and more of us surf the net, privacy becomes more difficult to protect. Information that individuals report on their tax returns should be kept confidential. Individuals have every right to expect that this information will remain confidential and that liberty should not be violated.

Senator GLENN has worked diligently to correct browsing at the Internal Revenue Service. Browsing is unauthorized opportunities to peek at tax returns. In 1993, the IRS commissioner established a zero tolerance for such conduct.

The IRS is working toward fair and private tax administration, and this is but another example. Commissioner Richardson has requested this legislation today, and we hope that it will eliminate browsing. I have been a cosponsor of this legislation, and I certainly believe that the IRS is correct in attempting to implement a zero tolerance policy.

The purpose of this legislation is to clarify in the Tax Code criminal sanctions for the unauthorized inspection of tax information. Violators would be subject to significant criminal sanctions and dismissal from IRS employment. Criminal sanctions would apply to IRS employees, IRS contractors, and other Federal and State employees having access to Federal tax information. Tax information on paper and in computer data bases would be protected from browsing.

Some of the browsing which has occurred at the IRS entailed the unauthorized viewing of celebrities' tax returns. We need to send a strong message to IRS employees that they should respect the rights of all citizens and taxpayers. IRS employees should not act on impulses based upon curiosity. It may be tempting to look at the tax files of such famous individuals as Lucille Ball, but everyone should have their expectation of privacy met.

This legislation will provide a deterrent against IRS employees taking a quick look at tax returns for purposes not related to work. I commend the IRS for identifying this problem and taking corrective action immediately. Commissioner Richardson also should be noted for her work on this legislation, and today we will pass it in a bipartisan manner. This legislation is something positive that we can do for all taxpayers. We can ensure their basic right to privacy.

While I urge an affirmative vote on the Taxpayer Browsing Protection Act, I also would point out to my colleagues in this institution and to members of the media as well that one of the most fundamental rights in this society is the basic notion of privacy. It is also the cornerstone of liberty.

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

Mr. ARCHER. Mr. Speaker, I yield the balance of my time to the gentleman from Georgia [Mr. GINGRICH], the respected Speaker of the House of Representatives.

Mr. GINGRICH. I thank my friend, the chairman, for yielding me this time.

Mr. Speaker, let me say first of all I want to commend both sides of the Committee on Ways and Means, both the Republicans and the Democrats, for bringing this timely bill out in a very responsive way.

We were surprised, I think, all of us, to discover how frequently Internal Revenue Service agents look at, I would use the word ''snoop'' rather than ''browse,'' the private files of individual citizens. There were apparently in the last year over 800 cases of different employees illegally looking at tax returns without authorization. Ninety of them were fired. The rest were either reprimanded or received a slap on the wrist, yet supposedly the Internal Revenue Service has a zero tolerance policy for these abuses.

I commend the Committee on Ways and Means on this bipartisan effort to change the law to make clear that the Congress will not accept Internal Revenue agents stepping over their bounds and looking at private tax information purely out of curiosity or, in some cases, potentially in order to blackmail people.

This step of beginning to curb IRS abuses is only the first step in what I think will be a real landmark Congress in bringing the Internal Revenue Service under control. The fact is, with 110,000 employees, the Internal Revenue Service is too big, too complex, and too arrogant.

For the average citizen, let me just say 110,000 IRS employees compares with 5,500 working for the Border Patrol or 7,400 working for the Drug Enforcement Administration. So there are almost 10 IRS agents for every person protecting us from drugs and illegal immigration. I think that is clearly too many. One of our goals is to change the IRS as we know it, to shrink it, to go through tax simplification, to make sure that we have a much simpler and much fairer tax system.

The need for a simpler tax system was made clear when the IRS spent $4 billion, not million, $4 billion trying to build a computer that could understand the Tax Code. The fact is that that computer could not understand the Tax Code because the Code is probably incomprehensible. Every year reporters call five or six different IRS offices and get five or six different answers, because it is impossible for any human to fully understand the complexity.

I want to commend the gentleman from Texas [Mr. ARCHER], the chairman, for a joint editorial that he and the gentleman from Texas [Mr. ARMEY], the majority leader, had in this morning's Washington Times where they both begin to outline the case for dramatic, bold tax simplification. They happen to go at it in slightly different ways. The gentleman from Texas [Mr. ARCHER], the chairman, would replace the entire income tax with a sales tax. The gentleman from Texas [Mr. ARMEY] would have a very flat income tax that one could fill out on a single page. But both of them have the right direction.

The debate over the next 2 or 3 years between a flat tax or replacing the income tax with a sales tax will be one of the most important debates in American history, and one of the consequences of that debate will be the adoption of a system which is dramatically simpler, with a much smaller IRS, with much less impact on your lives.

Let me give a couple of examples of how complicated this gets and how bad the need is, how desperate the need is, for change. Let me start with, one of my staff brought in his daughter's paperwork. She has a small amount of money she has been saving. Her parents and grandparents have tried to help her save money for college. She is 10 years old. They put it in a little fund for her.

Last year, the stock market went up too much. She had not paid quarterly,

so at 10 years of age she found she had a $6 penalty. It took nine pages of tax forms to get to that point.

I note from some material that the gentleman from Ohio [Mr. BOEHNER], chairman of the House Republican Conference, has shared that in 1992 the Internal Revenue Service seized $26 from the bank account of a 6 year old to help pay her parents' overdue tax bill. Now surely at 6 years of age one hardly needs to encounter the IRS.

We had in my own district a couple that had taken over a small firm. This was a little company called Pro Tackle in Duluth, GA. When they took over the firm, they found out that the former chief executive at a previous time under the previous corporation had embezzled the excise tax funds. The IRS pursued the new couple and the new firm and basically put them out of business through a mistake. They did not understand that the legalities had changed, that in fact they did not owe the money, and between the cost of the attorney and the cost of fines and penalties, Mr. Mitchell, my constituent, was forced out of the bait and tackle business. Finally, years later, the IRS came back and said they goofed.

Similarly, there are other examples, and some of these, frankly, are almost impossible to believe, but let me give some examples. The Heritage Foundation issued a report that a day care center which allegedly owed the IRS $14,000 was raided by armed agents who then refused to release the children until parents pledged to give the Government money.

One taxpayer in 1993, this again is from the Heritage Foundation, was fined $46,806 for an alleged underpayment of 10 cents. Another taxpayer was fined $10,000 for using a 12-pitch typewriter, that is a kind of type, to fill out his tax form instead of a 10-pitch typewriter. Again, that is from the Heritage Foundation.

Going through case after case, one discovers that the IRS is out of touch, it is arrogant, it does not understand the average American, and I am not quite sure how they train their new employees, but again and again they seem to have difficulties.

Money magazine sent reporters posing as ordinary citizens to 10 different IRS district offices around the country and had them call the IRS help line and ask 10 common questions. This is according to Money magazine. Quote: It took an extraordinary effort to get a staffer on the line. A full 30 percent of the time, no one who could answer questions picked up the phone. Most of the time, we either got busy signals or recorded messages or were disconnected. Furthermore, well over half the callers who got through, 60 percent, waited 5 minutes or more, including one in four who had to hold for more than 20 minutes.

Money magazine went on to say, and I quote, and when we finally got through, we did not receive the right answer one out of every five times. The IRS workers answered only 78 percent of our questions accurately, got 12 percent wrong, and promised to call back with the correct answer but then failed to do so 10 percent of the time.

These are the IRS folks who, instead of learning the Tax Code and helping the citizen, have been snooping into the privacy files of citizens without right.

This bill is a first step toward changing the IRS as we know it. It sets the right standard. I commend again both the Democrats and the Republicans on the committee. This is the perfect day to be offering this bill. I just want to take one final moment to encourage the chairman, who I know hardly needs encouragement, but what he is doing in launching this dialog on whether we should replace the income tax with a sales tax or go to a flat tax, what he and Majority Leader ARMEY are doing is truly historic, and I want to take this moment on April 15 to thank him for the leadership he is offering and urge everyone to vote yes on this bill.

Mr. KLECZKA. Mr. Speaker, I rise today in support of a bipartisan bill to protect taxpayers, H.R. 1226, the Taxpayer Browsing Protection Act.

In February of this year, the First Circuit Court of Appeals overturned the conviction of Richard W. Czubinski, a former Internal Revenue Service employee who had snooped through the tax records of several taxpayers. The court claimed that although there was a law against unauthorized disclosure of confidential tax information, there was no law against unauthorized browsing of those private tax records.

The public correctly expects that their tax records will only be inspected by those authorized to do so for legitimate purposes: Browsing is unacceptable, and it must stop.

This bill will prohibit unauthorized review or browsing of Federal tax information which the IRS possesses. It will improve current law by putting criminal sanctions in the Tax Code and by protecting tax information in both electronic and paper forms. Those who break the law would be dismissed by the IRS, could be sentenced up to a year in jail, and additionally could be forced to pay up to $100,000 in fines. Also upon the filing of a criminal action against a browser, the IRS would notify affected taxpayers who could then sue the violator for civil damages.

Mr. Speaker, taxpayers expect and deserve that the Federal Government will protect the privacy of their personal financial information. As an original cosponsor of this measure, I urge Members to join me in voting ''yes'' today on H.R. 1226, the Taxpayer Browsing Protection Act.

Mr. STARK. Mr. Speaker, I rise in support of H.R. 1226, the Taxpayer Browsing Protection Act.

This bill bolsters the administration's position of zero tolerance for unauthorized browsing of taxpayer information. Current law focuses more on unauthorized disclosure of taxpayer information. This bill addresses—and makes a crime—IRS employees looking at a taxpayers records when they have no justifiable reason to do so, even if no disclosure of the information to others takes place.

Taxpayers are entitled to privacy of their records and we must assure that the information they provide the IRS will be protected. Protection of privacy rights of taxpayers is critical for a voluntary tax system.

IRS employees also deserve to have their ranks purged of those whose unlawful acts bring shame on Federal workers.

As a cosponsor of H.R. 1226, I am pleased to see that the House is responding to the administration's request for action on this legislation.

The SPEAKER pro tempore (Mr. GOODLATTE). The question is on the motion offered by the gentleman from Texas [Mr. ARCHER] that the House suspend the rules and pass the bill, H.R. 1226, as amended.

The question was taken.

Mr. ARCHER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

SENSE OF HOUSE ON FAMILY TAX RELIEF

Mr. ARCHER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 109) expressing the sense of the House of Representatives that American families deserve tax relief.

The Clerk read as follows:

H. RES. 109

Whereas American families currently pay too much of their hard-earned money in taxes;

Whereas every American will work for at least 120 days in 1997 to pay his or her share of taxes;

Whereas Americans should be allowed to keep more of their money to invest in their childrens' futures, purchase homes, or start businesses; and

Whereas the American family will be strengthened by providing tax relief: Now, therefore, be it

Resolved, That the House of Representatives urges that the Congress and the President work together to enact permanent tax relief for our Nation's families.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. ARCHER] and the gentleman from California [Mr. MATSUI] each will control 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

GENERAL LEAVE

Mr. ARCHER. 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 matter on House Resolution 109.

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

There was no objection.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to yield the balance of my time to be managed by the gentleman from Pennsylvania [Mr. PITTS] and I further ask unanimous consent that he be able to further yield blocks of time.

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

There was no objection.

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

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

Mr. PITTS. Mr. Speaker, I rise today in strong support of House Resolution 109, a resolution calling upon the Congress and the President to work together to give American families much-needed tax relief.

As all Americans are painfully aware, today is the dreaded tax day. As I speak, families across America are rushing to deliver their latest payment to Uncle Sam. Americans will work into the month of May just to pay these taxes. Post offices will stay open late tonight to accommodate millions of hard-working Americans, Americans who need all the time they can get to understand the complicated and cumbersome IRS Code.

□ 1300

Whether a person fills out the EZ, the EITC, or the capital gains tax return or any of the other of 480 different forms that we have in this country, the struggle to pay taxes is a burden on everyone. The paperwork required by the IRS is staggering. In fact, the IRS sends out enough paper every year to circle the Earth 28 times. Many folks labor just to figure out how they are going to come up with the money they need to pay off the Federal Government for 1 more year.

Mr. Speaker, American families are simply paying too much to the Federal Government; 45 years ago families paid only 5 percent of their income in Federal taxes. Not anymore. In 1990 the Federal tax burdens averaged about 24 percent. When combined with other taxes today, families lose nearly 40 percent of their income to the Government.

As this chart shows, American families pay more into Government coffers then they spend on their family's food, clothing, transportation, and housing combined. As we can see, the total tax load for the average American family is $21,883 compared to a total of $19,605 for basic necessities and $8,600 for housing, $5,200 for food, $3,600 for transportation, $2,100 for clothing.

On this difficult day they can tell what permanent tax relief would provide. It would provide them with additional money to spend on their kids' education, it could go into an account for a child's college tuition, it could be invested for a family's future, and it could be used to buy a home or start a small family business. In fact the American family's ability to use their own money wisely is limited only by the government's confiscation of it.

We must begin today to take steps this session toward letting the American creativity thrive by letting Americans keep what they earn. House Resolution 109 is the starting point. It will begin the much needed bipartisan discussion on not if, but how to provide tax breaks for the American family.

Surely everyone in this room must agree that the American family needs permanent tax relief, not just temporary relief. House Resolution 109 places us on this common ground.

Let us start asking the tough question of how we get America's families a tax break. I support a repeal of the Federal estate tax, a $500 per child tax credit, capital gains tax relief, but there are other methods of providing American families the relief they deserve, and we should start that dialog.

I urge every Member of this House to deliver good news to American families living in their districts, that they will fight for permanent tax relief in the coming months. I urge passage of House Resolution 109.

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

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

Mr. Speaker, there is no one that could really oppose this resolution, and I thank the gentleman on tax day for bringing it up. Resolution 109 is one in which bipartisan support will occur. Basically it says expressing the sense of the House of Representatives that the American family deserves tax relief, the American family currently pays too much of their hard-earned taxes whereas every American works 120 days, in 1997, to pay for his or her share of taxes. We need to keep more money to invest in our children's future, purchase homes, or start a business. Now we are asking for tax relief that the President and Congress worked together on.

I might just also point out, however, in this discussion that April 15 is another day. Not only do over 100 million Americans pay their taxes by filing their tax returns, but also this Congress, this institution, has a responsibility as well, one that I think we will not talk too much about today; maybe on the floor of the House in this moment may be the only time we talk about it, but on April 15, according to the law, this is a law that was passed on July 12 signed by the President, President Nixon incidentally, on July 12, 1974. It says on or before April 15 of each year the Committee on the Budget of each House; that is the House and the Senate, shall report to the House the first concurrent resolution on the budget. It should do a comparison of revenues and expenditures and a comparison of the appropriate levels of the total budget outlays and total new budget authority. And so essentially what this law says; this is the law of the land, that on the 15th of April we have a budget resolution.

Now we do not have a budget resolution. In fact this is the first time in 10 years, in 10 years, that we have not even had the Committee on the Budget come out with a budget resolution. I think it even goes further back than that, but I just wanted to take the last 10 years, since Democrats have been in control for 7 of those years, and Republicans in control 3 of those years. But in the last 10 years the Committee on the Budget has had a budget resolution out. This is the first time not only we do not have a bill on the floor, on the floor of the Senate, on the floor of the House, but the committees of the House and Senate have not come up with a budget resolution.

The reason that is important, the reason that is important is because for the gentleman's wish, the maker of this resolution, those that will support it, for our wish to come true; that is for tax relief for the average American family, one has to have a budget resolution because we all agree, we have all agreed that by the year 2002 we want a balanced Federal budget. That is not a goal, that is a demand by both the House, the Senate, and the President. We want a balanced Federal budget.

But in order to do that, one has to get the revenues of the Government, the expenditures of the Government and has to factor in our tax laws. And in order to come up with the tax provisions we have to figure out how we are going to balance the Federal budget.

And so this resolution is great, it is wonderful, but the fact of the matter is it is like taking a gun and shooting blanks; and the gentleman talked about, well, let us start the debate as to how we are going to get tax relief. We have been debating this for quite some time. Why do we not just now have the Committee on the Budget of the House and the Senate come up with a resolution, bring it to the floor of the House so we can vote on it because that determines the priorities, that determines the priorities of each and every Member of this institution and each and every Member of the other body.

Let me conclude by making one further observation. The gentleman said he wanted tax relief for middle-income families; that is a child credit. The gentleman says that he wants to eliminate the estate taxes. And the gentleman says he wants capital gains relief. I am assuming that means eliminating the capital gains tax.

I add that all up, tax relief for children, if we want to do a $300 per child credit or $500 per child credit. The estimate is that a revenue loss will occur of $109 billion over the next 6 years. If we want to eliminate the estate and gift tax, that is a loss of $136 billion over 6 years, and if we eliminate the capital gains tax, that is a loss of $334 billion over 6 years; and that means essentially those three tax credits or tax deductions that the gentleman favors will result in a loss of $569 billion over the next 6 years.

Now what we really should be talking about, we should show the courage, how are we going to come up with that kind of tax relief? Are we going to cut Social Security, are we going to cut Medicare, are we going to significantly

reduce the CPI; that is, almost eliminate the cost-of-living adjustment? These are the issues we should be discussing. That is what we are being paid here for. That is what the American public sent us last November to make a decision on, not really to pass resolutions that no one opposes.

The real debate in America should be about priorities. It should be about what we stand for, what our values are, what we want to do with our country in the next 10, 20 years. And tax relief should be a component of it, but also taking care of our children, taking care of educational needs, certainly taking care of senior citizens; that should all be part of the component, and the only way to do that is by having a budget.

I would just like to see my colleagues find a way to have a budget resolution brought to the floor this week, if not this week next week, but I bet anything we will not have a budget resolution to the floor of the House even in the month, the entire month, of April; and the reason for it is because many Members do not want to make the tough decisions, the tough decisions on how to apportion tax relief and spending provisions and spending cuts.

These are the decisions we should be making. We are not being paid to pass resolutions that have no meaning. We are being paid to make the tough decisions of America.

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

Mr. PITTS. Mr. Speaker, I yield 30 seconds to myself.

Mr. Speaker, my friend on the other side of the aisle has the gall to criticize Republicans for not having a balanced budget yet. I would like to ask them where is their balanced budget.

The President knows how difficult it is to produce a balanced budget. In fact he could not do it. There are no tough decisions in President Clinton's proposal, and in fact he inflates the debt by $1.2 trillion by 2002. His spending cuts would not occur until he leaves office, his tax cuts are temporary. The Republican Congress has been trying to negotiate a real balanced budget, and we will do that.

Mr. Speaker, I yield 1 minute to the gentleman from Utah [Mr. COOK].

Mr. COOK. Mr. Speaker, I rise in strong support of House Resolution 109 sponsored by my friend and colleague from Pennsylvania. Although Americans feel the sting of their tax burden each and every day, today, April 15, tax day, we realize just how much the Government takes from our hard-earned paychecks.

As a taxpayer, I understand the frustration with Government taking so much of our hard-earned money. However, the real tragedy is how our complicated tax system is dragging down the American economy.

Our tax system punishes those who work, save and invest, yet benefits the wealthy and special interests who have the legal and lobbying power to manipulate the tax code for their own self-interest.

Meanwhile, the average American will spend more time working to pay taxes than working to pay for housing, food, and clothing combined. Congress must pass tax relief so Americans are able to keep more of what they earn and simplify the tax code to ensure fairness.

Mr. MATSUI. Mr. Speaker, I yield such time as the he may consume to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, it would be difficult today to suggest that American families in general do not deserve tax relief, and those who pay taxes, mostly the middle and lower income working people, certainly feel that it is a burden and they are going to feel it as they run around trying to find the money today to pay their taxes.

It is a fact that our taxes are lower, our Federal income tax, than any other developed nation in the world. It is also a fact that it is probably more unfairly distributed, with the very wealthy in this country paying nowhere near their fair share of the burden of supporting this country, which goes, interestingly enough, disproportionately to benefit the rich, who pay the least.

Now, if in fact there is some relief, perhaps what it ought to be is relief from the unfair structure which has allowed corporations to escape paying much, if any, tax, which has allowed the very rich in this country to escape from paying much, if any, tax, and the taxes go into a system which now leaves us with 10 million uninsured children, 43 million uninsured Americans without health care insurance.

We are the only developed nation in the world that treats our people in the health care system so poorly. Yet we have a low tax system, and it is disproportionately the low-income people who are uninsured and whose children are uninsured. So relief is in the eye of the beholder.

While I think we will all be voting ''yes'' to provide tax relief to the Americans, I think the Americans watching our actions will have different reactions. Those who do not pay any tax and are very rich would like relief from the fear that we might make them do the right thing. Those who are very poor and do not have health insurance for their children or do not have a decent place to live or do not have the prospect of being able to send their children to college might hope that we will do the right thing and let the tax code be a vehicle for sharing some of the largesse in this Nation.

So as we think about tax day, I hope we will think about the fairness of the code, how it could strengthen our country by allowing everyone in this country to share in its munificence and indeed support tax relief, but define it a bit more broadly and define it so that every American can participate and enjoy the bounties of this country.

□ 1315

Mr. PITTS. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, the gentleman on the other side has stated that this is about tax relief for corporations. This resolution is about American families, not corporations. We could not do anything really more worthy on the day that we pay taxes in the people's House than to discuss tax relief for American families.

Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. HULSHOF].

Mr. HULSHOF. Mr. Speaker, for most Americans, the point of least favorable contact between them and Washington occurs today, in fact tonight, and probably up until the midnight deadline when Americans will be delivering their tax returns to the local Post Office. It is during this period of time that Americans are painfully reminded that they work too hard for Washington to take so much of their money away.

The struggle to not only pay, but to file our taxes is a burden, and not only are our taxes too high, but our tax system is too complex.

I am happy to serve with the two distinguished gentlemen from California on the Committee on Ways and Means. I am one of the few on the tax-writing committee that actually muddles through my tax forms every year without the benefit or assistance of accountants and tax lawyers. We have to do better than the current bureaucratic nightmare of 480 IRS tax forms and 17,000 pages of IRS laws and regulations.

Mr. Speaker, I have a copy of the Gettysburg Address, 267 words in this document. The Declaration of Independence talked about the principle of no taxation without representation, 1,322 words in this document. And then we come, Mr. Speaker, to our Tax Code. Nearly 1 million words in this Tax Code, not counting the forms that tell us how to deal with this very complex code.

Although it is difficult to believe, I think the gentleman from Pennsylvania [Mr. PITTS] pointed out very accurately that a recent study shows that the average American family does pay more on taxes than they spend on food, clothing, and shelter combined.

When we turn on a light, we pay a tax. If we pursue the American dream and we are able to own a home, we pay property tax. When we drive our child to school, we pay a gas tax. When we buy groceries at the market, we pay a sales tax. Perhaps the cruelest tax of all is that when we die and pass on our legacy to descendents, our family pays a death tax, and that of course not counting the payroll tax and income taxes that we are saddled with.

It used to be that the largest investment that most families made was in their home. Now it is paying the tax bill. Back in the 1950's, taxes took just a fraction of our family incomes. Today, almost half of what we earn goes to the Government in some form or another, one-half. In too many families, one parent is working to put food

on the table, while the other is working to pay for the Washington bureaucracy, and Mr. Speaker, I believe this has to stop.

I believe we need to demand relief from an unfair tax burden. That is why I support my colleague from Pennsylvania, [Mr. PITTS], in supporting the tax freedom resolution, which calls upon this body and the President to enact permanent tax relief for American families.

Mr. Speaker, here in Washington many politicians forget that the taxes that we impose have to be paid by real people who struggle to pay their bills and to make ends meet. My friend from California talks about the revenue loss. Well, Washington's loss is American families' gain. It is my goal to end this tax trap. It is my goal to help Americans earn more of their money and keep more of what they earn so they can do more for themselves, for their families and for their communities.

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

Mr. Speaker, the gentleman from Missouri has the copy of the code there, and I will not ask, because I do not want to get involved in a rhetorical debate, but I would only point out to him that this resolution does not change one word, it does not eliminate one page in that document. That is just what we are trying to bring up today. We are not trying to say people are not entitled to tax relief.

We are all going to be voting for the prior bill that is antibrowsing legislation. I was the originator, along with the gentlewoman from Connecticut [Mrs. JOHNSON], last year on the Taxpayers' Bill of Rights, which gave significant protections to taxpayers, and we intend to do it again this year or 1998. So we want to make substantive changes and actually do some of the things the gentleman suggested. However, this resolution does not do anything to that big Tax Code there, nor does it reduce it one word nor one page.

I might just finally conclude by making another observation. The reason I raised those numbers, $579 billion, was not to suggest that it should not go back to the American public. It is just that if we want to balance the budget, we have to come up with other spending cuts or revenue offsets in order to make up the difference, and then we have to ask ourselves, should it be Social Security? In other words, should we cut Social Security from seniors? Should we cut Medicare from senior citizens? Shall we cut Medicaid again and again and take money away from children? These are the issues we have to discuss.

The reason we raise these numbers is not to create problems, but it is merely to point out that we have to make the tough decisions, and a paper like this does not do it. This is really a matter for a special order; it should not be part of a legislative process. I do not know why we even raise this issue today. As I said, no one is going to vote against it, because it is noncontroversial, it is kind of harmless.

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

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

Mr. Speaker, again the minority simply does not understand the intent of House Resolution 109. Since I have been a Member of the House of Representatives, the Democrats have not had an opportunity to go on record officially in a vote and support tax relief. We have had this debate going on for a couple of months. They have endorsed a budget that is out of balance, that has raised taxes, that would raise taxes, that would increase welfare spending.

Mr. Speaker, this resolution speaks in a clear, unequivocal voice: We will have tax relief this year. It will be permanent, not temporary. It will be part of our budget. It will be for the American family.

Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. PICKERING].

Mr. PICKERING. Mr. Speaker, today, I rise in support of this resolution for my family, which for most of my life operated a dairy farm.

There is a Greek proverb which has special meaning to me. It says, ''Milk the cow, but do not pull off the udder.'' On this day, April 15, which for most people is the day of infamy, they feel they have been pulled and stretched for too long, way too long.

Let me give my colleagues two examples in my district of individuals and families that are affected by the current tax burden. Chester Thigpen, 85 years old. He has four children. On his first day of labor, in 1918, he earned 35 cents. From that first day of work he built up a tree farm, for which he is proud. He is the first African-American to earn the honor of Mississippi and the National Tree Farmer of the Year Award.

He wants to leave that legacy, that farm, to his four children, but our Government wants to confiscate it. Now, is that fair? Is that not double taxation after a lifetime of earning and paying taxes? From his grave they will tax him. Is that not taxation without representation? We need to act now to provide reform so that families can leave their legacy and their small farms and businesses to their children.

Another example: Bobby and June Pickle. They have two small children in Pearl, MS. After the birth of their first child, June Pickle wanted to stay home with her children, but they soon discovered that the tax bill was too high and that she must go back to work. Does she have the freedom to stay at home with her children? Is that fair?

Mr. Speaker, we must act now to give families a tax credit, $500 per child, that can give people and families back some of the freedom that they have lost and some of their hard-earned wages.

Mr. PITTS. Mr. Speaker, I yield 2½ minutes to the gentleman from New Jersey [Mr. PAPPAS].

Mr. PAPPAS. Mr. Speaker, I want to thank my friend and colleague from Pennsylvania for the chance to speak on this very timely resolution.

It is important that today, a day in which many Americans are rushing to finish the complex and burdensome tax forms of the IRS, that we, the 105th Congress, reaffirm our commitment to provide the American people with tax relief.

Is there a Member of Congress who can honestly say the people in his or her district do not think that they pay enough in taxes? I know that the people of central New Jersey tell me every week when I am home that they pay too much in taxes.

Week in and week out, Members of this body introduce legislation that is aimed at improving the quality of life for the American people, but what could be more basic than tax relief? After all, it is not our money, it is their money. It is money that they could use to put toward their children's education, to buy dinner for their family, to buy a new car, to take a vacation. We are constantly discussing issues that are aimed at helping families, but the single greatest thing that they could possibly do is to let them keep more of what is rightfully theirs.

Families in America are struggling. Mothers and fathers are sometimes working two jobs just to pay their tax bills. How can we expect American families, parents to spend more time together, more time with their kids to monitor what they are watching on TV or looking at what they are viewing on the Internet when they must work harder and longer just to pay the Federal Government. The time that is spent paying the tax bill and filling out the tax forms is time that could be better spent.

In our country, virtually everything that we do, buy, produce, or interact with is taxed. Today, the average American family pays 19 percent of its annual income in Federal taxes. It was just reported yesterday that Americans will work until May 9 of this year just to pay their taxes, and if we look at this chart, it very graphically points out over 4 months of the year is spent paying Uncle Sam. That means that people will spend more time on their taxes than they will for housing, food, and clothing combined.

If we in this Congress on both sides of the aisle are really committed to improving the quality of lives of the people in our country, then let us pass meaningful tax relief and demonstrate that by supporting this resolution.

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

I might just point out again, this resolution is one we should all support, since it is really harmless. But it basically says that the House of Representatives should urge ourselves to work for permanent tax relief for the American public. I have no objections to

urging ourselves to work for permanent tax relief for the American public.

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

Mr. PITTS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY], the distinguished majority leader.

Mr. DELAY. Mr. Speaker, I rise in support of this resolution that expresses the sense of Congress that American families deserve tax relief, and I think it is very important to have such a resolution as this on this particular day.

I want to congratulate my colleague, the gentleman from Pennsylvania [Mr. PITTS], for his efforts in bringing this resolution to the floor and highlighting an issue that is very near and dear to my heart.

□ 1330

And we are very fortunate to have a man like the gentleman from Pennsylvania, Mr. JOE PITTS, here in this House coming from a long history in Pennsylvania of doing what is right for working families in Pennsylvania. Now he is working on what to do right for American families.

Today working families across this Nation are getting ready to pay their taxes after spending hours upon hours figuring out our complicated tax system. Many do this chore with the knowledge that taxes are an inevitable part of the process, like death.

While taxes may be a necessary evil, the current tax system is a national disgrace. In fact, the Government takes more than 50 percent of the average working family's paycheck through costs of taxes and regulations.

That means that 50 cents out of every hard-earned dollar that the American family makes today goes to the Government. No wonder it takes one parent to work for the Government while the other parent works for the family.

It also means that a single parent must work twice as hard to support the Government and his or her children. Now, when mothers and fathers work more to support their government than they do to support their children, I say that this system has gone awry.

We want to change the system to allow families to keep more of what they earn to support their children. Now, some say that it takes a village to raise a child, while I say that it takes a village idiot to raise taxes on working families.

Mr. Speaker, we need to cut taxes for working families but we are running into opposition, and he resides at the other end of Pennsylvania Avenue. President Clinton talks a good game but his actions prove that he is against family tax relief.

Last year he introduced other legislation that would have given working families immediate tax relief; and this year he wants to increase taxes, increase taxes by $80 billion to pay for more wasteful Washington spending. Are families not taxed enough already?

So I just urge my colleagues to join with me and send the President a message, the American family deserves a tax break.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARCHER] that the House suspend the rules and agree to the resolution, House Resolution 109.

The question was taken.

Mr. PITTS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

REMOVAL OF NAME AND ADDITION OF NAME OF MEMBER AS COSPONSOR OF H.R. 1200

Mr. MCDERMOTT. Mr. Speaker, I ask unanimous consent to remove the gentleman from Oklahoma, Mr. J.C. WATTS, as a cosponsor of H.R. 1200 and to add the name of the gentleman from North Carolina, Mr. MEL WATT, to the bill. I inadvertently got the wrong name.

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

There was no objection.

EXTENDING TERM OF APPOINTMENT OF CERTAIN MEMBERS OF PROSPECTIVE PAYMENT ASSESSMENT COMMISSION AND PHYSICIAN PAYMENT REVIEW COMMISSION

Mr. THOMAS. Mr. Speaker, I move to suspend the rules and pass the bill, H.R. 1001, to extend the term of appointment of certain members of the Prospective Payment Assessment Commission and the Physician Payment Review Commission.

The Clerk read as follows:

H.R. 1001

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

SECTION 1. EXTENSION OF TERM OF APPOINTMENT OF CERTAIN MEMBERS OF THE PROSPECTIVE PAYMENT ASSESSMENT COMMISSION AND THE PHYSICIAN PAYMENT REVIEW COMMISSION.

In the case of an individual who is appointed as a member of the Prospective Payment Assessment Commission or of the Physician Payment Review Commission and whose term of appointment would otherwise expire during 1997, such terms of appointment is hereby extended to expire as of May 1, 1998.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. THOMAS] and the gentleman from California [Mr. STARK] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. THOMAS].

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

Mr. Speaker, I rise in support of H.R. 1001. It is the bill to extend the term of appointment of certain members of the Prospective Payment Assessment Commission and the Physician Payment Review Commission. This is a noncontroversial bill; nevertheless, it is a necessary one because it is needed to ensure the continued operation of these two commissions.

H.R. 1001 was introduced by myself and the chairman of the Subcommittee on Health and the Environment of the Committee on Commerce, the gentleman from Florida [Mr. BILIRAKIS]. The bill was reported by both the Ways and Means Health Subcommittee and the full Committee on Ways and Means by a voice vote without amendment.

Under current law the appointment of, we call it the PROPAC and PHYSPRC, the Prospective Payment Assessment Commission and the Physician Payment Review Commission, membership is made by the Director of the Office of Technology Assessment.

However, because Congress has closed the OTA, there is no one to make these appointments. This bill would extend the members' terms which expire this year. It will provide the committees of jurisdiction time to consider the future structure of the two commissions in order to develop legislation that would first, reauthorize their activities, and second, put in place a structure for determining a membership appointment.

Mr. Speaker, this measure received, as I said, the unanimous support of the Subcommittee on Health and the Environment and the full committee. I urge my colleagues to join me in support of this noncontroversial but much-needed piece of legislation.

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

Mr. Speaker, the gentleman from California has described the bill well and accurately. There is no controversy, or, that I know of, any opposition to it. It is supported on our side. I urge its adoption.

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

GENERAL LEAVE

Mr. THOMAS. 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 H.R. 1001.

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

There was no objection.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. THOMAS] that the House suspend the rules and pass the bill, H.R. 1001.

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.

TECHNICAL CORRECTION RELATING TO JURISDICTION FOR LAWSUITS AGAINST TERRORIST STATES

Mr. HYDE. Mr. Speaker I move to suspend the rules and pass the bill (H.R. 1225) to make a technical correction to title 28, United States Code, relating to jurisdiction for lawsuits against terrorist states.

The Clerk read as follows:

H.R. 1225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective with respect to any cause of action arising, before, on, or after the date of the enactment of this Act, section 1605(a)(7)(B)(ii) of title 28, United States Code, is amended by striking ''the claimant or victim was not'' and inserting ''neither the claimant nor the victim was''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. HYDE] and the gentlewoman from Texas [Ms. JACKSON-LEE] each will control 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. HYDE].

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Mr. Speaker, H.R. 1225 corrects a drafting error in the foreign sovereign immunity provisions of last year's antiterrorism bill. We enacted these provisions to allow victims of state-sponsored terrorism, like the Pan American 103 tragedy, to sue the countries who sponsored the terrorist act in American courts.

Our intent was that families should have the benefit of these provisions so long as either the victim or the survivor was an American citizen. Unfortunately, and due to an inadvertent error, the current language can be read to allow the benefit only to those families in which both the victim and the survivor are American citizens.

H.R. 1225 corrects this error and restores the law to our original intent, that the affected person should get all of the benefits of section 221 of last year's antiterrorism bill, including the statute of limitations.

I understand this problem affects several of the Pan American 103 families, including Mr. Bruce Smith, who has been one of the leaders of those families. Mr. Smith, who is an American citizen, lost his wife, who was a British citizen, in the Pan American 103 tragedy. He now stands to lose his claim against Libya if this correction bill is not passed. The case is currently before the Supreme Court on a petition for certiorari. The Court may act on the petition as soon as this month. If that case is concluded before we act, those affected families may lose their claims.

For that reason, I believe it is important that we act expeditiously on this technical correction. The staff has consulted with both the Justice Department and the State Department, and I understand they do not have any objection to the correction.

Mr. Speaker, I am pleased that the distinguished ranking member, the gentleman from Michigan [Mr. CONYERS], the chairman of the subcommittee, the gentleman from Florida [Mr. MCCOLLUM], and the ranking member of the subcommittee, the gentleman from New York [Mr. SCHUMER], joined me in cosponsoring this legislation.

In addition, the other members of the committee from Mr. Smith's home State, the gentlemen from Florida, Mr. CANADY and Mr. WEXLER, Mr. Smith's own Congressman, Mr. MICA, and the gentleman from New York, Mr. MCNULTY, who also has an affected constituent, have joined me in cosponsoring this legislation.

I want to thank Senator HATCH, Senator LEAHY, Senator MACK, and Senator KENNEDY, who are working to get H.R. 1225 passed quickly by the Senate.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join the chairman, the gentleman from Illinois [Mr. HYDE], in supporting this legislation, H.R. 1225. In the antiterrorism bill passed into law last Congress, we amended the Foreign Sovereign Immunities Act to allow American citizens to sue for money damages in American courts for acts of terrorism that occur abroad.

Unfortunately, an error was made when that legislation was drafted. The legislation we consider here does nothing more than correct that error. As written, the law allows suit only if the claimant and the survivor are both American citizens. But if the victim of the terrorist act was not an American citizen, that victim's American spouse cannot sue.

This bill fixes the provision to allow suit if either the victim or the claimant is an American citizen. Because this correction will allow several families to continue their lawsuits against Libya over the bombing of Pan Am flight 103, as well as apply to any future cases in which American families are victimized by state-sponsored terrorism, it is our responsibility, Mr. Speaker, to protect Americans, and to protect Americans against terrorism. I think this correction goes one step further to ensuring that Americans and America and this Government stands up against terrorism. I urge my colleagues to support this legislation.

Mr. Speaker, I am pleased to join Chairman HYDE in supporting this legislation, H.R. 1225. In the antiterrorism bill passed into law last Congress, we amended the Foreign Sovereign Immunities Act to allow American citizens to sue for money damages in American courts for acts of terrorism that occur abroad.

Unfortunately, an error was made when that legislation was drafted. The legislation we consider here today does nothing more than correct that error.

As written, the law allows suit only if the claimant and the survivor are both American citizens. But if the victim of the terrorist act was not an American citizen, that victim's American spouse cannot sue. This bill fixes the provision to allow suit if either the victim or the claimant is an American citizen.

Because this correction will allow several families to continue with their lawsuits against Libya over the bombing of Pan Am flight 103 as well as apply to any future cases in which American families are victimized by state-sponsored terrorism, I urge my colleagues to support this legislation.

Mr. HYDE. Mr. Speaker, I thank the gentlewoman from Texas. 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 gentleman from Illinois [Mr. HYDE] that the House suspend the rules and pass the bill, H.R. 1225.

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.

NOTICE OF WITHDRAWAL OF BENEFITS ON ARGENTINIAN EXPORTS UNDER GENERALIZED SYSTEM OF PREFERENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105–66)

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

To the Congress of the United States:

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated developing countries. The program is authorized by title V of the Trade Act of 1974, as amended.

Pursuant to title V, I have determined that Argentina fails to provide adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property. As a result, I have determined to withdraw benefits for 50 percent (approximately $260 million) of Argentina's exports under the GSP program. The products subject to removal include chemicals, certain metals and metal products, a variety of manufactured products, and several agricultural items (raw cane sugar, garlic, fish, milk protein concentrates, and anchovies).

This notice is submitted in accordance with the requirements of title V of the Trade Act of 1974.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *April 11, 1997.*

POSTPONING FURTHER CONSIDERATION OF HOUSE JOINT RESOLUTION 62 UNTIL AFTER VOTES UNDER SUSPENSION OF THE RULES

Ms. PRYCE of Ohio. Mr. Speaker, I ask unanimous consent that during consideration of House Joint Resolution 62, pursuant to House Resolution 113, notwithstanding the order of the previous question, it may be in order at any time for the Chair to postpone further consideration of the joint resolution until a time designated by the Speaker after disposition of any motions to suspend the rules on which proceedings were proposed earlier in the day.

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

There was no objection.

□ 1345

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 62, TAX LIMITATION CONSTITUTIONAL AMENDMENT

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 113 and ask for its immediate consolidation.

The Clerk read the resolution, as follows:

H. RES. 113

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the joint resolution (H.J. Res. 62) proposing an amendment to the Constitution of the United States with respect to tax limitations. An amendment in the nature of a substitute consisting of the text recommended by the Committee on the Judiciary now printed in the joint resolution, modified by the amendment specified in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The previous question shall be considered as ordered on the joint resolution, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) three hours of debate on the joint resolution, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary; (2) one motion to amend, if offered by the minority leader or his designee, which shall be considered as read and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore [Mr. GOODLATTE]. The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], distinguished ranking member of the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of this resolution all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. PRYCE of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this resolution.

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

There was no objection.

Ms. PRYCE of Ohio. Mr. Speaker, House Resolution 113 is a straightforward rule providing for consideration in the House of House Joint Resolution 62, the tax limitation constitutional amendment.

The rule provides for 3 hours of debate, equally divided between the chairman and ranking minority member of the Committee on the Judiciary. The amendment in the nature of a substitute recommended by the Committee on the Judiciary, modified by the amendment specified in the report, will be considered as the base text for the purpose of amendment.

What that means is that the rule enacts a very important amendment sponsored by the gentleman from Florida [Mr. MCCOLLUM], a senior member of the Committee on the Judiciary, which would simply ensure that the tax limitation amendment would not have the unintended consequences of making it harder to reduce taxes in the future, a very important consideration as we move toward the dynamic scoring of major tax relief and economic growth legislation.

The rule also provides for the consideration of an amendment if offered by the minority leader or his designee. The amendment shall be considered as read and shall be debatable for 1 hour equally divided and controlled by a proponent and an opponent.

Finally, the rule provides for one motion to recommit with or without instructions. So under the rule, Mr. Speaker, our friends in the minority will have two different opportunities to amend the legislation in any way they see fit, consistent with the normal rules of the House.

Mr. Speaker, it is no coincidence that the House takes up the consideration of a constitutional tax limitation amendment today, April 15, as millions of taxpayers file their Federal income taxes. This is the day in which millions of hard-working Americans and their families are all too sharply reminded that high taxes have become a cruel and harsh fact of life in the United States of America.

What many Americans are experiencing today is middle class tax anxiety as they feel that they are working harder than ever but falling further behind. That is why so many constituents tell me that they fear the next generation will not be as fortunate or as prosperous as their generation, and why they believe their children and grandchildren will be worse off financially than they are.

It is no wonder that so many families feel this way. The truth is for the past 40 years or so, the size, scope, and tax burden imposed by the Federal Government has grown year in and year out. In 1980, the average tax burden was $2,286 per person. By 1995, that figure had more than doubled to $4,996. Federal, State, and local taxes take more than 38 cents out of every dollar the American family earns, and that estimation is almost as high as 50 cents in some quarters.

The Federal tax burden alone is now nearing a record one-fifth of family income. American families deserve better and they should be able to keep more of their hard-earned money to spend on things they need like food, clothing, shelter, perhaps a college education or even sometimes a family vacation. They do not need to send more of their tax dollars to Washington to be spent on a larger and larger Federal bureaucracy.

Regrettably, the power to lay and collect taxes, which was granted to Congress by the Founding Fathers, has been terribly abused. As ratified, the Constitution did not allow the direct taxation of the income of American citizens. For three-quarters of our history, three-quarters of our history the power of the U.S. Government to tax was carefully constrained by explicit constitutional restraints. For many decades the Federal Government was able to function without a permanent income tax, and it was not until 1913 when the 16th amendment to the Constitution was ratified that Congress was given specific authority to collect income taxes, and the Constitution's careful balance with respect to taxes was swept away.

As recently as 1940, Federal taxes were only 6.7 percent of the gross domestic product. Since the late 1960's, Federal taxes have approached 20 percent of GDP. Under our current system, it is simply too easy to add to the already onerous tax burden that Congress has placed on the American people.

Mr. Speaker, while many worthwhile arguments have been made against this constitutional amendment, the time has now come when we must return some fiscal discipline to the Federal Government where much of the discipline imposed by the Founding Fathers in the Constitution no longer exists.

That is exactly what this legislation seeks to do, to make it more difficult for Congresses in the future to raise taxes. The amendment will force Congress to focus on options other than raising taxes as a means of balancing the Federal budget. It does not mean, as some opponents have claimed, that taxes cannot be raised at all somewhere down the road. It merely requires a broader political consensus to achieve that goal. And the requirement can be waived temporarily, whenever a declaration of war is in effect or when the United States faces an imminent serious threat to its national security.

While we try to make it harder to raise taxes at the Federal level, several

States have already taken a step to incorporate this fiscal discipline in their own constitutions. For example, 14 States already require a supermajority to raise taxes in one form or another, including high-growth States like California and Florida.

Mr. Speaker, the need for this amendment is clear. By raising the bar on tax increases, we put the focus where it should be, on cutting spending first. Unlike the many special interests that benefit from Federal spending, the American taxpayers do not have a paid voice looking out for their interests when appropriation season comes along. It is time for Congress to play that role more effectively, and passing this tax limitation amendment will do a lot to give the American people the voice they deserve in the fight to control spending and to protect family incomes.

In closing, Mr. Speaker, I would urge my colleagues to support both the rule and the underlying legislation. This is a balanced rule that will enable the House to have a full and fair discussion of the merits of this constitutional amendment, and I recommend its swift adoption.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume, and I thank my distinguished colleague and friend, the gentlewoman from Ohio [Ms. PRYCE], for yielding me the customary half hour.

Mr. Speaker, exactly 1 year ago today I stood on the House floor in this very same spot and spoke out against a nearly identical rule and joint resolution. At that time I said my Republican colleagues should be ashamed of that rule and that proposed constitutional amendment.

Mr. Speaker, I say it again today. They should be ashamed of this proposed constitutional amendment, and they should be ashamed of sending to the House floor another closed rule. Of 11 rules that have been sent to the floor so far this Congress, 9 of them have been restrictive.

As was the case last year, Mr. Speaker, this event today is nothing more than a political escapade. It is no coincidence that we are considering this bill at this time on this very date. It all has been very carefully orchestrated that we debate the vote just in time for the 6 o'clock news, and of course today is tax day.

So if my colleagues do not believe me, just look at the letter that was sent to the Committee on Rules by the sponsor of this constitutional amendment. To my colleagues and to the TV audience I say, it is show time.

Mr. Speaker, our Constitution has been amended only 27 times in the 200-plus years since our Nation's inception. And any attempt to amend the Constitution is very serious business and should be done only when absolutely necessary to the well-being of our country and our citizens.

It should never be used as a political tool, as I fear it is being used today. Our Nation's Founding Fathers carefully designed and drafted our Constitution not to meet their own personal and political agenda but to endure and meet the needs of this great Nation for centuries to come.

Mr. Speaker, I also find it ironic that my colleagues on the Republican side of the aisle are contemplating imposition of a two-thirds supermajority requirement in this proposed amendment. As we may recall, in the beginning of the 104th Congress, the Republican Party changed the House rules to require a three-fifths vote for any tax increases. Mr. Speaker, guess what happened? Whenever a bill containing a tax increase came along, they conveniently used the Committee on Rules to waive the three-fifths requirement. They waived this rule for Contract With America, Tax Relief Act; they waived the rule with Medicare Preservation Act. They waived the rule on Budget Reconciliation Act. They waived the rule on Health Insurance Reform Act; and finally, the welfare reform conference report.

Mr. Speaker, they had so many waives we got seasick up there in the Committee on Rules.

In short, Mr. Speaker, during the last Congress, they waived that provision every single time that it applied. In fact, their rule change was so unworkable and so unenforceable that they had to fix it in the 105th Congress rules package.

So if they could not make the provision work in the House rules, how can they expect to make a tougher requirement work in the Constitution? I certainly hope my friends on the other side of the aisle understand that. We cannot waive or rewrite a constitutional amendment just because it is convenient. Furthermore, Mr. Speaker, I wonder if they need a lesson in basic civics. Do they not understand that, when we require a supermajority vote for passage of a measure, we are effectively turning control over to a small minority who can stop legislation, even something that the majority supports?

James Madison, in The Federalist papers, wisely argued against supermajorities, stating, and I quote: ''the fundamental principle of free government would be reversed. It would be no longer the majority that would rule: the power would be transferred to the minority.''

Mr. Speaker, this proposed constitutional amendment will seriously undermine Congress' ability to pass major budgetary initiatives. It will allow a small majority in either House to stop widely supported, meaningful legislation containing any revenue measure. It will impede any progress toward a balanced budget by removing from the table many options for reaching that goal.

It could also lead to cuts in benefits in Social Security, in Medicare. It will sharply limit Congress' ability to close tax loopholes or to enact tax reform measures.

So I urge my colleagues on both sides of the aisle to reject this closed rule and this ill-advised constitutional amendment. We do not need any gimmicks to solve the financial concerns of our Nation. If we really want to address the needs of this country, let us get to work on responsible legislation that truly accomplishes something.

Mr. Speaker, I would hope that they would vote down this rule.

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

☐ 1400

Ms. PRYCE of Ohio. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, ''Well,'' as Ronald Reagan used to say.

Mr. Speaker, I rise in strongest support for this excellent piece of legislation. I really hate to stand up here and criticize the previous speaker because he is my counterpart. He is the ranking member of the Committee on Rules, and he sits over there looking like a cross between Sean Connery and Santa Claus, both of whom I deeply admire, as I do him.

I really am just hesitant to stand up here and say that my good friend from Boston, MA, is rated by the National Taxpayers Union, along with all of the other speakers that will oppose this rule and this bill today, they all are rated as the biggest spenders in the Congress.

Now, think about that for a minute. All the people that are opposed to a supermajority of raising taxes are rated as the biggest spenders in this House. And this is not for 1 year or 2 years, this is over 20 years; for at least as long as I have been here.

So, Mr. Speaker, let me just talk about this bill. The tax limitation amendment is designed to make it more difficult for the Federal Government to take more money out of the pockets of our constituents. It will require the Congress to focus on options other than raising taxes to manage the budget.

Imagine that. We have to find a different way because it is going to be very difficult to raise taxes. It will require this Congress to focus on options that really mean getting this fiscal House in order, because we all know what has happened to the budget over the last 15 years or so; it has just exploded.

The tax limitation amendment does not forelose the possibility of raising taxes, however, but it requires a broad political consensus to achieve that goal. As ratified in the original Constitution, it allowed no direct taxation of incomes of our citizens.

Did my colleagues realize that? When this country was formed, this Republic of States that we have here today, and it is a republic, there was no income

tax and no provisions to allow for it. For most of our history, the power of the Federal Government to tax was carefully constrained by explicit constitutional limitations. It was not until early in this century that the 16th amendment swept away the Constitution's careful balance with respect to taxes. That was way back, I think, in 1913.

Initially, the burden grew very slowly. Federal taxes went from 5 percent of a family's income in 1934, to 19 percent in 1994, and many, many Americans pay a lot more than 19 percent in Federal taxes.

However, when we add to that the impact of State taxes, especially in my State, the highest taxed State in the Union, and if we want to look at the take-home pay of the average young American in my district, there is practically no money there to take home after all these taxes.

By some calculations, when we figure in State, county, town, city, and village, and local taxes, the American people are paying over 40 percent of their total income in some form of taxes. If we add in the cost of burdensome government regulations, the cost goes up substantially, even above that, as high as 60 percent in some areas.

Mr. Speaker, the idea of requiring a supermajority to raise taxes is not a brand new idea around here. There are presently 14 States that require a supermajority to raise taxes, 14 States, according to the Heritage Foundation. I would ask all my colleagues to get their report and read it.

The empirical data from the States suggests that a supermajority requirement is successful in limiting the growth of government, now isn't that something, and enabling a more rapid pace of economic growth and job creation. Well, is that not what we are here for, to encourage those kind of things?

States with supermajority requirements, and listen to this, have lower spending increases, faster economic growth, they had more jobs, and a more tightly controlled tax burden than States without those requirements.

Oh, I wish New York State had this. If they did, I do not think my five children would have had to leave the State.

Mr. Speaker, at the Federal Government level there are numerous precedents for supermajority requirements. Both the House and the Senate routinely use supermajority voting requirements.

For over a century and a half, this House has required a two-thirds vote to suspend the rules and pass legislation, which we are going to be doing here today. It requires a two-thirds vote to take up a rule on the same day that it is reported from the Committee on Rules. The House also requires a three-fifths vote to pass bills on the Corrections Calendar.

The other side of this building, the Senate, requires a three-fifths vote of all Senators just to end debate. Thank goodness we do not have that over here, though. The Senate budget procedures require that three-fifths of the Senate must agree to waive points of order that would violate the budget approved by the Congress.

There are instances in which the Constitution currently requires a supermajority vote. Pick it up and read it. They are scattered all over the Chamber here. For example, a two-thirds vote is required in the Senate to consent to a treaty. And certainly increasing the burden of taxation on our own citizens is a more important decision in the life of this Nation than many of these silly treaties that we enter into.

Mr. Speaker, the Framers of the Constitution, they understood the need for requiring supermajority votes for certain fundamental decisions. The adoption of a supermajority provision to raise taxes on the American people will, I think, help this Congress to give more careful consideration against such proposals and would require a broad consensus in order to do that. Asking for a two-thirds vote certainly is not too much.

Mr. Speaker, I urge a ''yes'' vote on the rule and a ''yes'' vote on the bill itself.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding me this time.

It is interesting that I do hold the constitution of the United States in my hand, and one thing that is very often repeated and certainly noted by the Founding Fathers and Framers of the Constitution, and stated in the Federalist Papers, is that requiring more than a majority of a quorum for a decision will result in minority rule, and the fundamental principle of free government would be reversed.

Alexander Hamilton said in 1775 that it is important that the sacred rights of mankind are not to be rummaged, and therefore they are written as with a sunbeam in the whole volume of human nature by the hand of the Divinity itself and can never be erased or obscured by immortal power.

There is a sense of moral righteousness on the other side about a two-thirds majority for increasing taxes, but it does not respond to the very nature and responsibility of this Government to operate, to balance the budget, to fairly operate with the funds and revenue that we secure.

While there are several supermajority requirements referenced in the Constitution, none pertain to the day-to-day operations of the Government or the fiscal policy matters. Let it be clear that we are the place of last resort for these United States. That means when there is a hurricane in Florida, an earthquake in California, or floods in the Midwest, we are looked to in the U.S. Government.

Something else that is concerning is that a recent Congressional Budget Office study found that over half of the corporate subsidies the Federal Government provides are delivered through tax expenditures. Under this legislation, even measures that raise revenue by shutting down opportunities for tax fraud could require a two-thirds majority vote, undermining the ability of this House to operate the day-to-day needs of the United States of America.

How ridiculous and frivolous, when there is tax fraud and moneys being expended unfairly and illegally, that we would have to have this overmajority, supermajority, in order to stop fraud on the American people.

Also, this constitutional budget, according to the Center on Budget and Policy Priorities, will make it more difficult to address the long-term financing problems of Social Security and Medicare in order to avoid insolvency. Therefore, in order to avoid insolvency with respect to Medicare and Social Security, Congress must be able to use the tax system. It is for these reasons that this proposed constitutional amendment squarely goes to undermining the responsibility that we have.

Everything we do in this House should be borne by the beam of the sunlight that Alexander Hamilton spoke of. The Constitution, having been amended only 27 times, is a sacred document. In this book that I hold, it says that the Declaration of Independence was the promise, the Constitution is the fulfillment.

We have the responsibility to fulfill our role as representatives of the American people, firs, to make sure that we do not overtax, but, second, that a minority does not rule with respect to a free government. This two-thirds constitutional amendment is wrong, wrong-headed, wrong-directed. It does not allow us to protect the American people as we should.

For those States who have the problems of overtaxation, my instruction to them would be to fix it. We in the U.S. Government should be able to fix our responsibilities by being a House that responds to all of the people.

Mr. Speaker, I rise to speak on the rule of House Joint Resolution 62, which would amend the Constitution to require that any legislation raising taxes be subject to a two-thirds majority vote in the House and Senate. I rise to speak against the modified closed rule passed by the Rules Committee concerning this legislation.

I offered two amendments to the Rules Committee that were not passed. One amendment would have safeguarded the Social Security trust fund. It stated that any tax increase that involves Social Security would not require a supermajority in the House in order to pass. According to the Center on Budget and Policy Priorities, this proposed constitutional amendment would make it more difficult to address the long-term financing problems of Social Security and Medicare. The center has stated

that the 1996 report of the Social Security trustees, projects the Social Security trust fund will start running deficits by 2012 and become insolvent by 2029. In order to avoid this shortfall, Congress must be able to use the tax system, and if not, then the Social Security trust fund will remain in grave danger.

I also introduced an amendment that would state that constitutional amendment would not apply to any bill which increases taxes collected from persons who are not U.S. citizens. There is absolutely no reason why we would want to offer foreign multinational corporations—who take thousands of job from this country—any special ability to block efforts to increase tax collections against them. I guarantee you that no other country would make it more difficult than is necessary to collect taxes against U.S. corporations.

I urge my colleague to vote against the rule for House Joint Resolution 62.

Ms. PRYCE. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. GOSS], a valued member of the Committee on Rules.

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

Mr. GOSS. Mr. Speaker, I thank the gentlewoman from Columbus, OH [Ms. PRYCE] for yielding me this time.

I rise in support of this fair, modified closed rule, which provides for consideration of House Joint Resolution 62, the tax limitation amendment.

As most of us are aware, the House traditionally considers constitutional amendments under a restrictive rule. I think it appropriate that we once again are following that precedent, but I note, especially today, we are providing the minority two opportunities to offer differing versions. So this is a fair rule.

Tonight, millions of Americans will spend a few last hours putting their tax returns together and then rushing them to the post office by midnight, they hope.

While we all devote a good deal of time to filling out the tedious and confusing forms generated by the IRS, an even more discouraging fact is that this year the average American will spend about 3 hours of every 8-hour work day just to make enough money to pay taxes to the Government to get that money in the mail tonight.

Something is wrong when we pay more in total taxes than we do in food, clothing, and housing combined. That is a fact. Something is wrong, and today we are trying to fix it.

We have already considered two bills dealing with the Tax Code: H.R. 1226, which would make it a crime for IRS employees to snoop through citizens' tax records, we had debate earlier on that. With the passage of H.R. 109, we will have stated our commitment to providing real tax relief for American families. The vote comes later on that.

The measure we are about to consider, the tax limitation amendment, would require a two-thirds majority vote for the passage of any legislation resulting in a tax increase. Most people understand that.

H.R. 1215 shifts the focus away from taxing and spending and toward responsible management of our resources. With the tax burdens most Americans face these days, we need to be sure that any future tax increase that Congress is tempted to pass faces added scrutiny.

Mr. Speaker, this is an important measure, and, of course, I intend to support it. I also look forward to considering real tax cuts on this floor as soon as possible. Instead of the illusory cuts offered in the Presidential campaigns that seem to disappear after the election, we should work for meaningful, permanent tax relief, and we should do it now.

We should cut the capital gains tax, we should cut the estate tax, we should repeal the insidious Clinton tax hike on Social Security, on the benefits of Social Security, that are being now taxed and are hitting so many of the constituents in my district and other districts where there are seniors so hard.

We should examine ways to end the so-called marriage penalty that imposes a roadblock for young couples trying to start their lives together.

April 15 could be an annual reminder of the responsibility we have as Americans to relinquish readily some of our hard-earned resources to preserve freedom and the opportunities of this land. But instead, April 15 is becoming a day of infamy as we unfairly and recklessly overburden productive Americans by taking an ever larger bite of their paycheck through an incomprehensible process to feed an ever larger, ever more wasteful, insatiable big brother Government right here in Washington.

I think it is time to stop that, and I am anxious to get to work to provide relief from those oppressive taxes so that next year, when we stand here, next year's tax bite will not be quite so painful for so many. I urge support for this rule, and I urge support for this legislation.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I rise to speak against the rule for the constitutional amendment of the day.

Mr. Speaker, we are here on tax day to consider yet another version of the tax limitation amendment. Unfortunately, the timing of press conferences has taken priority over responsible legislating.

At the Committee on Rules, a number of very important amendments were offered but rejected by the Committee on Rules. These amendments would have protected Social Security, they would have maintained our ability to close corporate loopholes, they would have clarified language that both Republican and Democratic hearing witnesses called problematic, and would have addressed the issue of judicial review.

Mr. Speaker, it is extremely unfortunate that the only amendment that was accepted was offered by the gentleman from Florida [Mr. MCCOLLUM], whose self-executing amendment will ensure that a two-thirds majority is not required to reduce capital gains taxes.

□ 1415

In response, Mr. Speaker, we should have the opportunity to at least vote on an amendment that will ensure that a two-thirds requirement is not a requirement to close corporate loopholes. We should also have the opportunity to clarify language that witnesses at hearings called silly, impractical and a threat to the Federal Government's budget integrity. We should have the ability to address that concern.

Mr. Speaker, because the Committee on Rules once again passed a closed rule, the Members will be deprived of the opportunity to even consider issues which their constituents feel are in their best interests.

Mr. Speaker, another problem presented by the rush to hear the bill today is the fact that the language in the proposed constitutional amendment that we will consider today is different from the language that was considered by experts at the subcommittee hearing. This version provides that a two-thirds majority is required for changes in internal revenue laws that increase revenue instead of the previous requirement of a two-thirds majority for legislation that increases the internal revenue. This change is monumental for the very simple fact that no one seems to know what constitutes an internal revenue law. Is a new fee an internal revenue law? If you call the new fee a tax, is it covered?

Instead of waiting until we know the ramifications of the amendment, we are rushing to vote today so that some can stand on their pedestals, thump their chests and participate in an April 15 publicity stunt. Changes in this resolution should be made, but instead of making these changes, we are allowing the processes to fall prey to political pageantry. I urge my colleagues to reject the rule.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. MCCOLLUM], who authored the amendment that is included in the base legislation.

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

Mr. MCCOLLUM. Mr. Speaker, I thank the gentlewoman for yielding me time, and I rise to support this rule today and the self-executing-amendment provision that is in the rule.

First, let me say that as one Member of this body I strongly believe we should be changing the tax laws of this country. We should go to either a flatter rate income tax or we should go to a sales tax. We need major reform. That is not what is about this bill and this rule today.

Personally, I also believe that in the interim we should not be taxing at all

capital gains or estate taxes should be eliminated. I think we frankly do not need a tax on dividends. A double taxation on dividends is bad or interest that is earned, but that is not what this legislation is about today. What we are about today is a rule that will allow us to vote in a few hours to amend the Constitution of the United States to say that in the future there shall be no tax increase, no revenue increase to the U.S. Treasury without a two-thirds, supermajority vote of this body and the other body.

I think that is entirely appropriate. Fourteen States have adopted such provisions. We had some discussion in the Committee on Rules yesterday about my State of Florida. I want to clarify for the gentleman from Massachusetts, who asked a question about it, that my State has adopted in 1994 an initiative which applies to all taxes, including the sales tax, the two-thirds requirement. That may not have been apparent in the publications that were before the committee yesterday, but that in fact is the law now in the State of Florida.

But my concern today particularly is making sure that what we are going to vote on when we vote on our amendment is correct, is what we want to have. There was a provision, interpretation at least, of the provisions of the underlying amendment that could have been confused to state in some way or be interpreted in some way as saying if we vote for a capital gains tax reduction, which might increase revenues to the Treasury and in real terms surely it would, at least many of us believe it would, we would have to have a two-thirds vote to do that because the underlying proposal says you have got to have a two-thirds vote of the bodies of Congress in order to increase revenues.

So I proposed, and the Committee on Rules has engrafted upon this today when we have the rules vote, the language that reads as follows: ''For the purposes of determining any increase in the internal revenue under this section, there shall be excluded any increase resulting from the lowering of an effective rate of any tax.''

I remember a few years ago we passed a luxury tax, an excise tax on yachts. Everybody thought that was going to raise some money for the Treasury of the United States. Instead we put yacht making companies out of business. It lowered the revenues. Not only did we not have an excise tax, but we did not have the income taxes from the people who were making those big yachts anymore. Then when we came along and removed that excise tax, that luxury tax, the revenues of the United States were raised, not because we had more excise taxes but because we at least had businesses again selling yachts, creating taxable transactions and yielding income taxes that were coming to the U.S. Government.

There are any number of possible ways where you could reduce the taxes on Americans throughout this country and actually increase revenues. So I think it is very important what the Committee on Rules has done, and I wanted every Member to understand that the self-executing provision in this rule is a significant improvement, an important improvement albeit a technical one, to the underlying constitutional amendment proposed.

Mr. Speaker, I strongly urge the adoption of the rule and the amendment incorporated therein today. I additionally of course urge the adoption of the constitutional amendment that would require a two-thirds vote of both bodies before we could pass any increase in taxes on the American public in the future.

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

I thank the gentleman who just left the microphone for correcting my statement at the Committee on Rules, but I was reading from the majority's report that stated, ''For example, in Florida, the supermajority requirement only applies to corporate income taxes. Exempt from the requirement is the sales tax on the purchase of goods.'' That is in the majority's report.

Mr. MCCOLLUM. If the gentleman will yield, he is absolutely right. That report is erroneous in that regard. It applies to the sales taxes, as I understand, in Florida. There are a few technical exceptions, but all basic taxes, including if we ever had an income tax, which we do not have. I thank the gentleman for making that point.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman from Massachusetts for yielding time for the purposes of debate on the rule for this bill.

Mr. Speaker, the bill is on the floor today because it is April 15, and there are some Members of this body who want to try to take political advantage of the fact that people are feeling like they paid too much taxes. That is perhaps a worthy political objective. But we have to debate whether this bill is a reasonable substantive objective. It is on that point that I rise.

I would say to the Speaker that I would rise here today in opposition to a constitutional amendment that required a two-thirds vote on any issue, whether it was a taxing issue or any other issue that we might be considering, because it is my position, and I believe it is supported by historical fact, that a two-thirds vote is counter-democratic. It is counter the very essence of our democracy, which says that it is the majority which should rule in this country.

I want to call my colleagues' attention to two quotations from our Founding Fathers. First, Alexander Hamilton, who said, ''The fundamental maxim of a Republican government requires that the sense of the majority shall prevail.''

And then James Madison, who said:

> It has been said that more than a majority ought to have been required for a quorum and in particular cases, if not in all, more than a majority for a decision. In all cases where justice or the general good might require new laws to be passed or active measures to be pursued, the fundamental principle of free government would be reversed. It would be no longer the majority that would rule. The power would be transferred to the minority.

That is what this constitutional amendment is about. It does not have to do with taxes. It has to do with the balance of individuals related to each other and the power of individual Members of this House of Representatives as they relate to each other.

Why should we give more power to one group of people who support a proposition than we give to other people? That is fundamentally out of kilter with the majority rules concept, and I submit that while we are engaging in this pageantry for tax day, we ought to be engaging in some preservation, we ought to be paying attention to the constitutional framework in which this proposed constitutional amendment is playing itself out and protecting the concept of majority rule, which is so near and dear to our constitutional principles in this country.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia [Mr. LEWIS], the deputy minority whip.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend, the gentleman from Massachusetts [Mr. MOAKLEY], for yielding me this time.

Mr. Speaker, once again Republicans are ready to sacrifice our Constitution at the altar of partisan politics. It seems that every day the leadership of this body comes up with some new stunt to prove they do not like taxes. Today they want to destroy the Constitution. They want to destroy majority rule. Majority rule is central to our Constitution. It is the foundation of our democracy. It is our core belief. And so it has stood for over 200 years. This amendment would allow minority rule. A minority of the Congress would decide when we can and cannot raise taxes.

Mr. Speaker, if this amendment were allowed to our Constitution, do my colleagues have so little faith in majority rule? It is my hope and my prayer, my sincere hope, that enough Members of this body would have the courage to do what is right and vote against this ill-conceived, ill-constructed and ill-advised amendment.

If we adopt this amendment, our Constitution will suffer. We will suffer. This amendment could force us to cut Medicare, this amendment could force us to cut Social Security, even if a majority of the Members opposed these cuts, because under this amendment, the majority does not rule.

But we are not here because this is a well-written, well-reasoned amendment. This amendment is not even a

good idea. We are here because today is tax day. We all know why we are here. Today is tax day. It is time to score political points no matter what the cost. It is unfortunate that the leadership of this House can come up with nothing better to do than debate this amendment.

This amendment is a waste of time. Where is the Republican agenda? Where is the Republican budget? Show me the budget.

Mr. Speaker, today is not only the day that taxes are due, it is also the day the budget is due. The American taxpayers have paid their taxes. The returns are in the mail. Where is the Republican budget? The President has a budget. The Blue Dogs have a budget. It seems that the only people without a budget are the Republicans. The House leadership has no budget.

Mr. Speaker, let me make it plain and crystal clear. It is time to stop grandstanding and time to get to work. Nobody, but nobody, likes paying taxes. I do not like paying taxes. But this is not a reason to support a flawed constitutional amendment. Instead we should pass a budget and we should pass it here and now.

Mr. Speaker, I urge my colleagues to respect our Founding Fathers. Respect the Constitution. Respect democracy and this body. I urge my colleagues to vote ''no'', ''no'' on this rule and ''no'' on this amendment.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

□ 1430

Ms. DELAURO. Mr. Speaker, I rise in strong opposition to this rule and in strong opposition to amending the Constitution to eviscerate majority rule and to favor the wealthy and the powerful over working families.

As my colleagues know, the first bill I ever introduced as a Member of the Congress was the Middle Class Tax Relief Act of 1991, so I welcome a debate on the best way to cut taxes. But today we cannot even have that debate. Today we are having a mock debate because only one party has tax cuts on the table, the Democrats.

We have heard so much talk from the Republicans about cutting, we could think that they had a tax cut proposal. The fact is that they do not. In fact, the Republican tax package might be called the Hale-Bopp tax cut because it seems that my Republican colleagues are waiting for the tax cut to drop from the heavens. But tax cuts and budgets do not fall from the sky, they take work to produce, and it is time that my colleagues from across the aisle come back to Earth and get down to business.

Today, April 15, has dual significance. It is the tax filing deadline for American families, but it is also the deadline for Republicans to submit their budget. As Americans all across the country live up to their responsibilities and to meet their deadline by filing their taxes, Republicans are ignoring their responsibility by ignoring their deadline to present a budget, and that is why this Congress has been dubbed the do-nothing Congress.

If Republicans are honest about wanting to cut taxes, there is only one way to do that, and that is to present a budget. But only the Democrats have a budget on the table, and in this budget President Clinton has proposed middle-class tax relief including tax cuts to pay for college, tax cuts to buy a first home, and tax deduction for adoption. It is a plan that would help those who need it most.

But most important, all of these tax cuts are paid for within a balanced budget, and that is the real reason why Republicans cannot and will not produce a budget. The truth of the matter is that the tax cuts they propose cannot be paid for in a balanced budget without making deep and dangerous cuts in Medicare and education and in the environment, and we all know that the American people rejected that tradeoff in the last Congress.

Mr. Speaker, that means it is time to go back to the drawing board, come up with a tax plan that we can pay for and produce a balanced budget. The President has done so. It is time for Republicans to stop waiting for that Hale-Bopp tax cut, and I can assure my colleagues that a tax cut in the balanced budget will not be delivered on the tail of a comet.

So roll up those sleeves and get down to work. Then maybe this Congress can be known as the Congress that delivered tax relief to American families instead of the do-nothing Congress.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, with all due respect to the last few speakers as the hard-working American taxpayers labor about a third of the year just to pay their taxes, they stay up late, rolling up their sleeves, burning the midnight oil over their tax returns, or worse, paying accountants and lawyers thousands and thousands of dollars for the very privilege of paying their taxes, it is our duty, it is our responsibility, to stop, to put on the brakes of this annual travesty. This is the perfect day to provide this legislation.

Mr. Speaker, with that I yield 5 minutes to the gentleman from Texas [Mr. Barton], the author of this legislation.

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, article 5 of the Constitution of the United States gives the House of Representatives the right to propose amendments to the Constitution of the United States if two-thirds of the Members present voting vote in the affirmative. So we are here today to propose such an amendment requiring a two-thirds vote to increase income taxes or any other tax in the Internal Revenue Code of this country.

I want to speak briefly about the process which has brought us to this day and then if I have time, talk a little bit about the policy.

We had this same vote last year on tax day, April 15, and we got 243 Members of the House to vote in the affirmative if that was 37 votes short of the vote necessary to get the two-thirds vote. The Speaker of the House at the time, Speaker GINGRICH, said that as long as he was Speaker we would have the same vote every April 15, tax day, until we actually pass the amendment and send it to the Senate. So that is why we are here today on April 15.

In order to take advantage of the regular process, we went to the committee of jurisdiction for constitutional amendments, the Committee on the Judiciary, and asked them to hold hearings on this important amendment. The distinguished subcommittee chairman of the Subcommittee on the Constitution, the gentleman from Florida [Mr. CANADY], did so. We had a hearing on the merits, the pros and the cons of the amendment, and I would point out that at that hearing Members were invited to attend, and not one Member of the minority party took advantage of the opportunity to attend and speak in the negative, although we did have several Members speak in the affirmative.

We then went to the full committee where again every member of the Committee on the Judiciary had an opportunity to offer amendments, offer substitutes, offer alternatives. A number were offered. The amendment was slightly modified and reported out on a 18 to 10 vote, which is only one vote short of having a two-thirds vote in the full committee. The gentleman from Florida [Mr. McCollum] offered an amendment on the effective rate issue. He offered and withdrew it. We worked on that issue until we had it refined to the point that the Committee on Ways and Means and myself and the other cosponsors were very supportive. He took that amendment to the Committee on Rules, and yesterday the Committee on Rules voted to put it into the constitutional amendment.

The rule that is before us makes in order an alternative by the minority, the minority leader, Mr. GEPHARDT of Missouri, if he wishes to offer such. It also makes in order a motion to recommit with instructions.

So if we want to talk about the process, the process has been imminently fair, reasonable and according to regular order. It is a modified closed rule because it is a constitutional amendment.

Now let me talk a little bit about the policy. Several Members in the opposition have spoken about violating the Constitution, that somehow it is unfair to amend the Constitution, that we have a two-thirds vote requirement for a tax increase. I would point out that

in article I, section 9 of the original Constitution there is a direct prohibition against any direct taxes, zero tolerance, and I want to read article I, section 9: ''No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration herein before directed to be taken.''

We had zero, we had 100 percent prohibition against income taxes in the original Constitution. But on February 13, 1913, the amendment XVI to the Constitution said we could have an income tax. So in 1915 we had an income tax for the first time. It was 1 percent, 1 percent of income. Today that 1 percent has moved up to an average of 19 percent, the marginal rate has moved from 1 percent to 40 percent, so the marginal rate is 4,000 times more than the marginal rate was in 1915.

The reason we need a two-thirds vote for a tax increase, for an income tax increase, is because the ability to restrain taxes has been abolished by the 16th amendment, and I would point out again that in the original Constitution there was a direct prohibition against any direct tax. That has been repealed so we at least need to raise the bar above a simple majority vote to the two-thirds.

Now let me speak about this majority vote if I can very quickly, and again in the original Constitution there is nowhere in here that says votes have to be only by majority. In fact, there are seven specific instances in the Constitution that you have to have a supermajority, in most cases a two-thirds supermajority to ratify treaties, to expel a Member, to impeach a Federal judge or to amend the Constitution.

So everything we are doing today on the floor on this amendment is totally constitutional, it is totally regular order, and it is totally in the spirit that the original Founding Fathers would have had us. I have no doubt that if Thomas Jefferson and James Madison were here they would vote for the constitutional amendment.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself the balance of the time.

We have heard some very good arguments on both sides of this issue here this past hour, and under this fair rule the House will have ample opportunity to debate the merits of the tax limitation amendment in much greater depth. Any and all minority amendments can be in included in the substitute and again in the motion to recommit.

I would urge my colleagues to consider the tax limitation is working in the States which have adopted supermajority requirements. States have grown more slowly, spending has not increased as fast, economies have expanded faster, and the job base has grown more quickly. The Federal Government and our national economy could surely use the same benefits.

We have the opportunity today to adopt a fiscal tool that will help counter what many of my colleagues and I believe is a natural bias in favor of bigger government and higher taxes. Let us not miss this opportunity to strike a blow for fairness for hard-working families.

Mr. Speaker, as my colleague from Florida, Mr. GOSS, said moments ago, there is something wrong when the average worker spends more time working to pay his total tax bill than to provide food, clothing, and shelter for his family, something terribly wrong, and this bill is not even asking or seeking any kind of repeal. That will come later. We are just making it harder, a little harder, to make it any worse on the hard-working American taxpayer.

I urge adoption of this rule and the underlying legislation.

Mr. Speaker, I ask unanimous consent to place extraneous materials in the RECORD following my remarks on this resolution.

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

There was no objection.

The material referred to is as follows:

TAX LIMITATION CONSTITUTIONAL AMENDMENT

The Charge: The Democrats may claim that the ⅗ vote requirement for a tax increase as a House rule has not worked, has caused problems, was waived frequently in the 104th, and that is a reason why the Tax Limitation Constitutional Amendment (requiring a ⅔ vote) should be opposed.

This is flatly wrong. The ⅗th Tax rule is enforceable and has worked.

At the beginning of the 104th Congress, when the GOP took control of the House, we adopted a House rule requiring a ⅗ vote for passage of any income tax rate increase and prohibiting consideration of any retroactive tax increase.

While the rule was waived several times during the 104th Congress, these waivers were primarily necessary to prevent dilatory tactics by the Democrats. They consistently tried to use the ⅗th rule to prevent the consideration of unrelated legislation. For example, the Democrats tried to claim that the three-fifths rule applied to the Medicare Preservation Act because in some instances Medicare premiums may have been increased for some individuals. The Parliamentarian ruled that this was clearly not the intended object of this rule. This clearly is not an income tax rate increase. Three of the six times the rule was waived in the 104th Congress was to prevent such dilatory motions.

The other three times the rule was waived in the 104th Congress was when Congress was trying to close a perceived tax loophole in an effort to balance the budget. This also was never an income tax rate increase.

Furthermore, Republicans during the 105th Congress amended this rule to make it crystal clear that it only applies to income tax rate increases and to limit opportunities for this rule to be abused as it was by the Democrats during the 104th Congress.

The rule now specifically cites the sections of the Internal Revenue Code to which applies, namely subsection (a), (b), (c), (d), or (e) of section 11(b) or 55(b). These sections cover tax rates on married individuals, heads of households, unmarried individuals, married individuals filing separate returns, estates, trusts, corporations and the tentative minimum tax.

These changes not only clarify the application of the rule but also provide enough flexibility for Congress to cut taxes, close loopholes, and reform the tax code.

The tax limitation amendment also provides for this clarity and flexibility with its de minimis exception.

DESCRIPTION OF MODIFICATIONS TO CL. 5(c) AND (d) OF HOUSE RULE 21—RELATING TO TAX INCREASES MADE BY H. RES. 5—ADOPTING RULES OF THE HOUSE FOR THE 105TH CONGRESS ON JANUARY 7, 1997

Clarifying Definition of Income Tax Rate Increase: The section clarifies the definition of ''income tax rate increases'' for the purposes of clauses 5 (c) and (d) of House Rule XXI which require a three-fifths vote on any amendment or bill containing such an increase, and prohibits the consideration of any amendment or bill containing a retroactive income tax rate increase, respectively. A ''federal income tax rate increase'' is any amendment to subsection (a), (b), (c), (d), or (e) of section 1 (the individual income tax rates), to subsection (b) of section 11 (the corporate income tax rates), or to subsection (b) of section 55 (the alternative minimum tax rates) of the Internal Revenue Code of 1986 which (1) imposes a new percentage as a rate of tax and (2) thereby increases the amount of tax imposed by any such section.

Thus, paragraphs (c) and (d) of Rule XXI clause 5 would apply only to specific amendments to the explicitly stated income tax rate percentages of Internal Revenue Code sections 1(a), 1(b), 1(c), 1(d), 1(e), 11(b) and 55(b). The rules are not intended to apply to provisions in a bill, joint resolution, amendment, or conference report merely because those provisions increase revenues or effective tax rates. Rather, the rules are intended to be an impediment to attempts to increase the existing income tax rates. The rules would not apply, for example, to modifications to tax rate brackets (including those contained in the specified subsections), filing status, deductions, exclusions, exemptions, credits, or similar aspects of the Federal income tax system and mere extensions of an expiring or expired income tax provision. In addition, to be subject to the rule, the amendment to Internal Revenue Code section 1(a), 1(b), 1(c), 1(d), 1(e), 11(b) or 55(b) must increase the amount of tax imposed by the section. Accordingly, a modification to the income tax rate percentages in those sections that results in a reduction in the amount of tax imposed would not be subject to the rule.

TEXT OF CLAUSES 5(C) AND (D) OF HOUSE RULE 21—TAX INCREASES AS MODIFIED ON JANUARY 1, 1997 BY H. RES. 5—ADOPTING RULES OF THE HOUSE FOR THE 105TH CONGRESS

Cl. 5(c) of House Rule 21—Requiring a ⅗ Vote on a Federal Income Tax Rate Increase:

(c) No bill or joint resolution, amendment, or conference report carrying a Federal income tax rate increase shall be considered as passed or agreed to unless so determined by a vote of not less than three-fifths of the Members voting. For purposes of the preceding sentence, the term ''Federal income tax rate increase'' means any amendment to subsection (a), (b), (c), (d), or (e) of section 1, or to section 11(b) or 55(b), of the Internal Revenue Code of 1986, that imposes a new percentage as a rate of tax and thereby increases the amount of tax imposed by any such section.

Cl. 5(d) of House Rule 21—Prohibiting Consideration of Retroactive Tax Increases:

(d) It shall not be in order to consider any bill, joint resolution, amendment, or conference report carrying a retroactive Federal income tax rate increase. For purposes of the preceding sentence—

(1) the term ''Federal income tax rate increase'' means any amendment to subsection (a), (b), (c), (d), or (e) of section 1, or to section 11(b) or 55(b), of the Internal Revenue

Code of 1986, that imposes a new percentage as a rate of tax and thereby increases the amount of tax imposed by any such section; and

(2) a Federal income tax rate increase is retroactive if it applies to a period beginning prior to the enactment of the provision.

HISTORY OF CONGRESSIONAL CONSIDERATION OF BUDGET RESOLUTIONS UNDER DEMOCRATIC MAJORITY

Section 301(a) of the Congressional Budget Act of 1974 provides that Congress shall complete action on a concurrent resolution on the budget on or before April 15 of each year. The following table represents the dates of House and final congressional passage of concurrent resolutions on the budget:

Final Congressional Passage of Budget Resolution	*House Passage of Budget Resolution*
June 29, 1995	May 18, 1995.
May 12, 1994	March 8, 1994.
April 1, 1993	March 15, 1993.
May 21, 1992	March 5, 1992.
May 22, 1991	April 17, 1991.
October 9, 1990	May 1, 1990.
May 18, 1989	May 4, 1989.
June 6, 1988	March 23, 1988.
June 24, 1987	April 9, 1987.
June 27, 1986	May 15, 1986.
August 1, 1985	May 23, 1985.
October 1, 1984	April 5, 1984.
June 23, 1983	March 23, 1983.
June 23, 1982	June 10, 1982.
May 21, 1981	May 7, 1981.
June 21, 1980	May 7, 1980.
May 23, 1979	May 14, 1979.
May 17, 1978	May 10, 1978.
May 17, 1977	May 5, 1977.
April 29, 1976	April 29, 1976.

Ms. PRYCE of Ohio. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 950

Ms. DELAURO. Mr. Speaker, I ask unanimous consent to have my name withdrawn as a cosponsor of H.R. 950. My name was inadvertently included as a cosponsor of this bill.

The SPEAKER pro tempore (Mr. SOLOMON). Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

TAX LIMITATION CONSTITUTIONAL AMENDMENT

Mr. CANADY of Florida. Mr. Speaker, pursuant to House Resolution 113, I call up the resolution (H.J. Res. 62) proposing an amendment to the Constitution of the United States with respect to tax limitations, and ask for its immediate consideration in the House.

The Clerk read the title of the House Joint Resolution.

The text of House Joint Resolution 62 is as follows:

H.J. RES. 62

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE—

''SECTION 1. A bill to increase the internal revenue shall require for final adoption in each House the concurrence of two-thirds of the whole number of that House, unless that bill is determined at the time of adoption, in a reasonable manner prescribed by law, not to increase the internal revenue by more than a de minimis amount.

''SECTION 2. The Congress may waive the requirements of this article when a declaration of war is in effect. The Congress may also waive this article when the United States is engaged in military conflict which causes an imminent and serious threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law. Any increase in the internal revenue enacted under such a waiver shall be effective for not longer than two years.

''SECTION 3. Congress shall enforce and implement this article by appropriate legislation.''

The SPEAKER pro tempore (Mr. SOLOMON). Pursuant to House Resolution 113, the committee amendment in the nature of a substitute, modified by the amendment printed in House Report 105–54 is adopted.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.J. RES. 62

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE—

''SECTION 1. Any bill, resolution, or other legislative measure changing the internal revenue laws shall require for final adoption in each House the concurrence of two-thirds of the Members of that House voting and present, unless that bill is determined at the time of adoption, in a reasonable manner prescribed by law, not to increase the internal revenue by more than a de minimis amount. For the purposes of determining any increase in the internal revenue under this section, there shall be excluded any increase resulting from the lowering of an effective rate of any tax. On any vote for which the concurrence of two-thirds is required under this article, the yeas and nays of the members of either House shall be entered on the journal of that House.

''SECTION 2. The Congress may waive the requirements of this article when a declaration of war is in effect. The Congress may also waive this article when the United States is engaged in military conflict which causes an imminent and serious threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law. Any increase in the internal revenue enacted under such a waiver shall be effective for not longer than two years.

''SECTION 3. Congress shall enforce and implement this article by appropriate legislation.''.

The SPEAKER pro tempore. The gentleman from Florida [Mr. CANADY] and the gentleman from Virginia [Mr. SCOTT] each will control 90 minutes.

The Chair recognizes the gentleman from Florida [Mr. CANADY].

Mr. CANADY of Florida. Mr. Speaker, I yield 30 minutes to the gentleman from Texas [Mr. BARTON] and I ask unanimous consent that he may be permitted to yield blocks of time to other Members.

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

There was no objection.

Mr. CANADY of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 62 introduced by the gentleman from Texas [Mr. BARTON] requires a two-thirds vote for any bill that changes the internal revenue laws to increase the internal revenue by more than a de minimis amount. Why is this amendment needed? Simply put, a supermajority vote makes it more difficult for Congress to raise taxes. It is a mechanism by which to restrain the Government's appetite for reaching into people's pockets and taking their money. It is a mechanism to protect the American people from Government overreaching.

The Federal Government's insatiable appetite for raising taxes is borne out by the facts. In 1934 Federal taxes were just 5 percent of a family's income. By 1994 this figure had jumped to 19 percent; almost one-fifth of a family's income went to pay Federal income taxes.

The amendment will require the Congress to focus on options other than raising taxes to manage the Federal budget. It will force Congress to carefully consider how best to use current resources before demanding that taxpayers dig deeper into their hard-earned wages to pay for increased Federal spending. The amendment would not require a two-thirds vote for every tax increase in any bill. For example, a bill that both lowered and increased taxes, if it were revenue neutral, would not be subject to the two-thirds vote.

□ 1445

In addition, the supermajority requirement would be waived when a declaration of war is in effect or when both Houses pass a resolution, which becomes law, stating that, ''The United States is engaged in military conflict which causes an imminent and serious threat to national security.''

The resolution we are considering this afternoon also includes a provision offered by the gentleman from Florida [Mr. MCCOLLUM] which amended the committee-reported version with the adoption of the rule. The McCollum

amendment addresses a problem which may arise if, at some time in the future, Congress decides to move to a system of dynamic scoring for determining the revenue effects of legislation.

Under current revenue estimating procedures, scoring of a capital gains tax cut, for example, would generally result in projected revenue losses and thus would not require a two-thirds vote under the amendment. However, if Congress moved to a system of dynamic scoring, as some have urged, a cut in the capital gains tax probably would result in some increase in revenue.

The McCollum amendment makes clear that increases in revenue which result from the lowering of the effective rate of a tax are not to be taken into consideration in determining whether a piece of legislation is subject to the two-thirds vote requirement.

During committee consideration, I offered a substitute amendment which was adopted by the Committee on the Judiciary making two changes to the underlying text. The substitute amendment requires that all votes taken pursuant to the amendment be taken by the yeas and nays. It also conforms the text of House Joint Resolution 62 to the language voted on by the House in 1996 by making clear that the amendment applies to any bill, resolution, or other legislative measure changing the Internal Revenue laws. Any bill changing the Internal Revenue laws would require a two-thirds vote, unless it was determined that the bill's provisions, taken together, raise revenue by less than a de minimis amount.

Generally, the term ''internal revenue laws'' covers taxes found in the Internal Revenue Code: income taxes, estate and gift taxes, employment taxes, and excise taxes.

The gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means, explained the scope of the amendment in an April 7, 1997, letter to the gentleman from Illinois [Mr. HYDE], chairman of the Committee on the Judiciary. He stated, and I quote, ''Internal Revenue laws means the current Internal Revenue Code. That is, the Federal individual and corporate income tax, estate and gift taxes, employment taxes, and excise taxes. It would also include any new tax that may be added to the current Internal Revenue Code or that is analogous to any tax in the Internal Revenue Code,'' close quote.

The amendment would not apply to tariffs, asset sales, user fees, voluntary payments, or bills that do not change Internal Revenue laws, even if they have revenue implications.

For purposes of determining whether a bill raises more than a de minimis amount of revenue, only tax provisions in the bill would be considered. Legislation that is roughly revenue-neutral would not be subject to a two-thirds vote. For example, a bill that closed a tax loophole would not require a two-thirds vote if it created no more than a de minimis increase in revenue or was accompanied by an offsetting tax cut. It is the intention of the sponsors that a bill would be considered to raise a de minimis amount of revenue if it increased tax revenues by no more than one-tenth of 1 percent over 5 years.

The amendment states that a determination must be made at the time of the adoption of the legislation as to whether it raises the Internal Revenue by more than a de minimis amount. The determination shall be made in a reasonable manner prescribed by law. In order to implement the article, Congress will need to adopt legislation defining terms and fleshing out the necessary procedures.

It is up to this or a future Congress to design implementing legislation pursuant to the provision of the amendment requiring the Congress to enforce and implement the amendment through legislation. The gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means, which would have jurisdiction over such implementing legislation, suggested the following reasonable criteria in his letter to Chairman HYDE, and I quote again: ''Revenue would be measured over a period consistent with current budget windows. For example, measuring the net change in revenue over a 5-year period would be appropriate. Estimation would be made employing the usual estimating rules. As under the Budget Act, a committee of jurisdiction or a conference committee would, in consultation with the Congressional Budget Office or the Joint Committee on Taxation, determine the revenue effect of a bill.''

In McCulloch versus Maryland, a case that was decided in 1819, long before the advent of the Federal income tax, the U.S. Supreme Court Chief Justice John Marshall stated, ''The power to tax involves the power to destroy.'' This sentiment is no less true today. The power to tax is the power to use the coercive mechanisms of Government to require citizens to surrender their property to the Government for its own purposes. This amendment will ensure that this enormous power is exercised in a careful, thoughtful, and prudent fashion for the sake of ourselves, our Nation, our children, and future generations of Americans.

The Federal Government seems to have forgotten a fundamental fact: The money we spend belongs to the people. It is money that they have earned. It is only fitting that when we increase our demands on those earnings, with all the coercive effect of law, we do so only with careful consideration and broad agreement. Adoption of the tax limitation amendment will bring needed relief to the American people. I urge the passage of the resolution.

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

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

Before I begin discussing my concerns with the specific amendment, I would like to say a few words about my concern with the priorities of the House.

Mr. Speaker, I remind my colleagues that we have not yet reached an accord on the budget. Today is the deadline for Congress to have completed action on our budget, and yet we are debating senseless constitutional amendments, intervening in impending cases, and we are passing worthless resolutions. Instead of participating in tax day political pagentry, I would hope that we would begin to address some of the serious issues facing the American public today.

Mr. Speaker, I have some very serious concerns about the constitutional amendment of the week, House Joint Resolution 62, the proposed constitutional amendment with respect to tax limitations. My concerns are not objections to my colleagues' attempts to limit new taxes. All Members of this Congress should be constantly asking themselves whether our tax system is fair and appropriate. In fact, our Committee on Ways and Means has the responsibility of addressing these complex issues in great detail.

The end of limiting new taxes, however, is not the issue here. Rather, it is the issue of a means which is impractical and counterproductive, and that is what I have concerns about.

The terms of the amendment are unbelievably vague. About the only thing clear about this amendment is the fact that this amendment will cause great confusion. Both Democratic and Republican witnesses at the subcommittee hearing expressed very serious concerns about House Joint Resolution 62. Former Office of Management and Budget Director Jim Miller, a tax limitation amendment supporter, even went so far as to call some of the language silly and unworkable.

The vagueness issue is further exacerbated by a change made to the language seemingly in response to the negative comments made by experts at the hearings. Our subcommittee chairman, the gentleman from Florida [Mr. CANADY] to his credit, has made a valiant effort to correct some of those problems. However, I think the mission was just impossible.

The language considered by the experts at the hearing required a two-thirds majority to, quote, increase the Internal Revenue. We marked up a very different language in the committee than that which was reviewed by the experts. The language we considered in the Committee on the Judiciary and are now considering on the floor requires a two-thirds majority to, quote, change Internal Revenue laws if they increase the Internal Revenue by more than a de minimis amount. Of course, no one seems to have a good idea of what constitutes a, quote, Internal Revenue law or what exactly may be considered a de minimis amount.

My office has contacted a number of tax lawyers, including some of the witnesses who testified before the Subcommittee on the Constitution. None

of them has a clear idea as to what will or will not be considered a, quote, Internal Revenue law. The committee report further fuels the confusion by stating that Internal Revenue laws are laws both within the Internal Revenue Code and outside the Internal Revenue Code. In other words, even the Committee on the Judiciary that reported the bill does not have a clear idea of what will and will not be considered a, quote, Internal Revenue law.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Texas.

Mr. BARTON of Texas. Mr. Speaker, I thank the gentleman for yielding, and I want to tell the gentleman, when I am controlling time, I will be happy to yield. Last year we had a pretty good dialog back and forth, and we have enough time that we can do that.

Mr. Speaker, on the gentleman's question of what will be covered, if the gentleman will continue to yield, I can read exactly what would be covered.

Mr. SCOTT. Mr. Speaker, I will continue to yield if the gentleman will explain what he is reading off of.

Mr. BARTON of Texas. Mr. Speaker, I am actually reading off my own staff briefing paper, but I am the sponsor of the amendment.

Mr. WATT of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. Mr. Speaker, I will regain my time and yield to the gentleman from North Carolina [Mr. WATT] very briefly.

Mr. WATT of North Carolina. Mr. Speaker, I would inquire of the gentleman from Texas [Mr. BARTON], does the gentleman profess to be able to tell us what a constitutional amendment means himself as opposed to trying to clarify the language that he professes to be able to pull out of his own notes? I suppose we are going to do this in a court of law?

Mr. BARTON of Texas. Mr. Speaker, the short answer is yes, I do claim to be a constitutional expert.

Mr. WATT of North Carolina. Mr. Speaker, I just want to make clear that that is what the gentleman is doing here, because there is no definition in this bill, and the problem we are raising is, the gentleman from Texas [Mr. BARTON] is not going to be around every time this gets litigated in a court of law to be able to explain to the court what this constitutional amendment means.

Mr. SCOTT. Reclaiming my time, Mr. Speaker, I yield to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, revenue increases subject to the supermajority requirement include: Income taxes, and I think we all know what a direct income tax is; estate and gift taxes; employment taxes, including Social Security and Medicare; and excise taxes, such as Superfund, aviation, gasoline.

Things that would not be included under the amendment would be tariffs, user fees, voluntary Medicare premiums, the Part B premium, and bills that do not change the Internal Revenue laws even if they have revenue implications.

On the question of de minimis, de minimis is one-tenth of 1 percent, which, under the current Tax Code, would be about $300 million a year.

Mr. Speaker, I yield back to the distinguished gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I would say that the gentleman has indicated that to increase spending on Superfund would take a two-thirds majority, so we are attacking the environment. Also, if we label something a fee, it is not included. If we call it a tax, it is included.

In terms of de minimis, the gentleman from Texas [Mr. BARTON] has suggested that the one-tenth of 1 percent is de minimis. Our total budget, Mr. Speaker, is $1.6 trillion. One-tenth of 1 percent of $1.6 trillion is $1.6 billion. Jokes have been made about a billion here and a billion there, but I certainly think that most people would think that $1.6 billion is more than de minimis. But of course the courts would have to make that decision, and, as the gentleman from North Carolina has pointed out, a staff memo to the chief sponsor is not what the Supreme Court will consider.

Mr. Speaker, the confusion created by this constitutional amendment will create powers in a new bureaucracy, such as the CBO, or cede Congress' taxing power to the court, because someone has to answer the questions that we have not answered. Some faceless bureaucrat punching numbers will have the power to determine how Congress will consider bills. Will the court overturn entitlement reform or cuts in corporate welfare because such initiatives were passed with less than a two-thirds vote? We should not be ceding our powers to courts or unelected economists.

Who will be appointed or anointed with the power to decide the golden question: Will a particular bill constitute an increase in the revenue more than a de minimis amount? Last March in the subcommittee, we heard one witness saying that this power should be vested in one person who would have the power to control the legislative powers of Congress.

In addition, the complex and subjective nature of economics makes it clear that any interpretation will be disputed, so who becomes the arbitrator of such disputes?

Mr. Speaker, the American public deserves answers to these questions before, and not after, we have made a mess that cannot be cleaned up. What happens, for example, if we pass a controversial corporate tax loophole that we estimated would have cost $500 million, only to find later that we made a mistake in our estimate and it will actually cost $5 billion?

□ 1530

Although it would have taken a simple majority to pass the subsidy, it would take a two-thirds majority to correct it. For this reason, we should be calling this resolution the loophole protection act. In addition to being vague and biased in its protection of corporate loopholes, this amendment would be unworkable.

There is a very good reason why supermajorities are rare in our Constitution. They are rare because the framers of the Constitution learned from their experiences and the failed Continental Congress that excessive supermajority requirements are not practical in an efficient government.

Supermajorities are only required for a precious few actions, such as overriding a Presidential veto, impeachment or proposing constitutional amendments to the States. These are well-defined circumstances not open to interpretation.

Unfortunately, there will always be numerous interpretations on the question of whether or not a bill will ''increase revenue more than a de minimis amount.''

The fact that we have not been able to adhere to our own tax limitation rules should give us a fairly good idea of how problematic this constitutional amendment will be to the body.

In the 104th Congress, we had a rule that required a three-fifths vote on bills involving Federal income tax increases. The story of the tax limitation rule's application in the last Congress was one of waiver after waiver after waiver because many bills included changes in the tax system that could be classified as tax increases.

The rule was waived for the 1996 budget reconciliation report. It was waived for the Medicare preservation bill. It was waived for the Health Coverage and Availability Act.

In recent history, no major tax changes, whether signed by a Democratic or Republican president, passed both houses with a two-thirds majority vote. If we could not function with a three-fifths requirement that included a waiver provision, how possibly could anyone think we could function with a two-thirds requirement that could only be waived by war or by amending the Constitution.

Mr. Speaker, amending the Constitution is serious business which should not be conducted haphazardly. Some very tough questions have not come even close to being answered; and I, therefore, urge my colleagues to act responsibly and reject this tax day publicity pageantry and vote ''no'' on House Joint Resolution 62.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I rise in strong support of this resolution; and I thank the gentleman from Texas for yielding me time. I am pleased to be one of the original cosponsors of this bill.

A little over 2 years ago, President Clinton's budget, in a footnote that

was often mentioned by Ross Perot, said the young people born that year would pay average lifetime tax rates of 82 percent.

Paul Tsongas a well-respected member of the other party who served for 10 years in the House and Senate, wrote a column about this and he called it an incredible 82 percent; and he said that we were in danger of turning the young people into indentured servants for the Government, and he predicted that in a very few years we would have a war between the generations.

Already today the average person pays almost half of his or her income in taxes and in paying the cost of regulations. Very few people really realize how much they are paying. But when you add up sales taxes, property taxes, gas taxes, excise taxes, Social Security taxes, it is a tremendous sum; income taxes become a small part of the whole burden.

Unfortunately, for too many people, too many people believe that if the Government sends them back a small refund, it is doing them some kind of a favor.

As many people have pointed out, today it takes two incomes to do what one did just a few years ago. Today one spouse basically works to support the Government, while the other spouse works to support the family.

Mr. Speaker, the people of this country can spend their own money better than than the bureaucrats can spend it for them. The easiest thing in the world to do, Mr. Speaker, is to spend other people's money. We need to make it harder for Government to take so much money from the people.

The Government at all levels, but particularly at the Federal level, is becoming increasingly arrogant and coercive. We need to take this coercive society that we have created today and turn it into a great and free society once again.

We can do this if we leave to the people the power, the freedom to have more control over their own money. We need to require a two-thirds majority vote to pass a tax increase. Very few people in this country think that taxes are too low.

Those who want to see the 82 percent tax rate predicted in President Clinton's budget just 2 years ago should vote against this legislation. Those who want to hold down taxes should vote for this resolution.

Mr. SCOTT. Mr. Speaker, I yield 8 minutes to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I thank my colleague for yielding time to me for the purpose of debating the bill.

Mr. Speaker, we have heard a lot of discussion today about the fact or the alleged fact that the supporters of this bill are trying to do the public taxpayers a favor. I want to take issue with that. I want to do it in two different ways.

First of all, I want to say to my colleagues, and individuals who may be listening to this argument also, that in 1952 corporate income taxes contributed 32 percent of the Federal revenue. By 1992, corporate income taxes contributed a total of 9 percent of the total Federal revenue.

During that period of time when corporate income taxes were becoming a smaller and smaller and smaller and smaller part of the Federal budget, many, many loopholes were put into our tax laws that provide substantial corporate tax benefits to corporations. Now, if this amendment passes, if this constitutional amendment passes, those loopholes that are currently in the law will require a two-thirds majority of this House to be removed from the law.

So if there is any individual taxpayer in America, any person in America who thinks that this bill is about protecting individual taxpayers, they had better think again. What it is really about is protecting corporate tax interests who have already seen their percentage of the Federal revenues decreased over the last 40 years from 32 percent of our revenues down to 9 percent.

Who was it that picked up the burden of that corporate tax reduction? It was individuals. So anybody who is suffering under the impression that this is for the benefit of individual taxpayers, dissuade yourself of that notion. It is just simply not the case.

The second point I want to make on this has to do with the constitutional framework in which we operate, the concept of majority rule. Every 10 years we are required by law to take a census of the number of people in this country, and by constitutional law, to redistrict the entire Congress of the United States for election purposes.

The reason for that redistribution, and in that process some States that have gained population gain representatives, some States that have lost population over the last 10 years lose representatives, but the reason we go through that process is to assure that every single person in the United States has equal representation in this House of Representatives. Every single district in America is supposed to represent approximately the same number of people. The reason we do that is because we believe in the whole concept of majority rule.

Every single Member of this body who comes in here representing equal constituencies, on almost every single item with the exception of four or five things that were delineated in the original Constitution of the United States, has an equal vote.

Mr. Speaker, what these cavalier gentlemen would like to do is to upset that balance, to say to the American people that their vote is less important unless they are in the minority or majority, depending on which side they happen to be on. Any time we require something other than a majority vote in this House, we are diminishing the value of somebody's vote out there in the public.

I want to dissuade all of my colleagues, Mr. Speaker, and the American people, that this is not about taxation. This is about the equal representation that all of us fought so hard for and that our ancestors fought so hard to protect, the whole theory of democratic rule.

My colleagues on the other side are going to get up and tell us we are trying to protect the American people. What they are doing is protecting their corporate interests. We have seen it over the last 40 years, a reduction in the amount corporations contribute to support the Government, and what they are doing is diminishing the right of every single individual voter in this country by saying, oh, no, your vote is not as important as somebody else's vote in this body.

I have risen on the floor of this House to oppose every single constitutional amendment that they have proposed. They keep saying that they are conservatives. What is conservatism but to uphold the Constitution of our United States?

This new conservative majority has proposed 118 constitutional amendments in the last 2 years. This new conservative majority brought four constitutional amendments to the floor of the House last year. That is an average of four times more than any Congress in the last 10 years.

They would have us believe that this is about upholding some constitutional conservative principle. Defending the Constitution as it is written is the conservative notion, Mr. Speaker. I think we should reject this amendment and stand up for the power of individual citizens in this country.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. CHABOT], a member of the Committee on the Judiciary.

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

Mr. CHABOT. Mr. Speaker, I rise in strong support of this taxpayer protection amendment. Early in this century, Congress passed a constitutional amendment to make it easier for the Federal Government to tax people. The 16th amendment authorizes a direct Federal income tax.

Now as we near the end of the 21st century we have some significant experience with heavy Federal taxation. I think one inescapable conclusion we must draw from our Nation's experience is that the Federal Government does not find it difficult to raise taxes. Rather, it finds it all too easy. We need to pass structural constitutional protections for the American taxpayers, to make it harder to raise taxes.

□ 1515

Most of what goes on in this town involves taking and spending other people's money. Political power determines how much money is taken away from people who earn it, and political power determines to whom that money

is given. People who have to spend most of their time earning a living for themselves and to support their families do not have very much time or very much say over how the taxing and spending goes on in this town. And they get ripped off time and time again.

For example, just look at the so-called market access program under which money is taken away from taxpayers and given to corporate trade associations to advertise their products overseas. Sure, it is a ripoff, a $100-million-a-year ripoff. But the big corporations that benefit from it have real incentives to lobby here in Washington to keep the transfers going and the money coming from the taxpayers, and the taxpayers get hit.

In recent years to pay for programs like this, the Federal Government has raised taxes on the gasoline people buy. It has raised taxes on working seniors. It has raised taxes on small businesses. The Government's share of the average American family income has gone up, when it was born, from around 5 percent, now it is 25 percent. That is a 500-percent increase just during my lifetime. We all know the Federal Government has not gotten 500 percent better. The Government taxes people to pay for the entertainment of rich elites in the NEA. The Government taxes people to build roads through national forests for private lumber companies. The Government taxes people in order to subsidize the profits of various utility companies.

Those who argue that we cannot have structural protections in the Constitution requiring a supermajority here ignore other similar protections: the requirement that a bill pass through two different Houses of Congress, for example; the power of the President to veto legislation; it takes two-thirds to override a Presidential veto; the constitutional limitations restricting Federal power to specifically enumerated areas. All of these are valuable protections against congressional abuse.

Oppressive increases in Federal taxation have got to stop. We cannot keep increasing the frequency with which Congress goes back to the well and raises taxes over and over again. It is too easy for the Government to raise taxes on hard-working American people. I urge passage of this protection for the American taxpayer.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, I thank my distinguished colleague for yielding me the time.

Mr. Speaker, I could not begin to match the eloquence of the previous speakers on this side who would suggest to the American public that they are at grave risk of having their Constitution damaged by a capricious majority who would today—in kind of a television stunt that is hardly worthy of a second rate talk show host—try and convince the American people that they are doing something to save them money or to save the Government. It is again a sham. There is much that we could be doing in this body that is important, and obviously we are not.

But it is important to note what might have happened had this kind of a silly constitutional amendment been agreed upon earlier. Social Security would now be bankrupt. It would not have been saved in the 1984 legislation which did not receive a two-thirds vote. As the Republicans have repeatedly tried to raise the taxes on the senior citizens for Medicare in their own rule which required two-thirds last year, they had to waive the rule to increase the premiums on Medicare beneficiaries. That was a Republican move.

The health coverage availability and affordability bill would have imposed additional taxes on withdrawals from medical savings accounts, an equally silly idea, but again the Republicans had to waive their own rule. The Republicans could not operate, they do not know how to operate the House with a two-thirds rule they have in here now. If they had to read the Constitution without moving their lips, I suspect they would be in real trouble. The House waived or ignored the two-thirds rule each time it would have applied.

This resolution is far more restrictive and it is a bad idea through and through. It is a gimmick. It is showboating. It denigrates the Constitution. We were all sent here to make tough choices, some unpopular. Occasionally it is necessary to raise revenues in this country. We would no longer have airport traffic control. Our Nation's transportation infrastructure would disappear. The Medicare Social Security Program would no longer be able to be kept viable. All of these would be the outgrowth of this cockamamie idea that has come up and would be much better if we would just pledge allegiance a few more times today in honor of those good citizens who do pay their taxes, which happens to be mostly the lower middle income folks, I might add, and not the rich folks who can take advantage of the many loopholes that we have built into the system.

I urge my colleagues to ignore this, to vote no, to pretend that it did not happen, to go back home and say that there are important things that this Congress could do but they are not being presented to us by the Republican majority.

Mr. BARTON of Texas. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I want to speak in this 2-minute period about the tax issue directly. I notice that my distinguished colleagues on the other side do everything but talk about the direct issue, which is taxes. In the 4 years of the Clinton administration, including this fiscal year 1997, Federal revenues have gone up an average of $88 billion a year, $88 billion. The high year was $104 billion; the low year, the year that we are currently in, it is estimated to be $52 billion. So that is an average of $88 billion increase in Federal revenues during the Clinton administration.

If we go back to the Bush administration, the average was $65 billion, the high year being, and the low year being $23 billion. If we go back to the last 10 years, to include the last 2 years of the Reagan administration, we still have an average increase, including the Clinton years, the Bush years and the last 2 years of President Reagan, $65 billion a year. We do not have a problem of Federal revenues going up. We have a problem limiting the revenues going up in terms of tax increases and limiting the ability to increase spending.

I would point out again, in the original Constitution there was a zero; there was zero income tax, 100 percent prohibition against any direct tax, Article I, Section 9. The 16th amendment to the Constitution, 1913, changed that. We need to go back, maybe not 100 percent prohibition as the Founding Fathers, but a two-thirds vote requirement would make it more difficult to raise taxes. I would point out, if we would have had a two-thirds requirement on the books, 4 of the last 5 major tax increases totaling $666 billion would not have occurred. I would hope that we can talk about the substance of the amendment and what it would do, which would make it more difficult to raise taxes.

Mr. CANADY of Florida. Mr. Speaker, I would inquire of the Chair concerning the amount of time remaining on each side.

The SPEAKER pro tempore (Mr. SOLOMON). The gentleman from Florida [Mr. CANADY] has 49¾ minutes remaining, the gentleman from Virginia [Mr. SCOTT] has 67¾ minutes remaining, and the gentleman from Texas [Mr. BARTON] has 26 minutes remaining.

Mr. CANADY of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Nevada [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise here today in support of House Joint Resolution 62, the tax limitation amendment. As a private citizen in Nevada, I led an effort to amend our State constitution with this very same language. I am proud to say that after passing overwhelmingly in 2 consecutive elections, and may I say both with over 70 percent support of the voters, that initiative, the Gibbons tax restraint initiative, as it became known, has become law in Nevada, a policy that says, we need to put a leash on runaway spending and tax increases. The Federal Government needs to be put on a fat-free diet by making it more difficult to raise taxes, we shift the focus of the balanced budget debate to where it needs to be, on the spending.

Mr. Speaker, the facts speak for themselves. States with similar supermajority requirements for tax increases experience greater economic

growth, lower taxes, and reduced growth in spending.

Mr. SCOTT. Mr. Speaker, I yield 7 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I could not help but notice the somewhat pained look on the face of my friend from Florida, when the Chair told him he had 49 minutes remaining. Time goes quickly when you are having fun, I would have to say to the enthusiastic advocate of this constitutional amendment.

Mr. Speaker, we should note that today is the day when under the law of the country, the Republican majority should be giving us their budget. We have no budget. They do not want to present the budget, and what we have today is a diversion, a proposal that is not taken seriously by all but a handful on the other side, that no one thinks is going to go anywhere, and it is an effort to divert people's attention from the fact that they have failed their legislative responsibility to bring forward a budget.

The problem is not for them that it is too easy to raise taxes. It is that for all of their rhetoric, it is too hard to cut spending. The gentleman from Texas, the author of the amendment, said if this amendment had been in effect we would have $666 billion less in revenue. Well, I assume when those who advocate this amendment would show us how they could cut $666 billion a year out of spending. But they will not; they will not even try.

What we have is the emptiest rhetoric imaginable, all of this breast beating about cutting spending but not a nickel cut. Where is their budget?

If, in fact, they believe that we have overtaxed and that the remedy is to reduce spending, why have they failed their statutory responsibility to bring forward a budget?

What happened was a few years ago, a year and a half ago, 1995, the Republican majority found out that there is a great inconsistency between their talk about reducing spending in general and their interest in reelection in particular. The public did not like it when they shutdown the Government. They are not prepared to live up to the rhetoric. They are not prepared in fact to propose those spending reductions.

So we sit around here waiting, I guess, for heaven-sent spending reductions. We go pass the time when we are supposed to do the budget, and they talk about a tax limitation amendment.

There are a couple of problems with the amendment on its own terms. In the first place, with this amendment, we have to be very careful because every time we turn around it is a new form.

The fact is, it is very difficult to put into the Constitution legislation of this sort. Defining taxes for this purpose is difficult. Last week they got through the Committee on the Judiciary a version of this that they did not notice until we pointed it out to them apparently would have required a two-thirds vote to cut the capital gains tax. Because under their view, cutting the capital gains tax increases revenue, and their amendment was worded so we would have needed a two-thirds vote to cut the capital gains tax.

We pointed that out to them so we have a new version of the amendment which takes care of that. But there are other problems.

There are Members who have argued that one thing we should do to balance the budget is to cut back on the Consumer Price Index and what it triggers. I am not in favor of that as a whole; some Members are. But I understand this: The Consumer Price Index controls tax brackets. The Consumer Price Index determines tax bracketing. If we were to reduce the Consumer Price Index, as the Boskin Commission recommended, we would be increasing tax revenues because we would be changing the bracketing in a way that brought in more revenue. So if this constitutional amendment were part of the Constitution, it would then take two-thirds to reduce the CPI.

Now, if we had another version of this coming up they would probably change it to do that. The problem is, we cannot put into the Constitution this sort of procedure. But there is a more profound problem. This bespeaks a majority that does not trust the American public. This bespeaks Members who do not think they can get a majority.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Texas.

Mr. BARTON of Texas. Mr. Speaker, the CPI is not part of the Internal Revenue Code so it would not take a two-thirds vote. In fact, it would not even take a vote. We could do that by executive order or by regulation of the Department of Labor.

Mr. FRANK of Massachusetts. Mr. Speaker, it is interesting to have the advocate that says you need a two-thirds vote of the Congress to raise taxes say he wishes it could be done instead by Executive order, because understand, first of all, that changing the CPI the way the Boskin Commission said would increase taxes.

□ 1530

It would increase the rate of taxation on people because of what it would do with the brackets.

The gentleman from Texas, not surprisingly, said I do not want to do that; let the President do that by executive order. So on the one hand he wants it to be a two-thirds vote, and on the other hand he wants the President to do it by Executive order.

He may not have read the most recent version of his amendment, because it does not say the Internal Revenue Code. It quite specifically, as we were told in the Committee on the Judiciary, does not say the Internal Revenue Code, it says the internal revenue of the United States, small ''i'' small ''r''. So when the gentleman says this does not affect the Internal Revenue Code, that is wrong.

Finally, the CPI does directly affect the brackets. If we reduce the CPI, then we reduce the indexation of brackets and the result is higher revenues.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. Mr. Speaker, I will be glad to yield to the gentleman from Texas if he wants to appeal to the President to get him out of this one again.

Mr. BARTON of Texas. Mr. Speaker, I would say to the gentleman, that did not state my preference. I simply said what the amendment would cover and would not cover.

Mr. FRANK of Massachusetts. Mr. Speaker, reclaiming my time, let me be clear. The gentleman did not mean, and I apologize to the gentleman, I will not in the future confuse what he says with what he believes, if that is what I am supposed to interpret. It did seem to me like he was saying we will let the President do that one.

In fact, however, the point is still valid. This amendment does not deal with the Internal Revenue Code, big ''I'', big ''R'', big ''C''. It says the generic, the internal revenue of the United States. And cutting the CPI would increase the internal revenue of the United States, and it would clearly require a two-thirds vote.

The point is it should not require a two-thirds vote. Democracy should be allowed to function. Today there is not a majority in this country for raising taxes. There might be a majority for reducing taxes.

Suppose 10 years from now there is a different majority. Suppose 10 years from now people have changed their views? We have had economic growth; they want to deal more fully with certain things. They, in fact, decide they have to get that debt down and they would be willing to vote a tax increase dedicated to reducing the national debt.

That ought to be a decision that the majority of the American people could take if they want to, and this is one more obstacle that we are trying to put in the way, those who support this, in the path of a majority.

The majority today ought to do what it thinks is right. If it wants to reduce taxes, it should reduce taxes. If it wants to keep them the same, it should keep them the same. If it wants to cut spending, it should cut spending, although the majority apparently does not want to do that, because that would require a budget that requires tough political discussions, and they want to avoid those.

But what we should not do is to say, because we have a majority today, we will change the basic rules so that 10 years from now, if a new majority said things have been pretty good economically and we could afford a tax increase

to reduce the deficit, we should not require that to take two-thirds.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. RILEY].

Mr. RILEY. Mr. Speaker, I rise today in strong support of the American taxpayer and in support of the tax limitation amendment.

To put it simply, taxes on Americans are too high. The average American taxpayer works until May 7 to earn enough income to pay an entire year's tax. When we factor in local and State taxes, U.S. taxpayers will spend more time working for the Government than for their own families. Clearly, taxes are out of control.

Mr. Speaker, the tax limitation amendment will provide Congress with the needed discipline to once and for all hold the line on taxes.

Today we have heard from the naysayers and the doomsdayers who fear that the sky will fall if the tax limitation amendment is passed. They are rightfully concerned. This is because so many in Washington still lack the courage to make the tough decisions, the tough decisions that today will create a better America for tomorrow.

The tax limitation amendment will indeed make it tougher for Congress to raise taxes, and that is exactly why I support it.

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. HALL].

(Mr. HALL of Texas asked and was given permission to revise and extend his remarks.)

Mr. HALL of Texas. Mr. Speaker, I rise in support of House Joint Resolution 62, the tax limitation amendment.

Today is a day that a lot of hard-working Americans, honest and decent people, have come to view with a sense of despair, hopelessness, and some even fear. It is not a sense of selfishness but rather a sense of disenfranchisement with the process which causes so many millions of Americans to believe that Government spending and taxes are out of control.

If we had had this amendment back 3 years ago, we would not have had the largest tax increase in the history of this country. If we had had this in 1986, when we had Chairman Rostenkowski and President Reagan pushing for a tax bill, for a new tax reform act, we would not have had this. That is the worst thing, in my opinion, that has hit this Congress since I have been up here.

Today we have an obligation to our constituents to let them know that we are listening to what they say and that we are willing to take some responsibility by endorsing a very concrete step toward slowing the rate of growth in spending and moving closer always toward the goal of what we have all been seeking, what the President says he wants, what the House and Senate say they want, and that is a balanced budget.

Today we are asked to vote for or against the tax limitation amendment, House Joint Resolution 62. This proposal would amend the Constitution so as to require a two-thirds supermajority vote in both Chambers of Congress as a prerequisite for passage of any legislation which would raise taxes by more than a de minimis amount.

This resolution covers income taxes, estate and gift taxes, payroll taxes, and excise taxes. It does not cover tariffs, user fees, voluntary premiums, and other items which are not part of the internal revenue laws. Currently, just such a rule is in place in the House to make certain that we all go on record when a tax increase is proposed. However, this rule does not apply to the U.S. Senate; it only applies this term to the House.

We are just asking to bring some discipline into the process. We are asking to make it a little bit harder to tax the American people. This is a day to make it a little bit harder to tax the American people, the day when they are parting with their money, 40 percent, upper or lower, depending on their bracket or their area, of all the money they have made all of last year.

The many good people in my district, the 4th Congressional District, have been unified and very clear in communicating to me their desire to see Congress balance the budget. The tax limitation amendment would simply challenge Congress to balance the budget without gouging hard-working individuals with regular tax increases.

Contrary to some arguments made by pro-spending opponents of this resolution, the tax limitation amendment does not hamper efforts to close so-called loopholes, because tax increases below a small amount are not subject to the two-thirds requirement.

Those of us who are working toward fundamental tax reform will not be impeded either, because so long as the end result does not increase the tax burden, tax reform bills will not be subjected to the supermajority requirement.

The tax limitation amendment makes good sense. It restores discipline on a system which has spun out of control. Our constituents are overburdened now by a system which has for years left the doors wide open for tax increases to be slipped in as riders to all kinds of legislation. We have to reverse our course and restore a sound business approach to the Government by passing the tax limitation amendment, thereby committing ourselves to going on record so that our constituents can see us vote either yes or no when their pocketbooks are at stake.

I am proud to be the lead Democrat on this bill, along with the gentleman from Mississippi, GENE TAYLOR, and I urge all my colleagues to deliver some relief to the overtaxed and disenfranchised constituents today by voting the passage of the tax limitation amendment.

Mr. Speaker, we have people from all walks of life who support this. We have the American Conservative Union, the Americans For Tax Reform. We talk about senior citizens. The Senior Coalition, United Seniors Association, U.S. Chamber of Commerce, the National Tax Limitation Committee, and I could go on and on. People want us to bring some discipline to this House and discipline to the taxation that takes away the money that they work so hard for.

Mr. Speaker, I thank the gentleman from Virginia for yielding me this time.

Mr. BARTON of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. SESSIONS], the distinguished gentleman from the Fifth District and one of the whips in this effort to pass the amendment today.

Mr. SESSIONS. Mr. Speaker, I rise today to support not only the gentleman from Texas, JOE BARTON, but also the previous speaker, the gentleman from the Fourth District of Texas, the Honorable RALPH HALL.

As the Congressman from the Fifth District of Texas, I can tell my colleagues that these gentlemen understand and know not only what freedom is but also how to go about it.

Mr. Speaker, Republicans and Democrats across the country ran on the promise to lower taxes for all Americans. The tax limitation amendment is important because it protects the American people from excessive taxes. It restores accountability to elected officials and forces Congress to prioritize how they spend the American people's money.

Future generations deserve lower taxes. Responsible leaders in the Federal Government that only spends money on those things that are within its constitutional mandate are critical to the success of not only today but our future.

If we believe that all Americans deserve to keep more of their hard-earned dollars while paying less in taxes, then the tax limitation amendment is a positive change. If we want to promote prudent financial responsibility and a stronger, healthier economy by cutting off the supply of taxpayer dollars to Washington's spending machine, then the tax limitation amendment is the right thing to do.

If we also believe that the Federal Government should have more power and control over people's lives and resources, then the tax limitation amendment makes our life more difficult. If we believe that the American people deserve more government interference while they continue to pay close to 40 percent of their earnings to the Federal Government, then the tax limitation amendment is not a welcome change. Tax increases are not the answer to any problem. A balanced budget, a trimmed-back Federal Government, a healthy economy, and meaningful tax reform are important.

Seventy percent of taxpayers support a supermajority requirement for Congress to raise taxes. I think it is time that we as Republicans and Democrats listen to America, listen to the taxpayer, and listen to those who put us in

office. Let us do the right thing. I am in support of the tax limitation amendment.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. COBLE], a valued member of the Committee on the Judiciary.

Mr. COBLE. Mr. Speaker, I thank the gentleman for yielding me this time.

I had not planned on coming over here, because I am working on another matter known well to the Speaker, but I felt obliged to be here.

Let us first admit what has gotten us into this mess: Excessive spending for the past 25 to 30 years. If more prudence had been practiced in those days, folks, we would not be here talking about this. That cow, however, is out of the barn, so now we have to play the hand that is dealt us.

I am not one in favor of rushing to the Constitution each time the whim strikes me, but we live in an era today, Mr. Speaker, when activities occur regularly that would astound our Founding Fathers.

I was talking to one of my constituents about 3 weeks ago, and she told me how much taxes she must pay on or before today. This woman is not impoverished, but she is by no measuring stick wealthy. She would be lower middle. The amount she told me almost knocked me off my chair.

As imperfect as it is, my friends, there is no doubt that the United States of America is the greatest country in the world, but oftentimes I wonder if other countries impose such hardships upon savings, upon investing, upon hard work as America does.

Capital gains and estate tax. Let us call the estate tax what it is, the death tax. They are probably the two most lucid illustrations I could offer. The estate tax ought to be abolished. Forget about reducing it or increasing the threshold, it should be abolished. It generates relatively little revenue when compared to total tax collections.

Tax day and the IRS are synonymous. I look across this great hall and see my friend from Ohio, who is probably the most outspoken critic of the IRS. And I am not saying that all IRS agents and employees are no good; I am not saying that at all. I am certain there are many who are good Federal employees. But I am equally certain, Mr. Speaker, that there is much heavy-handed activity, there is much yanking taxpayers around, there is much intimidation that flows from the IRS to taxpayers who are then placed in vulnerable positions. Such activity is intolerable and inexcusable and should not be allowed to be practiced.

□ 1545

Finally, the more difficult we can make it to increase taxes, the better all America will be served.

In conclusion, Mr. Speaker, I say, happy tax day, America.

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Speaker, today is a day that is dreaded by all Americans for one reason or another. Today, April 15, is commonly known as tax day but in deference to my friend who just spoke a moment ago, as he said, happy tax day, I think a more appropriate description of this initiative would be happy gimmick day. All that is missing would be to have that individual who used to stand in the well of the House with a TV Guide in his hand and an ice bucket on his arm talking about term limits after having served for 18 years, that 12 is good enough for the rest of us, and then we ought to talk about the balanced budget amendment, how everybody on that side was thankful that it was defeated. And then we talked about the line-item veto and they are once again in good shape because a Federal judge turned down that initiative.

This is about another gimmick, Mr. Speaker. That is what this initiative is proposed for today. It is to call attention to the failure of the majority to administer the House. We should be speaking about balancing the budget today, and that is where our time should be more appropriately spent.

We went through this exercise exactly 1 year ago today, because, thank goodness, rational minds prevailed and the resolution fell 37 votes short of the majority required to change the Constitution. Every time we do not like something around this institution during the last 4 or 6 years, we suggest that we ought to alter the Constitution for short-term political gain.

Instead of holding this publicity stunt today, Mr. Speaker, we ought to be working on balancing the budget. This resolution is not going to help individual taxpayers. But a balanced budget would help all of us today. If we want to help taxpayers, we should be enacting legislation like an expanded individual retirement account. But instead we are debating an amendment to the Constitution. It ought to be done with these discussions in a serious manner.

This proposal that we are offering today would offer a change in revenue if it is determined at the time of adoption in a reasonable manner prescribed by law, not to increase internal revenue by more than a de minimis amount. This resolution does nothing but compound our current budget stalemate and debate.

Twenty years ago I was standing in a classroom teaching American history to high school students and to college students. I value the Constitution. I tried to pass that on to my students. The Constitution requires a two-thirds majority vote in the House in only three instances: overriding a President's veto, submission of a constitutional amendment to the States, and expelling a Member from the House. These instances differ substantially from the issue before us today.

Mr. Speaker, I have to tell my colleagues today as we begin this debate, this proposal is about the next election. It is not about balancing the budget. This proposal is how we once again can speak to the concerns and qualms of wealthy Americans at the expense of middle and lower income people. Time and again we have had opportunities to address this balanced budget necessity, but instead we come up with superfluous issues like the one that is proposed today.

The Founding Fathers examined what majority rule meant. Why should one-third of the Members of this institution determine the fate of an initiative that is as important to the future of this country as this one? Why should one-third of the Members of this institution be allowed to veto the long-term interests of this Nation?

I hear Members come to this well on that side and talk about the conservative virtues that made this Nation strong. And in the same breath, we have a constitutional amendment proposed here to address every political concern that they have.

Our time would be better served today speaking to balancing the budget. Jefferson's most prized student, James Madison, reviewed the question of what constituted a majority in a legislative body. They concluded, based upon the bad experience of the Articles of Confederation where 9 votes were required of the 13 to raise revenue, that it was a bad idea.

This proposal is about demagoguery, it is about dividing this Congress, but it goes to the main issue, the core issue, of any legislative body, and that is the right of the majority, the simple majority, to set responsibilities every single day. And by any objective standard, this proposal fails that measurement. We should be spending our time today focusing on balancing the budget and not upon these kind of superficial initiatives.

Mr. BARTON of Texas. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, we have heard quite a bit of dissemination about what the amendment may or may not cover. Let me actually read the relevant part of the amendment, section 1. Any bill, resolution or other legislative measure changing the internal revenue laws, and I want to emphasize, changing the internal revenue laws, shall require for final adoption in each House the concurrence of two-thirds of the Members of that House present and voting unless that bill is determined at the time of adoption and in a reasonable manner prescribed by law not to increase the internal revenue by more than a de minimis amount. For purposes of determining any increase in the internal revenue under this section, there shall be excluded any increase resulting from the lowering of an effective rate of any tax. On any vote for which the concurrence of two-thirds is required under this article, the yeas and nays of the Members of either House shall be entered on the journal of that House.

So in plain English, it takes a two-thirds vote to raise Federal income

taxes. Right now there is $5.7 trillion of personal income in this country, of which about $2.6 trillion is considered to be taxable. If we came to the floor of the House and tried to raise the Federal income tax rate 1 percent, that would be between $26 billion and $57 billion a year. It would take a two-thirds vote to do that, in plain simple English, a two-thirds vote to raise personal income taxes even 1 percent. So let there be no mistake. That is what we are trying to do, make it more difficult to raise income taxes.

Members do not have to take some Congressman's word for this that it might work. They do not have to take a professor's word that it might work. We have 14 States that have this in their State constitution or in their State laws. There are 4 States that have passed it since last year, Missouri, Nevada, Oregon, and South Dakota have passed a supermajority requirement, in most cases a two-thirds supermajority requirement, since last year, and the total is 14 States, including the largest State, the great State of California, which has had this on the books since 1978. In those States that have it, in these 14 States, there are certain facts that are true in every State.

What are those facts? In States that have a supermajority for a tax increase, taxes go up. We are not saying you would not prohibit any tax increase, but they go up more slowly: 102 percent in tax limitation States versus 112 percent in States that do not have any kind of tax limitations. That is a 10 percent difference. Ten percent at the Federal level would be over $100 billion a year.

In the States that have tax limitation, consequently State spending goes up slower, 132 percent versus 141 percent. That is a 9 percent difference. And because the State spending is going up more slowly, the State economies, the private sector economies, grow faster, 43 percent versus 35 percent. And because the economies are growing faster in those States, employment is growing faster, 26 percent versus 21 percent, or a 5 percent difference.

Again, in plain English, tax limitation works. Supermajority requirements for tax limitation actually works. If it works in these States, Arizona, Arkansas, California, Colorado, Delaware, Florida, Louisiana, Mississippi, Missouri, Nevada, Oklahoma, Oregon, South Dakota, and Washington, it will also work in Washington, DC, at the Federal level.

Again, we are not trying to make it impossible to raise income taxes; we are just trying to make it more difficult. When the time comes to vote on this, just keep in mind a 1 percent increase in personal income tax is going to result in $26 billion to $57 billion a year increase in Federal revenue, and as I pointed out earlier, Federal revenues have gone up an average of $88 billion a year the last 4 years.

Mr. CANADY of Florida. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

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

Mr. TRAFICANT. Mr. Speaker, we have withholding taxes, income taxes, sales taxes, excise taxes, liquor taxes, ticket taxes. We even created a surtax once. We taxed tax years ago. We coined recently a retroactive tax. We taxed before the tax really would start so the tax did not look as bad as when it started.

Mr. Speaker, how many ways can Congress raise taxes? I would say if Congress was as creative in creating jobs, we would not have any problem with taxes and any problem with revenue. We would have no deficit.

The truth of the matter is today is tax day. The American people are taxed off. We are not talking about the old taxes, and the possible new taxes. What about the hidden taxes that seem to creep up on us? But I just take a look at the whole scheme. Here is the way it is in America.

If you work hard, you get hit on the head and you pay a lot of taxes. If you do not work, the Government sends you a check. Beam me up. Congress debates today corporation taxes, and more corporation taxes. My God, they can move to Mexico and pay no taxes. Why stay here the way it is?

We should be incentivizing and strategizing with the Tax Code, a Tax Code that is so cumbersome you need three accountants and two attorneys and, by God, if you get audited they will all run for the hills and say they did not tell you those things. You know it and I know it. Our Tax Code kills jobs; kills, in fact, investment; rewards dependence; penalizes achievement, and in many cases treats the taxpayer like a second-class citizen. In fact, in a civil tax court, and the Republicans should have dealt with the issue, a taxpayer carries the burden of proof this day against an accusation made by the Government, if you want to talk about Constitution.

I think if the American people had a voice in this debate, you know what they would say? Tax this, Congress. They are fed up. I think this is a simple measure. It deals with income. I am not one to vote for constitutional amendments. But quite frankly, how many ways can we tax people? And the American people are sitting back waiting for someone in the Congress to do something.

I want to give credit to the Republicans. They are trying. But let me say this. There is an awful lot more that could be done. I suggest changing our Tax Code, rewarding work, not nonwork, giving people more of their income, by cutting income taxes and creating a consumption tax, get everybody in America participating, even those deadbeats that avoid the payment of income taxes, folks.

But I think there is one element that is left out of this debate, and I think it is the taxpayer. I think they just have a train coming at them, they are on the track and they are looking not just for some relief, they are looking for some justice.

I support this constitutional amendment. I applaud the efforts of the gentleman from Texas [Mr. BARTON] and those who have brought it forward. I doubt if it will become law. You know that and I know that. But if we make some common sense here, we would reward work. The American people are taxed off and rightfully so.

Mr. SCOTT. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. DELAHUNT].

□ 1600

Mr. DELAHUNT. Mr. Speaker, I rise in opposition to the bill.

The Framers of the Constitution were very practical people, and most held profound beliefs about democracy, but their goal was above all to design a system of government that would work. They recognized that certain key questions such as treaty ratification, conviction and impeachment trials or expulsion of a Member of Congress demand more than the customary majority. But with respect to the normal operation of government, they provided in all cases for a simple majority vote. They made no exception for taxation. Pause and reflect for a moment: They made no exception even for declarations of war. Mr. Speaker, what they rightly feared was that a supermajority requirement would give minorities a veto over the political process.

As Madison wrote in The Federalist papers, ''It would be no longer the majority that would rule; the power would be transferred to the minority. An interested minority might take advantage of it to screen themselves from equitable sacrifices to the common wheel, or, in particular emergencies, to extort unreasonable indulgences.''

Madison could have been describing the very amendment before us today. It would give a veto over revenue bills to a minority of Members of either House. It would enable Members of Congress representing one-third of the population or Senators chosen by one-tenth of the population to block revenue measures supported by the vast majority of Americans. It would give these minorities enormous leverage in an emergency to extract concessions in exchange for their support.

The proposed amendment pays lip service to this concern by allowing the two-thirds requirement to be waived in the event of war, yet it would probably be easier to obtain a two-thirds vote to raise taxes during wartime than in my other perilous circumstances. The bill makes no provision at all for hurricanes, floods, terrorist attacks or other localized disasters, let alone a severe economic crisis or a breakdown in the financial system itself. Furthermore, it would make it virtually impossible to eliminate corporate subsidies and other loopholes in the tax system. Corporate welfare would be difficult to reform.

The proponents of this amendment seem willing to accept these consequences, for they rejected a series of amendments in committee which would have addressed at least some of these concerns. They also seem determined to repeat past mistakes.

I was not a Member of this House when the current majority took control in 1995, but I know the House adopted a rule at that time requiring a three-fifths majority to raise taxes. Unfortunately, having created this rule, the majority found it impossible to govern in accordance with it, and it was repeatedly waived or ignored.

Today the majority invites us to graft this failed rule with two-thirds vote onto the Constitution of the United States where it cannot be waived and it cannot be ignored, and this is an invitation that we should and must decline.

Mr. CANADY of Florida. Mr. Speaker, I yield 4 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Florida for the time, and I welcome the gentleman from Massachusetts to this body. In the spirit of bipartisanship, I think it is great for us to be able to debate these issues and to take a look at some different perspectives.

I appreciated the citation of a quotation from James Madison, who perhaps more than any one individual is responsible for the Constitution of the United States. I would also try to put at ease the mind of my good friend from Ohio who rose in support of this amendment who said he was not that fond of voting for constitutional amendments. He was somewhat reluctant. Certainly our friends in opposition to this amendment will readily note the veracity of article V of the Constitution, which gives us as the people of the United States the ability from time to time to amend this Constitution.

Indeed I would only take issue with one observation of the gentleman from Massachusetts when he quoted James Madison, and that would be this: that when James Madison penned those words at the outset of this Nation, he did not have to deal with the 16th amendment to the Constitution that led to the direct taxation of personal income. Indeed those who would wrap themselves in the Constitution and talk glowingly about preserving the integrity of this document have to deal with that essential fact. For if it were such a great and good idea, if it were the intent of the founders to directly tax income, then they would have included that in the body of the Constitution or in those first few amendments known as the Bill of Rights.

No, Mr. Speaker, the wisdom of our Founders comes from the fact that they realized from time to time because governments are constituted of men who attempt to make laws that there would be abuse, there would be abuse of the electorate, there would be abuse of the citizenry.

The gentleman from Massachusetts used the term extortion when he talked about minorities. No, Mr. Speaker, the extortion has taken place when this Government has stuck its hands into the collective wallets of hard-working American taxpayers and always, always, and again always ratcheted up their taxes, taking more and more to the point now where the average American family spends more in taxes than on food, shelter, and clothing combined, when the average American family who in 1948 sent only 3 percent of its income in taxes to the Federal Government, at a time last year sent almost one-quarter of its income.

No, the wisdom is found in article V of the Constitution, which gives us the right, indeed the responsibility, to move against those procedures in government which have proved troublesome, to say the least, more than bothersome, which had proven to be real problems for real Americans. That is the wisdom of our Founders found in article V and in the wake of the 16th amendment to the Constitution, which allowed for the direct taxation of income, which allowed for Washington to reach into pockets of average hard-working Americans.

We must find a counterbalance, and the wisdom is found in this amendment that would require a supermajority, as occurs now in my home State of Arizona, to restrain the rate of growth of government because, as history has shown us, the easiest thing in the world to do is raise taxes. The toughest thing in the world to do is to teach this Government to live within its limits to allow the American people to hold onto more of their hard-earned money and send less of it to Washington.

So, Mr. Speaker, it is in that spirit that I wholeheartedly endorse this amendment to the Constitution, and I rise in strong support, and I fervently hope for its adoption in this body today.

Mr. SCOTT. Mr. Speaker, I yield 4 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise in opposition to this constitutional amendment. Everything is in the eyes of the beholder, but it is very hard for me to understand how one looks at a very serious situation like this and then sets a rule of demand, two-thirds vote to do something on this floor about taxes in a democracy that is usually the majority rules, and it has kept us pretty well in good shape for the last 200 years.

But I would like to say a few words. I noticed the gentleman from Ohio, one of the strongest advocates of this constitutional amendment still said it would not pass. He knew why. Exactly a year ago today we had this same constitutional amendment before us, and we have done nothing about it until this year when it is rolled out again as another public relations type situation.

But there are some serious things that are involved in this amendment. This constitutional amendment can add to the deficit. Normally, when revenue raisers and spending provisions are matched to ensure that a piece of legislation is paid for when it is passed, they do not match exactly, and they rather yield some slight differences and are used to reduce the deficit. Reading this legislation, it seems to me that this could no longer happen.

So this amendment precludes a people or authors of the bills that they want to adjust their spending upward so to avoid that they will adjust their spending upward to avoid a majority, a supermajority requirement. Obviously this makes no sense.

This amendment, and what I am trying to say is this amendment would require a supermajority to close down egregious tax shelters, to take corporate subsidies that are antiquated, not used anymore or are abused, and take those and say, ''You can't eliminate these, you can't eliminate tax shelters unless in fact you were doing that to pay for somebody else's tax shelter, not to reduce the deficit.'' This absolutely once again makes no sense.

Let us go into another everyday kind of housekeeping type of thing that we do around this Congress, and that is authorization. We have reauthorization bills before us this year that we certainly hope we can pass, Superfund, very important to the environment. Let us do the Superfund legislation; as I read this legislation, would take a supermajority.

ISTEA. We finally have something to be happy about. We are going to address the whole situation of transportation in this country. We look at this, and if my colleagues read the legislation as I am reading it, it looks to me like we would have to have a supermajority do, reauthorize, the ISTEA bill.

This whole situation says to me we are in an area that is controversial enough, but let us not kill good legislation before we even write it. And while we are talking about every day and rules of the House, let us talk about rules that were passed in the last Congress that in fact said we had to have a supermajority to do this very thing as a rule of the House. What happened? The majority could not abide by it. They had to waive it time after time after time.

So I am saying it is OK if my colleagues want to waive a rule; they are in the majority. On the other hand, if we pass a constitutional amendment that demands a supermajority, we cannot waive a constitutional amendment.

So I stand here fully understanding that this is tax day and that we have to address these issues.

In 1986 we reformed the Tax Code. We did some good things. We took 6 million people off the Tax Code. We made it simpler. We reduced the margin. We did some bad things. We authored a minimum tax. Oh, my heavens, to wrestle with that was impossible. Passive loss rules; they were much too complicated.

It is time that we do tax reform again. We should do tax reform, we should not attack those working for the IRS. Today they are working the last couple of weeks, and they will continue to work for us to collect our taxes to run this country. We need tax reform, we need simplification, but let us do it in the right way. These ploys are overused, overdone, and we should absolutely not pass this amendment.

The SPEAKER pro tempore (Mr. SOLOMON). Pursuant to the order of the House of today, further consideration of House Joint Resolution 62 will be postponed until after disposition of the two motions to suspend the rules on which proceedings were postponed earlier today.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 1226, by the yeas and nays; and House Resolution 109, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second electronic vote after the first vote in this series.

TAXPAYER BROWSING PROTECTION ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1226, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARCHER] that the House suspend the rules and pass the bill, H.R. 1226, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 412, nays 0, not voting 20, as follows:

[Roll No. 76]

YEAS—412

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Riggs
Riley
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—20

Bilbray
Carson
Conyers
Costello
Danner
Flake
Hilleary
Inglis
Istook
Kilpatrick
King (NY)
Lowey
Manton
Owens
Rangel
Sawyer
Schiff
Souder
Towns
Wexler

□ 1632

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. HILLEARY. Mr. Speaker, on rollcall vote 76 I was unavoidably detained from the House Chamber. Had I been present I would have cast my vote as a "yea."

SENSE OF HOUSE ON FAMILY TAX RELIEF

The SPEAKER pro tempore (Mr. SOLOMON). The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 109.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARCHER] that the House suspend the rules and agree to the resolution, House Resolution 109, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 412, nays 0, not voting 20, as follows:

[Roll No. 77]

YEAS—412

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins

Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Riggs
Riley
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—20

Bilbray
Carson
Costello
Danner
Delahunt
Flake
Istook
Kilpatrick
King (NY)
Lowey
Manton
Owens
Rangel
Sandlin
Sawyer
Schiff
Skeen
Smith (TX)
Souder
Towns

□ 1642

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BILBRAY. Mr. Speaker, I was regrettably and unavoidably detained on my way to the House floor this afternoon, and as a result was not present for rollcall votes No. 76 and No. 77—H.R. 1226, the Taxpayer Browsing Relief Act, and House Resolution 109, a sense of Congress on family tax relief.

Had I been present, I would have certainly voted ''yea'' on both measures.

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Speaker, because I was unavoidably detained in the 15th Congressional District of Michigan, I was not present at rollcall vote No. 76 and rollcall vote No. 77. Had I been present for these votes, I would have voted ''yea'' for rollcall vote No. 76 and ''yea'' for rollcall vote No. 77.

TAX LIMITATION CONSTITUTIONAL AMENDMENT

The SPEAKER pro tempore. The pending business is the further consideration of the joint resolution (H.J. Res. 62) proposing an amendment to the Constitution of the United States with respect to tax limitations.

The Clerk read the title of the joint resolution.

□ 1645

The SPEAKER pro tempore (Mr. SOLOMON). The gentleman from Florida [Mr. CANADY] has 36½ minutes remaining, the gentleman from Texas [Mr. BARTON] has 19½ minutes remaining, and the gentleman from Virginia [Mr. SCOTT] has 43½ minutes remaining.

Mr. CANADY of Florida. Mr. Speaker, I yield 3½ minutes to the gentleman from Florida [Mr. STEARNS].

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

Mr. STEARNS. Mr. Speaker, I rise today to express my strong support for the tax limitation amendment. What could I say in this short amount of time that would change many Members on that side of the aisle? I thought carefully about it. Did all of my colleagues know, perhaps they heard this before, that the Constitution has been amended 27 times? Perhaps they did not know in the first 4 years of this country's history they amended the Constitution 10 times. Perhaps they did not know this, but at that point they prohibited any taxes at all.

Mr. Speaker, the Founding Fathers did not want to have any taxes. They were interested in perhaps real estate taxes or a sales tax, but they did not honestly believe in taxing up to 39.5 percent, almost 40 percent. When you add State income tax and local taxes, you are talking about for people, some people are paying 55 percent.

Our Founding Fathers 220 years ago, of course, had the foresight to use supermajority for certain things. Impeachment, talking about expelling a Member of Congress, overriding the veto, they foresaw the need for a supermajority. They understood firsthand what could happen with corruption and power. The power to tax is what we are talking about today, the ruination of overtaxation. The gentleman from Texas is simply offering an amendment to slow this process down.

Quite simply, our forefathers fought a war to ensure freedom from unchecked oppression. They fought a war basically to prevent ruination of taxation, which we have today. So the gentleman from Texas is simply trying to stop this by saying let us have a two-thirds majority.

The American people do not like and trust their Government. They have said that over and over again. It is 1997, and the Government needs to be put in check just like the modern-day King George III which we are trying to do today what our forefathers tried to do when they started this country. Over the past 40 years, Congress has continually increased taxes. Since 1981, there have been 19 separate tax increases, in 1993, the largest tax increase in history. It is obvious to anybody who has studied the political landscape, if we do not have this amendment, we will have increased taxes. Mr. Speaker, we increased taxes on airline tickets, and I am ashamed that we passed that vote without a counterbalancing amendment to make it budget neutral.

In 1775, the rallying cry was no taxation without representation. Here we are, over 200 years later, and it has not changed. The American taxpayers are fed up. They are looking at bloated bureaucracy and they want a change.

Daniel Webster once said, the power to tax is the power to destroy. This afternoon, these words ring with resonance on April 15. What we want to do here is very, very simple. We only want to make it harder to raise taxes, to make it just a little bit more difficult

for this Congress to prevent someone from succeeding in the American dream, to make sure that the power to tax is not abused. Simply put, we want to put the power back where it belongs, back where the Founding Fathers put it, in the hands of the people.

I urge my colleagues to put partisanship aside and to cast their vote for the taxpayers of this Nation. Remember, our Founding Fathers amended the Constitution 10 times in 4 years, and it has been amended 27 times since this Republic has been founded. This is a very simple step forward, on a symbolic day of April 15, to bring this Congress under control.

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, for the record for the American people, we have already spoken on the issue of responding to the desire to have real tax relief. I voted for the Taxpayers Protection Act. We voted just now to prevent browsing in personal files of taxpayers.

I support giving families in America the right to have tax relief such as a tax credit for children. We can do this in a manner that allows us to uphold the Constitution. My colleagues who have been citing the Constitution need to just read the responsibilities of this U.S. Congress, for section 8 says that the Congress shall have power to provide for the common defense and the welfare of this Nation.

This particular resolution does not in any way allow us to protect you by having a strong defense. This two-thirds resolution quickly undermines the majority rule that the Constitution wants us to have. As the Vice President traveled this weekend to the Midwest, he never saw such devastation. This two-thirds amendment clearly says that, when there are floods or freeze, hurricanes or earthquakes, this country will be crippled and not able to do the business of the people.

It is clear that this majority process, overlooking the majority process by requiring two-thirds, clearly undermines the ability of this Congress to operate this Government. The supporters of this legislation support the fact or mention the fact that there are supermajority requirements pertaining to other aspects of our business. Yes, they do; treaties as well as the impeachment trial. But it does not impact on day-to-day operations of keeping this Government running. When an American citizen is strained and oppressed by an earthquake, a flood, a hurricane, they want this Government to act. This legislation does not allow them to act.

Interestingly enough, let me read to my colleagues from the Concord Coalition, a bipartisan coalition that believes in bringing down the deficit, Sam Nunn, former Senator, Warren Rudman, cochairs: Enactment of this constitutional amendment would be detrimental to the budget process. Accordingly, the Concord Coalition of Citizens councils has selected this issue as a 1997 key vote for purposes of its tough choices deficit reduction scorecard.

What we need to be doing is bringing down the deficit. We do not need a constitutional amendment to bring down the deficit. In considering how to balance the Federal budget and keep it balanced over the long term, all options for reducing spending or raising revenues must be on the table. No area of the budget on either of the spending or the revenue side should receive preferential treatment such as requiring a supermajority.

This is bad legislation. More important, do we know what it prevents us from doing? It prevents us from eliminating tax fraud. In order to eliminate tax fraud, we will have to get a two-thirds supermajority. What American citizen would tell us they enjoy the tax fraud that others are perpetrating on this Nation?

The other aspect is, I offered an amendment to protect Social Security and Medicare. This legislation will not allow us to protect the citizens of the 21st century, baby boomers who are coming into their own in need of Social Security and Medicare.

When the baby boomers again begin to retire not that many years from now, the country will be in an era of constant fiscal strain. To avoid destructive deficits, there will be a need to respond operationally, either by tax increases or spending cuts. This amendment does not allow us to save Social Security, Medicare, and any other manner of operating this Government.

It is interesting that the majority as well has waived such supermajority legislation when it has been for their benefit; five times in fact over the last 2 years. One in particular, on October 19, 1995, they waived in consideration of the Medicare preservation bill.

That is what I am trying to say to my colleagues, but the Medicare preservation bill would have imposed additional taxes on withdrawals of Medicare savings accounts. When it is to the advantage of the majority that has offered this legislation, they will waive such votes on tax increases.

I am saying to the American public that what we have is a responsibility to balance the budget. We must do it. We have a responsibility to bring down the deficit. We must do it. But the Constitution says we have a responsibility to provide for defense and welfare. To do that, we must be able to operate this House, this Nation in a manner that says, we the people.

Let me just finish by saying that Alexander Hamilton noted that the sacred rights of mankind are not to be rummaged for among old parchments or musty records. They are written as with a sunbeam on the whole volume of human nature.

I would say to my colleagues that, whatever we do in the House, the sunbeam should shine on it. Whatever we do on behalf of the American people, bringing down the deficit, operating this Government, the sunbeam should shine. This is an undercover amendment. This is bad law, a bad amendment to the Constitution. We should not support it.

Mr. Speaker, I rise to speak in opposition to this resolution to House Joint Resolution 62, which would amend the Constitution to require that any legislation raising taxes be subject to a two-thirds majority vote in the House and the Senate. If this amendment is added to the Constitution, Congress will not have the flexibility that is necessary to meet the important fiscal priorities of our Nation.

Let me also point out that one of our Founding Fathers and Framers of the Constitution James Madison, stated in his Federalist Papers, that requiring more than majority of a quorum for a decision, will result in minority rule and the fundamental principle of free government would be reversed. While there are several supermajority voting requirements referenced in the Constitution, none pertain to the day-to-day operations of the Government or fiscal policy matters. What is particularly troubling this Member of Congress is the fact that the Center on Budget and Policy Priorities, the proposed constitutional amendment, would make it more difficult to address the long-term financing problems of Social Security and Medicare. The Center has stated that the 1996 report of the Social Security trustees, projects the Social Security trust fund will start running deficits by 2012 and exhaust all of its reserves—that is, become insolvent—by 2029. In order to avoid this shortfall or insolvency, Congress must be able to use the tax system, and if not, then the Social Security trust fund will remain in grave danger. That is why I offered an amendment both in full committee and before the Committee on Rules which would have preserved the solvency of the Social Security trust fund. Both of these efforts failed.

Let me also point out Mr. Speaker that Republicans have frequently waived House rules requiring a three-fifths majority vote to increase taxes. Last Congress, the majority waived this three-fifths requirements for tax increases on four separate occasions. On April 5, 1995, during the consideration of H.R. 1215, the Contract With America Tax Relief Act, there was a parliamentary ruling that the new House rule did not apply to the bill even through the bill would have repealed the current 50-percent exclusion for capital gains from sales of certain small business stock. On October 26, 1995, the House rule was waived for the consideration of fiscal year 1996, the budget reconciliation bill, which contained several tax increases. On October 19, 1995, the House rule was waived for the consideration of the Medicare preservation bill, which would have imposed additional taxes on withdrawals form Medicare savings account. On March 28, 1996, the Republicans waived the house rule for consideration of the health coverage availability and affordability bill, which imposed additional taxes on withdrawals from Medicare savings accounts.

Mr. Speaker, it is imperative that this House vote this proposed constitutional amendment down and let us preserve the intent that the

Founding Fathers had in mind when they decided that votes in the Congress should be decided by a simple majority.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN].

Mr. PORTMAN. Mr. Speaker, let me say at the outset, Members are talking a lot about the Founders. In the Constitution, of course, article I section 9 actually prohibits the kind of income tax that we currently have in this country, and that is why in 1913, Congress passed the 16th amendment. So if we are going to look back at the Founders, I think there is not a good argument for not changing the way we do business here.

Let me just say that for the last year, as cochairman of the National Commission on Restructuring the IRS, I have been spending a lot of time delving into the tax system generally, and the IRS in particular. We are going to issue our final recommendations in June. The gentleman from Pennsylvania [Mr. COYNE] on the other side of the aisle is on that Commission. I cochair with Senator BOB KERREY. It is bipartisan, the administration is represented and it has a lot of good private sector expertise.

Our goal, really, with this Commission is nothing short of having Americans in the future associate April 15 less with the frustration and anxiety and headaches connected with their tax system and more with pleasant things, like the beautiful spring day we are enjoying here in Washington today. Now, that is a tall order and it is difficult to get there.

But, we think there are three ways we can do it. First, we have to restructure the IRS. We have to change the IRS from top to bottom so there is real accountability in terms of its management. Second, the IRS has to be more taxpayer friendly. A 21st century IRS has to be a customer-driven organization.

Third, and I think most importantly, we have determined, after looking at the IRS from every angle over the last year, that we have to stop Congress from passing new, complex tax legislation. We have to give people a break from taxes.

This relates to what we are talking about today. That is why I like so much what the gentleman from Texas [Mr. BARTON] has been promoting, because it will force Congress to be more deliberative as we do tax legislation in this body. It will force Congress to analyze the impact of increasing taxes, which we clearly have not done over the years. And it will keep Congress from continuously changing the code, sometimes in a rather haphazard manner, because we will have this new requirement in place.

So I want to commend the gentleman from Texas [Mr. BARTON] and others for pushing this issue and frankly for shedding light on the reality that Congress does not act as deliberately and thoughtfully with regard to taxes as it should.

□ 1700

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. MCINTOSH].

Mr. MCINTOSH. Mr. Speaker, I rise in support of this constitutional amendment to require a supermajority in order for Congress to raise taxes. I want to commend the subcommittee and the full committee for working on this, and in particular commend my colleague, the gentleman from Texas [Mr. BARTON], for championing this issue. I only wish we could make sure it was part of our balanced budget amendment as well.

Everywhere I go in Indiana, I talk to people at factory gates, at the shopping mall, at restaurants, and I ask them if they have any message for Washington. And time and time again, I hear from those people: Yes, cut our taxes; I am working two jobs, working overtime, and the Government seems to take all of that in taxes. My wife and I are both working, and we cannot make ends meet.

We have to cut taxes in this country, but we would not have to do that if we had had this amendment in the last 40 years to put a check on all of the tax increases.

A young man named Garth Rector, who works as a grounds keeper at a local college today, came to one of my town meetings about a year ago and said, ''You know, I figured it out. I have two kids. And if you guys pass that $500 tax credit, that is about 20 bucks a week that I will get more in my paycheck, and that will go a long way to buying gas and food for the kids. So I hope you get that done.''

It has gotten to a point in this country where the average family no longer pays 5, 6, 10 percent of their income, but 23 percent of their income, to the Federal Government in taxes. When we add State and local taxes, it is almost 40 percent. It is no wonder that working families in this country have a difficult time seeing their standard of living increase. We have to cut taxes, we have to eliminate the death tax, we have to cut the tax on investment.

In my State, we have seen a lot of jobs that have been sent down to Mexico and overseas, but if we cut in half the tax on investment, there would be $2.5 billion of investment money available that did not go to the Federal Government but could stay in Indiana and create new, good jobs.

Mr. Speaker, I rise in support of this amendment today because, as I said, if we had only had this amendment over the last 40 years, I am convinced that today the average American family would keep much more of its hard-earned dollars and not send it to Washington, where it sees it being wasted on one program after another.

Mr. BARTON of Texas. Mr. Speaker, I yield 1½ minutes to the gentleman from Arizona [Mr. SALMON].

Mr. SALMON. Mr. Speaker, I thank the gentleman for yielding me this time.

It is really appropriate we are here on April 15, when people are feverishly trying to scrape together their hard-earned incomes so that they can keep this wonderful Federal Government going.

It is interesting. I listened to the other side, those people that oppose making it tougher to raise taxes, and it is those same people that say we do not need a constitutional amendment to balance the budget, we simply have the willpower here in Congress.

Somehow they believe that the American people are going to wake up and say Congress is going to be different from the last 40 years; things are going to be completely different now into the future, because suddenly they have this resolve; they do not need to have their feet kept to the fire.

Frankly, I think the American people are on to us. Once again those opposed to any limits on Federal spending have come out of the woodwork to proclaim that a constitutional amendment limiting Congress' ability to spend other people's money is dangerous and, indeed, unnecessary. They claim that willpower alone can limit taxes and spending.

I will not doubt the commitment of the U.S. Congress to cut spending and balance the budget. Just look at the great job Congress has done in the past. Nor will I question the resolve of this President, who boldly declared last year in his State of the Union Address that the era of big government is over. Although he has vetoed two balanced budgets and has yet to produce a balanced budget that really balances, we can all sleep like angels, knowing this time he truly means it.

Mr. Speaker, it is time to end this charade. For decades the politicians in Washington have promised to rein in Federal spending, yet every year the tax burden shouldered by the American people continues to rise. Only by making it harder to raise taxes can we give the American people a reason to believe that things are going to be a little different here in Washington, DC.

Mr. SCOTT. Mr. Speaker, I yield 6 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, we are here this evening engaged in a great rite of spring political theater. I am impressed with the acting ability of many on the other side and those in support of this because they are pretending to be engaged in serious constitutional lawmaking.

This is constitutional gibberish. It is constitutional mush. It is an insult to the Constitution to be considering this proposal. It is bad policy. It is bad law.

Second only perhaps to a declaration of war, an amendment to the Constitution ought to be the occasion for the most serious and deliberate application of the talents of this body to the important responsibilities we bear to the

Nation. And anyone who attempts to suggest that the language in this amendment could be implemented logically, coherently, without the regular interference of the courts is simply kidding themselves.

This amendment, among many of its failings, violates the fundamental principle of this representative democracy, the fundamental principle of free government; as Madison put it, the principle of majority rule.

There are a few exceptions to that in the Constitution, I will grant my colleagues, but none, none, none goes to the day-to-day fundamental responsibilities of operating this Government.

The logical corollary of supermajority rule is minority control. And under this amendment, Mr. Speaker, 34 Senators, representing under 10 percent of the population of this country, would be in a position to control the Government's revenue and tax policy.

Aside from that absurdity, think of the many, many impractical consequences, both intended and unintended. One would be that, for all practical purposes, this amendment, if it were to become law, would lock into the Tax Code its provisions as it existed at the time of ratification.

If we like the tax system the way it is, or if we are supremely confident that between now and ratification we will have gotten it just right, then we may support this amendment with good conscience. Otherwise, I think we should have great, great pause and reservations.

Another related consequence would be to make it infinitely more difficult for us to achieve what many on both sides of the aisle hold forth as our principal responsibility right now, and that is balancing the budget, especially as that effort relates to gaining control of the growth of entitlement programs.

And a final and, I think, very, very persuasive reason to have second, third, fourth, and fifth thoughts about this piece of constitutional stuff is the experience that this body has had now for over 2 years with our House rule having purported to cause us to require a three-fifths vote whenever we deal with tax increases.

We already are aware of the confusion that has been generated by the ambiguities in that provision. Compound that, if you will, by what would be the result if this similar provision were put in the Constitution.

Wiser men than we considered and rejected at the time of the founding of this great Republic similar constraints on majority rule. They rejected them because of their then recent experience with the impossibility of governing a much smaller and less complicated Nation in those days under the supermajority requirements of the Articles of Confederation. In other words, we have a Constitution today, in large part, because it was impossible to govern this Nation under supermajority provisions after the Revolution.

This provision would go far beyond any constitutional precedent in effectively paralyzing the ability of future Congresses to deal with one of the most nuanced, subtle areas of public policy: revenue and taxes.

Now, recent national campaigns and debates have surfaced a number of very intriguing ideas about the way we should change the Federal tax system. If this amendment were now in the Constitution, however, we would be essentially forestalled from taking any of those up, because it is highly unlikely that any of them would gather a two-thirds vote in both Houses, and all of them involve some increases in taxes, some provision designed to increase some taxes over others, whether it is consumption taxes or any number of other variations.

Mr. Speaker, I will close by recalling for the body the experience that we have had recently in dealing with our own three-fifths rule, not a two-thirds rule but a three-fifths rule under House procedures.

It has been waived during consideration of the majority party's 1996 budget reconciliation, the majority's Medicare bill, the Kennedy-Kassebaum health care bill, the Small Business Protection Act, the Personal Responsibility and Work Opportunity Reconciliation Act of 1995. All of these waivers have been accompanied by dispute and confusion as to the meaning of that rule.

This constitutional amendment is replete with even more profound ambiguities and invitations to litigation and confusion. We do our constituents no service, we certainly do the Framers of the Constitution no service, we do our future colleagues in this body no service by entertaining this silly idea any further.

Mr. Speaker, I oppose this proposed amendment to the Constitution to require the vote of two-thirds of both Houses of Congress to approve any bill changing the internal revenue laws in a way that would increase the revenue collected by the Government.

This proposed amendment is a bad idea and bad constitutional law.

Second only, perhaps, to a declaration of war, an amendment to the Constitution ought to command the most serious and deliberate sort of legislative review, examination, and analysis we are capable of. It deserves better treatment than a legislative rush job to have a symbolic vote on the deadline day for paying income taxes. The Constitution shouldn't be used as a vehicle for a political bumper sticker.

I would, however, like to commend the sponsors of this bill on one point. They recognize that a change in the U.S. Constitution is necessary in order to require a supermajority to pass legislation on this subject. In effect, they concede that the attempt by the House in January 1995 to simply pass a rule requiring a supermajority is not the proper procedure.

I oppose this proposed constitutional amendment on a number of grounds. It violates what Madison called the fundamental principle of free government, the principle of majority rule. The Constitution makes very few exceptions to the principle, none having to do with the core, on going responsibilities of Government. We should be extremely wary of any further exceptions, especially if it would complicate the essential responsibilities and competency of the Government.

We have to be mindful that the logical corollary of supermajority rule is minority control. And under this proposed amendment, 34 Senators representing less that 10 percent of the American people would have the power to control the Government's revenue and tax policy.

I also oppose this proposed amendment because of its almost absurdly impractical consequences—intended and unintended.

One such consequence would be for all practical purposes to lock into law the Tax Code as it would exist at the time of this amendment's ratification. If you like the tax system the way it is now, or if you have supreme confidence that some future Congress will have gotten it fixed just right before ratification, you ought to live this proposal.

Another related consequence of this proposal would be to complicate efforts to balance the budget, particularly as they entail reducing the growth of entitlement programs.

Finally, I'm opposed to this proposed amendment because, like the current House three-fifths rule, it is vague and will generate confusion and litigation.

I know the authors of this proposal have strong feelings about taxes. But simply having strong feelings isn't good reason to cede power over all future changes to an important area of national law to a small minority. Members of Congress also have very strong feelings on civil rights, trade, and the deployment of U.S. troops abroad. But that doesn't mean that we should let a minority in Congress block any changes in the laws on civil rights, trade, or the deployment of troops. In none of these areas does it serve the long-term national interest to undermine the principle of majority rule.

Wiser lawmakers than we have considered the question of whether to require a supermajority for passage of certain kinds of legislation. At the Constitutional Convention, the Framers of the Constitution specifically considered—and rejected—proposals to require a supermajority to pass legislation concerning particular subjects such as navigation and commerce. They rejected various legislative supermajority proposals largely because of their experience under the Articles of Confederation and the paralysis caused by the Articles' requirement of a supermajority to raise and spend money. In other words, we have a Constitution because it was impossible for the country to function under a constitutional law such as is being proposed here.

The Framers' judgment on this matter, including whether to retain the Articles' supermajority to raise revenues, should give us all cause to reflect on the wisdom of the proposals before the House today.

In those cases in which the Framers did impose supermajority requirements, none deals with topics of regular legislative business central to the ongoing operation and management of the Federal Government, such as taxes and revenues.

In those cases in which the Framers did impose supermajority requirements, only two require action by both bodies, namely, the override of a Presidential veto and the referral of a proposed amendment to the States. Both are extraordinary matters.

In sum, this proposal would go far beyond any existing constitutional precedent. It would effectively paralyze the ability of future Congresses to deal with one of the most nuanced of all legislative issues—revenues and taxes, allowing a small minority to control national policy.

Recent national campaigns and debate have brought forward a number of innovative ideas regarding and Federal tax system. Were it now in the Constitution, this new amendment would likely serve to thwart these ideas or other reforms. This proposed amendment would likely require a two-thirds vote on legislation implementing the consumption tax or Value Added Tax [VAT] proposed by some, which again proponents believe would increase economic activity and Federal revenues. There's been a lot of talk on both sides of the aisle about getting rid of corporate welfare. Many want to end corporate welfare by closing tax loopholes—and that, of course, would likely bring in additional tax revenue from affected corporations and so would require a two-thirds vote under this proposal.

But let's say we tried one of these ideas out before the amendment took effect. Is anyone certain enough that one of them is the correct solution to the tax reform problem that you wish to make repeal or revision next to impossible?

And if this proposed amendment were part of the Constitution, it would probably make it more difficult to reduce taxes. If at some point in the future, Congress judges the budget and economy healthy enough to reduce taxes, how likely is it that a responsible Congress would go ahead and do so knowing that it would be almost impossible to raise rates again in the event circumstance required it?

If now in the Constitution, this proposed amendment would certainly make the current efforts to balance the budget a lot more difficult. Whether adjusting the Consumer Price Index [CIP], or reducing business and tax subsidies, or narrowing the EITC, or means testing Medicare part B premiums, or limiting the amount of profits companies can shift to overseas subsidiaries—all would have to be passed by two-thirds.

It is important to realize that the proposal being considered here today is not really a tax amendment at all. The word ''tax'' does not appear in the text, nor does ''income tax,'' ''tax rate,'' or ''new tax.'' It is a revenue amendment. The only legislation requiring a two-thirds vote under this proposal is that which amends the internal revenue laws with the predicted effect of increasing internal revenue by more than a de minimis amount.

There is no technical definition of internal revenue except perhaps as distinguished from revenues from external sources, such as import duties. All other sources of Federal revenue are presumably included under the language of this proposed amendment. So any legislation to increase any Federal fee or charge or fine would arguably be subject to a two-thirds vote if it results in more than a de minimis increase in revenues. The only way the proposal's supporters try to get around this problem is by having the legislative history define internal revenue laws creatively. I wonder what would happen if the courts were to decline to accept the creative definitions contained in the legislative history.

And according to the proposed amendment, de minimis is to be defined by Congress at some later time, or quite conceivably, at each time a revenue bill is considered, inviting an exercise in manipulative definition whenever the prospect of winning two-thirds approval was dim.

On the other hand, it's arguable that this proposal would not necessarily require approval of two-thirds for a tax rate increase. Some tax rate increases can actually reduce or, at least, not increase revenues. For example, the luxury tax on certain boats that was repealed in 1993 is said to have actually reduced sales so dramatically that associated revenues actually declined. Some even argue that most tax increases on business activity actually reduce Federal revenues by depressing economic growth. What economic theory, interpreted by which expert, will therefore determine the application and effect of this amendment if it were adopted?

So, once you consider how this amendment might be interpreted, many absurd consequences come to mind.

In the context of deficit reduction, we should also consider the fairness and equity implications of this amendment. Most Federal benefits to lower and middle-income Americans come from programs that depend on direct expenditures. The benefits of upper income Americans and corporations often come through various kinds of tax breaks. Since this amendment would require a simple majority to cut programs benefiting lower and middle-income Americans, but a supermajority to reduce tax benefits to wealthy Americans and corporations, it would unfairly bias deficit reduction and create a path of least resistance that would disproportionately hurt middle- and lower income citizens.

In evaluating this proposed amendment, it's also helpful to examine some recent experience in the House. In the 104th Congress, the House pretended to operate under a new rule requiring a three-fifths vote to pass any increase in a Federal income tax rate. Obviously, the amendment before the House today would go much further.

The short history accumulated on the application of the new House rule is instructive about the problems that would likely arise under this proposed constitutional amendment. Since the three-fifths rule has been in effect, it has been waived during consideration of the majority party's fiscal year 1996 budget reconciliation bill, the majority's Medicare bill, the Kennedy-Kassebaum health care bill, the Small Business Protection Act, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1995. These waivers have been accompanied by dispute and confusion as to the meaning of the rule. In addition, there is now general agreement that the rule should have been applied to the Contract With America Tax Relief Act, and that a waiver would have been necessary to pass that legislation.

The amendment we are considering is for more problematic because the Constitution can't be waived for convenience sake when questions arise. And you can be certain that similar questions about the meaning of this amendment will arise in great number. Almost every future tax bill that were to pass by less than two-thirds under some claimed exemption from this amendment would likely be subject to protracted litigation, creating an outcome we ought to avoid in tax law—uncertainty and confusion.

One thing we can be sure of. We don't know the future. Why would we wish to deprive our successors in Congress of the tools and ability to deal with the problems they will face? To our successors we are in effect saying, ''We don't care what the particular circumstances may be in 10 or 50 years; we don't trust you, and you're stuck with our expectations of your incompetence.'' What arrogance.

I urge the Members from both sides of the aisle to take a close look at this proposed constitutional amendment in the light of the wisdom and experience of the Framers, its stifling and absurd effects, and the history of the House of Representatives' three-fifths rule. Treat it for what it is, a political statement—and one better made on the floor of the House than put into the U.S. Constitution.

Mr. BARTON of Texas. Mr. Speaker, I yield myself 4 minutes.

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I did not go to Hershey, PA, at the bipartisan retreat, but if I had and would have come on the floor for this debate this evening, I do not believe I would have used words like ''absurd,'' ''mush,'' things of that sort. I do not think they help us.

Mr. SKAGGS. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Speaker, I say to the gentleman that the purpose of the retreat and of our efforts to restore civility is to debate ideas, which I was attempting to do. If I said anything that is personal to the gentleman, I apologize. I was characterizing the ideas that are in debate. We all recognize the importance of a full and hearty debate about policy and ideas.

Mr. BARTON of Texas. Mr. Speaker, reclaiming my time, my good friend from Colorado meant nothing personal toward me, nor did I take it as such. So I want to be perfectly clear on that.

I will say, if we are going to engage in an idea and a robust debate, that we should do so on the merits of the issue, and the issue at hand is whether we should amend the Constitution of the United States to require a two-thirds vote to raise taxes as they are defined in the internal revenue laws of this land.

I would point out that in article I, section 9 of the Constitution that the Founding Fathers of the United States of America adopted, direct taxes were prohibited. Prohibited. There could have been a 100 percent unanimous vote and not had an income tax. The 16th amendment to the Constitution, which was passed on February 3, 1913, said we could levy direct taxes.

I would further point out that in the Constitution, as adopted by our Founding Fathers, nowhere in there, unless it says specifically that there is a two-thirds or some sort of a supermajority vote required, does it say in the presentment clause that we have to have simple majorities. In fact, this body

routinely passes many measures by a voice vote.

So I think it is entirely appropriate to look at the tax burden that is currently on the American taxpayer, which averages 19 percent, which was before the adoption of the 16th amendment, and before the adoption of the first Federal income tax in 1913 it was zero, and say it is time to raise the bar a little higher.

Now, I would further point out that all we have to do is look at the States as our laboratory to see if supermajorities for tax limitation work. There are 14 States that have it. It works in those 14 States. Four States have added it since the debate last year.

I asked my staff to go to the States that have had it in effect for any length of time and find out if there are any States where it is not working, or is there any State that wants to repeal it, and the answer that we got back was ''no.'' The States that have it are happy with it. More States are adding to it, 40 percent in the last year, and there are another 5 to 10 States that have it.

Finally, Mr. Speaker, I would point out that if we had had a two-thirds vote requirement for a Federal income tax increase the last 10 years in this Congress, we would have saved $666 billion in tax increases, because four of the last five major tax increases would not have passed.

Now, I do not know about other Members, but where I come from, the idea of a tax limitation is not absurd, it is not silly, it is not mush, it is common sense. It is doing what should have been done a long time ago. And I would hope when the time comes, that we pass this with the supermajority required in the Constitution, two-thirds, to send it to the Senate for ratification.

□ 1715

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, it is tax day. I am certainly not going to stand up and defend the existing system as either comprehensible to mere mortals or for being fair. It is extraordinarily unfair, the current tax system, in this country. We have heaped a massive burden on middle income wage earning families in this country.

Earlier one of my colleagues from the other side of the aisle stood up and carried on at great length about the tax system of 40 years ago. The gentleman was correct. The tax system 40 years ago was much more fair. The top rate was twice what it is today. The wealthiest Americans paid twice as much percentagewise as they pay today, corporations carried twice as much of the total tax burden in this country as they do today, and they were doing quite well in the days of Dwight David Eisenhower.

So corporations were paying a larger share, the wealthy were paying a larger share, and, yes, under those conditions middle income wage earning folks could pay a lower part of their salary in taxes, and we could have that again today. But I fear under this amendment that the last thing this Congress is going to do with a two-thirds vote requirement is raise taxes on the wealthiest one-half of 1 percent of the people in this country who are doing quite well, thank you very much, or raise taxes on those corporations who in fact are paying no taxes.

Seventy-one percent of the profitable foreign corporations operating in the United States of America pay zero income taxes, and the rest pay at a marginal rate of less than 1 percent of their gross. And 30 percent of the largest profitable U.S. multinational corporations pay zero income taxes in this country. Some of them pay, Intel company, something called a nowhere tax. That means their income is created nowhere, they do not pay taxes in Japan, they do not pay taxes in the United States. They pay taxes nowhere.

This amendment would lock that system into place. Is that fair? No. Is that what our colleagues on the other side of the aisle want? I think not. One challenged us saying, well, those people over there do not support a balanced budget amendment. I do. I have been a cosponsor, I have supported it for a long time. Are we going to get to balancing a budget by saying it will require a two-thirds vote to raise taxes and close loopholes on those wealthy corporations and the people at the top who are getting away with murder now and it only takes a 50 percent vote plus 1 to spend more money? That sounds like a recipe for disaster. Come on. Give us a break here. Fifty percent to spend more money which people around here love to do and a two-thirds vote to balance that off with revenues. I think I know who is going to win under that formula.

Let us talk about large mining companies. We gave away a $13 billion gold claim to a Canadian mining company last year for $10,000. If we got a royalty fee which I got in a mining reform a few years ago, that would be considered a tax. We should not have asked that poor Canadian corporation that is operating here in America and not paying income tax here to pay a royalty for the minerals they might extract from public lands. I mean $10,000 is more than fair for a $13 billion gold claim. To assess them a small royalty, the same that private landowners do, State landowners do, every other foreign nation on Earth does, Indian tribes do, no, the U.S. Government will not have a royalty and under this amendment we will never have a royalty and we will never get a fair share. My colleagues want to talk about operating Government as a business, let us operate it as a business and stop giving things away.

This amendment quite simply is going to again open up the cash drawer. One-half of this body can vote to spend money on anything and it will require a two-thirds vote to pay for it. That sounds again, as I said earlier, like a recipe for disaster.

It is time to be honest with the American people. The honest thing is, there has been a massive shift onto middle income and working families in this country and that is going to be perpetuated today if we pass this two-thirds requirement. When the American people finally wake up and they say, ''Let's close some of those loopholes, let's raise some money, let's pay for some things I want, like college loans for my kid to go to college,'' they are not going to be able to get it because it will only take one-third of this body to block any increases in revenues, any closing of loopholes, any asking the wealthy and the biggest corporations to pay their fair share.

Mr. Speaker, I urge my colleagues to reject this special interest amendment and move on toward fiscal sanity in this Congress and give real tax relief to middle income families.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I thank the gentleman for yielding me this time. We have just heard an impassioned defense of the unfettered ability of Congress to raise taxes and my colleague from Oregon has pointed out a number of people whose taxes he would like to raise. He apparently believes that the tax limitation amendment would inhibit his ability to raise taxes on the rich, on mining companies, on the long list that he just gave us, but that would be true only if he were not willing to give the middle class a break at the same time.

The truth is that it is only if you want to raise everybody's taxes that this tax limitation amendment would get in your way. But if what you want to do is ease the burden on the middle class by closing loopholes somewhere, this amendment would not affect you at all.

The question before us is in the aggregate, is it too easy for Congress to raise taxes? Should it be more difficult for Congress to raise taxes? I think it is fair to say that the position of most of the Members who have been speaking on the Democratic side is it is not too difficult to raise taxes and, the corollary, taxes presently are not too high. We should not make a constitutional amendment, moreover, they say, even if taxes were too high, because tinkering with the Constitution does violence to the memory of our Founding Fathers.

First on this question of whether or not it is too easy. If it were not too easy and not too hard, then the history of tax increases and tax reductions would be on parity, we would have about as many increases as decreases. But that has not been the history. Taxes have moved up and down, but over time they have gone up and up and up and up.

When the tax was first introduced, only 2 percent of the American people paid it. The top rate was 7 percent. In the 1950's, the average family paid Federal income taxes at a rate of 4.9 percent. Today that is 25 percent. In 1993, we had the largest tax increase in American history, and since 1993, just since 1993, in the 3 years subsequent, individual income taxes in America have gone up over 25 percent. In the last year, 1996 individual income taxes went up 11 percent, even though the economy grew only 2 percent. We cannot keep growing Federal taxes and the Government at a rate so far in excess of the economy which supports it.

This second argument, that we cannot amend the Constitution even if it is too easy because the Founding Fathers, after all, had a different idea in mind, would be all fine except as has been pointed out, article 1, section 9 prohibited a tax of this kind, income tax, at all. So even a unanimous Congress, unanimous, would not be enough to impose income taxes at any level. It was the 16th amendment to the Constitution, not adopted until the 20th century, that gave us this problem, and it is perfectly appropriate for us to fix it with a constitutional amendment.

In short, raising taxes should no longer be Washington's first resort. Government should not continue growing so much faster than the economy which supports it, and this tax limitation amendment should be adopted.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, my problem is not that we are attempting to amend the Constitution. My problem is that we are always, it seems, attempting to amend the Constitution. This is twice in this young legislative year that this House has attempted to amend the Constitution of the United States, and the Senate has attempted to amend the Constitution once themselves. That was a balanced budget amendment that the other body had taken up.

It would appear to me that this amendment is anathema to a balanced budget amendment. It requires a supermajority to raise taxes, but it does not require a supermajority to spend money. So we go back really to policies of the 1980's that took this country from about a $1 trillion debt to over a $4 trillion debt. It is OK that we continue to spend, but we are not going to raise the taxes to pay for it.

The other problem that I have is we have this debate on the floor of the House and across this country that my friends who are amending the Constitution call themselves conservatives, say that these are conservative principles. I do not think that rewriting the Constitution of the United States every time that there is a problem is truly something that is conservative. Our Founding Fathers did adopt a very simple principle. They wrote the Constitution. They said that this national government should operate through a majority rule. There are special times when we have a supermajority, and the gentlemen and gentlewomen from both sides of the aisle have talked about what those times are. But just raising taxes, I do not think, was intended to be one of them.

Finally, I really think that there is a lot of gall bringing this amendment to the floor today. Not only did our friends in the majority waive this piece of the House rules several times when it was convenient during the last Congress, which I thought brought hypocrisy to new heights, now they are ignoring another April 15 deadline. You see, today is not only tax day in this Nation, it is a day when by law, April 15, Congress is to have approved a budget.

My question is, where is the Republican budget? It has been nowhere in sight. We have meandered all over the place, we have been a rudderless ship here in the House of Representatives in this 105th Congress. Yet we are attempting again for the third time in the 105th Congress to rewrite the Constitution of the United States.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman from Florida for yielding me this time. I appreciate this opportunity, Mr. Speaker, to address a very important issue that faces our country today.

Mr. Speaker, I rise in support of the tax limitation amendment. I do believe, as some of my Democrat colleagues have suggested, that you should be careful about amending the Constitution. I do not believe that it should be a knee-jerk reaction. I do not believe it should be at the drop of a hat or something that should be simple to do. It should be reserved for times of national difficulty, in areas in which the framing document of our country needs to be reworked. I believe that we have such a national problem today that justifies the tax limitation amendment. I offer three points for consideration.

First, I do believe that we are overtaxed in our country. I think that is the underlying issue that we face as we address this proposed amendment. In Arkansas, the average taxpayer pays $7,000 in taxes. This might not be much money in Washington, DC, but in Arkansas it is almost one-third of a person's paycheck. I believe they need relief, I believe that they are overtaxed.

The Tax Freedom Foundation says that we work until May 9 to pay our taxes. I believe that is long enough and yet it goes longer each year. I believe there is a point that you can reach in society at which government takes too much and confiscates too much of your work, and I believe we are at this point.

In 1913, the people adopted the amendment to the Constitution that allowed the income tax. But there is no restriction on the majority vote that is needed to adopt new taxes. Since then, we have been overtaxed. And so I believe Congress needs to have the discipline to prevent it from raising taxes so frequently and from providing for an ever-expanding Federal Government. This amendment makes it more difficult to vote for tax increases, and it puts a restraint on spending.

I believe, also, that it works well in the States. We consider the States the laboratory of democracy, where experiments are done. In Arkansas, there is a tax limitation proposal. It makes it more difficult to raise taxes. It puts a supermajority requirement on raising the income tax. It has worked well in Arkansas, it has worked well in other States, and so I believe that it is appropriate.

Mr. Speaker, we need this amendment to restore confidence to the common man in America. They have lost confidence because promises have been made and promises have not been kept. This will make it more difficult to raise taxes. It is needed to restore faith in our democracy, in our institutions. For that reason, I support the resolution.

□ 1730

Mr. CANADY of Florida. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. MANZULLO].

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

Mr. MANZULLO. Mr. Speaker, there is a person who has been forgotten about in this entire debate over our constitutional amendment to curb the powers of the U.S. Congress to raise taxes. It is the person who gets up every day at the crack of dawn, packs the kids' lunch, gets the kids off to school, and he walks out the door with his lunch bucket, and oftentimes his wife will go to work also, and they work long hours, and they come back home, help the kids with the homework, and sit down on a Friday night, begin to write some checks and realize that they are working harder than ever in their entire lives and taking home less money.

The reason for that is government is too big, it is too pervasive. The Federal Government has over 10,000 programs, and according to a chapter called generational forecasts that appears in most of our annual budgets, by the time their child who was born after 1993 goes into the work force, that child will pay in State, local, and Federal taxes between 84 and 94 percent of his or her income in taxes.

We have a crisis on our hands before, and that is that some morning when these Americans get up to go to work they are going to turn on the television set and find out that the dollar has been so devaluated that their pension plans are worthless, that the economy is going to collapse because of the tremendous effect of the debt that $5.3

trillion has on this Nation. They are the ones who have been left out of this debate.

The man who wrote my office earning $1,000 a month, not married, no children, paid over close to $900 a year in Federal income taxes. He is paying too much money because the U.S. Congress— it is too easy here in this body to raise taxes and to strap the American people with the onerous debt that we are passing along to this generation and to the one coming after it.

That is why we need, we need the shackles of a constitutional amendment, as Jefferson said. This body has to be restrained in the incredible spending that is going on and how easy it is to save one more tax, one more 4.3 cents tax per gallon of gasoline to fuel one more program, one more investment, and I ask this U.S. Congress to take into consideration those people who are making this country, those who get up at the crack of dawn, those who every day go to work and those who see their money wasted in so many programs, and they are saying to the U.S. Congress today, on tax day, today when they have to write their checks, ''We are demanding you to be responsible so that you can pass on to our generation a legacy other than $5.3 trillion in debt.''

Mr. SCOTT. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. CONYERS].

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

Mr. CONYERS. Mr. Speaker, I assure the gentleman from New York [Mr. RANGEL] I will not use 10 minutes, but to my distinguished colleague about to leave the floor that just was the previous speaker: I am one of those guys that get up at the crack of dawn and work hard for a living, and on behalf of a lot of them I want to tell my colleague that as bad as we want to balance the budget, we would like it to be done with the majority of the 435 Members from the several States making the decision as to how we do it as opposed to a supermajority. That poses, I think to ordinary Americans, a very serious problem because it does a jujitsu on the democratic process and allows a minority to control the majority.

So on behalf of those Americans who do work, who do get up at the crack of dawn, but still want majority rule, I would respectfully disagree with my colleague.

Now I would also like to bring to my colleague's attention the statement of Warren Rudman; my colleagues know who he is; Sam Nunn, and they have all pointed out, and these are the bipartisan national balanced budgeters of the Nation, the Concord Coalition Committee. They ask us not to do what it is they are trying to do. They want to balance the budget, but they say in the first sentence: ''We urge you to vote against this resolution, a constitutional amendment, because it would be detrimental to the budget process.''

So in considering how to balance the Federal budget and keep it balanced over the long term, all options for reducing spending or raising revenues must be kept on the table. No area of the budget on either the spending or revenue side should receive preferential treatment such as requiring supermajority votes.

Now do my colleagues understand that? And if they do, what is their argument against it?

Mr. Rudman goes on:

> In the current drive to balance the budget by the year 2002 the prevailing consensus is that the deficit should be eliminated by reducing spending. There is no sentiment for raising taxes as there was in 1993. Thus the proposed amendment seems to be fighting the last battle rather than focusing on the task at hand and taking a long view into the future.

And so I want to bring that to the attention of my conservative friends, that they are shooting themselves in the foot in their zeal to accomplish their goal in that they have friends trying to do this on this side of the aisle as well. So let us proceed in a rational manner. Why put this off into the Constitution, allowing judges to do our work?

I presume everyone is serious and sober when they say they want to balance the budget. So why do we not start balancing the budget? The one way to start balancing the budget is to produce a budget for this fiscal year, and that has not been done.

I noticed the Speaker has not given any explanation for why the budget is not being offered. As my colleagues know, the President , and this is elementary, but I want to say it any way: The President does not initiate the budget, the Congress does; and not just somebody in the Congress, the House; and not somebody in the House, the Committee on the Budget chair, appointed by the Speaker. And yet today, as the rhetoric escalates into the heavens about the need to balance the budget, we go into this fiscal year without a budget at all and none in sight.

Now it would be appropriate to all of us, and especially me, is that I get some explanation, if not from the Speaker himself, but from the leadership of this body, the Republican leadership, what is going on here? They would balance the budget, a process that would take years, and yet their job of producing a budget by April 15 goes by without hardly a murmur. Can somebody tell me what is going on here? I mean what does this mean?

So I have to propose my own solutions as best I can, and I offer to stand to be corrected. The budget for this fiscal year due today is not being offered because some of the Members on their side want as much as a 30-percent tax cut.

I remember the distinguished gentleman from Kansas, Mr. Dole, the late and present Mr. Dole; he said he wanted a 30-percent tax cut, and I think that may create a little difference in the ranks as to how we proceed, but I do not think we should obfuscate that difference by amending the Constitution or pretending to attempt to do that.

And then there is the problem of Medicare, is there not? Medicare would have to be cut if they revealed your budget. And guess what? The Contract with America is kind of under a very heated examination right now. The scrutiny is intense; is it not? And as much as we have heard, and I think almost every day that we have been in session one of my distinguished conservative Members of the body has articulated that Medicare will never be touched. But if they reveal their budget, and when they do, Medicare I think will be touched, and maybe that is a reason that we are dealing with a constitutional amendment that will kick in in the next millennium rather than what you should be doing and should have been doing in the calendar year 1997.

Have a heart. Stop kidding the American people. They can take it. They can take it on the chin. If you got to cut programs, and you think it is in the national interest, that is what you are here for. We make the laws. The law is what we say it is, the Supreme Court permitting.

But let us be honest about it. Are you punting this afternoon? I mean, let us go through the constitutional process. How many States, how many years, who will be here even if it were to become actual? Well, the answer is most of the self-imposed term limiters will not be here. A few more will have met their fate at the hands of their constituency when they really understand that the contract was on them and not with them.

So I just ask for as much candor as we can muster in our debate on this very crucial subject, and I would urge anybody that is not yet settled in their mind what they are going to do on this resolution, vote against it.

Mr. Speaker, thank the gentleman from Virginia [Mr. SCOTT] who has done a magnificent job of leading the debate on our side.

Mr. CANADY of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, there is no mystery why we pay taxes in the spring and we vote in the fall, and it is because Washington wants to give the American people as long as possible to forget how high their taxes are before they vote. It is because Washington does not want to have to explain to people why it takes so much of their income and gives so little. It is because Washington does not want to be held accountable for its big wasteful bureaucracies, its bloated programs and never ending growth, and it is because Washington does not want people to notice that their taxes keep going up to pay for this bureaucracy and to keep paying for this waste.

□ 1745

Mr. Speaker, we are going to do something about that today. We are

going to vote on a constitutional amendment to make it harder for Washington to raise taxes on the American people.

Just within the last 7 years, a Democrat-controlled Congress hit working Americans with two of the biggest tax increases in our country's history. Today we say, no more.

The typical family today currently pays in taxes about as much as it cost them for clothing, food, and housing all put together. And the typical worker today gives everything they earn from New Year's to May 9 just to pay taxes. That is too much, and it has to stop. Today we ought to vote for this constitutional amendment to require a two-thirds vote in this House.

Mr. CANADY of Florida. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. PAUL].

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to first compliment the gentleman from Texas [Mr. BARTON] for having brought this to the House floor. I think it is a wonderful opportunity for us to discuss a very important issue and also to make a proposal to do some good around here.

Limiting taxes happens to be an issue that is dear to my heart and something I want to talk about. I have a philosophy about taxes. One is that taxes really hurt us twice, once when we take the money from the people, then when we go and spend it. So rarely do we spend the money wisely, but the people always seem to be hurt.

I have yet in my many years experience in political life had anybody come up to me and say, go to Washington and raise taxes. Everybody feels that they are overtaxed. Anything that we could do to limit taxes I think would be beneficial.

Whether or not this amendment will solve all of our problems is another issue. Quite frankly, it is not going to solve all of our problems. We have seen a proposal floating around for several years about balancing the budget. I am not enthusiastic about the balanced budget amendment precisely because that amendment, in itself, does not preclude what this amendment does, and that is raising taxes in order to balance the budget. That would be very, very detrimental.

The important issue that we have to deal with is the level of government expenditures. If we have a balanced budget at $2 trillion a year, that is very detrimental. If we have an unbalanced budget at $1 trillion a year, at least the American people would have more of their own money to spend.

This is an effort to move in the direction of limiting taxes, and I think this is very, very important. There are a lot of things, though, that are out of our control. For instance, a small tax increase is not going to be included here. If we change the Tax Code and change indexing, taxes will go up, and this will not be included.

Another tax that is not talked about much around here, but I consider it a very important tax, and that is the inflation tax. If we in the Congress spend too much, we do not have enough revenues, we can send the bill to the Federal Reserve. The Federal Reserve creates credit, and therefore diluting the value of our money, and the people suffer because their cost of living goes up. So that indeed is a tax.

We do not have a whole lot of choices on how we accommodate our spending habits here. First, we can tax people; second, we can borrow; and the other is, we can inflate. All of these are detrimental. The important issue is to limit government spending.

We will not solve any of our problems here until we address the serious subject of what should the role of government be. If we continue to believe that the role of government should be to perpetuate a bankrupt welfare state and to police the world and tell people how to live their personal lives, quite frankly, we are not going to get anywhere in solving our problems. We cannot patch this together.

Collecting more revenues would be detrimental. Collecting less revenues would put more pressure on us to spend less money. But then again, it is not going to deal with the subject of interest rates.

What happens if this year the interest rates go up 1 percent? Which they may, because interest rates are rising once again. And if interest rates go up 1 percent, it adds $50 billion to our interest payment on our national debt. That is out of our direct control here in the House or in the Senate. We cannot take care of that just by passing another law or raising taxes.

Also, we do not have control of the business cycle. We should have much better control, because we understand and should understand the business cycle and we should prevent the downturns. But sure enough, there will be another recession, entitlement payments will automatically go up, put more pressure on us with the deficit, and also put more pressure on those who would like to say, well, if the spending is going up, we have to take care of the people, and what we need to do is raise taxes. The easier, the better. A very, very dangerous situation when it is easy to raise taxes. The Founders of this country in no way intended that taxes on income should ever occur, let alone be done easily.

So this is a small effort in the right direction. I ask for a yea vote on this amendment.

Mr. CANADY of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

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

Mrs. FOWLER. Mr. Speaker, there is an old joke that asks the question: What is the difference between death and taxes? And the answer to that question: Death does not get worse every time Congress comes to town.

Hopefully, today we are going to take a big step toward making that joke obsolete by passing House Joint Resolution 62.

The evidence is already there that making it harder to raise taxes actually benefits government as well as individuals. In States that have adopted provisions similar to the amendment we are voting on today, taxes have increased more slowly, spending has grown more slowly, economies have expanded faster, and employment has grown more quickly.

Mr. Speaker, we are already working to balance the budget, decrease the size and scope of the Federal Government, and reduce spending. Let us also follow the good example of the States by passing this amendment.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, on this day, April 15, I am most reluctant to get up and speak against an amendment which, on its face, appears to be something that we all should support. However, I think it is an amendment that we should not be putting into the Constitution of the United States.

The bill before us today does not in any way give the American people any tax relief. What it simply would do is to institutionalize into the U.S. Constitution a provision, an antidemocrat provision, and I do not mean Democrat party, I mean one having to do with democracy; a provision that would say that the minority can run this House. Think about it for a moment. Under this constitutional amendment, 7 percent of the population, through a vote in the Senate, could run the business of the legislative body of this great country of ours.

When this came to the floor last time, I voted for it. Since then, I have been giving it a great deal of thought, and that thought has been somewhat around my support of the constitutional amendment that would require us to balance our budget.

Mr. Speaker, we should think for a moment when we have a situation where we are putting into the Constitution a provision where 7 percent of the population of this great country can stop legislation. We will have put into position in the Constitution a constitutional amendment that requires the Federal Government to balance its budget, and then we try to put a tax bill on the floor when funds may be desperately needed, not in a time of hostility, but perhaps just needed in order to build up our own forces to compete with a force that is potentially hostile elsewhere in this world.

As a leader of the free world and as a leader of this entire world, this country could be brought to its knees by 7 percent of the population. That is absolutely unthinkable to me.

As much as I hate to vote against this amendment, and as much respect as I have for the proponents of this amendment and what they are trying

to do, and as much as I support them in the efforts of what they are trying to do, this is not the responsible way for this great body to go.

It is time that we as Republicans get away from the minority mentality that we seem to be carrying with us in this House. We control this House. We are the party of lower taxes, and as long as we can control this House, we will remain the party of lower taxes, and we will not increase the taxes on the American people.

Let us have faith in ourselves; let us have faith in our own party; let us have faith in our willingness and our resolve not to raise taxes on the American people. That is where the vote should be. That is where the limitation should be, at the ballot box, where the American people elect their representatives to send to this Congress.

Mr. CANADY of Florida. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA].

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

Mrs. ROUKEMA. Mr. Speaker, I rise in opposition to this amendment and I would like to associate myself with the remarks of the gentleman from Florida [Mr. SHAW].

Mr. Speaker, Representative SHAW is right.

In search of a sure-fire method to address the grim fiscal realities of high taxes and deficit spending in America in 1997, we have come up with House Joint Resolution 62, the so-called tax limitation amendment. However, once again, we are threatening to approve an amendment to our Constitution that would shred the very constitutional fabric of our representational form of government.

We have before us a proposed constitutional amendment that would require a two-thirds vote of the House and the Senate to increase net Government revenues by more than a de minimis amount. Ignoring the obvious ambiguity of this language, this proposed amendment raises the specter of the tyranny of the minority—that one-third of either Chamber can, in effect, hold the vast majority hostage.

I, too, am former history and government teacher and I have a healthy respect for the principle of majority rule. The Framers of the Constitution debated this issue at length before enshrining majority rule as its foundation. Since then, our Constitution, the model for emerging democracies around the globe, has served us very well. I cannot believe that our current wisdom exceeds that of the Founding Fathers.

Let us be clear. This amendment institutionalizes minority rule in the area of tax law. It means that Representatives elected by one-third of the U.S. population, or Senators representing less than 10 percent of the U.S. population, could block tax policy that may be supported by a vast majority of the American people.

The American people are justifiably sick and tired of what they see as political gamesmanship, bickering, and gridlock in Washington. My colleagues, if the American people are frustrated now, they should just wait to measure the effects of this amendment. This amendment is practically a guarantee of legislative paralysis with the potential for devastating damage to our economy.

Mr. Speaker, Americans know that the future of their children and their grandchildren is threatened by a growing mountain of debt. But our problem is not taxing. Our problem is spending.

What we are doing here this afternoon is trying to legislate political courage. Unfortunately, a host of legislative measures over the years designed to reduce our dangerous budget deficit have failed. We now spend 25 cents of every $1 just to pay interest on the national debt. Under these circumstances, it is no wonder we are losing our edge in a very competitive global economy.

Once again, as was the case with the line-item veto, we have properly identified the problem, but have developed the wrong solution. This two-thirds tax amendment is wrong.

What we should be doing today is voting to cut spending, downsize Government, and promote a save and invest in America tax program that will allow us to create good jobs at good wages.

We must reform our spending and tax policies for sure. However, violating the fundamental foundations of our democracy is not salvation. It is apostacy and a serious erosion of our democracy—of the people, by the people, for the people.

Let's not violate majority rule, the foundation of our noble democracy.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I first want to take this opportunity to thank the gentleman from Texas [Mr. BARTON] for having the leadership to bring this legislation to the House floor today and for his steadfast efforts of making sure that the House has an opportunity to move forward with this positive legislation.

The tax limitation amendment is modeled after State constitutions which require a supermajority, Mr. Speaker, a vote of their legislatures in order to pass increases, a House amendment that would require a two-thirds majority in both the House and the Senate to raise taxes. This is a bipartisan measure which has wide support in both Chambers.

Mr. Speaker, I would point out that four of the last five major tax increases were passed by less than a two-thirds majority. Those bills raised taxes on Americans by $666 billion.

From 1980 to 1987, taxpayers in States with tax limitations in their State law enjoyed a 2-percent decrease in personal income paid in taxes.

Consider these facts also, Mr. Speaker: Families paid just 5 percent of income in Federal taxes in 1950, and yet today the average Federal taxpaying family pays 24 percent of its annual income in taxes.

What could they do with that extra money for education? What could they do with that extra money to take care of their mortgage? What could they do with that extra money in their pockets to take care of health care needs?

I do not believe in money sent to Washington to duplicate State programs and to also duplicate local programs as an intelligent way to spend money. Tax limitations work in the States; Eleven States have now adopted tax limitations. In tax limitation States, taxes have grown more slowly, spending has grown more slowly, economies have expanded faster, and the job base, Mr. Speaker, has also grown more quickly. The Federal Government and the national economy could get the same kind of benefits with the adoption of the Barton legislation.

The success of tax limitation has also encouraged new States to put limits in their State constitutions. Americans clearly want Federal tax limitation too. Recent surveys show that 70 percent feel that way, and I would ask that the body please, by an overwhelming majority, support the Barton legislation for tax limitation.

Mr. SCOTT. Mr. Speaker, I yield 5½ minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to this resolution to amend the United States Constitution to require a two-thirds vote to raise Federal taxes. I think The Washington Post characterized it accurately today with their editorial entitled, ''A Show Vote On Tax Day.'' But the Constitution deserves better than to be used as a political proper.

It is a simple idea, but I think voting for it, while it may give my colleagues some brownie points with some of the antigovernment tax groups, it invites dangerous consequences for the future of our economy and our democracy.

□ 1800

The House leadership sought to avoid a discussion of the serious consequences that this could effect by bypassing the regular committee process with hearings and the kind of extensive public debate that it merited. The resolution fails to define what the term ''de minimis'' means in this legislation.

Quickly, sure, the gentleman is going to tell me that there was some committee discussion of it.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. MORAN of Virginia. I yield to the gentleman from Texas.

Mr. BARTON of Texas. Mr. Speaker, we followed absolute regular order this year. We did not bypass the subcommittee, we did not bypass the full committee, we did not bypass the Committee on Rules. We allowed any Member who wanted to to testify, and when it was before the subcommittee, those in opposition, at least the Members in opposition, chose not to appear and testify.

Mr. MORAN of Virginia. I understand that.

Mr. Speaker, I think the gentleman would agree that, relative to other votes of consequence, there was a minimal amount of debate within the committee itself. Normally you go for several weeks, bringing in all the interest

groups that are involved in this and have given it study. But that is not my main point anyway. I do not want to debate the gentleman at length. I appreciate the gentleman's point of view on it.

Mr. Speaker, I think that with ratification of this amendment, anyone who objects to any tax policy change could have their day in court. Any changes that broaden the tax base, that close corporate loopholes, that overhaul our tax system, be it the majority leader's call for a new flat tax, the chairman of the Committee on Ways and Means' interest in the national sales tax, but even something far less radical like a capital gains tax cut, could be contested in court.

The resolution will prove unworkable. As the House leadership has already found with their once-celebrated tenet of the Contract With America, a meaningless rule change that required a three-fifths vote for tax legislation had to be waived by the Committee on Rules each time we took up any kind of tax bill before this body. It violates the spirit of majority rule and will take us back to the very problems our Founding Fathers experienced under the Articles of Confederation.

I hope some of my colleagues will listen to this, because our Founding Fathers did in fact require that 9 out of the 13 States ascertain the sums and expenses necessary for the States to raise revenue. In other words, they had this requirement originally in the Articles of Confederation. It did not work. They found that this supermajority was too much, that there were not two-thirds of the Members who had the courage to do what they felt was necessary to make this country survive. So in 1787, at the Constitutional Convention, our Founding Fathers recognized this defect. They established a national government that would impose and enforce laws and collect revenues through a simple majority rule.

There is a lot of debate on this. I would like to also stress how unworkable the resolution will prove based upon the experience we had in the last Congress, where we required a three-fifths vote of approval for any tax increase that we passed. In one of the first actions at the beginning of the 104th Congress, the Congress modified clause 5(c) of rule XXI. It said that no bill or joint resolution, in other words, any action that carries a Federal income tax increase, will be considered as passed unless it gets three-fifths of the Members voting.

Compliance with that rule lasted no longer than 3 months, the time it took to bring the Contract With America Tax Relief Act of 1995 to the floor of the House for a vote. It did not work.

On April 5 of that year I came to this well and raised a point of order on a provision in that act that repealed section 1(h) affecting the maximum rate for long-term capital gains. It was a tax increase. In fact, subsequently, the Parliamentarian agreed with me. Mr. Speaker, five times when we have had tax bills before this body we violated the three-fifths requirement. There had to be a waiver of the rule.

Now, at the beginning of this Congress, we made it easier to completely avoid that three-fifths requirement. What are we doing now, saying that we are going to have a constitutional amendment that requires two-thirds? We know it will not work. It did not work with the last Congress. I think we are playing with the Constitution and we are doing a disservice to the American people. I urge a no vote.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DELAY. Mr. Speaker, I rise in support of this constitutional amendment to make it more difficult to increase taxes on the American people. I want to thank the gentleman from Texas, Mr. JOE BARTON, and everybody else who has worked on this bill for their tireless efforts to protect the taxpayers of this country.

People might laugh when the Congress says stop us before we tax again. But I assure the Members, this is no laughing matter. The American family is taxed too much by a government that does too much to limit the freedom and responsibilities of the people.

This is not only about keeping a lid on the taxes that the American people pay. It is about shrinking the size and the power of the Federal Government. Freedom works. Freedom sells. Freedom creates opportunities and provides all of us with a better quality of life. But our freedom is threatened when we spend our children's inheritances as we tax the estates of those who die.

The Federal Government can do better if it does less. The American people will do better if they are allowed to do more. This amendment to the Constitution will lead to both results. I urge my colleagues to vote for this amendment.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. GUTIERREZ].

Mr. GUTIERREZ. Mr. Speaker, I have listened to some interesting discussion and debate here this afternoon about the justice of the tax system. I even heard one comment from the majority side that suggested that Federal income taxes have risen 25 percent over the last 4 years.

I do not know who is doing the Members' taxes on that side of the aisle, but I assure them that it is not 25 percent. As Members of Congress, I think we should be serious about our discussion and our debate and not try to inflate figures or make up figures as we have a debate here.

We have each earned the same salary for the last 4 years, or we have reported that same salary for the last 4 years. It has been $133,000. If Members have had the same children and the same home and the same exemptions, I do not see how Members paid 25 percent more in Federal income taxes. I would suggest that they check their accountants, and not blame it on the tax system. It just is not real. It is not happening.

Mr. Speaker, I ask the American public, pull out your income taxes. If you have had the same number of children, lived in the same home, and have had basically the same salary, see if you got a 25-percent increase in Federal income taxes over the last 4 years. You can go and check. You should have the records, because the IRS does require us to keep them for the last 7 years. That is point No. 1.

Point No. 2, but we see the demagoguery in many of these issues, because today is tax day. I just want to talk about a few people who not only play by the rules but pay by the rules.

Much has been said. A recent CRS study says that 85 percent of those that are not citizens of the United States but are here legally in this country, guess what they did today, 85 percent of them? They filed Federal income taxes and paid them today. Moreover, you say, oh, but what about those who were born in this country? They are definitely more true blue and pay more Federal income taxes than those immigrants that came? Wrong, by 1 percent; 1 percent higher, those who were born in the United States to those who come here as immigrants, in terms of those who will file Federal income tax returns today. That is the CRS study that was just issued.

No. 3, what was interesting was those today who filed a Federal income tax return, on average, if you have in your family somebody that was born not in the United States of America but became a naturalized citizen of the United States of America, he reported, on average, guess what, $5,000 more in earnings than the person that was born in the United States of America, on average, without an immigrant. It sounds to me like pretty good politics, to have somebody who comes to this country, contributes and works, and becomes an American citizen, to talk about immigrants being this drain on the economy.

Last, I would like to suggest to everybody, the same study, guess what: Immigrants to the United States of America, that is, those that are here legally, under color of law, pay $70 billion. Yes, that is right, they pay $70 billion in taxes. Yet, they use $13 billion in that terrible, nasty welfare system. Sounds like a real good deal to me.

Let us stop the demagoguery. Let us get on with the truth.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ROYCE].

Mr. ROYCE. Mr. Speaker, if we went back two generations ago, we would find that American families paid 5 percent of their income in income taxes; and if we went back one generation ago, we would find it was 10 percent. And now we find today that it is about 20 percent. And that is just income tax.

If we add on the State taxes, if we add on all the indirect taxes, we find that more is being spent on these taxes than if we add up clothing and food and housing combined.

If we look at the States that have tried to put tax limitation to work, 14 States have done it, it works there. Taxes grow more slowly, spending grows more slowly in those States, the economies expand faster.

That is what is important to me, the economies expand faster when they are limited as to taxation, the job base grows more quickly. The Federal Government and the National economy, I argue, should get the same benefits.

Now, the House of Representatives is already on record for tax limitation. The House rules here require a supermajority vote for income tax increases, but this rule only covers this House, it does not cover the next Congress.

If we go back to that vote that put those rules on this House, it was 279 to 152. Now, that is just 9 votes short in the 104th Congress of what we would need for a supermajority.

Tax limitation is necessary because of the current bias in the Federal Government toward tax increases. Most Government benefits benefit distinct special interests. These groups have strong economic interest in banding together to lobby for additional increases in spending.

Taxpayers, however, are spread evenly throughout the country and find it difficult and uneconomical to band together to lobby to stop any particular tax increase. The inherent bias toward tax increases can be balanced by this amendment requiring a two-thirds provision of this House to increase taxes.

And I will close by pointing out that the Tax Limitation Amendment would have stopped the 1993 Clinton increase, which was the largest tax in U.S. history. The $275 billion in new taxes passed by only one vote in both the House and by one vote in the Senate.

If a supermajority requirement for tax increases had been in effect then, the tax increases would have been much smaller or never passed at all.

Mr. CANADY of Florida. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey [Mr. SAXTON].

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

Mr. SAXTON. Mr. Speaker, there has been a lot said here today, but when the gentleman from Texas [Mr. DELAY], came to the well and spoke about freedom, it really did ring a bell that I think rings very true.

Our country was founded 220 years ago, and it was the anticipation of the Founding Fathers that we would have a relatively small and inexpensive Government that was initially funded by tariffs. And as a matter of fact, there was not an income tax until I believe it was 1922 or right thereabouts.

And so, over the years, as it became necessary in the judgment of Members that served in this House and the other body to take on more responsibility, it became necessary to find more funding to do that. And with each additional percentage that we asked the American people to send here, they lost part of their economic freedom.

Imagine going from a brand new country with no taxes, no domestic taxes, to a country today where Government consumes very close to 40 percent of our GDP. Forty percent of what the American people earn is sent to Washington, DC, and the State governments and the local governments around the country.

So today they have only 60 percent of their income to dispose of, where the freedom that they had in terms of the economies of families and how they spent their money, the freedom they had was 100 percent. Today, the American people have a diminished economic freedom that amounts to 60 percent on average of what they earn.

□ 1815

Freedom is very important to us. Economic freedom is very important to us. I think, to Members of both sides of the aisle, we all agree on that. Yet in 1990 we voted for a big tax increase; I did not, but the majority here did. In 1993, Mr. Speaker, we voted for another big tax increase, and in both cases we eroded the economic freedom of the American people.

I happen to be an active member, in fact the chairman of the Joint Economic Committee. Our function, as my colleagues know, is not to handle legislation but to study what we do here to see what kind of an effect it has on the American economy and the American family and the American people and the freedom they have in an economic sense to progress and work hard and to have their families get ahead.

One of the studies we did shows clearly that, once the Federal Government begins to consume more than about 18 percent of GDP, it begins to act as a wet blanket on the economy generally. So there are fewer jobs, pay scales get stagnated as they are today when wages are not going up, and so once again we find that we lose the economic freedom when the Government gets too big and too expensive, when today we consume a full 23 percent of gross domestic product, instead of the 18 percent which many of us think is about the optimum level, a full 5 percentage points above what we ought to.

Now, what this amendment to the Constitution is about is to preserve the economic freedom that the American people deserve and expect and work hard to achieve. Yes, we can make a decision here collectively about how to spend their money. But they would much rather make decisions within their family structures or as individuals about how they spend their money, how we spend our money back home.

So I think it is incumbent upon us to recognize these basic, very basic elements of freedom as they apply to our economy and our work force and all of the things to go with it.

One of my good friends just a few minutes ago talked about 7 percent of the people of the country, and I am not quite sure how that works out, but 7 percent of the people making decisions for the rest of us or keeping us from doing the things that we might, 93 percent of us presumably want to do. I would suggest this amendment goes in just the opposite direction because all it does, Mr. Speaker, is to set the stage for a national debate that will take place in the States. All 50 States have the opportunity to debate what our rules here should be by which we enact economic freedom legislation or the lack thereof.

Mr. BARTON of Texas. Mr. Speaker, may I inquire as to how much time remains on each side?

The SPEAKER pro tempore (Mr. SOLOMON). The gentleman from Texas [Mr. BARTON] has 13½ minutes remaining, the gentleman from Florida [Mr. CANADY] has 1 minute remaining, and the gentleman from Virginia [Mr. SCOTT] has 7 minutes remaining.

Mr. BARTON of Texas. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Illinois [Mr. SHIMKUS].

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

Mr. SHIMKUS. Mr. Speaker, as a former U.S. history teacher, I taught that the U.S. Constitution was a living document, let it live. This debate is about the Federal Government's ability to raise taxes. It should be very hard to do and it should not be easy. As a new Member, one of my great privileges is to run on an issue, be able to cosponsor an issue, work for its passage and eventually vote on its passage. The people in my district want this amendment to make it harder to raise taxes. It is time to match political will with political strength. Let us pass this amendment.

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

Mr. Speaker, this constitutional amendment diverts attention from the fact that today with the deadline for congressional action on the budget, and there was no budget, we have talked about debt; this amendment is a recipe for disaster. We can continue to spend with a simple majority but a two-thirds vote to pay for it. That is a recipe for more debt.

Finally, Mr. Speaker, if we passed a loophole for corporations that we thought was going to be $500 million and it was a mistake and was actually a $5 billion loophole, we would have to take a two-thirds majority to close that loophole or, if we cannot get the two-thirds and we are trying to balance the budget, we would have to cut education, Social Security, Medicaid, Medicare to pay for that mistake, because that loophole is protected.

Mr. Speaker, we ought to call this the loophole protection act rather than something else. This constitutional

amendment is not fair and it should be rejected.

Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. RANGEL], ranking member of the Committee on Ways and Means.

The SPEAKER pro tempore. The gentleman from New York [Mr. RANGEL] is recognized for 6 minutes.

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

Mr. RANGEL. Mr. Speaker, I took advantage of the opportunity to go to the Hershey retreat in an effort to see whether or not we could get along better than we have since the majority was gained by the Republicans. I thought it was very useful. In that light, I view this constitutional amendment, one that should have really been brought to the floor on April 1 rather than April 15, I assume that this is a jocular type of thing that is being done to allow the American people to believe that the majority is not everything that they think it should be.

It seems to me, if there was any sensitivity about reducing taxes and cutting spending, that after I reviewed the Contract With America, it said that the rules of the House are not changed, that majority ruled. This was a point that my dear friend, the gentleman from Florida [Mr. SHAW], was making who serves on the tax writing committee.

It may be interesting to note that some of us that have been assigned to this committee, which is the constitutional committee to raise the revenue for the United States of America, not the other body, have refrained from speaking on the floor in favor of this type of thing because we respect the membership to do what the voters want.

To me it would make a lot of sense if we had a Contract With America and we said we were reducing taxes by $300 billion, the first thing we would do is count the amount of votes that we have. And there sure are more Republicans than there are Democrats. It seems to me that, when the Speaker of the majority of this House says that he wants to eliminate inheritance taxes for the wealthy and just eliminate all of capital gains taxes, the staff estimates it costs $450 billion. But I am a minority, my colleagues are the majority. I am on the committee. I do not see any bill to reduce taxes by $450 billion. I have not seen a bill coming from the majority since I have been on the committee.

I remember when the candidate for President, he upped the ante $500 billion. But in my committee, what we were doing is having hearings on ripping up the entire tax system. So if the chairman of my committee is having hearings on pulling the tax system up by its roots and the candidate for President is interested in using the same system but decreasing taxes for $500 billion, for God's sake, before we ask the courts to decide our tax policy, can we not get along? Can the majority kind of tell us, what is it that they want that they cannot get with the majority of the vote? Why give up and throw up our hands and say, we have got to make it impossible for us to be able to raise taxes because we need two-thirds. We cannot get a majority on anything.

So if we just want to take away the House's ability and constitutional right to assume this responsibility, why do we not at least try the other side? They have got bills over there now. They say they are going, they do not have the constitutional right to get it over here, I mean to enact it over there, but it still has to come here. Why do they not tell us with the 450 billion cuts, how are we going to pay for it?

We all started out with the Republican leadership in reducing the budget. I really think that the President went along with everything when he indicated that he would do it in 7 years because it seemed like a great figure to me, so the Speaker said he thought it was a nice number. So he adopted the nice number.

Now how are we going to get the $450 billion tax cut that the other side, at least they have a bill, unless we know how we are going to pay for it? Have we given up on deficit reductions? Or is this something that really comes up every April 15 where we can tell the American people that we are going to reduce taxes?

If I was partisan, and since the retreat I am not, I would think that the American people would think there is some kind of hoodwinking going on here. How year after year after year you are saying we are paying too much taxes and it should be reduced by half a trillion dollars and you cannot get a bill together to reduce it by $1. You cannot come together with anything. That is a challenge that comes from our side of the aisle.

The way this system is supposed to work is the President proposes we dispose. So we are in a minority. We do not have a bill yet. We are waiting for the majority to come up with something to tell the President, we do not like what you have done. We have got a plan.

The last plan you had, the Contract With America, was very politically successful, and that is to adopt President Clinton's proposal that you rejected. And ever since then you have said that you can enjoy bipartisanship since you lost your candidate on the way to the polls.

But that is behind us. Now is the time for us to work together to see what can we do in the House of Representatives. If what you are saying is that having won the majority, having taken your contract to the people, that we now have to have a constitutional amendment and turn it over to the courts, you missed April fool's day by 2 weeks.

The SPEAKER pro tempore. The Chair would point out that the gentleman from Florida [Mr. CANADY] has the right to close and has 1 minute remaining.

The Chair recognizes the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I yield 6 minutes and 30 seconds to the gentleman from Arizona [Mr. SHADEGG], who led the fight in the great State of Arizona to pass it at the State level.

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

Mr. SHADEGG. Mr. Speaker, as the distinguished gentleman from Texas indicated, I did push this measure as an initiative in the State of Arizona, and it passed with the support of 72 percent of the voters. And like the other States which have adopted a measure of this nature, Arizona's economy has gotten dramatically stronger since we passed this measure.

I rise in strong support of it, and before I get into my remarks, let me address one point raised on the other side. It was argued that this is a loophole protection act. Nothing could be further from the truth. This measure is simple and straightforward.

Anyone identifying what they believe to be a loophole in our law, a corporate loophole favoring some taxpayer, can with a simple majority close that loophole provided that we return those taxes that were being extracted to the voters rather than keep them here in Washington.

Mr. Speaker, this is a simple measure designed to make it slightly harder for the Federal Government and this U.S. Congress to raise your taxes yet one more time.

Let us begin by looking at the tax increases we have faced in this Nation and the tax burden today. This chart on my left shows us that in 1950, the Federal tax bite required that an average family with children send $1 to Washington for every $50 that it earned, $1 for every $50.

By 1996, the chart demonstrates a dramatic change. That figure is not $1 in $50 sent to Washington, it is now $1 out of $4; earn $4, send 1 of them to Washington, DC. That is a dramatic increase in the Federal tax bite.

Indeed, Mr. Speaker, just since 1980, the tax bite, as this chart shows, has more than doubled on the average American taxpayer. In 1980, they paid slightly over $2,000 in taxes. By 1995, that figure was almost $5,000, a dramatic increase in the tax bite in just 15 years.

Mr. Speaker, a famous Supreme Court Justice in the case of McCulloch versus Maryland, John Marshall, once wrote that the power to tax involves the power to destroy.

□ 1830

And indeed, Mr. Speaker, it does. It is close to destroying the economy of this Nation.

That raises the question that some argue that what we need to do is raise

taxes to deal with the deficit facing this Nation. Let me point out that that is a false premise and that those who argue this measure will keep us from dealing with the deficit are absolutely wrong.

The Joint Economic Committee did a study in April 1996, and it demonstrated that when we look at the tax increases this Congress has enacted in recent years, for every $1 in additional taxes imposed on the American public, we did not lower the deficit, we did not lower it by a dollar, we did not lower it by 50 cents; indeed, we raised the deficit. For each dollar in tax increase, we raised the deficit by $1.59, because we spent even more than we increased taxes.

As a result of that situation, Mr. Speaker, along comes a reasonable proposal. And we have heard today that this is some sort of a radical motion, that it is not worthy of debate, that this is show or stage, or that this is not a substantive proposal. Mr. Speaker, let me point out, that is again false.

Talk to the 80 million Americans, 80 million Americans who live in States that have already passed tax limitations. There are 14 States, as shown on this chart, that have already enacted tax limitations in their constitutions. They are listed here, Arizona at the top and Washington at the bottom. That covers almost a third of all Americans living in States which have chosen to pass a measure virtually identical to what we are trying to pass today.

As we have heard this afternoon, the economies of those States are growing faster than the economies of States which do not have a supermajority requirement. I would point out that four of those States have enacted these tax limitation constitutional amendments within the last year. That is, since this last issue was debated on this floor 1 year ago, in April 1996, four more States have chosen to pass a measure of this type.

Now, some argue we should not have a supermajority requirement in the Constitution, that somehow that is thought to be antidemocratic. I suggest that it is not and that, indeed, as this chart indicates, in the original Constitution there were seven such supermajority requirements.

Seven times the Founding Fathers said this issue is extraordinary enough that we ought to require a supermajority. Three of those require votes here on the floor: For expulsion of a Member, for override of a Presidential veto, or for proposing a constitutional amendment.

Three additional amendments have been added to the Constitution which have also put in a supermajority requirement, each of them saying that for certain issues it is vitally important that we not have a simple majority but that we have a broad consensus of support.

I would argue that today in America, with the tax bite having been increased to the degree it has been increased, with the power to tax equalling the power to destroy, it is time indeed to say that before we raise taxes on hard-working American families and businesses yet one more time, we say let us have a broad consensus, let us have two-thirds of this body agree that it needs to be done, and that is what we have done in each of these other instances. It is appropriate that we do that.

Now, many people have come to the floor and spoken against this measure today and have articulated their views. I think the issue was well summed up by John Randolph. John Randolph served as a Member of this House of Representatives and later as a Member of the U.S. Senate, and he said a quote which I hope every American thinks about and I hope every one of our colleagues reflects upon, Mr. Speaker, and that is, he said,

> It has been said that one of the most delicious of all privileges is that of spending other people's money.

Mr. Speaker, this debate is about the right to spend other people's money.

Let me just conclude by saying this is the fundamental issue right here on the floor, the delicious privilege of spending other people's money, and that is what we enjoy when we impose tax increases on the American people.

Should we not say that that requires a broad consensus? Should we not say that given the other restrictions in the Constitution, which have been weakened over time, that now is the time to say that before we raise taxes on the American people one more time, before we do as we are doing tonight all across America and reaching into their wallets and taking more money out, that we have a supermajority to do that? I believe we should. I urge its adoption.

Mr. BARTON of Texas. Mr. Speaker, I yield myself the balance of my time.

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, first, I want to thank the gentleman from Virginia [Mr. SCOTT], and the gentleman from Florida [Mr. CANADY] for their floor management of this time. They have both been gentlemen, and I think we have had a good debate.

We need to get down to brass tacks now. In plain common language, what we are trying to do with this constitutional amendment is to make it more difficult to raise taxes.

I have listened to the opponents very carefully this afternoon. I have yet to have any of the opponents say that the amendment would not accomplish its intended purpose; that is, if passed and put into the Constitution, it would make it more difficult to raise taxes.

As Americans are scurrying around as we speak, trying to get their taxes done or that extension form filled out so they have the magic postmark of midnight, April 15, on their tax return, I think we owe it to them to do something substantively in the House of Representatives this afternoon, or this evening, to make it more difficult to raise their taxes.

Now, we have pointed out earlier in this debate that in the Constitution, as adopted, there was a direct prohibition against any direct tax, a 100-percent prohibition. We could not have an income tax. The 16th amendment, passed in 1913, said we could have incomes taxes, and since that time the average tax rate on the American people has gone from zero income taxes to an average of 19 percent.

Taxable income is $2.6 trillion out of $5.7 trillion personal income. American taxpayers will be sending to Uncle Sam tonight $520 billion, half a trillion dollars in Federal income taxes.

We know that tax limitation works because we have 14 States that have passed some form of tax limitation. Four of those States have passed it in the last year, since this debate on the floor of the House last year. In those States, as has been pointed out repeatedly, taxes go up more slowly; State spending goes up more slowly; the economies grow faster; therefore, private jobs are created more quickly.

How would the supermajority requirement work if it were to become the law of the land? It would say that an income tax increase, an estate and gift tax increase, an employment such as Social Security or Medicare tax increase, or an excise tax increase, such as the aviation tax, the gasoline tax, would require a two-thirds supermajority vote. Those are all taxes that are in the Internal Revenue Code of this country.

If we wanted to do something with tariffs, user fees, voluntary part B Medicare premiums, or bills that do not change the Internal Revenue laws, we could do that without a supermajority vote. If we wanted to substitute a flat tax or a national sales tax for the Federal income tax, we could do that with a simple majority, so long as the amount of revenue intended to be raised was not greater than the current revenue of the Internal Revenue Code.

We know it will work. We know we need it. We know the Federal Government is spending too much money. The gentleman from Arizona [Mr. SHADEGG] pointed out that every time we raise a dollar of taxes, historically, spending goes up $1.59. It is time to act.

Now, in my final summary I want to say once again that if we limit the ability to raise taxes over time, we limit the ability to spend. If we limit the ability to spend, over time we force ourselves to focus on spending reduction, not tax increases.

I have not heard anybody say this amendment would not work. We know it works in the States that have it. I have not heard anybody stand up primarily on the Democratic side and say they want to raise taxes. So my assumption is that we can all vote in a bipartisan fashion to make it more difficult to raise taxes.

Let us vote for the Barton constitutional amendment. Let us require a

two-thirds vote to raise taxes in the future on the American taxpayer.

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

GENERAL LEAVE

Mr. CANADY of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Joint Resolution 62.

The SPEAKER pro tempore (Mr. SOLOMON). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CANADY of Florida. Mr. Speaker, I yield myself the balance of my time.

The issue before the House today is very clear: Should it be more difficult for Congress to raise taxes? Should we put in place a requirement that will help protect the American taxpayer from an overreaching Federal Government?

This amendment is not, as some of its opponents contend, a trivial proposal. It is a proposal that deals with the fundamental issue concerning the relationship between Government and the people. It is an amendment that seeks to restrain Government and to increase freedom. It is a proposal that should be approved by this House and sent to the State for their ratification. I urge the Members of the House to vote yes.

Mr. POMEROY. Mr. Speaker, I rise in opposition to House Joint Resolution 62, a proposed constitutional amendment to require a two-thirds majority vote to approve bills that increase internal revenue by more than a de minimis amount.

This amendment, which its supporters freely acknowledge will fail in the House and will not likely even be considered by the Senate, serves only to postpone consideration of a balanced budget plan that includes actual tax relief for American working families. I would remind my colleagues that April 15 is not only tax day but is also the day by which Congress is required by law to have passed a budget resolution. Unfortunately, because the majority waited 2 months after the President submitted his budget on February 6 before engaging the White House in serious negotiations, the House is today engaging in empty political gestures rather than enacting a balanced budget plan with real tax relief.

Besides being a diversion from the important task of balancing the budget, House Joint Resolution 62 also violates the democratic principle of majority rule.

The Constitution specified just three instances in which a supermajority vote is required for approval by Congress—overriding the President's veto, submission of a constitutional amendment to the States, and expelling a Member from the House. With these three limited exceptions, the Founding Fathers adhered closely to the fundamental principle of majority rule. It is important to note that none of the exceptions relate to public policy issues but rather to protecting the Constitution and establishing the balance of powers between the executive and legislative branches of the Federal Government. House Joint Resolution 62, on the other hand, would give a minority of members the authority to control a fundamental component of fiscal policy.

In summary, I urge my colleagues to reject this measure and move forward to agree on a plan to enact tax relief for working families while balancing the budget by 2002.

Mr. GILCHREST. Mr. Speaker, in the landmark case of McCulloch versus Maryland, America's first judicial giant, John Marshall, wrote that the power to tax is the power to destroy. To be sure, in that instance Justice Marshall was seeking to prevent my home State of Maryland from taxing a Federal bank, but the principle remains. The fact is that taxation, taken to the extreme, can render meaningless the right to property, freedom of contract, or virtually any other freedom. For example, we can all agree that a high enough tax on newspaper profits would make freedom of the press moot. Excessive or capricious tax policy can similarly erode nearly every other freedom we enjoy in one way or another.

This amendment simply clarifies that Congress' use of that potentially destructive power—the power of taxation—should be subject to a higher approval standard than that of Congress' other powers as defined under article I, section 8 of the Constitution. This amendment would make it subject to the same super-majority requirements used for constitutional amendment, veto override, or treaty ratification.

It is true that the founders did not intend for taxation to be subject to the same requirements. But it is also true that their standards were adopted prior to the ratification, indeed the proposal, of the 16th amendment. Prior to the 16th amendment, the power of taxation meant tariffs and excise taxes. But the 16th amendment created the income tax which refocused taxation on the livelihoods of individuals. When the rights of individuals to earn a living face potential threats from Government power, there should be a higher legislative standard for Government to use that power. The amendment before us creates such a standard.

Mr. Chairman, today many people feel the strain attendant to tax rates which have risen continually over decades. On this day more than any other, our constituents are aware of the potentially destructive power of federal taxation. I am supporting this amendment to provide my constituents a reasonable level of protection against that. I urge my colleagues to do the same.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 62 to provide for a constitutional amendment requiring a two-thirds vote for any bill that increases taxes. It is imperative, and appropriate on the day that all Americans must file their tax returns, that Congress approve a tax limitation amendment making it more difficult for future Congresses to raise taxes.

This year, Tax Freedom Day comes on May 9, the 129th day of the year. This means that the average working American will work 128 days, 1 day later than last year, to pay off their tax bill. This is why I support tax relief for working Americans and why I support this amendment.

As my colleagues know, during the 104th Congress we voted twice on a constitutional supermajority requirement to raise taxes. I was pleased to support this amendment then and plan on doing so today.

This amendment would only apply to changes to the Internal Revenue laws. Revenue increases subject to the supermajority requirement including income taxes, estate and gift taxes, payroll taxes, and excise taxes. The amendment would not cover tariffs, user fees, voluntary payments, or bills, having secondary revenue implications, if they do not change the Internal Revenue laws.

Accordingly, I urge my colleagues to support this necessary, commonsense amendment to limit increase taxes.

Mr. PACKARD. Mr. Speaker, I rise today in full support of the tax limitation amendment this House will soon consider. This week, I am reminded of the many hardworking families in southern California and across the country who foot the bill year after year for Washington's tax and spend mentality.

The pockets of hardworking Americans should never be mistaken for the special interest cookie jar. For far too long, Washington has abused its power at the expense of America's families. In the last half century alone, the percentage of family income taken back for Federal taxes has jumped from 5 percent to 24 percent. When you add in other taxes, the average family loses 40 percent of their income to government. That is simply unacceptable.

The 1993 Clinton tax increase of $275 billion passed by only 1 vote. The fact that the largest tax increase in the history of the world came down to just one person's decision should disturb every American. If a supermajority requirement for tax increases had been in effect then, this tax increase would have never passed.

Its not Washington's money—and it is only right that we protect those who have worked for it—by enabling them to keep it. The sad fact is, Americans are finding it harder and harder just to keep food on the table, let alone save for a child's tuition or pay for braces.

This legislation is a huge step in the right direction. We should protect American families from being pick-pocketed by Uncle Sam each time our leaders fund a new program or refuse to eliminate waste. Its tough love for big government bureaucracy and it is long overdue. I encourage my colleagues to support the tax limitation amendment.

Mr. BEREUTER. Mr. Speaker, this Member rises in reluctant opposition to House Joint Resolution 62, the so-called tax limitation amendment. Certainly it would be more politically expedient to simply go along and vote in support of a constitutional amendment requiring two-thirds approval by Congress for any tax increases. However, as a matter of conscience, this Member cannot do that.

As this Member stated when a similar amendment was considered by the House 1 year ago, there is a great burden of proof to deviate from the basic principle of our democracy—the principle of majority rule. Unfortunately, this Member does not believe the proponents of this amendment have met this burden.

There should be no question of this Member's continued and enthusiastic support for a balanced budget and a constitutional amendment requiring such. Tax increases should not be employed to achieve a balanced budget. That is why this Member supported the inclusion of a supermajority requirement in the rules of the House which were adopted at the beginning of the 104th and 105th Congresses. However, to go beyond that and amend the Constitution is, in this Member's opinion, unreasonable and it is the reason for why this

Member will vote against House Joint Resolution 62.

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

The SPEAKER pro tempore. All time for debate has expired.

The Chair has been advised that the gentleman from Missouri [Mr. GEPHARDT] will not be offering an amendment.

Pursuant to House Resolution 113, the previous question is ordered on the joint resolution, as amended.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the joint resolution.

The question was taken.

Mr. CONYERS. 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 233, nays 190, not voting 9, as follows:

[Roll No. 78]

YEAS—233

Aderholt
Andrews
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Maloney (CT)
Manzullo
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pallone
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanchez
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shays
Sherman
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)

NAYS—190

Abercrombie
Ackerman
Allen
Baesler
Baldacci
Barrett (WI)
Bateman
Becerra
Bentsen
Bereuter
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Coyne
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gillmor
Gonzalez
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hill
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hostettler
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Luther
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pascrell
Pastor
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schumer
Scott
Serrano
Shaw
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Turner
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates
Young (FL)

NOT VOTING—9

Costello
Flake
Gilchrest
Lewis (CA)
Lowey
Manton
Payne
Schiff
Towns

□ 1901

Mr. MENENDEZ, Ms. HOOLEY of Oregon, Mr. WYNN, and Mr. VISCLOSKY changed their vote from ''yea'' to ''nay.''

So (two-thirds not having voted in favor thereof) the joint resolution was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF COMMITTEE ON SMALL BUSINESS

The SPEAKER pro tempore (Mr. LUCAS of Oklahoma) laid before the House the following resignation as a member of the Committee on Small Business:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 14, 1997.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby resign as a member of the House Committee on Small Business.

Sincerely,

WALTER B. JONES,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

□ 1215

INDEPENDENT COUNSEL STATUTE

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute, revise and extend her remarks and include therein extraneous material.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I too rise today to salute the great American Jackie Robinson and hope that we all will recognize the great step he made for all of us.

It is because of that reason that I also rise to speak to the decision made by the of the United States of America, Janet Reno. She made that under cover of law and under the respect of the Independent Counsel Act, which first of all says that, only if there are sufficient allegations of criminal activity by a public person such as President, Vice President, Cabinet member or others, should there be an independent counsel appointed. And second, if there is sufficient evidence of criminal activity by those covered persons and there is an apparent conflict in the Justice Department, should the Justice Department not be the one to investigate.

Clearly, Mr. Speaker, there has been no evidence of intentional criminal activity or criminal activity of any kind by a Cabinet member, President or Vice President of the United States with respect to campaign fundraising. There is also no question that Janet Reno and the Justice Department have the integrity to investigate. Stop this frivolity, stop following around and let us go on with the people's business. Let

the Justice Department investigate as they have been doing.

Mr. Speaker, I rise to speak on the request of the majority party's request for the Attorney General to appoint an independent counsel to investigate possible fundraising violations in connection with the 1996 Presidential campaign. The Independent Counsel Act sets forth very clear circumstances in which an independent counsel may be appointed.

First, if there are sufficient allegations of criminal activity of a covered person and if there are sufficient allegations of criminal activity by a person other than a covered person, and then an investigation or prosecution of that person by the Department of Justice may result in a conflict of interest, and independent counsel may be appointed. There must be specific and credible evidence. I urge my colleagues to read the statute which makes this quite clear. The Attorney General has already convened a task force that will investigate Democratic campaign fundraising. This does not call for an appointment of an independent counsel and the Attorney General's decision should be respected on this matter by all Members of Congress.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, 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 gentlewoman from Georgia [Ms. MCKINNEY] is recognized for 5 minutes.

[Ms. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

WETLANDS RESTORATION AND IMPROVEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, I rise today to announce the introduction of H.R. 1290, the Wetlands Restoration and Improvement Act. This legislation builds upon the mitigation banking bill I introduced last year and also the Federal guidance which was issued in 1995.

My eastern North Carolina district includes a majority of the coast and four major river basins; specifically, 65 percent of the land can be classified as wetlands. The citizens are directly affected by wetlands and the numerous regulations that protect the wetlands. I have been contacted by farmers, business owners and State and local officials, landowners and even the military for advice and guidance in hopes of reaching a balance between protecting these valuable wetlands and improving water quality but also allowing for ecosafe development.

Quite frankly, these different opinions have led to years of confrontation instead of reaching common sense solutions. I believe that in order to make progress we need cooperation instead of confrontation. It is time to find a middle ground on which everyone can agree on and everyone can win.

This commonsense approach is mitigation banking.

Mitigation banking is a concept embraced by regulators, developers and the environmental community. It is a balanced approach to improving the wetland mitigation process. Mitigation banking recognizes the need to protect our wetlands resources while balancing the rights of property owners to have reasonable use of their properties.

Wetlands mitigation banking allows private property owners to pay wetlands experts to mitigate the impact their development has on wetlands. Those experts working with regulators do the mitigation in banks of lands which are set aside and restored to wetlands status.

Years ago the Federal Government adopted a no-net-loss wetlands policy. Due to the belief at the time that a majority of the Nation's wetlands had been destroyed, a whole system of regulations were designed to stop further destruction of our wetlands, one part being the requirement of a landowner to mitigate his or her wetland damage.

Quite frankly, traditional mitigation is not working. It is too expensive, time consuming and ineffective. Approximately 90 percent of onsite mitigation is unsuccessful.

Mr. Speaker, unlike other mitigation projects, mitigation banks are complete ecosystems. Regulators usually require that more wetlands be restored in a bank than are destroyed in a project. So instead of only trying to protect remaining wetlands, with mitigation banking we are actually increasing wetland acreage.

What is more, because the mitigation banks give economic value to wetlands, potentially billions of private sector dollars could flow into restoring wetlands and sensitive watersheds.

However, Federal legislation is needed. Mr. Speaker, mitigation banking has been occurring but is very limited because regulators have no statutory guidance. Also, investors are hesitant to invest the money needed to restore wetlands without legal certainty.

The Wetlands Restoration and Improvement Act will give wetlands mitigation banking the statutory authority it needs to flourish, and it will begin restoring the wetlands that many thought were lost forever.

Specifically, the legislation requires the banks to meet rigorous financial and legal standards to ensure that the wetlands are restored and preserved over a long time, provides for ample opportunity for meaningful public participation, and, third, the bank itself has a credible long-term operation and maintenance plan.

This legislation can and should be a bipartisan effort to ensure that in the next century we will do what we have to do in order to protect valuable wetlands. I hope my colleagues will join me, Mr. Speaker, in supporting this bill.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

[Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

[Mr. GEKAS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 5 minutes.

[Mr. NEUMANN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LINE-ITEM VETO IS UNCONSTITUTIONAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PAUL] is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, I appreciated very much the remarks made by the previous speaker regarding Jackie Robinson. I think it would be interesting to note that the great achievement of Jackie Robinson all occurred prior to affirmative action, and I think that should be noted.

Today, though, I would like to spend a few minutes talking about the courts. I have been a strong critic of the courts, especially the Federal courts, because so often the Federal courts seem to be unconcerned about the Constitution, and so often they do a lot more legislation than they should.

Last week there was a court ruling that I was very pleased with, and I believe they deserve a compliment. There was a Federal court judge by the name of Thomas Jackson last week in the district court who ruled that the line-item veto was unconstitutional. Simply put, he said, it was unconstitutional because it delegated too much powers to the President. It was clear in the Constitution that the powers to legislate are given to the Congress. So I am very pleased to see this ruling and to compliment him on this.

To me, it was an astounding event really to see so many a few years back pass the legislation that gave us the line-item veto, and so often the proponents of the line-item veto was made by individuals who claimed they were for limited government. But this item, the line-item veto really delegates way too much power to the President, is unconstitutional, and if we believe in limited government, we ought to believe

in maintaining this power in the House of Representatives and in the Senate.

The court ruled that it just is not constitutional for a President to be able to rescind an appropriation or specific tax or a specific tax benefit, or for even that matter, a regulation. This is far and beyond anything intended by the writers of the Constitution. I am convinced the founders of this country, the writers of our Constitution, would have been proud of this ruling.

The line-item veto gives too much power to the President. It gives the President political power. It gives him the chance to lobby for his particular piece of legislation with the threat that if you do not vote for what I want, I can line-item veto that special thing that you like for your district.

Having been in the Congress prior to this term for several years, I had been lobbied on a few occasions by conservative Presidents, and the only time they ever called was for me to vote for more spending, never less spending. So I see the line-item veto as something a President can use actually to enhance or increase spending, not to reduce spending, which is the intent.

The line-item veto will still be ruled on again in the Supreme Court. I am sure it will be appealed. I will be anxiously awaiting to find out exactly what occurs there, but already in the corridors I hear a fair amount of grumbling among our fellow Members, Members who are saying, I wonder what the President is going to do. Is he going to take his veto pen out and line-item out a special project. I think that is a justifiable concern.

I think it is important that we concern ourselves about these issues because the main goal that we ought to have is to follow our oath of office, which is to obey the Constitution, and we should not be passing legislation that disregards the Constitution.

When the judge ruled, he had a statement that was somewhat out of the ordinary, but to me rather profound. He said that it is critical that we maintain the separations of powers in order to preserve liberty. That is the purpose of the separation of powers. It is to preserve liberties. It was designed deliberately, specifically, and we must cherish it.

I have to compliment those individuals from the other side of the aisle who brought suit, took it to court, and insisted that this be ruled on with the sincere belief that it is unconstitutional to have a line-item veto. I appreciate that very much.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MCINTOSH] is recognized for 5 minutes.

[Mr. McINTOSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

NOMINATION OF ALEXIS HERMAN AS SECRETARY OF DEPARTMENT OF LABOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, very soon the other body will vote to confirm Alexis Herman as Secretary of Labor. I am sure that the Senators will vote almost unanimously for her because no one has been asking the tough questions that need to be asked about this nomination, yet the liberal magazine, The New Republic, has a scorching article about Ms. Herman in its current issue.

The New Republic would ordinarily be one of the strongest supporters for someone like Ms. Herman, but listen to what The New Republic has to say about her. ''It would not be quite accurate to say that Herman's political career has been tainted by cronyism. Her political career is cronyism. For Herman, it seems government has meant little more than a way to enrich herself and her friends.''

The President should reconsider this nomination in light of all of the reports in The New Republic, The Washington Times, and other publications concerning questionable financial dealings. It appears that Ms. Herman has spent her career doing political wheeling and dealing at great expense to the American taxpayer. Let me mention just two examples.

Ms. Herman was paid $600,000 simply for advising on hiring minority firms for construction of the Federal Triangle project in Washington, DC. Six hundred thousand dollars is an unbelievably exorbitant fee for this type of work. Then the project was criticized for its very poor job in hiring minority firms, the very thing for which Ms. Herman was being paid. The Senate should have subpoenaed Ms. Herman and her records and questioned her in great detail about exactly what she did to get all of this money. This project, with interest, financing and all of the sweetheart deals, is going to cost $2 billion, according to the GAO, and be the most expensive Federal building project in history.

Then there is the Market Square project, also in Washington, DC. According to The Washington Times, Ms. Herman was reportedly given a 1-percent ownership primarily because of her connections to Washington, DC Mayor Marion Barry. This 1-percent interest may now be worth as much as $500,000, which she got to be a minority partner, even though she never invested any of her own money.

There are other examples, Mr. Speaker, and every Member of the other body should read this article in the current issue of The New Republic before they vote to confirm Ms. Herman. The title of the article is ''Dishonest Labor.'' I will be sending every Member of the other body a copy of this article tomorrow.

I have no illusions, Mr. Speaker. I know she will be overwhelmingly confirmed, but the Senate should not confirm someone who has gotten rich for very little work or investment at great expense to the taxpayer. No one should be put in charge of a major department of the Federal Government who has such a cavalier disregard for the taxpayer.

At the very least, Mr. Speaker, I certainly hope that when she is confirmed that she stops all of this cronyism and political and financial wheeling and dealing while she is in office. Also, I hope the national news media will stay on guard and closely question every single contract the Department of Labor enters into under her leadership. Is she going to give all the contracts to her friends and pals and political buddies?

I close, Mr. Speaker, by repeating the words from The New Republic, not my words, but theirs. ''It would not be quite accurate to say that Herman's political career has been tainted by cronyism. Her political career is cronyism. For Herman, it seems government has meant little more than a way to enrich herself and her friends.'' Not my words, Mr. Speaker, but those of The New Republic. Surely we can do better for one of the highest offices in our land.

[From The New Republic, April 28, 1997]

DISHONEST LABOR

(By Jonathan Chait)

Richard Shelby has distinguished himself in the United States Senate mainly by his passionate and oft-professed hatred for the Clinton administration. Indeed, he has made a career out of Clinton-hating, once proclaiming gleefully that his animosity for the president formed the basis of his popularity in his home state of Alabama. In February 1993, before other Democrats had even polished off the leftover champagne from Clinton's inauguration, Shelby attacked the White House for raising taxes. Clinton retaliated by moving ninety NASA jobs out of Alabama. The relationship went downhill from there. Just after the 1994 elections, Shelby shed his last Democratic vestiges and joined the Republican Party. Like Strom Thurmond and other Dixiecrat-turned-Republicans, Shelby took to the GOP faith with more fervor than most lifetime believers. As a reward, his new party handed him the chairmanship of the Intelligence Committee, from which Shelby resumed his antipathetic ways: over the last two months he almost single-handedly harangued Anthony Lake into forsaking his nomination for CIA director.

On March 19, still basking in the afterglow of Lake's demise, Shelby spoke before the Senate Labor and Human Resources Committee, which had gathered to decide the fate of another controversial Clinton nominee, Labor Secretary-designate Alexis Herman. On this occasion, however, Shelby came to praise, not bury, a Clinton nominee. In proud, almost pious tones, he introduced Herman as if she were a conservative convert. ''She's worked in the vineyards,'' he declared. ''She's worked in the Democratic Party. She's worked in the White House. She has earned her way the hard way: by hard work.'' Shelby wasn't the only senator

cooing. Other, normally belligerent Republicans burbled equal goodwill. Their few forays into the known areas of controversy regarding Herman were so polite as to be almost apologetic. The four-and-a-half-hour love-in ended in smiles and mutual praise, the prelude to an expected overwhelming confirmation by the Senate.

How striking is the contrast between Herman's cruise to confirmation and the experiences of other Clinton appointees. Nomination struggles have plagued Clinton from the beginning, Lake's ordeal providing only the most recent example. To be sure, the Senate has given a bye to a few Clinton nominees. But those exceptions, like Madeleine Albright or William Cohen, arrived with impressive résumés, untainted by scandal. Herman, by marked contrast, is perhaps the least qualified—and certainly the most scandal-plagued—nominee that Clinton has put forth over the course of his presidency. Her harmonious confirmation is not merely curious, but perverse: the intellectual and ethical debasements that ought to have disqualified Herman are the very things that have saved her.

It would not be quite accurate to say that Herman's political career has been tainted by cronyism. Her political career is cronyism. For Herman, it seems, government has meant little more than a way to enrich herself and her friends. Herman's Washington career dates back to the Carter administration, where she headed the Women's Bureau of the Department of Labor. There she linked up with Little Rock civil rights pioneer and Clinton friend Ernest Green, who ran the department's Employment and Training Administration (and who is currently playing a supporting role in the Clinton fundraising scandals). Following the 1980 presidential election, the department frantically shoveled millions of dollars in grant money out the door before the Reagan administration could take over. The largest grants went to two sources: a training program that employed Green and Herman before their Labor tenure, and a youth training program run by Jesse Jackson, a close Herman friend. In 1981, Green and Herman formed a diversity consulting firm, Green-Herman & Associates Inc., which got a quick boost from Jackson. In those years, the reverend frequently threatened boycotts of companies he deemed insufficiently diverse. When Jackson's targets sued for peace, according to media accounts, he recommended that they hire Green-Herman & Associates.

The diversity consulting business proved lucrative for Green & Herman. Corporations hire diversity consultants mainly to avoid lawsuits. Thus, the two enjoyed a particular advantage: as consultants, they could sell advice on complying with the affirmative action laws that, as government officials, they had enforced.

One way to comply with those laws, it turned out, was to give Alexis Herman a great deal of money. Bob Mendelsohn, a real-estate developer who had met Herman while he was working for the Interior Department under Carter, quickly figured this out. In 1986, he gave her a 3.34 percent stake in his venture to build a complex of offices and condominiums in downtown Washington. Herman sold part of her holding and recently valued the rest at somewhere between $500,000 and $1 million, a strong return for an investment of zero dollars. Mendelsohn handed out similar deals to two other limited partners, bringing the minority ownership to 10 percent, in order to comply with federal affirmative action guidelines. Mendelsohn could have bestowed this windfall upon any number of more needy black Washingtonians. But Herman had something that escaped her less fortunate cohabitants: a tight relationship with Washington Mayor Marion Barry, who held considerable sway over which firms received building contracts in the district. Mendelsohn later insisted that Herman's clout played no part in his decision.

In 1989, Herman became chief of staff at the Democratic National Committee, working directly under another mentor, Ron Brown, then party chair, later secretary of Commerce. Her firm, now A.H. Herman & Associates (Green had gone into investment banking), remained under her control. The next year Mendelsohn hired her firm to help him win an even bigger contract. For $600,000, A.H. Herman designed Mendelsohn's affirmative action plan. Mendelsohn won the fiercely contested contract, although his company had been underbid by hundreds of millions of dollars and had given what one knowledgeable insider described as a vastly inferior proposal. Mendelsohn claims that Herman's post at the DNC played no role in either his decision to hire her or the government's decision to award the contract to Mendelsohn.

Later, the Mendelsohn-Herman building deal came under fire in Congress—because, ironically, some congressmen thought its affirmative action program was not aggressive enough. According to numerous press accounts at the time, Herman took her DNC clout to the Hill to lobby for continued funding, a move widely criticized as a conflict of interest. Herman recently wrote to the Senate Labor Committee that she has ''no recollection of lobbying either Members of Congress or their staffs.'' Her spokesman, Joe Lockhart, has denied outright that she lobbied for Mendelsohn. But, according to a 1990 article in The Washington Business Journal, ''sources at the House Government Operations Committee'' maintained that Herman ''did not hesitate to appear at meetings between legislative aides and the Delta Team [Mendelsohn's group].'' The article reported that Mendelsohn had ''said he had asked Herman to go to the Hill to address concerns about minority participation in the project because she had written the plan.'' Mendelsohn now denies having asked Herman to lobby and insists the 1990 article ''got a lot of things wrong.''

Despite the alleged conflict of interest, Herman's political stock continued to rise. With Ron Brown devoting much of his time to fund-raising, Herman ran the day-to-day operations of the 1992 convention. It was not unrewarded labor. A U.S. News & World Report story the following year reported that she enjoyed frequent limousine service—over $6,000 worth during one two-week stretch alone—and $3,500-per-month rent, all on the party's dime.

In late 1993, after becoming White House director of public liaison, Herman sold her firm to longtime friend Vanessa Weaver. Then, while working at the Office of Public Liaison, Herman recommended—as she later admitted in a written response to the Senate Labor Committee—that both Weaver and Weaver's sister be included on a trade mission to Mexico. The sisters were so included, and later donated $25,000 apiece to the DNC.

But the business relationship between Herman and the Weaver sisters apparently goes back even further. According to payroll documents, the DNC paid Weaver $15,000 in consulting fees during the 1992 convention run by Herman. Neither several former convention staffers nor Lockhart were able to say, when asked, what precisely Weaver did to earn her money. According to the 1992 DNC Employee Handbook, Herman had responsibility for reviewing all contracts, meaning that, at minimum, she approved hiring Weaver. Why does this matter? Because it appears to contradict her written responses to questions posed by the Senate Labor Committee. When asked if she had ''extend[ed] any courtesy or provide[d] any benefit'' to Weaver before or after the selling of A.H. Herman & Associates, Herman replied that she had not. Lockhart, questions, argued that it didn't matter if Herman had misstated the truth to the Senate. ''If you contract someone and they do the work,'' he said, ''I don't see how that's a benefit.'' Herman declined, through Lockhart, to be interviewed prior to confirmation.

Herman won the nomination for secretary of Labor from Clinton at least in part for the same reason she got her first big deal from Mendelssohn: the president needed to fill a quota. Ron Brown's unexpected death in April 1996, and the departure of Hazel O'Leary and Mike Espy, had left the Clinton Cabinet with just one African American, and no black women. But, as in her building deal, Herman and more than her sex and race going for her. She benefited, once against, from political cronyism. In this instance, her old friend and consulting ally Jesse Jackson lobbied Clinton to pick her.

Herman's nomination represents a marked ideological shit in the administration's economic thinking. During the first term, Labor Secretary Robert Reich's liberalism counterbalanced the moderate Wall Street impulses of Treasury Secretary Robert Rubin. Reich's influence stemmed from both his academic heft and from his long-standing relationship with Clinton. Herman, with neither, could not dream of challenging Rubin. ''It's like the New York Yankees against 'Farm Team To Be Determined.'" laughs an administration official.

Its seat at the table sacrificed for the sake of diversity, organized labor went through the classic stages of grievous loss. First, denial. Labor leaders, refusing to accept the finality of Clinton's choice, preferred former Pennsylvania Senator Harris Wofford as an alternative. When Wofford didn't fly, labor threw its support, in quick succession, behind Esteban Edward Torres and Alan Wheat, both minorities with pro-union records in Congress. These progressively more humiliating failures hastened the second stage: anger. ''The not-for-attribution comments of labor leaders I talked to the day of Herman's appointment ranged from rage to—well, rage,'' wrote liberal columnist Harold Meyerson in The Sacramento Bee. The third stage: bargaining. AFL–CIO President John Sweeney met with Jackson and Clinton. Though none could confirm it, several labor officials privately expressed a belief that the administration had granted Sweeney more say in staffing lower-level jobs at Labor. This led, at last, to: acceptance. ''Once it became clear that the administration chose Herman, there was no point in opposing her,'' sighs one labor official. AFL–CIO officials now maintain, somewhat ahistorically, that their support for Wofford are based on a big misunderstanding: they would have picked Herman first if only they had known she wanted the job.

With the Democratic coalition in line, Herman's fate now rested with the Senate. Nominally, her key hurdle was the Senate Labor Committee, chaired by Jim Jeffords of Vermont. In reality, it was up to Majority Leader Trent Lott, who initially resisted granting the chairmanship to the moderate Jeffords. Jeffords won the chair, which he had earned by seniority, only by agreeing to defer to the leadership's wishes on any important matters. In February, Lott bottled up Herman's nomination in order to force Democrats to allow a vote on a ''comp time'' bill that would permit employers to substitute extra vacations for overtime pay.

Seeking a pretext for delaying Herman's hearings, Lott ruminated publicly over her

role in organizing White House coffee sessions with potential donors. Many of those donors were black. When a reporter questioned McCurry about this, he pounced: ''I can't believe the majority leader would suggest she's disqualified from serving as secretary of Labor because she attempted to encourage African Americans to participate in the political life of this nation.'' Lott, who had suggested nothing of the sort, fumed. But the White House had Lott where it wanted him. The Herman nomination became a civil rights issue. They had thrust Lott into his nightmare role of George Wallace, blocking the doorway of the Labor Department. African American and feminist organizations rushed to the White House to attack Republican delays. Even the AFL–CIO chimed in, demanding ''immediate hearings on the nomination of this African American woman.''

Republicans, it turns out, were all too happy to oblige. And here lies the true perversity of Herman's nomination: Congress, in the position of helping to select its foe, wants a pathetic Labor secretary. The previous one, Reich, helped Clinton push through a higher minimum wage, which most Republicans consider the low point of their last Congress. Reich's successor will be charged with fighting Republican efforts to pass legislation limiting unions' powers to negotiate in the workplace and organize politically. Therefore, the worse the secretary, the more scandal-plagued and the less policy-focused, the better. Herman's lack of qualifications became, ironically, her strongest qualification. ''She will be an ineffective Labor secretary,'' explains a conservative activist who works closely with Senate Republicans. ''There's just a general view that 'What damage can she do us? If we put somebody else in there who's effective, it'll be a much bigger headache.' ''

Indeed, Republicans are happy to support Herman's sort of liberalism because it restricts government largesse to ever fewer, ever less-deserving beneficiaries. It costs much less to enrich a tiny coterie of well-connected African Americans than to improve ordinary black lives. Clinton's relegation of Reich's chair to a quota slot is itself an act of Hermanism. The Labor Department won't do much for the working poor, but it will at least do well by Alexis Herman.

TIME TO TAKE THE TERROR OUT OF TAX TIME

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, today, April 15, brings terror across the land to all kinds of Americans who have spent hours and hours filling out their tax forms, Americans who want to pay their fair share, Americans who know April 15 is coming on, and yet, at the same time, are very frustrated by the fact that they cannot figure out what their tax forms are.

A study showed that businesses have spent on an average each year 3.6 billion manhours a year filling out and complying with tax forms. American individuals spend 1.8 billion hours filling out tax forms.

So in total, Mr. Speaker, we have approximately 3 million Americans working 40 hours a week, 12 months a year, just to comply with the IRS. Today the IRS has 200 tax forms, 400 forms that tell you how to fill out the 200 forms, and 111,000 IRS employees who do not know which forms are correct and which forms are not.

Another study showed that last year on questions to IRS agents, over 8 million of the questioners were given wrong answers. It is time to change our tax system.

We have, I think, a lot of good employees at the IRS, and yet in the same hand we have a system that is impossible for them to work with, a system that cannot be audited. Congress has sent in auditors to the IRS, and their books are not in good enough order for us to audit.

Now, what would happen to the businesses back home if the IRS agents came to their door and said, ''We want to see your books,'' and they would say, ''Well, we cannot be audited, our books are in too much disarray''?

□ 1930

Yet that is the standard that the IRS has. We have spent $4 billion on a tax automation system for the IRS, and they are no more automated now than they were 10 years ago when we started.

Mr. Speaker, I believe that the time is right for us to vigorously engage in a debate on tax simplification or in a debate on a consumption tax. It is time for us to say that the current tax system is impossible, it is counterproductive. Businesses and individuals are spending too much time trying to avoid tax considerations, rather than just doing their daily chores.

For example, if we have a widget company, the business of a widget company is to manufacture, produce, and sell widgets. It is not to avoid taxes and try to figure out IRS compliance. Yet that seems to be the custom these days.

I had one constituent call me, Mr. Speaker. She had gotten a letter from the IRS saying that she had overpaid her taxes one year and was entitled to a $1,000 return. But in order to get the $1,000 return, she needed to send an additional copy of her tax return for that year. No big deal.

Now, in this particular case, the woman did her tax form herself. She did not use an accountant. She did not have a Xerox machine at home. All she did was filled out her original form with ink, and then a copy of the original with pencil. So the only thing she had was a penciled copy of her tax form. But the IRS letter was pretty explicit. Just send in your old tax form and we will send you the $1,000 that you have overpaid in the past.

She sent that in. Lo and behold, her next letter from the IRS, instead of saying here is your $1,000, the next letter from the IRS says, you are just now paying your taxes from 2 years ago, and inasmuch as you are, you owe a penalty plus all the taxes due that year.

I got involved in it. We fought in a tug of war for a long time. Finally she ended up not getting the $1,000, not having to pay the taxes twice, but she did have to pay a penalty. The IRS brought the whole matter up. She was fine.

Again, Mr. Speaker, it is just a matter of the system is too chaotic, too confused for IRS agents to fairly administer it themselves. So the time to debate a flat tax, and the Armey flat tax proposal is that you pay 20 percent, basically, of what you earn. The only deduction, I believe, that the gentleman from Texas [Mr. ARMEY] is proposing is for dependents, but no other deductions. You can fill out your tax form on a postcard. How many Americans sitting at home tonight wished they had that option?

The other proposal I understand is for a consumption tax. It is a tax system that rewards savings and it taxes consumers when they spend money. I believe both these proposals are good. I believe both should vigorously be debated. I look forward to the debates. As far as I am concerned, the time has come. Let us get it done.

THE INTERNAL REVENUE SERVICE

The SPEAKER pro tempore (Mr. LUCAS). Under a previous order of the House, the gentlewoman from Washington, [Mrs. LINDA SMITH] is recognized for 5 minutes.

Mrs. LINDA SMITH of Washington. Mr. Speaker, sometimes we come to the end of the day and we just talk about the things that went wrong, the votes that were lost, or we decry the votes that did not go the way we want.

But today, the American people can feel good. This morning while they were at work, or while they were busy with their children, there was a vote that is really significant, that Americans need to watch in the Senate.

Over my life, my past job was working with the Internal Revenue Service, not as an agent but helping people with their problems. They would come to me if they were in trouble with the IRS or with the taxes, or ask me to help them keep out of trouble. Over the years what I found, though, was a significant uneasiness within me, that I felt Internal Revenue often knew more about my clients than they really should know. I could not prove it, but I felt they were into areas they should not be in. Again, I could not prove it, but that uneasiness persisted.

Today, this morning, we rectified a problem that has been going on. Just a few years ago there was a report from the Internal Revenue Service that said that agents were browsing through computer files, private files on citizens, and often in areas they had no right to be in. The IRS said, we will never do that again. We will have a policy of no tolerance. But this last week we got another report from Internal Revenue. They had 1,515 documented cases of what we would consider violations of our personal liberties and freedom of privacy. In this country that is really important.

So right away a lot of us just decided that it was time to make a change. The IRS had promised to clean up their act, but the privacy of citizens was not protected, so a bill passed this morning that said not only is it wrong, but IRS agents would be subject to the same penalties you and I would be subject to if we violated the privacy of another individual by wiretapping or getting into their personal affairs illegally.

It says, simply, that they will have civil, that means monetary, damages personally against them, and that they can go to jail, because we hold this right of privacy very, very closely in America. There has been a double standard, that agencies have not protected that privacy as we would demand and we have a right to expect.

Later this day, though, we had another vote. It was a good vote. It was a majority vote for the taxpayer. Two hundred and thirty-three Members of Congress had the courage to stand up and say it is time that it be harder to raise your taxes than it is to raise spending, so we have to raise your taxes again, as has been going on for many years.

My mom and dad's income tax to the Federal Government would be less than 4 percent, when they were raising me. Today, my children, who are raising my grandchildren, their tax is nearly a quarter, and will be nearly a half, when we count all taxes on these young families. We have to expect that to grow on my grandchildren.

Mr. Speaker, we took that vote. It did not win, even though we had a majority, because it takes a supermajority for that type of vote. But it was a good vote for the American people, to show them that at least a majority of Congress now care about the American people, the family that is paying that tax, and that 40, 50, or even 25 percent is more than we should be taking from the working family who would rather spend that time with their family; a very good day for the taxpayer.

But the American people have to understand that they have to stay diligent, because until a few years ago when I was written in for Congress, and I did not run, I was written in, I was not paying attention to Congress. But when I got here I found that it was very hard to say no to the groups that came to you and wanted something, but very easy to say yes to them, and then, a cumulative giving the tax increase, or the burden to the next generation in a debt.

This is a very good time, but only if the American people address this time and weigh in. Again, this has been a good day for the American people, but they need to contact their Senators and encourage them to also pass the tax snooping bill to stop the IRS from invading privacy.

H.R. 400 LEVELS THE PLAYING FIELD FOR AMERICAN INVENTORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. COBLE] is recognized for 5 minutes.

Mr. COBLE. Mr. Speaker, there have been many accusations about H.R. 400, popularly known as the patent bill, which will be on the floor this coming Thursday, allowing the Japanese and other foreign entities to steal our technology. The problem is that those making these accusations are disseminating misinformation, or inaccurate information to be more specific.

This bill does not discriminate against American applicants. On the contrary, it levels the playing field so that Americans will stop being treated unfairly in our own country. It is the current system that protects what the gentleman from California [Mr. ROHRABACHER] calls Japanese or Chinese interests.

Under the abuses employed by foreign applicants today, which continue to be allowed under the bill of the gentleman from California, foreign applicants are laughing all the way to the bank.

Get this: A foreign applicant can file a patent application in his own country, or anywhere other than the United States, while delaying his application in the United States; a practice, by the way, which H.R. 400 prevents. Consequently, the foreign applicant's patent issues quickly overseas and not in the United States until much later.

Under the Rohrabacher system, as the foreign-issued patent is about to expire, the foreign company may then abandon its delay tactics in the United States and allow its U.S. patent to issue, ensuring years of monopoly protection in our country. So the foreign applicant initially prevents American companies from selling competing products abroad, and to make matters worse, when the foreign patent expires, the foreign applicant receives a U.S. patent, which then prevents American companies from selling competing products here.

This encourages, by the way, Mr. Speaker, American companies to move overseas taking with them American jobs.

Here is another example: Right now a foreign applicant can come into the United States, take a product which is being held as a trade secret by an American company, patent it, and make the American inventor pay royalty fees for its own invention. This actually occurs.

Small businesses represented who testified in front of our subcommittee have shared their personal stories about this. The gentleman from California, Mr. ROHRABACHER'S bill allows this to continue. H.R. 400 allows the original American inventor to continue using his invention in the same way he was using it before he was sued by the foreign patent holder.

Here is another abuse, committed by foreign and American applicants which the gentleman from California, [Mr. ROHRABACHER] allows and which our bill, H.R. 400, stops; it is called submarine patenting.

This procedure is a tool of self-serving predators who purposely delay their applications and keep them hidden under the water until someone else with no way to know of the hidden applications invests in the research and development to produce a new consumer product, only to have the submarine rise above the surface and sue them for their innovation.

One recent suit earned a submariner $450 million at the expense of consumers. Submariners do not hire workers, do not invest in the economy, and they do not advance technology. They only live to sue others who do invest and contribute.

The gentleman from California, [Mr. ROHRABACHER] will tell you that there are hardly any submariners out there and that they constitute a minuscule amount. Of course, we all know that if you make your living suing American innovators, you sue as many as possible and hope to settle for nuisance value.

That is why many cases initiated by submariners are not recorded. I urge everyone to take a look at the front page story of the Wall Street Journal about the problem which appeared on April 9. It is a great problem which my bill prevents. And it is these submariners, Mr. Speaker, who probably stand to benefit more than any other group if our bill is defeated.

Some folks are confused about what this bill does and does not do in view of my previous illustrations. There have been some concerns that have arisen which have involved great discussion and significant negotiation. Those will form the basis of a floor manager's amendment which I will offer to this body on Thursday.

Inventors have complained that the office has not been able to spend its valuable resources on the most important function of the office, that is the Patent and Trademark Office.

Mr. Speaker, I appreciate the support of my colleagues on Thursday.

Mr. Speaker, I want to take 5 minutes to address some of the scare tactics being employed by critics to a very important patent law reform bill coming to the floor and explain the contents of an important floor manager's amendment which will be offered to H.R. 400 on Thursday. After much negotiation with all interests involved with this bill, the Judiciary Committee will put forth a comprehensive amendment containing many improvements and alleviating many concerns, especially of the independent inventor and small business communities.

There have been many accusations about H.R. 400 allowing the Japanese, or other foreign entities, to steal our technology. The problem is that those making the accusations don't understand the bill. This bill does not discriminate against American applicants, on the contrary, it levels the playing field so that Americans will stop being treated unfairly in our own country.

It is the current system that protects what Mr. ROHRABACHER calls Japanese or Chinese interests. Under the abuses employed by foreign applicants today, which continue to be allowed under Mr. ROHRABACHER's bill, foreign

applicants are laughing all the way to the bank.

Get this: a foreign applicant can file a patent application in his own country, or anywhere other than the United States, while delaying his application in the United States—a practice which H.R. 400 prevents. Consequently, the foreign applicant's patent issues quickly overseas, and not in the United States until much later. Under the Rohrabacher system, as the foreign-issued patent is about to expire, the foreign company may then abandon its delay tactics in the United States and allow its U.S. patent to issue, ensuring years of monopoly protection in our country. So the foreign applicant initially prevents American companies from selling competing products abroad, and to make matters worse, when the foreign patent expires, the foreign applicant receives a U.S. patent which then prevents American companies from selling competing products here. This encourages American companies to move overseas, taking American jobs with them.

Here's another example: right now a foreign applicant can come into the United States, take a product which is being held as a trade secret by an American company, patent it, and make the American inventory pay royalty fees for its own invention. This really happens. Small businesses who testified in front of our subcommittee have shared their personal stories about this. Mr. ROHRABACHER's bill allows this to continue. H.R. 400 allows the original American inventor to continue using his invention in the same way he was using it before he was sued by the foreign patent holder.

Here's another abuse, committed by foreign and American applicants, which Mr. ROHRABACHER allows and H.R. 400 stops. It's called submarine patenting. This procedure is a tool of self-serving predators who purposely delay their applications and keep them ''hidden under the water'' until someone else, with no way to know of the hidden application, invests in the research and development to produce a new consumer product, only to have the submarine rise above the surface and sue them for their innovation. One recent suit earned a submariner $450 million at the expense of consumers. Submariners do not hire workers, invest in the economy, or advance technology. They only live to sue others who do invest and contribute. Mr. ROHRABACHER will tell you that there are hardly any submariners out there and that they constitute a minuscule amount. Of course, we all know that if you make your living suing American innovators, you sue as many as possible and hope to settle for nuisance value. That's why many cases brought by submariners are not recorded. I urge everyone to take a look at the front page story of the Wall Street Journal about this problem which appeared on April 9. It is a great problem which my bill prevents.

So you see, Mr. Speaker, some folks are confused about what this bill does and what it doesn't do. There have been some concerns that have come up on which there has been great discussion and significant negotiation. Those will form the basis of a floor manager's amendment which I will offer on Thursday.

Inventors have complained that the Office has not been able to spend its valuable resources on the most important function of the Office—granting patents and issuing trademarks with quality review in the shortest time possible. The manager's amendment separates completely policy functions from operational functions. Policy functions are left to the Department of Commerce, while management and operational functions are vested completely in the PTO. This will allow the PTO to be led by a Director who will have only one mission: to process and adjudicate efficiently and fairly the important Government functions of granting patents and issuing trademarks.

Independent inventors and small businesses have expressed concern over the publication requirement contained in the bill. While publication has many benefits for both of these groups, the manager's amendment will give them a choice over whether or not they wish to be published. It will effectively exempt independent inventors and small businesses from publication by deferring it until 3 months after they have received at least two determinations on the merits of each invention claimed on whether or not their patent will issue. At this stage, the applicant knows whether or not his patent will issue, in which case it would be published anyway under today's law. If it will not be granted, the applicant can withdraw its application and avoid publication and protect the invention by another means.

Critics have been concerned about the language in the bill, taken from current applicable law, that allows the PTO to continue its current practice of accepting gifts in order to allow examiners to visit research sites to help them to a better job. In order to alleviate any concerns, founded or unfounded, the manager's amendment will explicitly subject the acceptance of any gifts to the provisions of the criminal code and require that written rules be promulgated to specifically ensure that the acceptance of any gifts are not only legal, but avoid any appearance of impropriety.

The manager's amendment will also adopt two measures included in a bill introduced by my colleague, Mr. HUNTER of California, which provide for an incentive program to better train examiners, and require publication for public inspection all solicitations made by the PTO for contracts. These are good ideas that make H.R. 400 an even better bill, and I thank the gentlemen for his contribution to this important debate.

While the current bill ensures that the Advisory Board for the new PTO should be comprised of diverse users of the Office in order to help Congress conduct more effective oversight, the manager's amendment will explicitly require that inventors be included as members. While this was always the intent of the provision, it will be clarified.

The Appropriations Committee has expressed concern over the borrowing authority in the bill, and critics, although many misunderstand how the authority works under the control of Congress, have made much ado about a procedure which would offer a small possibility for the new PTO to borrow money instead of having to raise fees on inventors to pay for any high technology future projects. Accordingly, the manager's amendment will strike the borrowing authority provisions from the bill.

In further guaranteeing an inventor at least 17 years of patent term from the time of issuance, the manager's amendment will allow inventors adequate time to respond to inquiries from the PTO regarding their applications. The manager's amendment will also allow inventors who were adversely affected by the change in patent term in 1995 to receive a further limited examination to avoid losing term.

Small businesses and independent inventors have been concerned that the new PTO may not recognize the longstanding reduction in fees applicable to these constituencies. The manager's amendment requires that the agency continue to provide that small businesses and independent inventors pay half-price for their patent applications.

Independent inventors have claimed that the reexamination provisions contained in H.R. 400 are too broad, even though they simply offer an alternative to expensive Federal court litigation that occurs today at the expense of and sometimes leading to the bankruptcy of small businesses and independent inventors. To make reexamination an even more attractive and cheaper alternative, the manager's amendment will require all multiple requests for reexamination to be consolidated into a single proceeding.

Importantly, reexamination is also limited to prior patents and publications and will not be expanded at all from the process as it is done today.

As you can see, Mr. Speaker, the committee has been constructively engaged with the small business and independent inventor community for over 2 years. These final safeguards for those constituencies will be added to the numerous safeguards already contained in the bill, including special provisions for the university and research communities.

SUBMARINE PATENTING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROHRABACHER] is recognized for 5 minutes.

Mr. Speaker, the gentleman from North Carolina, [Mr. COBLE] and I, who have disagreement, have great great respect for one another; and I am very happy to have the gentleman from North Carolina as an admired adversary on this particular bill. Although we agree on 90 percent of everything else, we strongly disagree on this particular bill. And I am very pleased that we can do this in the spirit of friendship. I thank the gentleman.

Just a couple thoughts about the battle that will take place here on the floor of the House of Representatives on Thursday. It is a battle between two different distinct points of view as to what direction our country should go in terms of patents.

There are several issues at stake. One of the issues is not submarine patenting. The submarine patenting which is being used as an excuse to pass all kinds of other things within a bill is not a factor in this debate.

The Congressional Research Service has found that my substitute, the Rohrabacher substitute, as well as the bill of the gentleman from North Carolina, [Mr. COBLE] bill, H.R. 400, will end the practice of submarine patenting.

This was found by an independent body that examined both of our pieces of legislation and came to the conclusion that the practice of submarine patenting, which was of limited importance to begin with, will be put to an end forever in both of our bills.

□ 1945

So both of our bills handled the problem, as described by an independent analysis. Obviously there are other issues at stake. Many of the things that the gentleman from North Carolina [Mr. COBLE] has described tonight I agree with. And I, in fact, agreed to put almost every one of those things into my substitute bill or agreed to support his legislation, if those things were continued to be in the bill except for the three major differences between us. There are three differences between the Rohrabacher substitute and H.R. 400, what I call the Steal American Technologies Act.

Those differences being, H.R. 400, which will be coming to a vote here, which was originally called the Patent Publication Act, its No. 1 goal is mandating that American patents, whether or not they have been issued, a patent application, will be published after 18 months so that every thief in the world, every person who wants to bring down our standard of living, every one of our economic adversaries will know all of our new technological ideas and secrets even before the patent is issued.

This problem is handled by H.R. 400 by saying, OK, if the Chinese or the Japanese or other thieves around the world steal the patent from the American inventor after 18 months, once that patent is issued, let us say 5 years later, that inventor now will have the right to sue the Japanese corporation or the Chinese corporation. The People's Liberation Army is stealing a lot of intellectual property rights. Imagine an American inventor trying to sue the People's Liberation Army.

This is a joke. This is not protection for the American people. This is a giveaway of American technology, and even the most unsophisticated person can see we do not give away our secrets until that patent is issued. That has been our right, and this bill H.R. 400 will take it away.

The second thing that will be in the bill that we have disagreed on, the other things we do agree on, we can correct those, is reexamination. This bill opens the door to actually making all kinds of new challenges against existing patents so Americans who own patents who now had very little, there is very little opportunity to challenge their ownership of current patents, will find that they are vulnerable to challenges from large corporations, foreign and domestic.

Our little guys, those small companies, are going to be tied up for years with litigation by people who are challenging their patent rights of a patent they already supposedly own.

Finally, the patent office has been part of the U.S. Government since the founding of our country. It is written into our Constitution. There has never been a scandal dealing with the patent examiners because they have been insulated from all outside influences.

This bill would corporatize the American patent office. It would take it out of the government as a government agency and make it a semiprivate, semigovernment corporation. Does that make any difference? We do not know what difference it will make.

This corporate entity will have the right to take gifts from foreign corporations and domestic corporations. It will have the right to accept money and gifts and in-kind services. And unlike other government agencies, there will be no rules. The rules are waived against this new corporate entity, the Patent Office, in controlling where those gifts are spent.

This is dangerous. I ask my colleagues to join me in opposing H.R. 400, the Steal American Technologies Act, and supporting the Rohrabacher substitute.

HEALTH CARE COVERAGE FOR CHILDREN

The SPEAKER pro tempore (Mr. LUCAS of Oklahoma). Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for 30 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I am pleased to say I will be joined tonight by the gentleman from New York [Mr. SERRANO]. We are here, once again, to talk about the lack of health insurance for children throughout this Nation. The figure of 10 million children who are uninsured has been put forward on this House floor many times, and it really is a scandal and, in my opinion, completely unacceptable.

The number of children without health insurance is growing and it is increasingly children in working families who are without the coverage.

Just in my own State alone we estimate that over 200,000 children are without health care coverage. In one of the dailies in my district, the Home News, just a few weeks ago in April, they did an editorial saying how inadequate coverage for children was in my home State. And they specifically mentioned that the Families USA organization here in Washington estimates there are 553,000 children in New Jersey receiving inadequate or no health coverage. So whether it is 200- or 500,000 in New Jersey alone, it clearly is simply unacceptable.

What this really means is that many children simply do not get any care unless they get very sick and end up in an emergency room, and that procedure makes no sense. It makes no sense to not have a child be able to go to a doctor, get very sick, and end up in an emergency room. It costs a lot more to treat an ailment once it has gotten to a very critical stage as opposed to preventing it when it first starts to occur, and it is also very harmful to a child's future health.

Obviously we do not want children to be sick and be impacted in terms of their adult life. And I think a problem clearly exists here where working families should not have to be in a position of constantly worrying about whether their child will get hurt at the playground or catch the cold or a flu that is going around at the school.

In other words, what we have is working parents who basically have to make choices about whether they are going to take their child to a doctor or not as opposed to paying the rent or doing something else.

I just wanted to say that, and I think we have said it over and over again on the House floor, Democrats have for a long time been committed to helping families provide health care for the children. It was last June, it will be almost a year now, that the Democrats rolled out their families first agenda. And one of the priorities was to ensure adequate coverage for the Nation's children.

We also started at the beginning of this session a Democratic health care task force, once again, with its major priority being to try to address the problem of children without health insurance. So Democrats have been there concerned about this issue. What we need to have is the Republicans who are in the majority join us.

There was some progress in this regard in the last few weeks, I have to say. The gentleman from California [Mr. THOMAS] of the Subcommittee on Health of the Committee on Ways and Means did have a hearing on the issue of kids health care. I want to applaud him for taking the initiative and at least recognizing the problem. But action has to follow.

My concern is that, even though there was one hearing in the Committee on Ways and Means, that there was not any indication as a result of that hearing that any bill is going to come to the floor or any effort is going to be made to mark up a bill and take some action on this issue.

Several Democrats, including myself, sent a letter to the Republican leadership in the last couple weeks urging them to move forward by marking up legislation and bringing a bill to the House floor by Mother's Day and Father's Day respectively, and that, we are saying, is mark up a bill that addresses the issue of lack of health insurance for children, mark it up in committee by Mother's Day, bring it to the floor for a vote on the House floor, on this floor by Father's Day.

And it is our hope that we can create such a ground swell of support behind making children's health care a reality that House Republicans will be forced eventually into action.

I wanted to say, before I introduce my colleague from New York, that the Democratic health care task force at this point is not necessarily saying that we have to have any particular solution in terms of legislation. Some of us are in favor of expanding Medicaid. Others have talked about block grants to the States along the lines of the Kennedy-Hatch bill, which is gaining momentum now in the Senate. Some of

us have actually introduced the Kennedy-Hatch bill here in the House, myself included, but we want to see some movement on this issue.

But whether it is tax credits, vouchers, Medicaid expansion, or block grants to the States, we want to see action, and we want to see a deadline set when we are going to address this issue of 10 million American children who do not have health insurance.

Mr. Speaker, I yield to the gentleman from New York [Mr. SERRANO], who has been on the floor with me and others many times over the last few months, trying to bring attention to this issue.

Mr. SERRANO. Mr. Speaker, I want to thank the gentleman from New Jersey [Mr. PALLONE] for having the vision to bring this issue to the floor and to discuss it as many times as we have and I know as many times as we will in the future.

The gentleman well says it when he says that our families first agenda speaks to this issue. And certainly when we look at the issue, I think what all Americans who are watching tonight have to ask themselves is, Are we talking about reinventing the wheel here? Are we talking about creating a new Government program? What are we really talking about?

It is very simple. I spend some time every day thinking about how lucky we are to live in this country and, at the same time, to compare what goes on in this country with what happens in other parts of the world. And we know that we are fortunate to be in a society that has been able to accomplish things other societies have not.

Therefore, this issue becomes very important and very sad as we discuss it, because health care is not a discussion about throwing money away. Health care is about a basic right. Children, therefore, become the neediest in society if they cannot attain basic health care.

What we are saying here is that in our country, if you were not listening to the beginning of this discussion and just listened to the middle part and we discuss 10 million children without health care, someone could say that we are in another Parliament or another legislative body somewhere in the world discussing a situation which fits into the conditions that they find themselves in. But we are not. We are in the U.S. House of Representatives in the U.S. Congress saying that 10 million children do not have health care available to them.

And as the gentleman so well has pointed out, the part that makes this really difficult to even understand is that most of these children are in families where both parents or at least one parent is working. So we are not talking now about many of the conversations we have on the floor on a daily basis or on a weekly basis.

We are talking about children that are within those families that supposedly are doing better in this society, but when it comes to providing health care for their children, they are not. The problem we have is that it is a burden, in my opinion, that we place on these American families that they should not have.

Again, I repeat, we are not talking about American families demanding a new road in front of their house. We are not talking about American families looking for a handout. We are not talking about a gift that Government will give to people.

We are talking about a basic human right, the right to decent health care. The country has the mechanism to deliver that health care, but in its lack of wisdom in this area, has allowed for 10 million children to fall by the wayside.

Now, when I say over and over again that we do not have to reinvent the wheel, I believe that. I believe that we have in this country the mechanisms which allow us to cover these 10 million children. And we are not, as the gentleman well has stated, saying to our colleagues across the aisle that they must do it our way.

What we are saying is, let us come together and let us do it. Let us celebrate as a nation the fact that we will cover 10 million children. In fact, if it was up to us, we would cover every American that is not covered right now.

Now, interestingly enough, and I go back to my usual argument, there are countries that we criticize on a daily basis where this would not be a discussion. They have other problems, but this is not a discussion. Everyone, from the time they are born to the time they die, is covered by health care. And so what we are doing here tonight is calling on our colleagues to say, listen, there are some issues that are political issues. There are some issues that we have to argue back and forth about. There are some issues that the public expects us to disagree on. But covering and providing health care for 10 million American children who are in need of this health care, to take this worry away from families, to take this dilemma away from working families, this is something we can do. If we set our minds to do it, we can do it.

Now, what really amazes me about this issue is that I do not know why they do not want to do it. I do not know, I cannot figure that out, because we are talking about something that the American public is in favor of.

Interestingly enough, let us use some labels, if you go to your most fiscally conservative middle-class American and say, here is what we are going to do, we are going to expand current programs and make some changes to cover 10 million children who do not have health care; do you have a problem with that?

I am taking a political chance here. I am saying they do not have a problem with that. What mother, father, who tonight knows her children has health care coverage, is going to be upset that another parent somewhere else who does not may begin to have it next month or the month after that?

□ 2000

This is not what Americans are about. We are about taking care of our neighbor and making sure that children are taken care of.

So I will do tonight what I have done every other night that we have spoken on this issue, and that is to reach out to those parents who tonight are helping their children with their homework. Perhaps they are taking a little time off to watch the Met-Dodger game and discussing with the children the celebration of the Jackie Robinson legacy and what that means to this country and to the future of this country. Perhaps they are tucking their children in bed and kissing them good night, knowing that they are secure within, not rich, not overflowing with gifts, but secure.

I hope that they will take some time and write to Members of Congress and say: Let us get this done. I do not think it is right that when I put my child to bed, I know that everything is OK in terms of health care with him, that it is provided for him, that we are covered, and that there are 10 million children somewhere else in this country that do not have this coverage.

I would implore these American parents do that tonight, to take that little time and write to those of us who have not seen the light tonight on behalf of those children, because what happens is, if the parents of those children do the only writing, then people will say, well, of course it is the ones who need the program, need the assistance, who are calling us; we need to hear from other people.

I think that this is something that we can all be very proud of. If we accomplish this, if we, one of these evenings, ourselves, go to bed knowing that there is not a child in this country who is in need of basic health care, I think then we can be proud of the work we are doing in this House.

Mr. PALLONE. I appreciate what the gentleman said and also the fact that he makes the point of reaching out and having the average person thinking about their own situation and how they may have coverage for their children and have that security but so many other American parents do not.

That is really the crucial issue here, that so many people lack that security, basically live the day and night knowing that if something happens to their children, they are not covered by health insurance.

I just wanted to say that our Democratic task force last week had a hearing, and we will probably have more hearings, but the basic purpose of this hearing was to get factual material about the nature of the problem. In the future, we will probably have hearings on specific legislation.

Families USA at that time had just put out a report, and it was really interesting in terms of what the gentleman just mentioned about how this primarily affects kids who have working parents. It is not very long, and I

wanted to make reference to some of their key findings in that regard.

They were talking about their data that provides information about children without health insurance during a 2-year period, and the data showed the following:

That almost half of uninsured children, 47 percent, had uninsured spells of 12 months or longer; that one out of seven, 15 percent, lacked health insurance for the full 2-year period.

Then they went on to say that the uninsured child population, this population we are talking about, was comprised primarily of children whose parents worked. Of the children who lacked insurance for 1 or more months, 9 out of 10, 89 percent, lived in households where the head of household worked during all or part of the 24-month period.

Then it said that uninsured children are two times more likely, 69 percent versus 31 percent, I know these statistics get a little difficult, the uninsured children are two times more likely to live with a married rather than a single parent. Children uninsured for the entire 24-month period are four times more likely to live with a married parent. And of the children who were uninsured throughout the 24-month period, over one out of three had a head of household who was employed full-time throughout that 24-month period.

So, again, we are talking about children where both parents are working. Some of them are working two jobs. It is amazing, the statistics about the nature of this population.

The other thing that I just wanted to say again that comes from this Families USA report is that we are really talking about prevention. What the gentleman and I want to do here is provide a mechanism for kids to have preventive care. That is what really this is all about.

Most of the time, not all the time, but most of the time, if a kid gets really sick, they can go to an emergency room. I am not saying that is always true, but usually it is. But the problem is, when they get to that stage, it is almost too late. Oftentimes there is permanent damage.

Families USA at our Democratic task force hearing used the case of a young girl, this was not her real name, but they used the name, Maria. It is a real case, and they called her Maria. It said that when Maria entered a new school as a third-grader, her teacher believed she was performing below her potential. A health examination arranged by the school's Healthy Start Program revealed that Maria had suffered multiple ear infections, probably over a period of several years.

Maria's father ran a small nursery business and could not afford health insurance. Without insurance to pay for her care, Maria's ear infections were not treated. As a result, scar tissue built up within her ears. Maria became deaf in one ear and lost hearing in the other, and it took a year and a half to equip Maria with hearing aids after they had discovered this.

This would appear this was some sort of school clinic that detected the problem and, as a consequence, started the rehabilitation that eventually led to her having a hearing aid. But this is what we are talking about. We are talking about lack of care, not being able to see a doctor, which leads to permanent damage.

Ultimately, this child, although she now has a hearing aid, probably will never be able to fully hear and, with a small amount of money and a couple of visits to the doctor at the initial stage, before this started, probably would have had no problem at all.

So we need to think about the psychological and the physical consequences, and think about the costs, because how much more will it cost for the hearing aid and apparatus down the road as she becomes an adult as opposed to just a simple doctor visit in the beginning?

Mr. SERRANO. Mr. Speaker, if the gentleman would continue to yield briefly, as the gentleman mentioned, also this brings up another thought, and that is, on a daily basis we put a heavy demand on our school system. And we complain, we all do in this country, about the conditions of the schools if they are not what we want them to be in certain neighborhoods and the quality of the teaching if it is not what we want it to be in certain neighborhoods.

But at the same time, we do not realize that there are other factors that impact on that situation. What the gentleman just mentioned is a prime example. If children are attending school who are suffering an ailment or a condition that may have an impact on their ability to learn, we then have placed a teacher and the school administration in a situation that they should not be placed in. They now have to cope with that and try to figure out what the problem is.

So here we have a situation where we have a school-based clinic, which is a rarity in this society, but a school-based clinic may have picked up this situation of these ear infections which may leave this child permanently damaged for the rest of her life. Now, if that child had regular visits, the way most children in this country do, chances are that could have been picked up.

So again, where is the investment? Is it about what it might cost now, which we do not think we are talking about costs here, we are talking about expanding existing programs, or the investment that we are making in the health of that child and, therefore, the education of that child?

So I really think this one is an easy one. I know when we present something and we support it, we always try to make it sound like it can be done. But this is an easy one; this can be done. This is the country that can do it; this is the society that can do it; this is the Congress that can do it. All we need is the OK to say we will get together and do it. It is an outrage. It should not be. It is inhumane. It is improper. It is not a good investment for the future of our country, and it is not fair to these children.

One last point. It cannot be said enough. It cannot be said enough that we are now talking about children who have one, possibly two parents working one, possibly more jobs. We have to continue to repeat this, not because we want to listen to ourselves talk, but because people in some places in this country get the wrong impression, that we are talking about people who may not want to help themselves or who may not be looking for that service.

This is not available, and it is not available to people who can pay certain bills but cannot pick up a full visit at a doctor or hospital stay, because that is not the way it works in this country. It costs so much money to do that.

So once again I thank the gentleman for bringing this subject up again, and we will continue to discuss it at length until we get the action that we think the children need.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman.

I really believe that we are starting to be heard. We know that, for example, on the Senate side there is a movement on a bipartisan basis to try to address this issue, and I just noticed during the Easter time, when we were out of session for 2 weeks, there was a lot of attention in the news media about it. So I believe that the more we talk about it, the more we will see some action on it.

I wanted to say, if I could, before our time is up, that there was some really good information provided by the General Accounting Office that talked about why children are uninsured, the categories, whom we are dealing with. They basically talked about three categories:

First, children who are eligible for Medicaid but not enrolled. According to the General Accounting Office, an estimated 3 million uninsured children are eligible but not enrolled in Medicaid. So that is the first category.

We might say, why is that the case? There are a lot of socioeconomic reasons. As we mentioned before, most of these kids have parents who work, sometimes two or three jobs. It is very difficult a lot of times for them to even get involved with the bureaucracy where they would go to Medicaid and sign up and fill out a lot of papers in order to enroll their children.

There is also a sense of pride, that Medicaid, probably wrongly, is in many cases now associated with welfare. So there is a stigma attached to it, and a lot of working parents, even if their children are eligible, simply will not enroll their children.

The second category are parents who earn too much for Medicaid but too little for private coverage. Again, as the number of employers simply do not provide insurance, if there is no group policy and they have to go out and pay

for an individual policy, as the gentleman also knows, that is almost impossible for the average working family.

The third is parents who change jobs. Nearly half of all children who lose health insurance do so because their parents lose or change jobs. So, again, if we look at this over the 2 years that Families USA is looking at it, we can see there are times when kids are covered and not covered, that there are a lot of gaps because of the fact people are changing jobs.

And a lot of people in the lower income categories but who are working have temporary jobs and are subject to tremendous fluctuations in their job. They may change every 6 months or whatever because it is not a job necessarily that has a lot of permanence.

So it is a real problem that we have to look at the various aspects of it. And I am not saying there is an easy solution. All the gentleman and I are saying is that we want this addressed. We want the Congress and the House of Representatives to take it up.

I appreciate the gentleman's participating, again, and all the gentleman has done to speak out on this issue.

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

TRIBUTE TO THE MEMORY OF JACKIE ROOSEVELT ROBINSON

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentlewoman from Florida [Mrs. MEEK] is recognized for 30 minutes as the designee of the minority leader.

Mrs. MEEK of Florida. Mr. Speaker, I want to help this Congress and America understand the dignity and the grace and the illumination which Jackie Robinson, Jackie Roosevelt Robinson, brought to our wonderful country, the United States of America. I am delighted to have this opportunity to host this special order, and it is going to honor one of the true greats in American history, and that is Jackie.

Why is it relevant to the Congress to even talk about Jackie Robinson or to address a special order to the memory of Jackie Robinson? First of all, it is so very important, No. 1, so that the young people in this country will understand that we have heroes in this country, and they are heroes because they worked very hard to bring glory not only to their athletic teams but to the glory of this country and to show the dominance which great athletic prowess can bring when it is used for the good of others.

That is why it is so significant that from this well we address many of our heroes, and tonight I am addressing Jackie Roosevelt Robinson.

Fifty years ago, that has been quite a long time, Jackie Robinson broke major league baseball's color line. He broke the color line. That meant that before Jackie there were no African-Americans in major league baseball. He broke this color barrier, and he opened up the doors that had long been closed to talented African-Americans, not only in baseball but in other activities throughout our country.

This may have been an opening through a sporting event, but it opened up many, many doors of opportunity to African-Americans throughout this country.

□ 2015

Jackie Robinson was a respected athlete, a respected gentleman, a respected family man. Therefore, Mr. Branch Rickey chose him because he represented to Mr. Rickey someone who could take the taunts of the public, someone who could be yelled at, someone who could be thrown at, someone who could be talked about and still keep his dignity and still show his athletic prowess on the field of baseball. He was the first black to play major league baseball. He overcame these insults and threats. He overcame them with talent and dignity, and he won recognition as a great baseball player and great human being.

That is what is so important about Jackie Robinson. He was not just a baseball player. He was not just an athlete. He was not just someone with athletic prowess, but he was also a great human being. He established an enduring model throughout sports, and he proved to all America that character and ability are keys to success, not the color of one's skin or not one's athletic prowess. The color of one's skin or athletic prowess is not nearly as important as character and ability. Because if Jackie had not had all of that, he could not have done what he did in the baseball world in this country. No one, not even other blacks who soon followed Jackie into the major leagues, could know what Jackie Robinson endured in 1947 when he entered major league baseball.

I had the pleasure of meeting Jackie Robinson in 1947 because he came to a small college in Daytona where I worked, called Bethune Cookman College, one of the primary good colleges in America today. Jackie Robinson came to Bethune Cookman College, and it was said at that time that that was the only place in Daytona where Jackie could get living quarters or living accommodations. The team was on Daytona Beach, but Jackie Robinson had to live at Bethune Cookman, a small black college. I say to the Speaker that that is an honor to Bethune Cookman College that Jackie Robinson slept there because of what he has done and what he has brought to this country.

So, then, he took a lot of abuse, occasional physical abuse as well as mental abuse, but he absorbed this abuse. Nor was it the early hostile attitude of some of his own teammates that was shown. I understand a little guy by the name of Pee Wee Reese was very helpful to Jackie Robinson, to help him bridge this gap and that he reached out to Jackie, because he could feel Jackie's problems as he tried to show the world that it was not all about just being a good baseball player, but being a gentleman.

Jackie Robinson was no ordinary man. He was a college graduate and one who had come from the State of California, his parents having moved from the South, and he brought a certain dignity that should have been brought. He was sort of a multi-dimensional person. He was not a one-dimensional person. You could not say that Jackie Robinson was just a good baseball player. He internalized much of the fears and much of the hate and much of the venom which was thrown after him. It takes an extraordinary man to do that and Jackie Robinson did it. He knew what he had to do. He knew what it was all about was much more than baseball.

Mr. Rickey knew that as well. That is why he chose Jackie Robinson. He knew he had to open doors which had long been closed to talented African-Americans, not only in sports but in many other activities. I think Jackie Robinson also knew that becoming a great baseball player was not his major motive as well, because he knew he was great. He had played with the Kansas City Monarchs and he knew that he could play baseball. He also knew that there were several other blacks out there who could play perhaps even better than he could, but they did not get the opportunity. So he knew he had to represent them. He knew he had to represent all of these small African-American children who would never get a chance for the kind of opportunity he was getting.

He carried the burden, I tell the Speaker, for the entire race, to show all America that blacks could compete not only on American playing fields, but also in its classrooms and corporate boardrooms.

Mr. Robinson's interest in baseball set a new tone for the country. I listened to Jackie Robinson's lovely wife on television as the entire country is paying tribute to Jackie Robinson, and they asked her did she think that Jackie would have done this even if it were not for baseball, would he have done it anyway, and she said, yes, and they also asked her how did he take the kind of poor treatment he got from the fans who were following the game, and she said that Jackie knew that he had a challenge and that he had to do this because it would help others and he had to prove this to others. So my summary of that is Jackie did this not for himself but for others.

The national sport of baseball and Jackie's interest in it made it much easier for football to continue in its integration, and it set a model for basketball as well. The glory of Jim Brown and Bill Russell are directly connected to Jackie Robinson's sacrifice and efforts.

I say to the young athletes who come around today, I wonder if you know

that you are standing on the shoulders of Jackie Roosevelt Robinson, and many of them do not understand it. So it is good that we help America understand that if it were not for the strong shoulders of Jackie Robinson, they would not be able to do the things they are doing today. That is none of them, with no exception, because Jackie Robinson handled this task at hand, Mr. Speaker, and it meant much more than simply holding his tongue and fists in check on the baseball diamond that first year, it meant more than not being able to stay in the same hotel, it meant more than that. Jackie could have walked away by saying, ''I can't stay in the same hotel as the white players. Therefore, I'm going to walk away.'' Or ''I can't say what I want to say. Therefore, I'm going to walk away.'' ''I can't throw back the threats which they are giving to me. Therefore, I'm going to walk away.''

Jackie knew, even though he could not eat in the same restaurant as his teammates, he knew that there was a greater prize that would come because of his persistence in playing baseball and opening the doors for others. He was a part of a historic task of sweeping a whole lot of mental cobwebs from the minds of millions of white Americans and many black Americans who did not realize that this could happen. Many of them were probably unaware of their own bigotry and racism, and it was not until Jackie came along and they could see and hear the taunts that he was receiving and they could see how he received it with the calmness and sincerity of a man who is a true gentleman. His discipline and restraint were as crucial to the larger cause of black advancement in that first season as his aggressive assertion of his rights was to black respect in later years.

I do not want anyone to think that Jackie was just a doormat or a carpet. He was not that kind of a man. Quite naturally his success was on the baseball diamond, but that success also reached out into the world and helped other people have opportunities to enter things that African-Americans could not before. By Jackie playing and taking those kicks and taking those taunts, he encouraged the Brooklyn Dodgers to employ other black players. I remember how we used to just run to the radio, when many of us did not have televisions during those days, just to see Jackie Robinson run, and to see him run the baselines, Mr. Speaker, was beauty in motion, and it was the kind of physical endurance and the kind of physical prowess that so few people have and how he could dance off third base and make them throw the ball and he ran beautifully into home plate.

In turn, the success of the Dodgers encouraged competing organizations to reevaluate their color lines. And when I say Jackie Robinson opened up these color lines, not only for baseball and for major league sports but he opened it up for other kinds of color lines that were already there. Step by step, new models emerged and resistance weakened to equal opportunity. So he was Mr. Equal Opportunity and he should be recognized 50 years after the time when this happened.

I have heard the story of a baseball executive who believed that the hiring of Robinson would sink the Brooklyn Dodgers, and I remember how Mr. Rickey explained it to Jackie, as the type of person he would need to do this. Of course Jackie, being a very educated and a very articulate man, was able to converse with Mr. Rickey as to what his fears were, the fact that he had the kind of courage and behavior to do this. Soon after, Mr. Rickey agreed that Robinson would work out fine. He went to the other leaders in the Brooklyn Dodgers. But three black Dodgers people felt at that time would sink the Dodger franchise, and they thought that if three would sink the Brooklyn Dodgers, five would destroy the National League and eight would demolish the entire sport of baseball.

Now you say, ''Well, Carrie, that's ridiculous, how could anyone think that African-Americans would sink a sport that was so greatly attuned in the American system as baseball''? But people did think that at that day and at that time.

By the end of 1947, the Dodgers had signed 16 black players. America understands that at that time there was a black league of baseball where very good players were there playing baseball, and they had a very good organization, and the major leagues were beginning to look at these black leagues and think of it, why not integrate some of them into major league baseball because they had the ability to play. So this opened up some of these players in the black leagues, and history is replete with stories about what happened in the black league and how good these players were also.

So then the farm teams began to look at baseball, and began to look at the black leagues and they began to bring people up. In the American League, the Cleveland Indians brought up Larry Doby, who was an outstanding outfielder at that time. He became the league's first black player, another opening brought on by Jackie Robinson.

By 1949, 56 black players had been signed by big league organizations. And by 1950, 5 major league teams had been integrated, to just show you the domino effect of a man like Jackie Robinson opening the doors 50 years ago.

By 1953, 7 teams were integrated. And by 1959, every major league baseball team had been integrated. Think of it. This was all because of the efforts, and all because of the persistence and all because of the respect that Jackie Roosevelt Robinson had.

He was liberated from passivity. Robinson assumed a very aggressive role. He was not there just to be a body or just some kind of baseball symbol but he was there to do his very best, to be a leader. He was aggressive, and the Brooklyn Dodgers followed Jackie Robinson. He fought back, not only against opposition base runners but against old patterns of racial segregation in hotels, restaurants, and stadium facilities. At the deepest level of significance, baseball's modern movement began with Jackie Robinson's assertion of himself, not only as a participating player but as an aggressive player on field and off. He could not have done it on field alone, it had to be off.

He not only changed baseball, Mr. Speaker, he changed America. Just try imagining baseball today without athletes of color. They help to make up this sport which is so, I would think, indigenous of our great country. Think of baseball without Henry Aaron, without Mo Vaughn, the current Boston Red Sox player who wears Jackie Robinson's No. 42 as a tribute. That is saying something for Mo Vaughn, to wear Jackie Robinson's No. 42. It is a very large shirt to fill.

In conclusion, Mr. Speaker, this special order has been one in which I have tried to help America understand the significance of Jackie Roosevelt Robinson, particularly black Americans, particularly young black Americans who may not have heard of Jackie Roosevelt Robinson, and how he broke the bounds of color in 1947. It is said that extraordinary lives often reveal extraordinary traits. Jackie Robinson had extraordinary traits. He was born in 1919 in Cairo, GA, the heart of the segregated South. His family migrated to California when he was 4 years old.

This whole legacy of Jackie Robinson is one that we can all take a lesson from. He crammed a whole lot into his 53 years, and he left a legacy of accomplishment. He left a legacy of perfection and accuracy, of acclaim, controversy and influence that has been matched by very few Americans.

Mr. Speaker, I declare that Jackie Robinson performed an historic breakthrough which has helped every American, black Americans included, to really come into what America is all about, and that is equal opportunity for all.

Mr. TAUZIN. Mr. Speaker, will the gentlewoman yield?

Mrs. MEEK of Florida. I yield to the gentleman from Louisiana.

Mr. TAUZIN. I want to thank the gentlewoman for yielding, and I want to congratulate her for this special order and associate myself with her wonderful comments tonight.

☐ 2030

You spoke of the extraordinary person that Jackie Robinson was and what an extraordinary contribution he made to our country and to the more open society that we enjoy today. That legacy continues, as you know, in the beautiful performance just this weekend of a young man named Tiger Woods. The Masters is another great example of breakthroughs in our society. That young man took a moment

to think about those who preceded him and opened doors for him and the grace and skill that he exhibited at the Masters Tournament I think is also a part of that legacy you talked about tonight.

I just want to congratulate you because an extraordinary tribute to an extraordinary man was delivered tonight by an extraordinary woman, and I think this House is grateful for your special order tonight.

Mrs. MEEK of Florida. I thank you for your comments, and we are so indebted to you as well. Thank you very much, so very much.

Mr. Speaker, I yield to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is with great joy and thanksgiving that I rise to pay tribute and recognize the contributions of a great athlete, diplomat, and gentleman, Jackie Robinson.

The American psyche has been filled with the achievements of Tiger Woods as the first African-American to win the Masters golf championship at the ripe old age of 21. Over the last few days I have seen smiles on people's faces of all ethnicities and races who may not share anything else, not even an equal appreciation for the sport of golf, but they love a winner, a young winner no matter what his race; and Tiger certainly gave us that.

Few sports fans in America today can imagine a world of segregated athletics where barriers prevent people of different races from playing together on the field of competition. This was not a policy limited to professional sports. It was the norm of the entire American segregated society, segregated, isolated from the joy that all of us have felt over the last few days at seeing a fresh faced 21-year-old American kid make good.

It is the American dream that our society was robbed of. People barred themselves from fully experiencing the pleasure of untempered excellence on the field of competition.

White-only signs littered the landscapes announcing to all who moved throughout society that there was a line that should not and must not be crossed. However, a colossal event on April 10, 1947 occurred. The sport of baseball helped to change the way America thought about the issue of race. The instrument of change for that day to this was Mr. Jackie Robinson by becoming the first black player to sign a major league contract.

Jackie Robinson was invited across the color line by Mr. Branch Ricky, the Brooklyn Dodgers' general manager. Together they made history. The Boys of Summer, as Roger Kahn's book refers to the Dodgers, made a very mature decision in inviting Jackie Robinson to join them. That decision is one that will affect the whole American society.

Mr. Speaker, they all knew that history was in the making and that some in their society may not be ready for the new day which would dawn the first time a Negro player joined a professional, formerly all-white team.

I would like to congratulate the Houston Astros today, on April 15, for they will honor and commemorate with the entire community in Houston Jackie Robinson Day. I am told that, as I speak, throngs and throngs of inner-city young people will be going to the Astrodome to recognize Jackie Robinson and as well to understand that baseball can be more than a sport, it can take and be an opportunity to bring all together.

Unfortunately, they were all right that time when they spoke about this whole tragedy of segregation. The first game that Jackie Robinson played professionally at Ebbets Field after his name was called and he joined the other players on the field, the fans did boo him. His new friend, Pee Wee Reese, captain of the Dodger team, went over to Jackie and placed his arm around his shoulder. Spontaneously, it seemed, the rest of the team followed suit by huddling around Robinson and making it clear to all that he was a Dodger today, yesterday, and tomorrow through and through. That is the spirit that will be in the Astrodome tonight with all of the young people from our inner-city and the 18th Congressional District with our owner as well, Drayton McLane, celebrating, commemorating the first person who broke the color line in baseball.

Jackie Robinson was on the field as the first statement on affirmative action, 27 years before it became a public policy goal. It was good then, it is good now.

The pitchers did not throw slower fast balls or straighter curve balls when Jackie Robinson went to bat. He earned every one of his runs to home base. Most of all, Jackie Robinson was a gentleman. He was someone who believed that he could show better by his actions than he could by using contrary and adverse actions to rebut those who would be racists.

On June 24, 1947, Jackie Robinson stole home base against the Pittsburgh Pirates, helping the Brooklyn Dodgers to win 4 to 2. On October 6, 1949, Jackie Robinson scored the only run in the Dodgers' 1 to 0 victory over the New York Yankees in game 2 of the World Series. And on April 23, 1954, Jackie Robinson stole home on the front end of a rare triple seal, helping the Dodgers to a 6 to 5 win over the Pittsburgh Pirates.

□ 1915

Jackie Robinson, with his talent, communication skills, and grit, spiced with determination, proved that indeed an African-American man had the intellectual capacity, physical capability, and spiritual fortitude to meet all challenges put before him on the field of competition. I believe that Tiger Woods, as he should have, has paid homage to the great Jackie Robinson for making that first step of American society, for without Jackie Robinson there may not have been a Tiger Woods. Jackie Robinson, we appreciate and thank you for your efforts on all of our behalf.

I heard one commentator who said that Tiger Woods was on capability what Jackie Robinson was on politics. Both of them were on capability, both of them stand as great Americans. I pay tribute to Jackie Robinson because he first opened the door to make America great.

Mr. Speaker, with joy and thanksgiving, I rise to speak on this special order offered in recognition of the contributions of a great athlete, diplomat, and gentleman—Mr. Jackie Robinson. And I would like to thank Congresswoman CARRIE MEEK for organizing this special order.

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They all knew that history was in the making and that some in their society may not be ready for the new day which would dawn—the first time a Negro player joined a professional formerly all white team.

Unfortunately they were all right. The first game that Jackie Robinson played professionally at Ebbets Field after his name was called and he joined the other players on the field, the fans booed him.

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I believe that Tiger Woods, as he should have, has paid homage to the great Jackie Robinson, for making that first step for the American society.

For without a Jackie Robinson there would not be a Tiger Woods.

Jackie Robinson we appreciate and thank you for your efforts on all of our behalf.

Baseball player Ed Charles wrote a poem about Jackie Robinson:

He ripped at the sod along the base path, As he ran advance of a base. On his feet were your hopes and mine. For a victory for the black man's case. And the world is grateful for the legacy, which he left for all humanity. Thanks, Jackie, wherever you are. You will always be our first superstar.

Mr. TOWNS. Mr. Speaker, today I am proud to rise and pay tribute to a great man who not only contributed to the sport of baseball, but one who contributed to all of humanity. In both instances, the late great Jackie Robinson prevailed and taught the world an important lesson; if given the opportunity any man can excel to the greatest heights.

Jackie Robinson was many things to many people. As father, husband, writer, political activist, military man, and of course, baseball player; Jackie did it all with ease, dignity, and respect. Jackie not only challenged the gentleman's agreement of segregated baseball, but he also won a court-martial case for refusing to sit in the colored section of an army bus when he was transferred to Camp Breckenridge in Kentucky where he later received an honorary discharge.

The love of his country kept Jackie determined to be the best that he could be. In 1947, he signed for $5,000 to play for the Brooklyn Dodgers baseball team where he led the National League with 20 stolen bases.

As we celebrate this great man, I personally had the opportunity to witness the unveiling of a roadside sign renaming the Interborough Parkway in my congressional district, the Jackie Robinson Parkway in honor of the 50th anniversary of his first major league game. This tribute is well deserved for a man who in his 10 years with the Brooklyn Dodgers helped them to win six pennants, to finish second three times, and to never finish worse than third.

Jackie Robinson rests at the Cypress Hill National Cemetery, in the 10th Congressional District in New York; we will continue to celebrate his life by breaking racial barriers and settling our own records of achievement.

Mr. CONYERS. Mr. Speaker, 50 years ago today, Jackie Robinson played first base for the Brooklyn Dodgers. It was the first time that a black baseball player took the field with a major league baseball team in the modern era. Although he did not get a hit in four trips to the plate, he did score the game's winning run. But most importantly, Jackie Robinson paved the way for thousands of athletes to follow and gave dignity to millions of African-Americans as they struggled in a society where segregation was institutionalized in its laws and customs.

Robinson did more than just break the color barrier in major league baseball. He excelled at, and helped redefine, the sport. He was named Rookie of the Year in 1947 and had a lifetime batting average of .311. Although he played only 10 seasons, he hit 137 home runs, drove in 734 runs, and stole 197 bases. In 1949, he was named the league's Most Valuable Player, and beginning in 1949, he was elected to six consecutive all star teams.

And what makes Jackie Robinson's baseball accomplishments all the more remarkable is the fact that many inside and outside of baseball tried their best to ensure Robinson's failure. Pitchers threw at him, runners spiked him, and opposing teams shouted racial taunts at him. Crowds booed him and sportswriters vilified him. But all of this only strengthened Robinson's resolve to prove himself on the playing field. And prove himself he did.

But I don't want to focus solely on what Jackie Robinson did on the baseball diamond, because his off-field activities and accomplishments are what made Jackie Robinson a truly remarkable individual. Given the racial abuse Robinson endured as a player, it would have been perfectly understandable for him to not get personally involved in the civil rights struggle of this country. He could have viewed his breaking the color barriers as his contribution to the African-American struggle. But as Robinson said in 1964, ''Life is not a spectator sport. * * * If you're going to spend your whole life in the grandstand just watching what goes on, in my opinion you're escaping your life.''

So after he left baseball, Robinson continued to fight for the rights of all Americans. He preached the message that racial integration and equality would not just improve the lives of African-Americans, it would enrich the Nation. ''Negroes aren't seeking anything which is not good for the Nation as well as ourselves,'' Robinson once said. ''In order for America to be 100 percent strong—economically, defensively, and morally—we cannot afford the waste of having second-and-third class citizens.''

Every American President who held office between 1956 and 1972 received letters from Robinson expressing his concerns about their failure to advance the cause of civil rights as forcefully as possible. He made no regard to party affiliation—Democrats were just as likely as Republicans to hear from Robinson. Robinson was unapologetic about his political efforts:

> Civil rights is not by any means the only issue that concerns me—nor, I think any other Negro. As Americans, we have as much at stake in this country as anyone else. But since effective participation in a democracy is based upon enjoyment of basic freedoms that everyone else takes for granted, we need make no apologies for being especially interested in catching up on civil rights.

So as we reflect on the 50th anniversary of Jackie Robinson's debut in major league baseball, let us also reflect on what Robinson fought for off the field. African-Americans still are under represented in many segments of our society, from the front offices of major league baseball to corporate boardrooms to the U.S. Senate. Black babies still are more likely to die than their white counterparts and black motorists still are more likely to be stopped by the police.

And let's not be patient in our fight for justice and equality. Robinson realized that official calls for patience were really calls for inaction. After President Eisenhower, addressing an audience at the summit meeting of negro leaders, urged patience, Robinson wrote President Eisenhower, saying:

> I respectfully remind you sir, that we have been the most patient of all people. When you said we must have self-respect, I wondered how we could have self-respect and remain patient considering the treatment accorded us through the years. 17 million Negroes cannot do as you suggest and wait for the hearts of men to change. We want to enjoy now the rights that we feel we are entitled to as Americans. This we cannot do unless we pursue aggressively goals which all other Americans achieved over 150 years ago.

There is much still to be done in the civil rights struggle. So let us follow Robinson's advice and be vigilant and aggressive in our fight.

Mr. GILMAN. Mr. Speaker, I rise today to pay special tribute to the legacy of Jackie Robinson, whose monumental breaking of the color barrier in Major League Baseball 50 years ago we are celebrating this spring. I would like to thank the distingusihed gentlewoman from Florida, Congresswoman CARRIE MEEK, for sponsoring this special order.

As many of us will recognize today, Jackie Robinson's imprint on this Nation has been far-reaching, not only as a prominent African-American but also as a man who deeply cared about the importance of integration and improved race relations in this Nation.

Jackie Robinson was a man of great courage and character, two traits which he showed when he received the call from Brooklyn Dodger President Branch Rickey and made his debut for the Dodgers in 1947. Despite withstanding the taunts and ill-will of many fans and players alike, Jackie proved his mettle and earned the Rookie of the Year Award. Over the course of 10 seasons in the big leagues, Jackie amassed a lifetime batting average of .311, and led his league in batting in 1949 and won the National League's Most Valuable Player Award in 1949. In 1962, he was inducted into the Baseball Hall of Fame in Cooperstown, NY, becoming a member of baseball's most distinguished fraternity.

While Jackie Robinson will forever be remembered as a Hall of Fame ballplayer, his strongly held convictions and advocacy of civil rights and improved economic opportunities for African-Americans sets him apart as one of our Nation's outstanding citizens of all time.

Mr. SCHUMER. Mr. Speaker, today all of my colleagues from Brooklyn joined me to introduce legislation awarding a Congressional Gold Medal to Jack Roosevelt Robinson.

The legislation cites Jackie Robinson's ''enduring contributions to racial equality, athletics,

business, and charitable causes'' as the ample justification for this honor. But he would deserve 10 gold medals just for his most famous act.

On April 15, 1947, Jack Roosevelt Robinson changed America forever. All he did was walk out onto the grass of Ebbetts Field to play a game for a few hours. But those few steps were as important in our history as the moonwalk.

Like the moonwalk, Americans old enough to remember know just what they were doing that day.

And the courage he showed was just as great as the courage of those astronauts.

From the moment Jackie Robinson integrated baseball, he began to integrate America too. The next year, the Armed Forces were desegregated. The Nation's schools followed a few years later.

The last time Jackie Robinson stepped to the plate in 1956, America was a very different place—and it was on its way to even greater changes in the near future.

The path was never easy, but finally our Nation was forced to confront the legacy of racism and the challenges of creating a truly united country.

For Brooklyn, that day in 1947 is an especially treasured moment. We are bursting with pride that Jackie Robinson made history right here.

But in a lot of ways it makes sense that he took that moonwalk there, because for the 10 years that he wore number 42 for our Dodgers, he was Brooklyn's hero.

And the reason is simple enough: Jackie Robinson captured Brooklyn's heart, because he captured the spirit of Brooklyn. If you are a typical Brooklynite, Jackie Robinson represents your dreams, and your vision of how you wish you could be.

There's so much trite talk today about how modern athletes should try to be better role models for our kids. But Jackie Robinson never seemed to try. He seemed to effortlessly represent all the values that Brooklyn aspires to: steadiness and success, toughness and tolerance, chutzpah and grace.

First of all, Jackie Robinson was an all-time great baseball player. He richly deserved induction into the Hall of Fame, regardless of his role as a racial barrier-breaker.

Jackie Robinson was no token—he earned his status every day where it counted: on the field.

In that first game, on April 15, 1947, he scored the winning run.

In his first season, Robinson won Rookie of the Year, led the league in base stealing, and batted .297.

And he kept up that level of skill for a decade with remarkable consistency.

Most fans know that his lifetime batting average was an impressive .311.

But some don't realize how consistent he was. If you look at his career averages against lefties or righties, in day games or night games, at home or on the road—all these numbers vary from one another by only 16 points.

That kind of steady skill is something the typical Brooklynite always aspires to. We want to be good at what we do, day in and day out—reliable, consistent, accomplished.

If you ask most people around the country, they also think of Brooklynites as tough—and they're right. That's another quality that Jackie Robinson shared in abundance.

He faced taunts and stony silence, brushback pitches and spikings, segregated hotels and even death threats. But none of it ever stopped him.

In his first season, he was hit by pitches nine times. But Jackie Robinson never charged the mound.

Instead, he just kept playing great baseball, and he became a hero.

These are the sorts of challenges and hostility that few of us can imagine. It took unbelievable toughness to withstand the pressure.

But Jackie Robinson had it, and Brooklyn loved him for it. Whenever you feel like you're up against the entire world—and Brooklynites feel that way a lot—you can get through it if you summon up half of his toughness.

That steely determination was matched by another Brooklyn specialty—Jackie Robinson had guts.

On the field, his audacious baserunning made every pitcher nervous and revolutionized the game.

No matter how swift you are, it takes lots of chutzpah to steal home 19 times, as he did.

And it took incredible guts to step forward as baseball's racial pioneer.

He knew the challenges when he signed with the Dodgers. Many other players would have backed away from such a task. But by all accounts, Jackie Robinson accepted the assignment with hardly any reservations.

Finally, Brooklyn is also one of the most diverse places in America. What better place for Jackie Robinson to be a champion of diversity than right here?

The borough is almost 40 percent African-American and 20 percent Hispanic. Three out of ten Brooklynites were born in another country, and 4 out of 10 Brooklyn households speak a primary language other than English.

There have been some infamous, horrible times when that diversity has divided our community in ugly incidents. But much more often, it is a point of pride for Brooklyn.

Jackie Robinson showed us the way to tear down the barriers that divide us, and then to draw on that unity as a source of strength.

He did it before he played ball—as an army lieutenant—when he faced a court martial for refusing to move to the back of a military bus. He did it after he played ball, when he marched with Martin Luther King.

Ellen Roney Hughes, who is organizing this year's special Jackie Robinson exhibit at the Smithsonian, points out how ''his technique of peacefully breaking down the system became a civil rights technique.''

And she's absolutely right.

Jackie Robinson's greatest legacy to all of us—whether we're from Brooklyn, New York or Brooklyn Park, MN—might be the talent, the toughness, and the guts he showed in challenging bigotry with deeds rather than words.

He put it best himself, when he said: ''a life is not important, except in the impact it has on other lives.''

In that case, I'm sure you'd agree that Jackie Robinson's life was among the most important America has ever known.

I urge all of my colleagues to join me as a cosponsor of this proposal, and thus appropriately honor this incredible life with the Congressional Gold Medal.

Mr. SABO. Mr. Speaker, I rise today to pay tribute to Jackie Roosevelt Robinson, who 50 years ago today broke the color barrier in major league baseball.

Mr. Speaker, I am a baseball fan. Whether it's amateur or professional—and particularly when it's Congressional—I have loved the game of baseball my whole life.

Jackie Robinson was one of my earliest baseball heroes, and I was a Brooklyn Dodgers fan because of him. When I was a boy, I remember running home from school to listen to the Mutual radio baseball game of the week, especially for Jackie Robinson and a Brooklyn Dodgers game broadcast.

As a boy, I admired Jackie Robinson as a great baseball player. His achievements in 10 seasons with the Brooklyn Dodgers are still amazing to consider: 1947 National League Rookie of the Year, 1949 National League batting champion and Most Valuable Player, a .311 lifetime batting average, 197 stolen bases, and a 1962 Hall of Fame inductee. For baseball fans, these statistics are a marvel. But, Jackie Robinson's legacy is so much more significant than great baseball.

Today, I admire Jackie Robinson as a great man. He bore the full brunt of racial prejudice during a shameful period in our Nation's history. Robinson was vilified for being the first African-American to play and excel in white major league baseball.

While Robinson's terrific baseball skills soon quieted his racist critics, the experience of being the first African-American to integrate major league baseball was not easy for him. He suffered snubs and insults from players and fans, and endured more than his fair share of runners' spikes and brush-back pitches. But he withstood every test. And, slowly, but surely, more and more baseball fans began to see past the color of his skin and respect Jackie Robinson for the truly great baseball player he was.

Jackie Robinson had a sixth sense about running the bases. He would dance off a base, challenge pitchers and taunt catchers—daring them to do something about it.

''Daring,'' he once said. ''That's half my game.''

Jackie Robinson's daring smashed racial myths of the day and made him a baseball legend in the process. He changed the game of baseball and American society forever—leading the way for other African-Americans who wanted to play. But, more importantly, he defied racial prejudice in America with grace and courage.

Mr. Speaker, Jackie Robinson was a true American hero. We celebrate his baseball talents, but his strength of character and commitment to social justice are what we most proudly remember him for today. He has a special place in our Nation's history—and in my heart.

GENERAL LEAVE

Mrs. MEEK of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order today, a tribute to Jackie Roosevelt Robinson.

The SPEAKER pro tempore (Mr. LUCAS). Is there objection to the request of the gentlewoman from Florida?

There was no objection.

CITIZEN PROTEST OF THE INTERNAL REVENUE SERVICE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Louisiana [Mr. TAUZIN] is recognized for 60 minutes as the designee of the majority leader.

Mr. TAUZIN. Mr. Speaker, tonight we gather in a special order on a special day. Today is of course April 15, the day the tax man cometh, and as I speak Americans across this land are scrambling to reach the post office by midnight tonight, scrambling to fill out those last forms and read those last instructions and those complicated booklets, trying to fulfill their duty as an American and to file their income taxes as required by law.

Tonight I am joined in this special order by my dear friend and colleague from Colorado DAN SCHAEFER. DAN SCHAEFER and I just came back from Boston, MA earlier today. We traveled to Boston, MA, the site of this Nation's birth of freedom for a very special reason on this April 15. Today in Boston Harbor DAN SCHAEFER and I were joined by three of our colleagues who came to Boston and have joined us in support of a very important idea that we wanted the Nation to begin thinking about and to begin debating this year.

We journeyed to Boston, to Boston Harbor, in commemoration of an event that occurred on December 16, 1773 in that very same harbor, and we gathered at the site at Boston Harbor where in fact the birth of liberty, the birth of freedom, the idea of America first came to reality.

In that harbor in Boston, Congressman DAN SCHAEFER and our colleagues literally reenacted that event of December 16, 1773. We got aboard the brig, the Beaver, which is a replica of the original brig, the Beaver, that was there along with two other ships, the Dartmouth and the Endeavor, both of which were there to—I am sorry, the Eleanor, the Dartmouth and the Eleanor, both of which were there docked at the harbor along with the brig, the Beaver, filled in tea shipped in by companies in Great Britain under a monopoly arrangement and subject to a tax on tea that the colonists found great fault with.

As you know, on that fateful evening about 50 colonists, led in part by young Sam Adams and many other patriots including John Hancock and the likes of Paul Revere, gathered together as sons and daughters of liberty meeting at the Green Dragon there in Boston Harbor and determined to resist this foreign taxing power and determined to assert their rights as citizens of this country, citizens of colonial America then to determine their own destiny apart from this power in Great Britain that was determined to tax them without representation.

On that fateful evening, dressed as Mohawk Indians, they docked those ships, boarded those ships rather, and tossed the tea into the harbor in an event that clearly led to Lexington, clearly led to Concord, clearly led to American independence, clearly began the process by which this great Nation was founded, founded on those principles of liberty and freedom and the fact that citizens of this country were indeed masters of their fate, that government would always be their servant.

And so today we gathered in Boston Harbor, new sons and daughters of liberty, gathered there with citizens from across America to declare that on this day we begin the process of debating here in this country, here in this Congress, whether it is time indeed to take on the taxing power of this Government and declare our personal freedom again.

Today we dumped the U.S. Tax Code in a tea box into Boston Harbor in a deliberate protest announcing our decision today to file the Schaefer-Tauzin bill which is the first bill filed along with the one we filed last year to repeal the income tax of America, to abolish the IRS, to repeal in fact all income taxes in this country, including gift and inheritance taxes, and replace them all with simple, straightforward national retail consumption tax.

I am pleased to yield to my friend, the principal sponsor of the legislation, who joined me and our colleagues in Boston Harbor for this demonstration of citizen protest against the U.S. tax system and its taxing agency, Congressman DAN SCHAEFER.

Mr. SCHAEFER of Colorado. I thank the gentleman for yielding, and this truly was an eventful moment, I feel, and four other Members also feel what happened.

Some people have called this a radical move. I call it revolutionary, and if we started the revolution today, I am proud of it. It is going to take people all across this country joining us in this endeavor to get this Tax Code out of our hair once and for all and go to a very sensible tax that we now will allow the American people to decide on how they are going to pay their taxes, not the IRS and not Congress anymore. And I think when we start talking about this from coast to coast, north to south, people are beginning to come aboard.

A year ago the debate had already begun, and since then we have been on talk shows, radio, TV, all of us have, and it is starting to gel, just the people who were there today that were holding up the placards were from California and from Texas and from Oregon and Florida and Arizona and everywhere, and they made a long trip. There was an 88-year-old gentleman who came in from Houston into Virginia, drove 8 hours to get up to Boston.

Now that is dedication.

Mr. TAUZIN. Mr. Speaker, I thank my friend.

Also joining us tonight for this special order is another gentleman who joined us in Boston. In fact he preceded us. He went the night before, he was so excited to be a part of this event, the honorable Congressman from the great State of Georgia, CHARLIE NORWOOD.

Mr. NORWOOD. I thank the gentleman from Louisiana [Mr. TAUZIN] and I am delighted to be here tonight with the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from Louisiana [Mr. TAUZIN], and in fact I have been delighted to be with you all day. It has been one of those exciting and exhilarating days, and I agree with both of you. It was a little part of history today.

As a school boy I always fantasized being one of those Indians that dumped the tea into Boston Harbor originally, and I have to tell you that I thoroughly enjoyed myself today as we made a statement across the country saying that the present tax system will not do any longer; the American people have had enough of it, it is unfair, it is too complex, too complicated, and we need to take a step like we took today in an effort to do the wonderful things we are doing.

I mean, how can you not be for anything that will repeal the corporate income tax, the personal income tax, the inheritance tax, capital gains, gift tax? I mean, how can you not be for that, knowing that we are going to very nicely fund the country on a 15-cent sales tax, and I hope tonight we will talk about this a little bit and help explain to the American people more details in your fine bill.

Mr. TAUZIN. I thank the gentleman, and let me first announce that what we started today was most importantly a debate on the current tax system. Most importantly what we did today was to say to all Americans that you ought to seriously consider and not trivialize, seriously consider whether or not the income tax system that we in this Congress vote on yearly and change every other Congress, the income tax system which is the basic funding mechanism for this government in Washington is a good system for this country or whether it is a bad one; and if it is a bad one, to seriously consider with us a national grassroots effort to educate America and, more importantly, the Members of this Congress and the Senate who are going to make the difference if they vote correctly to one day consider abolishing this system in favor of a better one. That is the first decision we have to talk about: Is the current income tax system good for this country or is it bad for this country?

So I suggest we do that first. Let us have a discussion, if you will, about why the current income tax system is a bad tax system for a country in this century, about to enter a new century in an increasingly globally free trade economy. Is this a good tax system for citizens who are filling out those forms tonight? Is it a good tax system for workers who are out there struggling to feed their families, educate their kids and leave something for their grandchildren and others to enjoy

when they pass away? Is this a good system or is this a bad one?

I yield to my friend from Colorado.

Mr. DAN SCHAEFER of Colorado. I thank the gentleman for yielding very much, and I think when we all do town meetings out there we talk about a lot of different things, but I do tell you one thing. The issue that gets everybody going very, very quickly and very, very favorably is talking about this tax system.

Now they know that when they go and make out those taxes and mail them in today that they should sprinkle holy water on it before they mail it because who knows what is going to happen? There have been a number of polls out. You take your taxes to a CPA. He figures them out. He figures them out, or she figures them out; then you take them to 15 other CPA's, and they will all figure them out different. So who is wrong and who is right? And the IRS will tell you it is a different figure altogether.

There is one thing right there, and, my colleagues, when you get on these talk shows, and the one thing that I continually say is how would you like to take all of that money that was withheld from you in your last check and put it in your pocket, and you could decide whether you want to spend it or save it or whatever you want to do? It is yours. If you consume it, if you buy a television set or if you buy a piece of furniture or a suit of clothes, sure you are going to pay a 15 percent tax. But everything else is gone, and I just say that the American people are the ones who are pushing this one and we have to be the catalyst to make it grow.

Mr. TAUZIN. I yield to my friend from Georgia.

Mr. NORWOOD. Mr. Speaker, I would also like to point out: Is this a good system? I note that I certainly do not understand the Tax Code or the system, and I am not sure that my taxes were right today. I have what I consider one of the best CPA's in Georgia, and he readily tells me, ''Well, I don't understand this tax code, I'm not sure if I have it right. I can call on the IRS and ask them if they know what the system is all about, and they say, 'Well, I'll give you an answer, but I'm not sure if we have it right.' ''

The IRS tried to correct that and purchased a $4 billion computer and after trashing a $4 billion computer they say, ''Well, the computer doesn't understand if we have it right,'' and I am struck by the quote from Albert Einstein: The hardest thing in the world to understand is our income tax system.

Now if Mr. Albert Einstein cannot understand our system—and I do not think we have a lot of Mr. Einsteins over at the IRS—how do we expect the average person in the 10th District of Georgia to have submitted their taxes today without considerable fear?

Mr. TAUZIN. I thank my friend. Let me point out that the IRS tax code, according to editorial IRS, the problem is power of Investors Business Daily, April 11, 1997. The IRS contains now in its code and regulations 5.5 million words, 17,000 pages. It was a pretty hefty chest we throw over into Boston Harbor today. It is so complex that it is a wonder anybody understands it.

In fact in 1986, if you recall, Ronald Reagan offered us a plan called simplified income taxes, and that plan was passed. It reduced the rates of taxation from 14 down to about 2. Well, guess what has happened since 1986 again? Since 1986 this Congress made 4,000 individual changes in that income tax code of 1986. It is now up to five rates and growing daily, and today we are told that Americans have to work on average until May 9 just to pay taxes in America—if they can figure them out and file their forms correctly.

□ 2045

And if the tax, if the tax forms are filed, and the IRS decides that you did something wrong, guess what happens in America? Unlike a Federal court, where you might be indicted and yet presumed innocent until a jury finds you guilty, with the IRS we created, you are guilty until you prove yourself innocent. It is the most un-American system I think we could ever devise in a country that was founded on the principles of liberty and freedom, as our forefathers who gathered in Boston Harbor thought about a country all those years back to 1773.

In short, what we are saying is that the Income Tax Code is not only incomprehensible to most of us and to experts, it has become a burden on our society. In fact, in America, we spend nearly 300 billion of manhours preparing those tax forms.

In the Kemp Commission report filed just recently, last year I think it was, the Kemp Commission reported that the small businesses in America, they will spend $4 for every $1 they send the Government tonight, just doing the paperwork, just doing the records and the procedures that lead to the filing of that tax form.

In short, we have a system that is out of control; we have an agency that is un-American. It is time to seriously consider replacing it with a better system.

I yield to my friend from Colorado.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I thank the gentleman for yielding.

I took the liberty of going back and pulling up the 1913 tax forms. Now, this was a surprise. There were 14 pages of explanations. Now, only 14, my friend from Louisiana, and the forms that you fill out were withholding, deductions, and what you had to pay, three forms. Now, I do not know how many are in that Tax Code, but it was very, very heavy when we lifted them in that one single tea box with that chain around it today.

So what has happened, and the gentleman is exactly right, we go back to that 1986 bill. We have over 8,000 pages now of codifications, rules, regulations, and everything else stuck in there, and I do not know how anybody can figure anything out of what we have.

So that is what is bad with it. It is too complicated. It is just too complicated. That is what we want to do, is simplify it.

Mr. TAUZIN. Mr. Speaker, I will give my friend a better reason why the Income Tax Code that we run this Government with is lousy for every working American.

The Income Tax Code that we run this Government with, that only taxes your income, it taxes your spending, it taxes your saving, it taxes your investments. It taxes your gifts to your children, whether you are alive, or if you are trying to give it to them when you die through inheritance. It taxes you on the same money over and over and over again.

Now, why does it tax you more than once? Let me explain that. It taxes you more than once because once you paid your taxes, once they have been withheld from your paycheck and you go out into the marketplace and try to buy something in this society, if you dare to buy anything made in America, if you can find anything made in America on the shelves of the store in your town, you are going to pay an IRS premium on that purchase.

How much? Economists tell us that the cost of the IRS system, the cost of all of this filing of all of this paper, all of these manhours, all the taxes that are paid by the farmer, the miner, the forester, the manufacturer, the shipper, the wholesaler, the retailer, by the time that box of cereal reaches you at home, so much taxes and cost to the IRS have been applied to the manufacturer of that product that you paid 10 percent to 15 percent more as a hidden IRS cost in everything made in America.

Now, here is the real tragedy. If you buy something made foreign, if you buy an imported product, you do not pay that tax. So guess why we buy so many foreign products in America? Those foreign products coming in in a free trade GATT society come into America without having to pay the income tax load, because the countries where they are shipped exempt them from the VAT taxes they impose at home. Those taxes come in untaxed to America and compete on the shelf with a product made by American labor that bears a 10 to 15 percent hidden IRS tax on it.

We wonder why so many jobs are leaving America. We wonder why so many Americans are buying foreign products, why so many retailers are reaching out across the globe to find products to bring into this country instead of manufacturing them here. We wonder why Pat Buchanan stirred up America, the peasants with pitchforks, to complain about the GATT Treaty. It was not the treaty that was at fault, it was our Tax Code that said in America

we are only going to tax American labor, we are only going to tax American products, we will not tax foreign products coming in.

How do we change that? We cannot change that with an Income Tax Code under the GATT Treaty. We can only change it if we get rid of the income tax and impose a common tax on the purchase of goods made in America and goods brought in, imported into this country.

How serious is it? For every $1 billion that we lose in export trade, 19,000 American jobs are lost; 19,000 Americans are out of work, because our Income Tax Code, for every $1 billion of foreign trade that we lose.

How many of those billions could we attract back to home if we suddenly ended this 10 to 15 percent IRS cost on the products we make in America? How many families could have a job again? How many people could be productive again in this society? How many manufacturers could be hiring people instead of laying people off if we simply had a Tax Code that treated people fairly in America?

In short, we are talking about an Income Tax Code that taxes us when we earn money; it punishes us when we save money, because it taxes our interest earnings; it punishes us when we invest, because it taxes our investment earnings and our capital gains; it punishes us if we buy America; and it rewards us only if we buy something imported into this country, manufactured in some foreign country.

What a lousy Tax Code. Who would want to keep such a Tax Code? Who in this body, given a choice to substitute that Tax Code for one that treated American labor and American products fairly, that taxed both the import and the domestic product equally, like most other countries do, and that send our exports into the world without the cost of the IRS on their back? Who, given that choice, would not vote for it tonight, today?

Well, the truth is, we have a lot of educating to do. We have a big job, starting this day, starting in that Boston Harbor to educate Americans about just how lousy this Income Tax Code is, how depressing it is to the U.S. economy, how it damages American workers, how it literally discriminates against American products, not only in our own market, but all over the world.

A Tax Code like that deserves to get ripped out by its roots, it deserves to get dumped in Boston Harbor, and it deserves to get abolished by this Chamber.

I yield to my friend from Georgia.

Mr. NORWOOD. Mr. Speaker, if the gentleman would yield for a question, because I think he made a very good point, but if he will walk me through it a little bit where I can perhaps understand it a little better.

What we are saying is an end-use consumption tax. That means, for example, the farmer goes out and buys a tractor and seeds, and he pays no tax under our bill. He plants his seeds and produces the wheat. He pays no tax. He ships the wheat to a miller. From the miller it goes to a baker, and from a baker it goes to the retail outlet. All the way along the line now, there has been no tax under our bill. Is that a correct statement?

Mr. TAUZIN. Mr. Speaker, the gentleman from Georgia is accurate. So what the gentleman from Georgia is explaining is the alternative to the income tax, what we describe in the Schaefer-Tauzin bill as a national retail consumption tax.

The gentleman is correct. Under our concept, there is no tax on the income earned by the individual or by the business. There is no tax on any of the processes that produce a product in America. The only time there is a tax is when the product is eventually sold for consumption, and it does not matter whether that product is made in America or imported into this country from foreign lands. When it is bought for consumption in America, our bill would provide a 15-percent retail consumption tax in the place of all those other taxes that currently burden us so badly.

Mr. NORWOOD. Mr. Speaker, is the gentleman saying our consumption tax bill will increase jobs, so if we do the same scenario with a tire, and we get to the point where we are ready to export that tire, that tire then does not have that 15 cents' worth of taxes on it, does it?

Mr. TAUZIN. Mr. Speaker, the gentleman is exactly right. The gentleman is exactly right.

Under the current Income Tax Code, when we manufacture any product, let us take that box of cereal, all the way from the farmer all the way to the retailer, when that product is sold in foreign commerce today, it bears all the costs of the IRS in its price.

That is why it fails to compete when it gets overseas, because guess what happens if you ship it to England? In England they put another tax on it, so it is taxed in England and it is taxed in America. When England sends a box of cereal to America, they exempt that box of cereal from their value-added tax. We do not tax it when it gets here, so it comes in tax-free.

In short, our products are at a great disadvantage with our Income Tax Code, and, in short, if we changed it to what the gentleman from Colorado, [Mr. DAN SCHAEFER] and I have recommended, that box of cereal would enter the market in Great Britain, let us say, without a single IRS tax on its back. It would get the VAT tax when it got there, but it would compete fairly against the English box of cereal that also had a VAT tax on it. In short, we would equalize our products in the marketplace, establish a fair playing field in exports, and we would create American jobs the likes of which we have not seen in decades.

Mr. NORWOOD. Mr. Speaker, what happens to the box of cereal produced in England then that is shipped to our country for sale?

Mr. TAUZIN. If it is produced in England and shipped to America, the value-added taxes that would be imposed in England are exempted. They are actually rebated back to the producer, and that box of cereal enters America without the value-added tax on it, and it sits on the shelf right next to the box of cereal that was produced in America with all of those income taxes on it. So one has a 14- to 15-percent disadvantage. Which one is it? The American product.

The same thing is true when we send that box of cereal to England. It carries that 14 and 15 percent IRS tax on its back, and it gets the English value-added tax on it, and it sits on the shelf next to the English product that only has a value-added tax. Guess who suffers a disadvantage? The American product again.

So when Pat Buchanan was running around complaining about how free trade was damaging American workers and sending jobs overseas, he was right, but the real culprit is not the GATT Treaty, the real culprit is our tax laws which penalize every worker in this country, every American product, whether it is sold domestically or in foreign lands.

Mr. NORWOOD. Mr. Speaker, the gentleman from Louisiana makes the point here then that if we go to the consumption tax, we have almost a 30-percent spread in products that will be produced in this country going our way. That is what you mean by, it will increase jobs in this country, because we are better able to compete; therefore, we will have more jobs in this country.

Mr. TAUZIN. Mr. Speaker, the gentleman is right. We do not have to penalize ourselves in a free trade global environment. What we ought to do is treat ourselves as well as we treat any foreign product, but we do not. We penalize ourselves at home, and then we penalize our products when we sell them abroad, and the penalty is 20- to 30-percent.

Now, I would ask my colleague to tell me how, with a 20 or 30 percent penalty, America cannot see its jobs continue to fly overseas and why, if we could get rid of that penalty, those jobs would come back home.

I yield to my friend from Colorado.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, the gentleman mentions in a couple of cases with this box of cereal, and I think it is very, very important that the American people understand, this is not a value-added tax. A value-added tax is a terrible way of taxation. All along, every time a product changes hands, there is a new tax added on it. This is not a value-added tax.

The second thing that is wrong with this system that we have is this lousy inheritance tax that is out there. People work all their lives to build a farm or a business or whatever it is, and

they want to finally give it to their children. The IRS steps in, takes 50, 60 percent of that hard-earned money that people have labored over.

Mr. TAUZIN. The gentleman forgot a step. It is hard-earned money that they have already paid taxes on.

Mr. DAN SCHAEFER of Colorado. That is exactly right.

I want to make one other point, and the gentleman from Louisiana already has, and this is bringing jobs in.

□ 2100

If we look at the people in this world, and we have talked to them, who are international marketeers, they say, do you realize what would happen if you passed a piece of legislation like this? Manufacturers in foreign countries would say, we can come over here, build a factory, create jobs, turn around and export, no taxes. But, the important thing is that we are creating a lot of jobs, and that is all good for the American economy.

Mr. TAUZIN. Mr. Speaker, I think we have concluded and we should all conclude that the American income tax system is far more complicated than we could understand. Even Albert Einstein could not understand it. But it has reached a point in this historical setting where it has been amended and tinkered with so many times that it gets more complicated every time we see it; that it has become so incomprehensible that Americans tonight, I am sure, are struggling to fill out all those forms, as we struggle every year; that April 15 has become a day of tyranny in this country, a day in which we indeed wanted to celebrate the birth of our Nation's freedom in Boston Harbor by declaring that today we begin the process of educating Americans and the Members of this body on why the income tax is terrible for this country, and why we ought to seriously consider repealing it, removing it, and substituting an alternative in its place.

We are not alone. We are not alone. There are many others who are joining in as cosponsors. Let me tell the Members the wonderful truth. The wonderful truth is that the person in this House most responsible for writing tax policy, the chairman of the Committee on Ways and Means, the honorable gentleman from Texas, [Mr. BILL ARCHER] is a supporter of this concept. He is a driving force behind all of our efforts to talk about repealing the United States Income Tax Code and the IRS and replacing it with a better model, one that works better for America and for every worker in this country, every family, every income earner.

The gentleman from Texas, the chairman of the Committee on Ways and Means, today has started that process of examination. We hope that over time, as more and more Members become knowledgeable about how rotten this system is, and how there are better alternatives out there, then perhaps one day we can have a vote in this Chamber, the kind of vote I earlier described, where as patriots, new sons and daughters of liberty, we do in this Chamber what we illustrated could be done in Boston Harbor, we dump this income tax system and replace it with a much better, simpler, flatter rate system that Americans can live under with dignity and pride and a full exercise of the freedoms that those patriots so dearly fought for way back when our country was first thought of.

Mr. Speaker, I yield to my friend, the gentleman from Georgia [Mr. NORWOOD].

Mr. NORWOOD. Mr. Speaker, just a couple of thoughts, and what we might discuss. If we find this consumption tax bill is law and people are able to save once again, they are not penalized for doing so. In other words, their compounding of their money is not taxed, and they would have great incentives to save. If our saving dollars increased in this, I think it is pretty reasonable to suspect that interest rates come down.

The other part of this bill that I think is so important that will prepare us for the 21st century is that people will have an incentive to invest in plants and factories and stores, because if they should happen to make a profit, they get to keep the profit, not send it all to Washington, at least until it is consumed. That, to me, is the answer for the 21st century as we compete with China and Asia and different parts of this globe, is give our own people incentives to build and invest, so we build our own plants and factories.

Is that not what the gentleman's consumption bill is trying to do?

Mr. TAUZIN. Mr. Speaker, the gentleman is abundantly correct. Let us talk about this alternative now. Let us talk about several alternatives that people have talked about to the United States Income Tax Code.

We have heard a lot about the flat tax. It was proposed, of course, in the Presidential campaign by Mr. FORBES, and our colleague, the gentleman from Texas [Mr. ARMEY] has a flat tax proposal before this body. The flat tax is simply a flattening of all the IRS rates, the five rates we currently have, into a single flat rate. It also imposes a single flat rate on all businesses. I think it is a 17 percent, in that bill, on individuals, a 20 percent on businesses. So it is a vast improvement upon the current complex code.

Is there a problem with that alternative? Yes; the problem with that alternative is that the 17-percent rate has to go up considerably when we start providing the necessary deductions for the home mortgage interest, perhaps for medicine and other things. The bottom line is that the real problem with the flat rate proposal is that it is still an income tax, and an income tax is an income tax is an income tax. It can become a fat, complicated tax after a few congressional sessions.

Most importantly, it is still a double taxation system. It taxes personal income once when you earn it, and it taxes your spending on American products again, because it includes that 20 percent tax on American manufacturing and business. It is not a tax that is equally applied to foreign imported products. So it again discriminates against the American workers and the American product. So while it is an improvement over the current tax and the current income tax structure, it is not yet the best answer.

So what is the best answer? I am not sure what the best answer is yet, but I will tell the Members what the best answer we have come up with so far, in my opinion, is: It is the Schaefer-Tauzin bill.

What we have proposed in this bill is the complete elimination of the income tax, both on individuals and on businesses; the complete elimination of income taxes on savings accounts; the complete elimination of income taxes on capital gains and other investments; the complete elimination of taxes on gifts to our children, to charities, to anything; the complete elimination of taxes on inheritance, the kind of gifts we make to our children when we eventually pass away and want to leave them something which we have tried to build for them during our lifetime; and, finally, it is a tax that will apply to both domestic and foreign products.

How do we do it? We do it by substituting all of those taxes that we repeal with a simple 15-percent tax on the final purchase for consumption in America of products and services.

How does that work, and why did we come up with 15? We came up with 15 percent because, according to the National Taxpayers Union, 12.9 percent on goods and services consumed in America produces the same amount of money that the current income tax code produces, along with gift and inheritance taxes and a host of excise taxes, which we also repeal.

At 12.9 percent, in other words, we could make this Government whole. It would be revenue-neutral. A 12.9-percent retail consumption tax would produce the same amount of money that the current taxes that I have described produce as a group.

Why have we chosen 15 percent? We chose 15 percent because we thought it was important in a national retail consumption tax to do several things which were critical to our society.

First, we wanted to make sure that no one who earned income below the poverty line would be adversely affected by a retail sales tax. So at 15 percent, we have enough money collected so we can reduce FICA taxes for all citizens on their earnings up to and including the poverty line for their family.

In short, we have taken the regressivity argument away. We have taken away the argument that this sales tax proposal will adversely affect those who earn below the poverty line. In fact, we hold people below the poverty line, in fact, all the earners, completely harmless from the effect of the tax on poverty-earned income.

Second, the 15 percent helps us to fund two important features of the bill. One is a continuation of the exemption of the home mortgage interest deduction, critical to a society that favors the purchasing and ownership of homes, in a society where family life and families are critical.

We have also continued in this bill the exemption for moneys spent to purchase an education, for training and education, because we consider this just as we would consider purchases made to produce products, as part of the cost of being productive in our society.

So at 15 percent we take care of the educational expenses of being a productive society, we take care of the home mortgage interest deduction, and we protect income below the poverty line, and yet we still produce, with the retail consumption tax, the same amount of money that the current income tax system produces to run this government, along with all the other taxes I mentioned: taxes on gifts and taxes on inheritance, taxes on capital gains and corporations in America.

In short, we provide in this bill, which will become, very soon, H.R. 2001, we provide the complete elimination of this income tax which so burdens America tonight, the abolishment of the IRS, and a simple, flat retail consumption tax that is fair to all Americans and that will increase the productivity of this country, and create for the first time parity, equal treatment, for American jobs, American labor, and American products in this import-export free market world.

Is that a better alternative? I suggest it definitely is, but if Members have a better one, if they have an alternative that is even better than this one, we are anxious to hear it.

What we wanted to do in Boston Harbor today, CHARLIE, was to begin this debate; to get Americans to focus tonight, on this awful day the tax man cometh, on whether or not we, as sons and daughters who have inherited this enormous land of liberty and freedom, are willing, indeed, to tackle the difficult job of dumping this American income tax system and replacing it with one that is fairer and better for our country and better for our economy.

Is that worthwhile? Is that worth doing? I suggest to the Members that it is. I suggest that this alternative, the Schaefer-Tauzin retail consumption tax for America, is a much better alternative than any one you will hear about, any one you will read about, that I know of. If there is a better one out there, I am anxious to find it.

Mr. Speaker, I yield to the gentleman from Georgia.

Mr. NORWOOD. Mr. Speaker, I want to talk about the price of goods that could occur under the consumption tax.

Presently, if a loaf of bread is a dollar, we have to generally earn $1.28 to go buy that loaf of bread. Now, under the consumption tax bill, we are going to eliminate 30 cents of that dollar that is in the process of getting to the loaf of bread that is in taxes that companies and farmers and retailers and millers normally pay, as well as the compliance part.

What, I would ask the gentleman from Louisiana [Mr. TAUZIN] is going to happen to the cost of bread when you eliminate that 30 cents out of the dollar?

And I just use one example here. It is true in gasoline and many other products. But what is going to really happen to us now with that cost of bread when you take out 30 percent of the cost?

What do we think that the American citizen would end up paying then for that same loaf of bread that previously they had to earn $1.28?

Mr. TAUZIN. Well, let us start out with the notion, CHARLIE, that every citizen that buys that loaf of bread suddenly has more money to buy it with.

I want you to look at your tax statement or look at your pay stub this week. Look at how much money is taken out in withholding taxes from your pay stub. I would like everyone in the chamber to do that. Look at the amount of money that you finally got as your salary. Look at how much money the Government took before you even saw your salary in the form of withholdings, and imagine tonight that instead of the Government withholding that money from you, imagine it all came to you, that you had all those withholding taxes now to spend to buy that loaf of bread. You would have a lot more disposable income in your pocket as a family to buy that loaf of bread.

Second, the gentleman is right, when we repeal the income tax effect on products produced in America, we reduce that cost significantly. And if the cost of the income tax system is 15 or 30 percent of that loaf of bread, in a competitive marketplace, what quickly happens is that bread competitors, all of whom want you to buy their bread, start competing against one another; and because they have a big margin now with profit to work with, they tend to lower their prices to attract customers away from one another.

So, in the normal course of events in the competitive marketplace, prices begin to fall, prices of American products begin to come down in our society. And as those prices come down, you have more money to buy those products with and you pay that 15 percent sales tax when you consume it, you are much better off than in this current system where you are paying taxes on your incomes paying for much higher products in the marketplace, and then also having to pay taxes on the interest earnings or the gifts or inheritance taxes that may come from whatever money you have left after you get through saving what little you can save in this society.

In short, prices under our bill are likely to come down, are likely to moderate as competition weeds out this excess profit and as consumers take advantage of prices and competitors in a marketplace where costs are coming down instead of going up.

Mr. NORWOOD. Mr. Speaker, today being tax day, everybody has at least a copy of their returns in their hand. Perhaps they still have their returns. But today might be a good day to look at what happened in last year's tax bill and compare it to what might happen under our consumption tax bill.

I mean, would you not take your income, and then from that income you would deduct any state or local taxes that you paid, you would be able to deduct from that income the amount up to the poverty level because that is exempt, I think it is $15 or $16 thousand, any money that you might set aside out of that income for savings that would be deducted; and you simply multiply 15 percent times what is left.

And I think it would be a neat exercise for every American in this country today to look at their tax bill today and see what the difference would mean to them and their families if we were doing a consumption tax in this country as opposed to income tax.

Did I leave anything out?

Mr. TAUZIN. Mr. Speaker, the gentleman left one thing out, the thing we just talked about, the fact that not only will that tax bill come down, every American at every income level does better under this plan, but the fact that the cost of American products also come down simultaneously.

Mr. NORWOOD. I think we can show a difference even if you say the cost will not come down, but we all know it will.

Mr. TAUZIN. Even if the cost did not come down, Americans would come out better.

I am often asked, what about Americans who are not earning an income? What about Americans who are retired?

First of all, most retired Americans are earning an income. They are collecting money that taxes were delayed upon and later on taxes are collected upon, pension incomes, what have you. All those taxes on that income are repealed under our bill.

□ 2115

So that seniors who have taxes due on money that have not paid taxes yet, that are scheduled to pay taxes later, those taxes are repealed under our bill.

The Social Security tax, the tax on Social Security earnings is repealed under our bill. The taxes earned in money markets or investments made by seniors for their later years are repealed under this bill. Most importantly, most seniors who are under Social Security or other subsidy programs, pensions, have COLA adjustments to protect them against any impacts this tax may have upon the price of anything. We think prices are going to go down but if they do not, CPI adjustments take care of that.

In short, we think every income category from those who retire all the way to those who are earning in our society at full levels are going to be better off under this bill. And I invite Americans to do the exercise you talked about, look at what taxes you paid this year. Look at what taxes you paid under this income tax system. And look at what happens under this bill. If you need a copy of the bill, call our office or contact us here, we will make sure you get a copy. Examine it to see whether or not you are not better off under this bill.

My idea is that you are going to find out you are not only better off, you are much better off. You do not have to keep forms anymore. You do not have to keep records anymore. You do not have to worry about the IRS audits anymore. You do not have to worry about April 15 anymore. You do not have to file any forms.

You decide how much taxes you pay by deciding how much spending you do above poverty for things you want. You decide how much taxes you will not pay by deciding to save or invest instead that money. You are masters of your own fate.

This Government, this Congress is no longer telling you how to live, what to save, how to spend. It is not saying who is going to get a tax break and who will not. From now on under this proposal there is a simple rate. You decide how much you want to pay by deciding how much you want to spend instead of saving or investing above that poverty line.

If you live below the poverty line, the bill protects you from the effects of this tax. You get all the benefits of lower prices and no income tax and you are protected from the effects of the sales tax. You are much better off if you are retired, as explained. I think you are better off, too.

Let me tell you why America is better off. We are down to three people working in this country for every two people who are retired under Social Security. You wonder why Social Security is looking like it is going to be in trouble as we turn the century? You wonder why Medicare is going bankrupt in this society?

We have got fewer and fewer workers supporting an aging population. That is a prescription for problems. That is a prescription for disaster. How do you change that? You change that by having more workers in your society, by encouraging jobs back into your country.

How do you do it with an income Tax Code that breaks the back of anyone who wants to make anything in this country, that penalizes you at 10 or 15 percent against any product imported into this country? You change it by repealing that Tax Code and by substituting in its place a Tax Code that gives American products not a disadvantage but a real advantage in our marketplace and every export marketplace.

Do you know what you do then? You start creating three and four and five workers for every retired American. And do you know what you do then? You stabilize Social Security and Medicare. You protect seniors in the future in a way that we cannot even think about protecting them today as we squabble over trying to balance the budget and save Medicare from bankruptcy.

In short, changing the Tax Code is the best prescription for putting this country back on a growth economy where workers are protecting their seniors with contributions to pension funds and Social Security systems and Medicare trust funds.

In short, this is the best medicine I know for America. On April 15, when we are all suffering because of this income tax system, when we are all suffering through having to meet these deadlines, this is the best prescription to make us well again. This is the best prescription to make this country strong again, to grow it again, to create the jobs every day we are sending overseas and to bring them back to America where this country can be strong. Is this worth debating? You betcha. Are we serious? You betcha. Do not dare not take us seriously.

We are finally in this Chamber debating the real question of whether or not we are going to keep this income Tax Code or repeal it. What a wonderful day. What a wonderful start in Boston Harbor. What a wonderful night it will be when we stand in this Chamber one day and we get a chance to put our cards into those voting machines and actually vote on repealing the IRS and abolishing the income Tax Code for America and giving us a Tax Code that works for us instead of against us.

Mr. Speaker, I yield to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. Mr. Speaker, our time is coming to an end. I agree with the gentleman. It has been a wonderful and exciting day. I have been so pleased and honored to participate in that project.

But in summary, I would simply say that our present tax system, and all Americans would agree, is simply too complex. It is too difficult. In addition to that, we spend way too many nonproductive hours in this country trying to prepare for taxes, trying to avoid taxes, just being caught up in the whole taxing system that this Congress for years has used to slowly but surely take away individual freedoms.

I know, and I have not been here long, but I know my life often is driven by the Tax Code and what is done here in Congress to try to get me to do this or go that way, and to me it simply is taking away freedoms.

In addition to that, the system is simply unfair. We have thousands and thousands of dollars tied up in a cash economy, not to speak of the money that the drug dealers do not pay at all in any kinds of taxes. Most Americans say today that they feel they are paying more of their hard-earned money than they really wish to pay for Congress. Yet tonight we sit here and we talk about a great opportunity to change our tax system and go to a very simple system that will increase and improve jobs in this country.

It is going to let every American have more money in their own pocket, not because they are not having to pay so much up here, but because prices in this country can come down. And think how wonderful it is to think that April 15 could be just as fine a day as July 15. I mean that alone is worth a great deal of effort.

What about the growth that you are talking about in our country and the investment that is going to occur when we quit penalizing capitalists. That is what we are, are we not, we are a capitalist country where people invest their dollars and hope to make a profit. And they do not want to make the profit for the Federal Government or either the banks. And we are talking about lowering the interest rate so people can keep more of their money. Then maybe more than anything else, we are talking about personal freedoms, and this bill gives us an opportunity to control our own lives without 535 people in Washington telling us what to do from the minute we get up to the minute we go to bed, not to speak of the 125,000 IRS agents out there that are constantly observing to make sure that we do all the things that they want us to do.

I hope the American people will take this very seriously. And if they believe in what we are doing or if they want more information or if they need to talk to their Congressman or Congresswoman or their Senator, just send them a tea bag. Just send them a simple little tea bag saying, yes, I want to change the tax code as we know it today. They do not even have to write them a note. They are going to know what they mean. They are going to know that they want an alternative taxing system to the present unfair system.

It has been a great pleasure and a great honor to be with the gentleman from Louisiana [Mr. TAUZIN] today.

Mr. TAUZIN. Mr. Speaker, I thank the gentleman. I want to thank him for accompanying me and our colleagues to Boston and for being such a great voice on this issue tonight and, I am sure, as we go into future debates on it.

I think you have really set the tone for us to conclude this special order because you talked about personal freedoms and liberty. That is what Boston Harbor was all about, and that is what this debate is all about.

Congress is not going to repeal the income Tax Code easily. The income Tax Code is where the power in this place exists. It is where we reward our friends, punish our enemies, play the class warfare games. Give a tax credit to this group and take it away from this group. Reward you today; take it away from you tomorrow, 4,000 changes since 1986 alone.

Congress is not going to give up this power easily. What we are talking about is giving power back to the American people by abandoning this system where Government in Washington tells us how to live and where you instead would make the decisions in your own life by deciding how much taxes you pay dependent on how much you spend as opposed to how much you save and invest.

And I think it is important, as we think about that notion of freedom and liberty, to again remember the contributions of those early patriots. Paul Revere met the night before the Boston Tea Party at the Green Dragon with his friends. He met knowing that what he was going to do the next day would be considered treason by the British.

I want to tell you what that meant for these men. For treason a man could be hanged and then revived, this is awful, have his guts drawn from him like a chicken's and be cut into four quarters to be hung in the drying wind and sun. This is awful but I quote it only because that is the risk those patriots took in Boston Harbor, December 16, 1773. They risked their lives, their liberty, their personal fortunes to make a statement that this place, which eventually became America, was a very special place on earth where people counted first, where they were the masters and government was the servant, where a taxing authority had to answer to them, where their family and their futures were more important than the wishes and whims of a government authority somewhere far away.

So they entered those ships that next day and dumped that tea into the harbor, covered with paint and war paint, dressed like Mohawk Indians. They did it to protect themselves from discovery. We found out later who many of them were.

Today, as we met in Boston Harbor, we did not have to put on war paint and dress up like Mohawk Indians. We went as citizens of this country, some of us Members of this Congress. We went as citizens in front of the cameras, proud to show who we were in a country where our freedoms and liberty have already been protected for us by so many who have given their lives for us to have that chance today to stand in Boston Harbor and to demonstrate against this Tax Code.

And today I think it only fitting that we remember them, that we were able to stand in that harbor and stand on that boat and throw the U.S. income Tax Code into the Boston Harbor in our protest today without having to be covered with war paint because we have inherited a country of freedoms and liberty.

If we are true stewards of that wonderful inheritance, if we are true sons and daughters of freedom in this country, do we dare less than enter this debate with the same kind of fervor and commitment that those early patriots gave to the effort? Do we do less than preserve for every American that sacred gift of freedom and liberty handed down to us?

Can we do less than urge Americans to join with us in a new revolutionary spirit to become new sons and daughters of liberty in this great society and to demand that this Government in Washington stop its burdensome tax practices that hurt so many American workers and so many American families and abolish an income tax system that is not right for this country, that is abundantly wrong for us, and to substitute in its place a simple, fair, flat rate that Americans can live with and that we can grow with and that we can expand our personal freedoms and liberties rather than seeing them constantly contracted by constant revisions and adaptations of that awful code?

Tonight on this tax day, we call upon this body to begin the deliberation, to begin the discussion and to take on the task of preserving and enlarging those liberties and freedoms that those men and women in Boston Harbor put on the line for the rest of us who have followed them.

Earlier tonight we heard a special order about Jackie Robinson and the enormous contributions he made to opening up this country. It is fitting that we always look back at those who sacrificed for the rest of us. For every American tonight suffering under this income tax system that is oppressing this Nation and oppressing every job and every worker in this country and every family who is struggling to survive as jobs continue to leave our society to go to foreign shores, for every one of us, we look back upon those patriots with admiration. And we look upon their efforts as in some way urging ourselves to begin to emulate them, thinking of how we can perfect those liberties and those freedoms.

I suggest to you tonight the most important contribution we can make to the continued success of this country and to the enlargement of those freedoms and liberties would be to do in legal terms what we did physically today. We would dump that Tax Code into Boston Harbor. Yes, we had to retrieve it back because to leave it down there would be awful pollution of that harbor. We had to pick it back up. But we dumped it symbolically in that harbor today as we asked Congress to consider to begin the debate on realistically passing a bill to dump the U.S. income Tax Code and the IRS in favor of something that is fairer and better for our country.

□ 2130

We start this debate on tax day, but this is not the last my colleagues have heard of us. Americans are going to rally across this country, I predict. There will be tea parties across America before we finish, and there will be citizens organized as sons and daughters of liberty in this modern age who will assist us, and eventually we will have that vote. We will have that chance to speak for those patriots and for every American patriot who believes that it is time for us to end this awful and oppressive tax system.

TAX RELIEF FOR ALL AMERICANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Missouri [Mr. HULSHOF] is recognized for 60 minutes.

Mr. HULSHOF. Mr. Speaker, last week the newly elected Members on the other side of the aisle held a press event, with the minority leader in tow, to complain about the legislative pace of this Congress.

As the Speaker knows, on this side of the aisle, newly elected Members have, since back in February, taken to the floor of this House each week that we have been in session to talk about solutions instead of pointing out problems. We have been accentuating the positive, success stories that are alive and thriving in each of our congressional districts across this great Nation.

We have spoken passionately about ways to renew our communities, how government can be a partner rather than as a parent. We have promoted efforts to talk about our pro-family agenda and ways to enact regulatory relief.

Tonight, it is no secret, Mr. Speaker, that with millions of Americans we train the white hot glare of the spotlight of this House onto the Tax Code.

I have spoken to several constituents by telephone who have been supportive and yet have been very angry as they have made their way to the post offices across the Ninth Congressional District of Missouri. And even as some may be tuned in with pencils worn down and erasers worn thin and piles of tax forms and instruction booklets scattered about, Mr. Speaker, our message tonight should be one of hope, because today on the floor of this House, in this hall, we have a couple of victories to pass along to the American people, two victories and a minor setback. And, again, we hope to focus on the positive.

One of those was the House Resolution that was actually introduced by another freshman GOP member, a friend and colleague, the gentleman from Pennsylvania [Mr. PITTS], expressing a sense of Congress that American families deserve some much needed tax relief.

I see that my friend from New Jersey is in the well of the House. I know the gentleman spoke very eloquently earlier today about this resolution, and I would yield to my colleague from New Jersey.

Mr. PAPPAS. Mr. Speaker, I thank the gentleman for yielding, and I thank him once again for providing the leadership as president of the freshman Republican class, for giving us each the opportunity to come to the floor and to talk to each other, but also to the American people that are watching, about what we hope to accomplish here as Members of Congress.

Today, I say to the gentleman, is an important day for all Americans, and it is an important day for a good friend of mine, Jim Flannery, an accountant, who is also celebrating his birthday today. It is particularly unique to have someone in that line of work who has today as his birthday.

Our tax system, our Tax Code, is complex, and I am told, although I have not counted, that there are 17,000 pages of IRS laws and regulations, approximately 480 IRS forms, and even the instructions to the 1040 EZ are 28 pages long. I know the gentleman from Missouri had earlier today held that book, that was probably about that thick, of the IRS regulations.

The IRS spent $4 billion on a computer system recently that was referred to as the tax system's modernization computer program, $4 billion, and I am told that it does not work.

The average American family pays approximately 19 percent of their income in Federal taxes, which is significantly higher than the single-digit percentages just a few decades ago.

The gentleman is absolutely correct, the resolution that the House passed today was, while it was a sense of the Congress, I think it was very, very important to demonstrate to the American people that we are serious about providing for real significant across-the-board tax relief for the American people.

I am disappointed that the tax limitation amendment, the constitutional amendment, failed today, but I am hopeful that, again, we can continue to speak about that and that kind of a measure. I believe, as most State legislatures in our Nation have adopted that, that that would be something that at some point in the not too distant future this Congress could address and approve to send to the States for their ratification.

The tax resolution that we passed was, as I recall, passed by a 412 to zero vote, and the Taxpayer Protection Act was also passed today by the same margin, which makes it a crime for IRS employees to snoop in people's files.

A member of my staff said they saw in a newspaper article that the actor Tom Cruise had his file snooped in as well. And people, whether it is Mr. Cruise or anyone else, certainly deserve the privacy that that Taxpayer Protection Act would afford.

Tax Freedom Day is one that we will be celebrating, which, if I am not mistaken, is May 9 this year, 2 days later in the year than it was last year.

Earlier, when we debated the resolution, I had a chart here that showed the calendar for 1997 and reflected January 1 to May 9 circled in red, each of those days, and that is the amount of time that the average American spends working to go pay their taxes, whether it is Federal taxes or taxes at lower levels of government.

People are fed up. And I certainly am looking forward to working with the gentleman. I know, as a member of the Committee on Ways and Means, the gentleman is intimately involved in reviewing reforms to lower taxes for American families.

A couple of other things that I wanted to mention, and maybe we could talk about those a bit, are the number of tax reform measures that many of us have introduced in this Congress. I introduced two myself, the first one on the first day I served, and we were sworn into office on January 7, that would reduce the capital gains tax by 50 percent and then seek to eliminate it, phase it out 1 percent a year for the next 14 years, significantly lower the corporate capital gains tax, and to raise the estate tax to a million dollars to help many family-owned businesses and farms to be passed from one generation to the next.

More recently, just a few weeks ago, I introduced H.R. 955, which deals with the home office deduction and would, I think, correct what has been an inappropriate interpretation by the IRS of the home office deduction applicability to allow those that have legitimate home-based businesses, that may not see their customers or their patients or their clients within their homes, to take that deduction.

I am very pleased there have been a number of other Members that have joined as cosponsors and would encourage those that are here that may not have joined as cosponsors to consider doing so.

Mr. HULSHOF. If the gentleman would allow me to reclaim my time on that, during the Easter recess, when we had the opportunity to go back to our districts, the gentleman from the Second Congressional District of Missouri [Mr. TALENT], who is the chairman of the Committee on Small Business, held a field hearing and invited me to attend and to participate. I found it extremely interesting.

One of the things he talked about and that we had testimony about was just what the gentleman just mentioned, and that is the home office deduction.

We had some women who testified that they were trying to juggle family responsibilities and, at the same time, wished to join the work force. Several of them had children that were in their teenage years, and some who had actually gone on to college, and they had wanted to start their own businesses and do it from their home.

Of course, with modern technology, when we have fax lines and we have the copying machines and being able to do so many things over the Internet and on the computer systems, they wanted to establish their own businesses in their homes so that they could still juggle their responsibilities with their families, yet they were fearful to do so because, as one of them told us in this field hearing back in St. Peters, MO, she was fearful of an audit by the IRS; that she had been told by a tax accountant, and probably some very conservative advice passed along to her, that this is a red flag. She was told that taking a deduction for home office expenses, a percentage of the home that is dedicated to business as well as other expenses, that this is like waving a red flag in front of an IRS agent.

So there were many, I believe, who testified that day who had qualified deductions but chose not to take those deductions due to fear of an ultimate audit.

The gentleman talked about a couple of facts, that it seemed there were a lot of papers and publications on this day, and he talked about all the pages and numbers of words.

I took note of a survey that was recently conducted as to those who would prefer having root canal surgery in the dentist office or an IRS audit. Forty-seven percent said they favored root canal work, and 40 percent said an IRS audit. I guess the others were torn between those two attractive alternatives.

I applaud the gentleman for promoting a measure and introducing that measure in this House.

Mr. PAPPAS. I appreciate that, and I wish the gentleman would not mention root canal, because I have to have some wisdom teeth removed and he has just reminded me about that.

But getting back to the discussion we are having on home-based businesses, I have heard of a statistic that there are over 14 million home-based businesses in our country today. Of those that are starting, those people that are starting businesses, new businesses, over 70 percent of them are women.

There are many families, whether they are single-parent families or two-parent families, that would find a home office deduction being helpful to them to assist them in raising their children, saving the expense, or not having to have the expense of day care, which would again give them greater flexibility. I think all of those things are critically important.

I look forward to working with the gentleman and the other members on his committee to move legislation such as this, but I think it is absolutely critical for our country to have permanent, across-the-board tax relief, capital gains tax reduction, not estate tax but it is really a death tax.

There are so many family-owned farms in my district and small businesses where there are people, men and women, who have worked their lives to be able to pass that business or that farm on to their children and just face the likelihood that that will not take place because of the tax bill that their kids would see. I view it as a family-friendly measure. I view it as an environmental measure.

There was a rather large farm in the central part of my district. Fortunately, we have a farm preservation program in our State, which has joined with the counties, and the development rights were purchased by the State and the counties to pay to the heir of the farmer, and we were able to see that farm preserved.

She did not want to see that farm sold for development, nor would her parents have wanted to see that take place, but she faced the estate tax bill which had to be paid, and she had two options: She had the option of selling it for development, which she did not want to do; and, fortunately, we have the option of selling the development rights, or her selling the development rights, so that farm is now preserved.

But there are many other people who are not in that position. I certainly want to work with the gentleman in doing what I can to see that people like that and families like that are given greater options and are not penalized for working hard and trying to better themselves, the opportunities for themselves and their families.

□ 2145

Mr. HULSHOF. I appreciate the gentleman's efforts. I know that in a special order speech just prior to ours that our more seasoned colleagues took to the floor and began the debate, or facilitated the debate about having major reform, whether that means going to a consumption-based tax or to a flat income tax, and certainly that is a debate that we need to bring the American people into with us, to hear their ideas and concerns. But I also believe in the short term that we need to provide some meaningful tax relief.

You talk about the home office deduction. I think that is a very realistic way, for those that are still perhaps tuning in, Mr. Speaker, gnawing on their pencils, wondering about trying to squeeze out those last few deductions before the clock strikes midnight and they get their forms down to the post office.

Another I think that has been talked about in this House is a 100 percent deduction for those individuals who are self-employed who purchase health insurance. As it is right now, those that are employers, that have a company that purchase health insurance for their employees, and certainly we encourage making health care accessible to those working men and women, but the fact is that those bosses get to deduct as a business deduction the full cost of the premiums that they pay to cover their employees. Such is not the case for those that are self-employed, and those that are truly seeking the American dream do not have the opportunity to take a similar deduction for their own health insurance, and I think this is a way to craft some relief in the short term that can really make a meaningful difference in the lives of those Americans.

Mr. PAPPAS. Just one concluding point because I know there are other Members here who want to participate in this discussion. There hopefully are many people around the country that are watching this debate as we take part in it. I would encourage them if they have not completed their tax returns, that when they do, if they may take a moment and just write a note to their Member of Congress or their Member of the Senate, and if they agree with you and with me and with so many other people that are here to talk about this very important issue, I might encourage people to enact the kind of tax reform measures that we have been speaking about.

Mr. HULSHOF. I think, Mr. Speaker, certainly tax burdens for working families have reached new heights in recent history. As my friend pointed out, the first 120 days of our calendar year we toil and labor simply to pay the tax bill. Certainly we need to provide some relief, even in the immediate future. But I know there was one measure that we did bring up on the floor today that would have provided, I think, a more forward vision, Mr. Speaker, as far as future lawmakers who gather in this body, to make it more difficult for them to raise taxes on the American people. I know that there are many States that have a tax limitation constitutional amendment.

In fact, if I am not mistaken, the State of Arkansas has such a tax limitation amendment. I know my friend from Arkansas also spoke very forcefully this afternoon during that debate. I would be happy to yield to him for what comments he would like to make.

Mr. HUTCHINSON. I commend the gentleman from Missouri for the excellent leadership he has provided, not just the freshman Republican class but also a broader range than that, of Members of Congress on this tax issue and tax limitation.

I did want to talk for a moment about the tax limitation amendment that received 233 votes in this body today. I was disappointed that it did not receive the two-thirds vote necessary in order to refer this constitutional amendment to the people of this great country. But it did receive 233 votes of the Members of this body. I think that it is important that we continue to educate the American public, that we continue to talk about this tax limitation amendment, because I believe that it is something that is necessary to ward off additional tax increases, to make it more difficult to pass tax increases in the United States. The tax limitation amendment is very simple, that it requires a two-thirds vote of the House and the Senate in order to raise taxes.

I want to say quite frankly that I was reluctant. I think too often we go to constitutional amendments to solve our problems. I think they should be reserved for serious national problems in which we have a framework difficulty with our founding document that we need to adjust. I believe that such is the case with the tax limitation amendment. I believe we have a serious national problem today that should be addressed, and that is why this amendment is necessary.

Whenever Congress has had the choice of either raising revenues or slowing the growth of spending, they have always had to raise revenues in order to move forward and not decrease spending.

I believe that there should be, if there is a fair approach to it. Sometimes when you have a budget problem, sometimes you raise revenues, sometimes you decrease spending. We do that in our family budgets all the time. But the history of Congress is that we have never reduced spending. We have never slowed the growth of government. Instead, we have always decided that we need to raise the revenues. So Congress has historically taxed more and spent more, and I believe this is a serious national problem.

In Arkansas, the average Arkansan pays $7,000 per worker in taxes to the government. This might not be much in Washington, D.C., but in Arkansas it is a lot of money. It is one-third of the average paycheck.

And so I think it is a serious problem, as the gentleman pointed out, that the Tax Foundation has indicated that we work until May 9 just to pay our tax bill, and it is the latest tax freedom day ever. If you compare this in history, in 1902, tax freedom day came on January 31. This year it is not 31 days into the year, but it is 128 days into the year. It is because we have not been able to control taxes.

There have been a number of arguments that have been proposed that say we should not have this tax limitation amendment. One of them is that, well, our Founding Fathers never imposed a supermajority requirement. Well, that is true that they did not in reference to the income taxes, because our Founding Fathers did not have the income tax. They simply restrained the Federal Government and said it does not have that power, and so it was a power that did not even exist when our Founding Fathers wrote the Constitution of the United States. It was in 1913, in which the people of America adopted the 16th Amendment that did give the power to Congress to impose the income tax. Yet we have seen it increase consistently and consistently, never going down for a long period of time. That is why this two-thirds vote is necessary.

I think that that amendment was good. I am disappointed that it did not get the two-thirds vote. I hope that Congress will readdress it in the future.

Let me just conclude on what I believe is very, very important, and that is restoring faith to the American worker, to the American people. We have had broken promise after broken promise when it comes to taxes. With every broken promise, this Government loses the faith of common Americans. Increasingly they see Washington, DC, as a hollow city, built upon hollow promises. Shall we in Congress lead for a change and accept responsibility for this loss of faith? Or will we, like hollow men, offer excuses and then return to the campaign trail in another year to yet again promise great things?

I know that because of the leadership of people like the gentleman from Missouri and the other good Members of this body, that we will not do that. Let us be committed to tax reduction, tax relief in the form of capital gains tax reduction, reducing the inheritance tax, $500 per child tax credit, and we can start to restore the faith of the average American. That is what I believe is important on this tax day.

I thank the gentleman for allowing me this opportunity to address this issue.

Mr. HULSHOF. I thank the gentleman. A couple of points that I would like to make, and even ask a question of the gentleman. Does the State of Arkansas have such an amendment?

Mr. HUTCHINSON. We do. Whenever we imposed the income tax in Arkansas, we required a supermajority in order to increase it, a supermajority of both houses of the general assembly, and so with that we have not turned to increasing the income tax. It is very difficult to do. It is not impossible to do it. Because it takes a bipartisan effort to do it. You have to have a broad base of support to do it. So it is not a hurdle that cannot be risen over but it is something that slows down tax increases. It has worked well in Arkansas. It has served our State well.

Mr. HULSHOF. I know that at various town hall meetings back in Missouri during the district work period that we had some discussions about the upcoming vote that we had today on the tax limitation amendment. There were some questions about exigent circumstances or what about at times of emergency or times of war, and that safety feature was in this constitutional amendment had it passed, for exigent circumstances such as war or military conflict or situations that would require an immediate access to substantial Federal revenues, that that could be done by a simple majority vote. Yet again, I also note with interest, as the gentleman pointed out, that on this vote, on the tax limitation amendment, while it did pass by a simple majority of 233, earlier in the day when we had the sense of Congress expressing a strong desire that American families deserved tax relief, I think that passed unanimously, with well over 400 votes. So if we deduct, then, the 400 votes of those Members who believed that the American people deserve tax relief and yet only 233, there are about 170 or so that were not willing to step up to the plate, if you will, on this issue that would have had a very forward vision for the future of our country.

Mr. HUTCHINSON. If the gentleman would yield for just a moment, I will elaborate on that. One, we can reach this consensus in Congress on areas that there is great unanimity on, on which there is a great national interest on. In fact, tomorrow we have what we call suspension votes in this Congress, in which you have to have a two-thirds vote to suspend the rules and pass the legislation. We do this routinely. Tomorrow I believe we have 4 or 5 votes under the suspension calendar which will require a two-thirds vote, and we are going to do it. We are going to reach that level.

And so I am confident that this Congress, working together, if there was exigent circumstances that we had to increase the revenues of our country for a multitude of purposes, that we could do it in a bipartisan fashion and get the job done.

Mr. HULSHOF. In fact, if memory serves me, that earlier because of such an emergency situation regarding the safety of airports and the fact there was a shortfall in the airport trust fund or the safe harbor rule, that there was an extension of the airline fee that was extended for another year. If memory serves, that passed by a two-thirds majority vote.

Mr. HUTCHINSON. That is exactly correct. That passed by two-thirds. It was done then, and it can be done. And so the argument that a two-thirds majority requirement, a supermajority requirement for raising taxes puts an impossible burden on this Congress to raise taxes is really fallacious. I do not think it has merit. I think it is really a question of whether you believe that the American people are overtaxed or not. I believe, as I know the gentleman does, that they are overtaxed. We need to turn back the tide.

Mr. HULSHOF. I appreciate the gentleman's comments.

I see that our friend from Colorado, our patriot, has joined us. I would be happy to yield to my friend from Colorado.

Mr. BOB SCHAFFER of Colorado. Good evening. I thank the gentleman from Missouri for yielding.

I am curious if the gentleman recognizes this. Before people get too confused, this is the red and white stripes without the stars. I am curious whether the gentleman recognizes this. Many people do. I assure the gentleman that around the founding days of our country, the British understood full well what this banner was. This is the flag of liberty. This is the flag that the Sons of Liberty had flown and had organized under. The Sons of Liberty, of course, being the ones who initiated the Boston Tea Party. I keep this flag in my office as a constant reminder, as well as several other things that I will be happy to share with the gentleman and others today, reminders that I keep in my office in the Fourth Congressional District office of Colorado, across the street, to remind me and my staff and all those who enter that office every day what our job here is and what the challenges are for the country and for the people that we represent, not just in Colorado or Missouri but throughout the country as well.

The Sons of Liberty have been mentioned several times today. In fact, some of our colleagues went up to Boston and dumped the entire Tax Code into the Boston Harbor. I am going to leave this hanging up here. I hope people do not confuse this with our American flag, but let me tell the gentleman why recalling the Sons of Liberty and this banner are so important today and why I hope that more and more Americans begin to identify with the theory behind this, the theme behind the flag of liberty, the spirit of the revolution and what caused it to initiate. Because I have to tell the gentleman that we as Americans tolerate far more than what the colonists tolerated back 220 years ago. The terms which launched the Revolution against the British was the Stamp Act, the intolerable acts, these acts which, yes, resulted in excessive taxation and taxation without representation, but nowhere near the extent of confiscation that our tax policy represents today.

They were in larger colonial cities, they sprang up in American communities, they largely opposed the Stamp Act of 1765. They circulated patriotic petitions, they harassed British tax officials, they denounced British tyranny and organized mass protests against increasing British control of the colonies. New York and Boston had the largest and most active Sons of Liberty chapters. They celebrated the opposition to the Stamp Act, August 14, 1773, they flew this flag over the tent where they were meeting. It consisted of 13 stripes, alternating red and white, the flag's popular design, of course, before and after the Revolution. In fact, as my colleagues can see, this largely resembles with the addition of the stars to represent those colonies and eventually States, represents our U.S. flag today.

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Again I keep this in my office, I keep this plaque next to it, and I invite people to stop by and take a look at that and recall what it is that unites us today. You know the clock is running. It is 10 o'clock here in Washington, DC, in the eastern time zone; 2 hours left for tax filers who have not made it to the post office yet to file their tax forms. In the central time zone they have got 3 hours. In the Rocky Mountain time zone, where my constituents live, they have 4 hours left. And so the clock is ticking, and it reminds me, since we talked about early Americans, I want to spend a little bit of time on a personal level speaking about some of the early Americans of my family.

A couple of the other things I keep in my office are pictures of my grandparents. Now this is a picture of my Grandma Bednar. She is the little one here. She is just a few months old. This is a picture taken in her hut that she was born in up in Canada. She was Ukrainian and immigrated to the United States several years later with this man here who ended up being her husband.

Now when they came here to the United States the Federal Government taxed their family at 3 percent of total income. Now 3 percent, when you think

about that, and this is in fact one of the reasons they came here, for the search of liberty and the search of freedom and the opportunity for honest hard work and self-determination and self-sufficiency, and they achieved that, I have to say. I am very proud of these beginnings, and they have an awful lot to do with, I think, why I am here and what I think about when I think about America. And I think often about how hard they worked, what they created for our country.

These are the people who are much like your parents, grandparents or anybody else in America. They are the ones who built the roads, who built the schools, who largely put the face on America as a place where we really do look within for internal greatness. In fact they are the reason the rest of the world still looks to us today for leadership and guidance because of what we represent.

Now I can contrast what they came to America for, opportunity and liberty, taxed at 3 percent of their income in order to pay and fund for the Federal Government which they deeply believed in and were firmly committed to, and I contrast that with this crew here. These are three of my children; I have one more at home. And my family, as most American families, as opposed to the 3 percent that Americans paid, in family, of their income that they paid in taxes back in the early forties, my family pays 40 percent of our total family budget to taxes, and I say that as an average American. That is what most Americans who have 2 hours left in the eastern time zone pay their taxes, that is what they pay.

I also am reminded in that same Ukrainian heritage; I keep in close contact with lots of people who come from Ukraine and have immigrated to the United States; there is a man named Ivan Stebelski who lives out in Colorado, a very good friend of mine. And one day we were speaking about the revolution here in the United States and contrasting that with what occurs throughout the rest of the world, why he left Ukraine to come to the United States, and we talked about tax policy obviously. He mentioned that, and I asked. I said, ''Well, why don't the people in these oppressed countries just revolt?'' This is prior to the revolution in those countries. ''Why don't they just revolt and stand up against the tyranny of their government and oppressive taxation and so on?''

He said something that I remember especially this evening. He said that the strategy of the Communists and the Soviets was to keep their citizens occupied by standing in line for groceries, for food, to comply with the rules and regulations to pay taxes. He said people who are spending their time standing in line have no time to make revolution.

And so I think of that vision, and I think of that image and how similar that vision is to what most people are going to see tonight when they are lined up at the post office to make the Government-imposed deadline to get their taxes filed in time to avoid any penalties of their Government, 40 percent of their family income. And let me just put that into real numbers as those are people perhaps keeping one eye on their Government tonight and the other eye on their tax forms. Americans this year will spend in excess of 5.4 billion hours complying with their tax forms, 5.4 billion hours, and along with that that 5.4 billion hours compels $200 billion every year in compliance costs.

Now these are not dollars that go to Uncle Sam, come here to Washington. These are dollars that go to tax preparers and accountants and attorneys of all sorts to help people understand just what these tax rules say.

We are still smarting, frankly, from the last two tax increases of the Bush administration and in the Clinton administration as well in 1990 and 1993, that latter one being the largest in the history of the United States. It raised $285 billion, and we are paying for that not just in our taxes today, but we pay for that in, as I mentioned, compliance costs. We are also paying that in lost jobs, forfeited income, lower living standards, anemic economic security, good farmland that is taken out of production, on, and on, and on.

We just cannot afford it anymore, and for anybody who believes that we cannot talk about balancing the budget in this Congress and at this point in time without a discussion of—without also engaging in a discussion of tax cuts, they are just wrong.

In fact I would suggest that we, as Americans, look back to the Kennedy administration, the Reagan administration, two Presidents of different parties, different viewpoints politically who proved that, when you cut taxes and implement pro-growth economic policies, that you in fact earn more revenue, generate more revenue through economic productivity to the Federal Government to allow us to put toward the task of balancing the budget.

So we do need spending cuts certainly; there is no denying that, and we need to focus on that. But at the same time, and I say simultaneously, we need to focus on tax relief as well in an effort not just to provide relief but also to stimulate economic growth.

Our deficit, $5.5 trillion, and I would submit a challenge to anybody here tonight to show that our deficit was caused by not taxing enough. This policy we have of confiscatory tax policy sapping 40 percent of the average family's income tonight, this very night, is the final step in that effort, is just unconscionable. It needs a change. I know it is something that people in Colorado care very deeply about, and it is the primary mission they sent me to accomplish, was to remember the value that went behind this flag and what it stands for, the flag of liberty, the sons of liberty who flew it proudly, risked their lives, as a matter of fact, and, again I submit, for far less than what we are willing to tolerate as Americans today.

We need a rebellion of sorts. We need to use the occasion of April 15, tax day, to launch small rebellions in every community. Politically I am speaking. I am not suggesting people get up in arms again or risk their lives directly. We do not need to do that today thanks to those grandparents that I mentioned before and others like them, but to resolve tonight that they will no longer vote for politicians who go to raise taxes in Washington, will no longer vote for elected officials who will go to Washington or their State legislature or county commissioners or city councils to increase spending and waste and so on and to make it a personal point to get politically involved personally, not just to vote, but to be angry customers of their Government, to be demanding customers, and, when all else fails, to run for office themselves. I hope that that is what we are able to inspire here today along with the very clear and decisive message that this tax system is undeniably broken and it needs to be fixed, and I think we are just the people to do it.

Mr. HULSHOF. I appreciate the gentleman's historical and personal perspective and I think put it very well especially the contrast with your grandparents and then the future of this country as evidenced by your young children.

The gentleman mentioned that the clock is ticking, and I think symbolically the clock is ticking. It is not that Americans are not taxed enough, because clearly they are overtaxed. The fact is that Washington spends too much and should spend less, which those discussions we will get to have in the weeks and months ahead, and I appreciate my friend from Colorado.

And I also see that another son of liberty, if you will, from the State of Texas [Mr. SESSIONS] joins us in this Chamber, and I would be happy to yield to Mr. SESSIONS.

Mr. SESSIONS. Mr. Speaker, I thank my freshman friend from the State of Missouri, Mr. HULSHOF.

It is great to be here. I would like to continue this discussion that we are having, and my colleague talked about that we spend too much money. It is not just the tax system but that our Government in this Congress does not have the discipline in order to rein itself in.

Our message is plain and simple today, April 15. Our tax system is too complex, and taxes are too high, and, as we speak tonight, there are those in our country that are struggling tonight to try and finish out that IRS tax form to comply with the law.

And before I begin some formal remarks that I have, I would like to talk about this complex Tax Code, and I think that Americans that are out there tonight struggling with filling

out their taxes to comply should know that we in Washington, at least freshman Republicans, are trying to do our best to hear them and do something about it.

Those people who fill out their tax forms tonight are not by themselves. In 1993 the IRS gave out 8.5 million wrong answers to taxpayers who were seeking help with their taxes. In other words, someone who was struggling like tonight in those final few hours in order to comply, picking up the phone and calling the IRS, or perhaps earlier today, the IRS gave out 8.5 million wrong answers to people who are trying to comply.

There are 17,000 pages of IRS laws and regulations, there are 480 separate IRS tax forms, it requires 136,000 employees at the IRS and elsewhere in the Government to administer our tax laws, and it costs $13.7 billion by the IRS and other governmental agencies simply to enforce and oversee our tax laws. That should tell us that there is a problem.

As a member of the Committee on Government Reform and Oversight, we have had testimony from the IRS where they talked about spending $4 billion, upwards to 6, but $4 billion is what they have told us of spending to try and put together a computer system, the big IRS computer system in the sky. The bottom line is that they could not do it. The reason why, the Tax Code is too complex. If you cannot put something and flow chart it and put it in a computer, then you cannot make it work.

Mr. Speaker, what we are dealing with is a tax code that is too complex and taxes are too high.

I would now like to, if I could, enter into some formal remarks that I have that I believe will once again bring back the point about what we are talking about when we talk about taxes or tax system, balancing the budget and certainly our appetite to spend money in this country.

I believe that the budget, balancing the budget, is all about discipline, the discipline to do the right thing, the discipline to tell the American people the truth. With annual revenues of the United States of over $1.45 trillion, the Government spends more than $1.6 trillion each year. That means that our Government spent $4.3 billion every day, $178 million every hour, and $3 million each minute. But more importantly, it means that the President and Congress cannot do what American families do every single day, and that is only spend what they have.

This year the President, as is required by law, sent his budget to us here in Congress. When he delivered his budget, he told the American people and us here in Congress that his budget would be balanced by the year 2002. But that is not the truth. We have now learned that the President wants to send us and will send us a budget that will not be in balance until well after the year 2002. In fact, the Congressional Budget Office recently announced that the President's budget will leave a $69 billion deficit in the year 2002. Mr. Speaker, the President's budget also utilizes gimmicks, accounting gimmicks, that I believe he should be ashamed of.

The bottom line is it is going to require serious and tough decisions on spending priorities to balance the budget. The responsible thing would be to parcel out spending cuts over a period of time that it will take to balance the budget. Instead, the President's budget makes all the serious cuts in services to the American people long after he is gone.

That is right. The President is not going to suffer with us, but he is going to leave the pain for that person that is in the White House while he is back in Arkansas. I do not think that this is leadership.

This country has a great history of standing up to whatever challenges God has sent our way. When we were oppressed, we fought for independence against overwhelming odds. When tyranny threatened our neighbors, we stood up against it and conquered it twice. When poverty sapped our Nation's energy, we rose from it to retain our place as the greatest Nation in the world. Today we face similar challenges.

I would like to, if I could, take us back to just a few weeks ago when his excellency President Eduardo Frei of Chile spoke to this august body, and he spoke to this joint session of Congress, and he gave us a good bit of advice about how Chile is handling their problems and their future. He began by saying:

I want to share with you why we Chileans are ever more satisfied with the dividends of freedom, why we do not look back, why we wish we had been a part in the new history, the history of mine kind of is now beginning to be written. In other words, what he said is we look ahead, we do not have to look behind, and I am going to tell you why. Chile was in a period of stagnation and suffered many of the budgetary perils that exist in the United States today.

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But Chile got the discipline and rose above that. Chile has sustained 14 years of growth, averaging 7 percent annually. Real annual wages have risen over 4 percent each year. Per capita income has doubled in Chile in the last decade. Chile's savings rate is now close to 25 percent.

All of this has been achieved not in spite of, but as a direct result of, and continuing with, 5 consecutive years of balanced budgets and fiscal surpluses.

I listened to President Frei and I was impressed by how he described the character of the Chilean people and its leaders. He said, we have learned to be patient. Chile does not begin anew with each election, but rather, we build on creativity and our work. We are well aware that we have a unique historic opportunity to achieve full development in a free market of political freedom. We value our achievement, but we give equal attention to the challenges that are ahead of us.

Our President, President Clinton, I do not believe has that same belief in the American people. I do not believe that he believes we have the same fortitude as the people of Chile. He does not believe that the American people have the patience to put our fiscal house in order, but I do. I think the American people will rise to this occasion as they always have, and I can tell my colleagues that as we stand on tax day 1997, talking about freedom, talking about opportunity, talking about our families and talking about freedom that can be enjoyed for generations, I believe that we can look to a model, another model that is in this world, and that is the Chilean government. Free people make great decisions.

Mr. Speaker, I want to fight for freedom, because I think it is the thing to do.

Mr. HULSHOF. Mr. Speaker, I appreciate the gentleman and his comments. I also note with interest, as he pointed out, the Internal Revenue Service saying the difficulties they have had regarding the expenditure of our tax money for the tax system's modernization effort, and the gentleman mentioned his committee. I too was serving on the Subcommittee on Oversight of our committee, the Committee on Ways and Means, and we were examining on that occasion a couple of weeks ago the budget that the IRS was wanting us to consider.

I noted with interest that they made a request for an additional $1 billion over the next 2 fiscal years for additional capital expenditures. Yet, as we talked about, the monies that we have spent, and certainly as the clock is ticking and people are actually writing checks out tonight to put into an envelope to send to the Internal Revenue Service, my question is perhaps we should look to simplify the Tax Code rather than to invest additional of our tax monies into computer technology.

Certainly computer technology is needed, but at the same time I think we need to look at paring down this very complex and complicated and massive Tax Code in an effort to provide some relief. I thank the gentleman.

Mr. SESSIONS. Mr. Speaker, the gentleman has hit upon the key to the entire debate and that is, our Tax Code is too complex. We cannot expect the IRS to make something pretty of it when it is simply ugly. We must have the determination, people who got elected to Congress and who gave our word to the American people that we were going to go to Washington and do something that would be good for the taxpayer.

The Tax Code of the United States is the problem. Let us tell the truth about it, let us tell the American people. They know they are dealing with it

here. Let us not be afraid to tell the truth. It is a problem and we can do better. A flat tax or a consumption tax is far better, and that is the direction that we are headed. I hope the American people hear us tonight.

Mr. HULSHOF. Mr. Speaker, I thank the gentleman, and I see that my colleague, the gentlewoman from Kentucky [Mrs. NORTHUP] is here.

While she is making her way to the microphone, there was, Mr. Speaker, as you know, some additional good news that we had today. Yes, the tax limitation amendment did not pass, but yes, we did pass overwhelmingly the sense of Congress to provide tax relief.

In addition, Mr. Speaker, we passed today the Taxpayer Browsing Protection Act, which I think is certainly necessary in light of the conversations we have had about this investment in the computer technology and equipment for the Internal Revenue Service. We did pass today by a two-thirds majority vote a measure that would protect the individual taxpayers, that would make it a crime in the Internal Revenue Code for an IRS agent or employee to inspect tax return information without authorization.

In addition, this bill mandates that employees that are convicted of browsing or, as some have said, snooping or intruding upon our confidential information that those employees be dismissed from office or discharged from employment.

The reason that we had this discussion last week, the General Accounting Office gave us information that over 1,500 cases of unauthorized inspections of taxpayer records occurred between 1994 and 1995. Even though the agency had implemented a zero tolerance policy, it has largely been ineffective and, therefore, this bill hopefully will solve that problem. That was a silver lining to this very dark day of tax day 1997.

I see my colleague and friend from Kentucky is here, and I would be happy to yield to her.

Mrs. NORTHUP. Mr. Speaker, I thank my honorable friend from Missouri, Mr. HULSHOF, for the opportunity to share with my freshman majority party colleagues that are talking about taxes and the tax burden that so many of our constituents have told us that they have become very angry about.

The truth is, if I had to describe the one issue that is the most uniting issue in my district it has become taxes. I really think that that is unique to this year. I think that there have been questions about taxes, complaints about taxes as long as people have been paying them.

Over the years there have been a variety of concerns, but somewhere over the last 4 or 5 years the American public began to believe that truly Congress was going to direct their attention to the tax burden that we pay and that we were going to address that issue, resolve that issue, and find a way to lower their taxes, a variety of their taxes. There are particular taxes that are very unpopular in this country.

As Congress has moved into its third year under the direction of this leadership, there seems to be some frustration and some concerns that we have not addressed the issue yet. So tonight I would like to take this opportunity to make some suggestions about how we might go about in a government of bipartisan control, of bipartisan work, to resolve the impasse of tax cuts and government spending so that we can truly address the questions and the concerns that so many of our constituents have.

First of all, public policy and dealing with public policy is a very imperfect world. I think most of us, when we were elected, we came to Washington and if we had a perfect world we would wrap up in one tight package a spending bill that would substantially reduce spending, and we would also reduce taxes for the American people. We would put it together in one package, we would send it to the President, and it would be passed.

I think that we could look into the last 2 years of history and know that that is a very difficult thing to achieve. In fact, bill after bill was vetoed. There never was any agreement, and the issue is so big, when we package it all in an omnibus bill, that it is very difficult to discuss with the American people all of the ways that we are trying to comply with their wishes.

So maybe we ought to go about, as has been discussed recently, separating the issues of the budget and the tax cuts, not because we do not believe in both of them and not because we believe that one should foreshadow the other, but because we believe both of them on their own merit have the support of the American people.

First of all, let us look at the budget and the budget that we need to pass. It is our responsibility to pass a budget and to decrease spending. Most people that have run for Congress in the last couple of years have said that the Government spends too much money. Then let us scour every agency.

Sitting on the Committee on Appropriations, I can look at the agencies that come before me and see the terrible waste, the millions, the billions of dollars that are wasted. Mr. Speaker, sometimes we keep spending that money because there is the idea that somehow it is there. It reminds me as a mother of six children what it would be like to give each one of my children a $10 bill to go into a candy store. There would be no limit. They would not stop buying until every last cent were spent.

That is what we are doing in government today, but the money is just not there. Somebody is sacrificing and paying and writing that check to the Federal Government.

So because we agree the Government is too big, because we believe there is too much bureaucracy that is a part of our programs, because we believe there are many areas where we could block grant this money to States and local governments and have more effective programs that better address the problems, because we believe there are obsolete programs, because we believe there are overlapping programs that could be combined, because we believe there is waste that is costing all of our people money, let us go back to the budget with the idea in our minds that we are going to eliminate every excessive program, every program that can be eliminated, not because we are looking towards tax cuts, but because the American people and we believe government is too big and that we need to make it smaller, make it more streamlined, make it more effective. Let us put those ideas before the American people. Let us write them up in a budget, let us send them to the Senate and to the President and let us see if he will sign a bill that reflects what we are all talking about: smaller government.

Let us deal with programs that are insolvent and make them solvent. People believe Medicare should be solvent. People believe Social Security should be solvent. Let us deal with those problems, separate from tax cuts, and make those programs solvent, all of those things, because they are the right thing to do. The American people are clamoring for it.

At the same time on a parallel track, let us start talking about each and every tax cut that have been mentioned to the American people, what they are talking about and asking us for.

Let us talk about the $500 tax credit for families with children. That is the most pinched group of people in our society today. They have young children. They have not had a time in their life where they could save money and build a nest egg. They drive their car all the time to get their children to school, to get to work, to get their children to the doctors, all of the things, the demands that are on young families.

They are the people that go to work, they pay their taxes, and they wait to buy tennis shoes for their children until they have the money in the bank. Those are the families that are most concerned about how they are going to make it. They are the most frustrated about the fact that they get up every day and they go to work and they do all of the responsible things, they pay for day care for their children, they pay their taxes, and they do not know whether there will be the money to take their family on a camping trip this year.

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Let us give them that $500 tax relief. Then let us move to capital gains. Let us send that to the President, in every form. We can start with the perfect form. If that is not what he wants, then let us move to a phase-in, let us move to the different kinds of capital gains tax, and let us move to every form that

hopefully the President will eventually sign.

Mr. Speaker, I believe that if we put both of these issues separately before the American people that there will be strong support for both of them, and that we can describe them and communicate with the American people in a way that will build the consensus we so badly need.

Mr. HULSHOF. Mr. Speaker, I thank my friend, the gentlewoman from Kentucky. I see our time is about to expire.

Just to conclude very briefly, once again, those of us on the GOP side, newly elected Members, it is our goal to end this tax trap. It is our goal to help the American people, as we have heard here tonight, earn more money, to be able to keep more money so they can do more for their families and communities.

Earlier today a friend of mine on the other side of the aisle said, what about the loss of revenue? Mr. Speaker, Washington's loss is the American family's gain. We stand committed and ready to achieve that measure.

COSCO: A COMMUNIST CHINESE-OWNED COMPANY

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of January 7, 1997, the gentleman from California [Mr. CUNNINGHAM] is recognized for 60 minutes.

Mr. CUNNINGHAM. Mr. Speaker, I do not plan to take the whole time. My colleagues just spoke on the issue of our generation and future generations on taxation, and as important as it is, I feel it is very important that we bring up another subject. That is the subjugation of the United States by a Communist-owned company, and control of.

What I would like to do tonight is talk on the facts. Those facts are based on when I served in the U.S. Navy, I served on 7th Fleet staff and was responsible for all Southeast Asia countries, the defense of, not only in the training exercises, but in the real world threat.

For example, in Team Spirit in Korea, we ran exercises involving our allies in the defense of Korea. That involved our reserves, that involved all of our friendly assets that we had to bear if North Korea came across a line. But at the same time, I had access to some 13 linguists that monitored North Korea's frequencies to give us an idea of real threats.

For example, my last year there, the two Mig 21's came over across the line and defected, and we were responsible for that as well. While at Navy Fighter Weapons School my job was to plan and coordinate not only offensive but defensive impacts and invasions of Southeast Asian countries, so I come tonight with experience and fact. I would like to give those tonight to the Speaker to make his decision, as I hope the American people do.

Cosco is a Communist-owned, Communist Chinese-owned company. Its purpose is ship containers in and out of major ports all over the world. Recently, California has been devastated by the President's defense cuts. We have lost over 1 million jobs. The additional BRACC cuts in base closings and realignments have cost thousands to millions of jobs in the State of California. The people of Long Beach have lost thousands of those jobs, as we did at Kelly Air Force Base, as we did at El Toro and Miramar, and the shifting of different assets.

In that process, the people of Long Beach are looking for help. They have mouths to feed just like anyone else. They have children to send to college. They have been devastated from these cuts in national security in base realignment and closures.

What I plan to show tonight is a direct link between the White House fundraising with China and assets that have gone in favor of Communist China that could pose as a national security threat to the United States. I have intelligence reports that state so. I have facts that also state so, and I would like to make that case this evening.

First, Mr. Speaker, let us look at Long Beach perspective. Again, people have been devastated. They are without jobs, and they need help.

Mr. Speaker, I would say that all of my colleagues on both sides of the aisle that are opposed to a Chinese Communist company taking over Long Beach Naval Air Station would be more than willing to do everything we can to help Long Beach recover those jobs, but not to a Communist-controlled nation of the Chinese Republic.

Cosco's ships fly flags of the People's Republic of China. The port lease with Cosco will provide Cosco with its own terminal. Major imports from China to Long Beach include toys, sporting goods, footwear, apparel, electrical parts, and machinery.

But Mr. Speaker, that is not all. Last year, it was Cosco that delivered to the State of California 2,000 AK–47's. The company that builds the AK–47's, the company that negotiates the trade of AK–47's around the world, the company Cosco, all set up by the PRC, the People's Republic of China, owns. They do not report to department heads. Their CEO is Communist China, all owned and coordinated and controlled by Communist China. Yet, they delivered over 2,000 AK–47's into our country, with the intent of selling these arms to our inner cities to disrupt, to disrupt our inner cities, and disrupt our political environment within the United States of America.

At the same time, the Clinton White House accepted both Cosco and the gunrunners themselves in a White House coffee. I will later show the direct tie between the $366,000 that was conducted to the DNC by the White House recipients and Chinese investors to allow Cosco to gain this favored status.

Long Beach Naval Shipyard closed as a result, as I said, of the additional base closures and lots of jobs were lost. We have a long way to protect those. I would also like to point out that during the bid to reclaim Long Beach Naval Shipyard, the marines lost a bid for the site to a China Cosco firm, and I quote from the Washington Times:

> Several officers in the Marine Corps have raised questions about why the Clinton administration favored turning over a military base in Long Beach, CA to the Chinese ocean shipping company, Cosco, over the protest of marine reserve battalion made homeless by the 1994 Northridge earthquake. Briefings on the firm fail to convince many of its members. The CIA, the Office of Naval Intelligence, and the Coast Guard reinforced the view that Cosco's strong link with the Chinese Government is a fatal flaw in its proposal to deliver the base to a company.

Mr. Speaker, there is a current report, an updated report from the FBI, that states that Cosco is currently actively involved in placing intelligence officers, spies, in all of their ports of call. That is a national security interest.

Cosco has enjoyed a 15-year access to Long Beach Naval Shipyard. I have no problems with that. My problem comes with Cosco taking over complete control of the 145 acres in which they will control access of every ship there. Every cargo container that comes off there, they will place it. They will have control of who sees where that cargo goes, where it is stored, what time of night it goes out, and who receives it.

Mr. Speaker, if we give China that opportunity, we are going to see an increase of illegal aliens in which two Cosco ships forced, in the last Congress, two ships owned by Cosco shipped in illegal aliens, the Chinese, it was in the newspapers, along with the AK–47's. At the same time, you remember it was a Cosco ship that plowed into the port recently and nearly devastated the port in another U.S. facility.

We cannot discuss the actual details of that intelligence briefing as it would not be prudent and it was a classified briefing. But I want to mention that two of the representatives that represent, and I understand their needs, they represent the people that are looking for jobs, one of those individuals stated that, and I quote, ''All intelligence agencies that briefed us have assured us that Cosco represents no threat to our national security.''

I want to tell you, Mr. Speaker, it is an untruth, the fact that the same intelligence briefers, the CIA, the National Security, the Coast Guard, have all stated that no such comment was ever made and ever intended. And as a matter of fact, they were very, very upset at the dear colleague press release.

Why? Because they stated that this is a policy issue for them to discuss, and they would never say that there is a national security interest, nor would they say that there is not.

So I would submit that is not the case and that after careful deliberation

of experience that there is a national security interest.

Let me go through some of the facts. The national security of the United States is a responsibility of Congress and the President, not the city of Long Beach.

Cosco has been attendant at Long Beach since 1991. The proposed lease agreement would turn over 145 acres of port property and grant Cosco a much more significant presence at that port, which I have discussed.

Cosco ship, Empress Phoenix, had attempted to smuggle in some 2,000 AK–47's fully automatic assault weapons, the same kinds of weapons, Mr. Speaker, that were used in the bank holdup in Los Angeles that placed our law enforcement agents in great jeopardy, the same companies in port at which we recently found down off the border, M–2 fully automatic weapons going to Mexico to disrupt their elections which are going to take place over the next 90 days and cause anti-American, antireform legislators and affect the elections in Mexico City. That the Chinese regime is not steadily a U.S. ally.

On January 24, 1996, the New York Times reported warnings by the former Ambassador, Charles Freling, quoting a Chinese official that China would intimidate Taiwan because U.S. leaders would care more about Los Angeles than they would Taiwan.

When the U.S. fleet started to go through the straits, when communist China started shelling Taiwan and missile attacks, the Chinese responded as we started to enter our fleet that either we withdraw or the threat of nuclear warfare on the city of Los Angeles.

Now, let's take a look at a Communist-owned and controlled facility in Long Beach Naval Shipyard. Hutchinson Group, also owned by Communist China, recently purchased both ends of the Panama Canal. This would give the Chinese control of the Panama Canal, it would give them control of Long Beach Naval Shipyard, and all of the access to and from and who sees what and where it goes. We feel that this would be a major national security threat.

Mr. Speaker, let us take a look at why economically China would want to do this. There is a study coming out by the military. China's number one import from the United States is wheat.

Why, Mr. Speaker, does not China or other cargo-containing vessels go around the horn instead of using the Panama Canal? Primarily, it has affected seagoers for centuries, the weather is bad and the threat of lost ships.

If they own both ends of the Panama Canal, the major export of wheat out of the United States to China is controlled through Long Beach Naval Shipyard, they could control economically price fixing of all of our exports going out of our major port at Long Beach. And we feel that this is also an economy threat as well as a military security threat.

According to the New York Times, Chinese officials had conveyed an ominous message to Anthony Lake, President Clinton's national security adviser, just weeks earlier: ''The possibility that American interference in Beijing efforts to bring Taipei to heel could result in devastating attack on Los Angeles.''

□ 2245

San Diego Union Tribune, March 31, 1996.

Panama Canal, one of the most strategic locations on the globe, has been brought under COSCO's web. Hutchinson Port Holdings Incorporated, a Hong Kong operated, controlled, again by a corporation, by Chinese Communists with direct ties to the Pacific and Atlantic entrances to the Panama Canal and global, syndicated columnist, Georgie Anne Geyer, Universal Press Syndicate, March 26, 1997.

At the same time, Mr. Speaker, we lost the Panama Canal, both ends of it, to Communist China owned companies. We had an American company from Alabama that bid on those same sites. They won the contracts for both of those sites. It was selected by Panama. After selection, after announcement, the Chinese government went in with sacks of cash, much like they did with our government here in the United States, and said, here is $25,000 for you, here is another $25,000 for you. And guess what? That decision was reversed and it went to Chinese Communists instead of a U.S. based firm. Johnny Chung, a Chinese American businessman from California, gave $366,000 to the Democrats, the DNC, that was later returned on suspicion it illegally came from foreign sources. Chung brought 6 Chinese officials to the White House last year to watch President Clinton make his weekly radio address. One of the 6 was the advisor from COSCO who was later given by the President access to Long Beach shipyard and also the actual gun runners that were there in the White House gave money to the DNC.

The chairman of one of these two Chinese arms companies implicated in the scheme to smuggle the 2,000 illegal Chinese-made weapons into Oakland aboard COSCO's ship had coffee in the White House in an affair associated with D.C. fundraising. Officials of the weapons company were indicted for shipping those arms.

I would reiterate, Mr. Speaker, the company that shipped it, the company that made the rifles, the company that were the arms dealers are all owned by a CEO called Communist China. So what if we turn over a port to COSCO, complete control of a Communist Chinese operated state. We will have illegal immigrants come into the United States. We will have an increase of drugs come into the United States. We will have an increase of Chinese intelligence officers within the United States on our borders, and it could prove a devastating national security issue.

On the campaign trail last year and in a White House meeting in 1995, President Clinton endorsed the proposal to transfer land of the Long Beach Naval shipyard to COSCO, but it was this March, 1995, the White House radio address that had critics talking. A COSCO advisor was among the Chinese businessmen invited to hear the President in the oval office just two days after a California businessman, Johnny Chung, made a $50,000 donation to the DNC and hand-delivered it to Mrs. Clinton's chief of staff Margaret Williams, CBS Evening News, March 11, 1997.

Shortly after the Long Beach Naval shipyard land transfer was arranged, the Clinton administration helped arrange, listen to this, Mr. Speaker, in the President's budget that he submitted, he gave free, no strings, gave to Communist China $50 million to burn a coal burning plant, after these meetings and after these DNC fund-raisers from the Chinese. He can cut impact aid for education, but he can also give $50 million to Communist China in the name of trade and just give it. That is not fair trade.

He also gave a multimillion dollar loan to build 5 Communist Chinese ships, COSCO ships, in a nonrecourse loan. What that means, Mr. Speaker, this is a loan of some $137 million, which may not be much to many Members around this body, but you ask the American people, $137 million of their taxpayers' dollars back up a nonrecourse loan to Communist China, a state-controlled company by Communist China, and if they forfeit, who is left holding the bag? The United States taxpayers. Our own ship builders do not have access to this type of loan, Mr. Speaker. Incredible. But yet the administration gives Communist China.

Over the past year a COSCO ship plowed into New Orleans boardwalk injuring 116 people and 6 COSCO ships were denied or detailed for violating international safety regulations by our Coast Guard. This is since January, COSCO has violated by the Coast Guard and had 6 violations since January and declared as an unsafe company, not only for plowing into the pier at New Orleans and devastating that pier, causing millions of dollars in injuries, but for the other violations as well.

COSCO was fined for paying kickbacks to shippers instead of abiding by tariffs. This is, again, a Chinese-operated company that was cited for giving kickbacks, payoffs for access.

We want to make it clear that we do not mean any ill will toward the people of Long Beach. As a matter of fact, we will do everything we can to restore the jobs that they lost in the BRACC closures and defense cuts. My colleagues on both sides of the aisle that are opposed to COSCO taking over this port will do that and do so vigorously.

COSCO's track record, if they were a company owned by some of our greatest allies, Great Britain or others, I

would not want them in my backyard for the violations. But I would say this, if they want to stay as a tenant of Long Beach and not have total control and access of a former national security base, most of us would support that, Mr. Speaker.

Our problem, again, is giving them total access to a security base that controls entry of illegals, of drugs, of illegal arms and intelligence officers and could pose an economic and national security threat.

Mr. Speaker, President Clinton took a personal role in promoting the interests of COSCO. At the same time he was cutting over 100 warships from the U.S. fleet, drawn up by the Bush administration, a 23 percent cut. The symbolism could not be anymore stark.

Richard Fisher, senior policy analyst with the Asian Studies Center of the Heritage Foundation, noted the real security concerns of Long Beach Steel in a Washington Times column on April 13. His main point is given below.

If it so desires, the Chinese leadership can direct that COSCO assets be put at the disposal of the People's Liberation Army, the PLA, or the main espionage organ, the Ministry of State Security, the MSS. Do we really want a subsidiary of the People's Republic of China, a future superpower, to have such large presence at a port on our own coast, one of the only two West Coast ports with a dry dock large enough to repair our aircraft carriers?

Mr. Speaker, I would say that we do not. It is one of the reasons that the gentleman from California [Mr. DUNCAN HUNTER] and I offered a bill to stop this takeover by a Communist power of U.S. territory.

The Clinton administration, and I would like to go through this step by step, it is not enough that there is a national security interest, but the Clinton administration and the China connection is very complicated. Unless you go step by step through it on how the various pieces seem to fit together, it is difficult to draw any special direction.

Webster Hubbell, John Huang, Johnny Chung, Charles Yah Lin Trie will be discussed. The other incidences of Roger Tamraz, a felon, Susan McDougal, White House and DNC Immigration and Naturalization Service, Arapaho Indian Tribe, Oklahoma fundraising—all of these I will not discuss, Mr. Speaker, because they do not have a direct tie, although indirectly, to the Chinese taking over a shipyard in Long Beach. I would like to go through and show how devastating the empirical indictment of a conflict of interest between the White House and Long Beach Naval Shipyard.

Let me first start with a family called the Riady family. The Riady family is based in Indonesia, controls a $12 billion financial empire operating under the umbrella of the Lippo Group. The family patriarch, one son, Stephen Riady has served as Lippo chairman since 1991. James Riady lived in Arkansas in the 1980's and there came to know then Governor Bill Clinton. The Riady family has an unusually big stake in maintaining most-favored-nation status for China since Lippo maintains enormous investments in Hong Kong, which is also the company that Mr. McDougal worked at.

The China connection. A Justice Department investigation into improper political fundraising activities has uncovered evidence that representatives of the People's Republic of China sought direct contributions from foreign sources to the DNC, the Democratic National Committee, before the 1996 Presidential election.

Mr. Speaker, our intelligence—the FBI and CIA—warned Janet Reno directly that China was attempting to influence the White House in policy decisions through campaign finance reports, much like they did in the port that we just talked about, by giving cash donations.

The Justice Department task force has discovered that in early 1995, Chinese representatives developed a plan to spend nearly $2 million to buy influence in Congress, this body, and the Clinton administration, and investigators are apparently trying to determine if any of that money was received by John Huang, Charlie Trie, among others. So the FBI has given us warning and the CIA that the Chinese are trying to influence our Government to make decisions in their favor. And then the Clinton administration gives them a $50 million coal burning plant, gives them a $127 to $137 million loan to build Chinese Communist ships. Then they give them access to Long Beach Naval Shipyard and complete control of it. We think that there is a direct problem.

John Huang, the Commerce Department and Lippo. John Huang, with no background check, with no background check, received top-level security clearance for work at the Commerce Department while still working for Lippo. This, despite Mr. Huang's ties to a Lippo bank that was ordered to cease and desist money laundering and despite Lippo commercial ties to China and its intelligence services, was granted access to top level intelligence services within the White House.

President Clinton attended a September 13, 1995, White House meeting with John Huang, James Riady of Lippo Bank, Bruce Lindsey, and C. Joseph Giroir, the lawyer who hired then-Governor Clinton's wife, Hillary Clinton, to the Rose Law Firm and who is now doing Riady business in China.

□ 2300

It was at that meeting that the transfer of Huang from the Department of Commerce to the DNC was arranged. A January 13, 1997, letter from the Commerce Secretary Mickey Kantor says that Mr. Huang got a weekly intelligence briefing centered on the People's Republic of China and the materials related to those briefings were under the control of the CIA. And again there was no security clearance whatsoever, although they were warned, the administration, that this man had ties to Communist China.

Senior White House aides learned that Commerce Department officials had concerns about John Huang in mid-1995, several months before the White House helped place him in a sensitive fund-raising job in the DNC, the Democratic National Committee. People at the Commerce Department itself described Mr. Huang as ''bad news.''

According to several people familiar with the matter, officials at the Department were worried that Mr. Huang's government work posed a conflict with his past employment with Lippo and direct ties with Communist China.

In his second week on the job at the Commerce Department, Mr. Huang and Webster Hubbell, who has recently been in the news and who was then employed by Lippo, met for lunch in Washington. At the time, according to the internal White House documents, administration officials were monitoring Mr. Hubbell's cooperation with the Whitewater independent counsel. That evening, Mr. Huang joined Mr. Riady and Mr. Clinton at the President's birthday party.

It is no secret that these were some of the individuals that gave Mr. Hubbell over $500,000, quote, as a friend.

John Huang received 37 CIA-documented intelligence briefings at the Commerce Department, saw more than two dozen intelligence reports, and made over 70 phone calls to a Lippo-controlled bank in Los Angeles, his former employer.

Mr. Huang's message slips from the Commerce Department also showed calls from one Chinese Embassy official in February 1995 and three calls from the Embassy's commercial minister in June and August of that year.

Mr. Huang's desk calendar entries had three meetings scheduled with Chinese Government officials. He attended policy breakfasts at the Chinese Embassy in October 1995 and visited the Indonesian Embassy on October 11, 1995.

In March, President Clinton, after this meeting in Indonesia by Mr. Huang, in March 1996, President Clinton reversed a key administrative policy on immigration following a $1.1 million Asian fund-raising dinner, the most successful Asian-American political fund-raiser in United States history. Held the previous month and organized by, who else? John Huang, a former employee of Lippo.

President Clinton had previously opposed the practice of allowing foreign-born siblings of naturalized U.S. citizens to come to the United States, based on recommendations of a commission he appointed himself, and affirmed his desire to halt immigration in an early 1996 letter to the Speaker of the House.

But in March 1996, President Clinton made a last-minute about-face, after

the Indonesian meeting with Mr. Huang and after the fund-raising of $1.1 million, and reversed his position and put top priority recommendations made in a strongly worded John Huang memorandum to Bill Clinton. And then, and now former, Senator Alan Simpson said: I never in 18 years in Congress, and I quote, saw an issue that shifted so fast and so hard.

After receiving $1.1 million from Indonesia, Mr. Huang began aggressively arguing for U.S. trade policy toward Vietnam only 1 day after joining the Commerce Department, and again with no security clearances whatsoever or background check, in July 1994, and pushed the idea for the next 17 months when Lippo Group sought to expand its investment empire into Vietnam itself. He also attended interagency meetings of an Indonesian working group. The next month, a United States trade mission to China resulted in a $1 billion power plant that Lippo would finance and benefit from. This is at the same time when the President agreed to give Communist China $50 million for a Chinese coal-burning plant.

In 1992, Candidate Clinton described as unconscionable Indonesia's treatment of the East Timorese, 200,000 of whom had perished since Indonesia had annexed East Timor 20 years ago. The administration even supported the United Nations resolution criticizing Indonesia's East Timor policy. Around the same time, Mark Grobymer, an Arkansas lawyer who golfs with Mr. Clinton, joined Mr. Huang and Mr. Riady on a trip to East Timor. In April the three men visited Mr. Clinton, and, guess what? The President reversed his position. Human rights activists claimed the administration's concern for Timor would be looked into.

John Huang helped raise $425,000 from an Indonesian couple whose primary bread earner was as a landscaper. When it was looked into, and that checks were made concurrently by the same source and it was brought up to the press, the DNC returned the money.

John H. K. Lee, of Cheong Am America, United States subsidiary of a South Korea company, gave $250,000 in illegal contributions to the DNC following a private meeting with President Clinton, and arranged by guess who? John Huang. The money was returned following a press story.

Mr. Speaker, what I am trying to show is that there was a direct link between fund-raising of foreign powers and the takeover of a national security base, Long Beach Naval Shipyard, by the Communist Chinese. And that if we allow this to happen, that in the interest of national security and economic security, that this administration has sold itself out to fund-raising interests from overseas.

On March 9, 1995, Margaret Williams, Chief of Staff to Hillary Clinton, accepted a $50,000 donation to the Democratic party from Johnny Chung, a California businessman who emerged as a central figure of the Justice Department and congressional investigations into Democratic fund-raising. Mr. Chung made a $50,000 donation to Democrats the same week as he escorted COSCO and also the gun runners that were there at the White House, a $50,000 donation to the DNC from these groups.

After that visit, President Clinton told his aides that he was not sure we want photos of him made with these people circulating around, end quote.

Mr. Chung told Mrs. Williams earlier in the administration that he wanted to give money to the Clintons personally, sought to exploit his contributions to excess commercial gain. Associates of Mr. Chung have said that he used his political access to submit business deals with investors from China, Taiwan and Hong Kong, bringing them to the White House events for fund-raisers.

National security warnings ignored: Robert L. Suetting, a Chinese specialist on National Security Council, warned that Mr. Chung was quote a hustler who appeared to be involved in setting up some kind of consulting operation that will thrive by bringing Chinese entrepreneurs into the town for exposure to high level United States officials, that is, COSCO.

Three months later Mr. Suetting expressed concern to Anthony Lake, who was at the time President Clinton's national security adviser, after the White House learned that Mr. Chung was leaving for China and planned to get involved in the sensitive case of imprisoned Chinese dissident Harry Wu.

Mr. Chung visited the White House 51 times, records show. Twenty-one of these times he was cleared for entry by the office of the First Lady. Mr. Chung made 17 visits to the White House after the April 1995 Committee on National Security memorandums identify him as a hustler and urged caution, and 8 visits after the second warning memorandum was sent to the NSC, Director Anthony Lake, in July 1995.

In March 1997, in her first extensive public remarks about the DNC fund-raising controversy, the First Lady said she did not know why Johnny Chung had as much access and was spending so much time around her staff offices in the executive office building, but yet 21 of the 51 times it was the First Lady's office that granted direct access to Mr. Chung.

In March 1996, Charlie Trie, a Little Rock restaurateur and long-time friend of President Clinton, presented Michael H. Cardozo, executive director of the Presidential Legal Expense Trust, a defense fund set up for President Clinton and Mrs. Clinton to help pay their legal bills, with two manila envelopes containing checks and money orders for more than $450,000.

The fund returned about 70,000 immediately but deposited $378,300. Two months later, after the fund ordered an investigation, the rest of the money is returned. The investigation found that some of the money came from sequentially numbered money orders, supposedly from different people in different cities, and apparently signed in the same handwriting. And guess what? It was done by Mr. Trie and Mr. Huang again.

According to a defense fund trustee, Harold Ickes and Hillary Clinton had knowledge of the corrupt money and did nothing to stop the flow of it until newspaper columns and stories triggered Ickes' tip-off to the DNC that maybe Trie's fundraising would be linked to John Huang and James Riady and, yes, Mr. McDougal.

A Justice Department FBI task force investigating allegations that China may have directed contributions to the DNC, charges that the Chinese Government denies, is focusing on a series of substantial wire transfers in 1995–96 from a bank operated by the Chinese Government. The transfer, made from the New York office of the Bank of China, and usually made in increments of $50,000 and $100,000, came at a time when Mr. Trie was directing large donations, again to the DNC.

The Democratic National Committee has returned $187,000 that Mr. Trie personally contributed and plans to return another $458,000 he helped raise from others. The DNC said the donations appear to have foreign sources, which would make them illegal, and they returned them.

Some of the donors invited to the White House who participated in events with the President include: Mr. Russ Barakat, a south Florida Democrat party official who, 5 days after attending a White House coffee session in April 1995, was indicted on criminal charges and ultimately convicted of tax evasion.

A Florida newspaper was full of the stories about Mr. Barakat's problems with the law before the executive mansion get-together.

Mr. Wang Jun a Chinese businessman and the head of a military-owned arms company, while a part of the United States Government, was out investigating Wang Jun for allegedly smuggling in arms to this country, that is, 2,000 AK–47's. He was with Mr. Clinton at a White House coffee courtesy of Charlie Trie.

I will not speak about Eric Wynn because there is no tie.

Chong Lo, convicted of tax evasion in 1980 under the name of Esther Chu, who was another visitor at the coffee of the White House Clintons, has since been arrested again on 14 charges of falsifying mortgage applications, to which she had pleaded not guilty at the time.

In March 1997, Mr. Speaker, former White House Chief of Staff Leon Panetta acknowledged that the 1996 Clinton reelection committee played a role in the spending of some $35 million to $40 million in soft money contributions on campaign commercials. Mr. Panetta's comments marked the first time that a member of Mr. Clinton's inner

circle publicly stated that the President's reelection campaign helped direct the spending of these funds.

□ 2315

When asked if it was illegal for the Clinton campaign to use soft money, Mr. Panetta replied it was not because the money was spent as a part of overall Democratic strategy in confronting the Republican Congress.

The key witnesses in the Democratic fundraising probe, Webster Hubbell, John Huang, and former White House aide Mark Middleton have reportedly invoked their fifth amendment rights and refused to turn over subpoenaed papers to the White House Government Reform and Oversight Committee, although in recent developments in the news, Mr. Hubbell has been forthcoming.

The Democratic National Committee has said it will return $3 million in illegal, improper or suspicious donations including $1.6 million raised by Mr. Huang, $645,000 raised by Charlie Trie and $366,000 raised by Johnny Chung.

What I would say, Mr. Speaker, is we need to take a look. Is there a conflict of interest between payments to the DNC, to the White House, and to the takeover of a Communist-controlled COSCO in Long Beach Naval Shipyard, a company again that shipped in AK–47's, a company that is owned by Communist China. Another company that actually made the arms, owned by Communist China. Another company that directs the sales of those and delivery of those arms owned by Communist China. All three corporations, their CEO is Communist China. And what future developments could we have by Communist China completely controlling and having access to Long Beach Naval Shipyard?

Again if they want to have a right to port there like they have over the 15 years, we have no problem with that. Our problem is it gives them complete control of the 145 acres and access, and where things go.

Mr. Speaker, we are opposed to the takeover of Long Beach Shipyard by a Communist Chinese power. Recently Communist China has increased its military spending by over 30 percent in one year. They recently purchased 250 SU–27's which outclass, nonparity, our F–15 Strike Eagles and our F–14–D's. Their AA–10, AA–11 and 12 missiles that they bought from Russia outclass our AMRAAM to where we do not have parity, even with those fighters.

Russia has currently a follow-on to that, the SU–35. Communist China and COSCO have illegally shipped nuclear weapons to all of our former enemies, including Iraq, Iran, and Syria. They have been cited for shipping chemical and biological weapons to Iran, Iraq, and Syria. That, with the threat to the United States that if we got involved with one of their holdings, Taiwan, that they would threaten us with nuclear retaliation on the city of Los Angeles, is that a country that we want to have control and access to our port? I say no, Mr. Speaker.

I believe in China, and I believe in trade, that it is hard to change a 10,000-year-old dog, and I think we need to get involved in investment with China. But currently we have one of the largest deficits, trading deficits with any other Nation with China. When we talk about trade, we need to talk about fair trade. We do not want access of Chinese-controlled government, we do not want them to slap us in the face with the threat of Taiwan. I think under Republican and Democratic administrations, Mr. Speaker, that our weak link is our State Department. I think our new successor in that department is probably the absolute best person we could have. She is tough, she is tough on negotiations, and I think she will stand up for our workers' rights over trade with China. But it has not happened in the past. And Madeleine Albright, I think if anybody can do it in the administration, she can, and I support that, because she is tough and that is what we need for a change in our trade negotiations. I supported NAFTA and I supported GATT, but yet our administration now and under Republican administrations in many of my colleagues' opinion has not stood up for our workers. Yes, we do need to trade with China. We do need to trade with other countries. But not when they keep slapping us in the face, and currently and in the future pose a national security threat to this country.

Mr. Speaker, all these facts are documented in newspaper articles.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCHIFF (at the request of Mr. ARMEY), for today and the balance of the week, on account of medical reasons.

Mr. COSTELLO (at the request of Mr. GEPHARDT), for today, on account of his mother's illness.

Mr. MANTON (at the request of Mr. GEPHARDT), for today, on account of official business in the district.

Ms. DANNER (at the request of Mr. GEPHARDT), until 5 p.m. today, on account of an illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders hereto entered, was granted to:

(The following Member (at the request of Mr. PALLONE) to revise and extend her remarks and include extraneous material:)

Ms. MCKINNEY, for 5 minutes today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. PAUL, for 5 minutes, today.

Mrs. LINDA SMITH of Washington, for 5 minutes, today.

Mr. MCINTOSH, for 5 minutes each day, on today and April 16.

Mr. GUTKNECHT, for 5 minutes, on April 16.

Mr. COBLE, for 5 minutes, today.

Mr. UPTON, for 5 minutes, on April 17.

Mr. DUNCAN, for 5 minutes, today.

Mr. JONES, for 5 minutes, on April 17.

Mr. KINGSTON, for 5 minutes each day, on today and April 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)

Mr. ROEMER.
Mr. PASCRELL.
Mr. KUCINICH.
Mr. OBEY.
Mr. POMEROY.
Mrs. MEEK of Florida.
Mr. VISCLOSKY.
Mr. SCHUMER.
Mr. FRANK of Massachusetts.
Mr. TOWNS.
Mr. MCGOVERN.
Mr. SABO.
Mrs. KENNELLY of Connecticut.
Ms. NORTON.
Ms. KILPATRICK.
Mr. MENENDEZ.

(The following Members (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mr. SOLOMON.
Mr. CAMP.
Mr. GALLEGLY.
Mr. GOODLING.
Mr. DOOLITTLE.
Mr. MCINTOSH.
Mr. ARCHER.
Mr. DIAZ-BALART.
Mr. GEKAS.
Mr. CUNNINGHAM.
Mr. SPENCE in two instances.
Mr. GILMAN in two instances.

(The following Member (at the request of Mr. CUNNINGHAM) and to include extraneous matter:)

Mr. DIXON.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, 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. 785. An act to designate the J. Phil Campbell, Senior, Natural Resource Conservation Center.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On April 15, 1997:

H.R. 785. An act to designate the J. Phil Campbell, Senior, Natural Resource Conservation Center.

ADJOURNMENT

Mr. CUNNINGHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 16, 1997, 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:

2767. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Raisins Produced From Grapes Grown In California; Final Free and Reserve Percentages for the 1996–97 Crop Year for Natural (Sun-Dried) Seedless Raisins [FV97–989–1IFR] (7 CFR Part 989) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2768. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Hazelnuts Grown in Oregon and Washington; Establishment of Interim and Final Free and Restricted Percentages for the 1996–97 Marketing Year [Docket No. FV96–982–2 FIR] (7 CFR Part 982) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2769. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Irish Potatoes Grown in Washington; Amended Assessment Rate [Docket No. FV97–946–1 IFR] (7 CFR Part 946) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2770. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Sweet Onions Grown in the Walla Walla Valley of Southeast Washington and Northeast Oregon; Establishment of Container Marking Requirements and Special Purpose Shipment Exemptions [FV96–956–3 FR] (7 CFR Part 956) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2771. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Fresh Cut Flowers and Fresh Cut Greens Promotion and Information Order; Referendum Procedures [FV–97–701FR] (7 CFR Part 1208) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2772. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Sethoxydim; Extension of Time-Limited Pesticide Tolerance [OPP–300467; FRL–5598–7] (RIN: 2070–AB78) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2773. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Norflurazon; Pesticide Tolerance for Emergency Exemptions [OPP–300470; FRL–5598–2] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2774. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Myclobutanil; Pesticide Tolerances for Emergency Exemptions [OPP–300466; FRL–5597–9] (RIN: 2070–AC78) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2775. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Propiconazole; Pesticide Tolerances for Emergency Exemptions [OPP–300474; FRL–5600–5] (RIN: 2070–AB78) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2776. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Phosphinothricin Acetyltransferase and the Genetic Material Necessary for Its Production in All Plants; Exemption From the Requirement of a Tolerance On All Raw Agricultural Commodities [OPP–300463; FRL–5597–3] (RIN: 2070–AB78) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2777. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Bacillus Thuringiensis Subspecies Kurstaki Cryla(c) and the Genetic Material Necessary for Its Production in All Plants; Exemption From the Requirement of a Tolerance on All Raw Agricultural Commodities [OPP–300462; FRL–5596–7] (RIN: 2070–AB78) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2778. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clopyralid; Pesticide Tolerance [OPP–300473; FRL–5600–2] (RIN: 2070–AB78) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2779. A letter from the Acting President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

2780. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits (29 CFR Part 4044) received April 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

2781. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Promulgation of Extension of Attainment Date for the Portland, Maine Moderate Ozone Nonattainment Area [FRL–5809–5] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2782. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Ambient Air Quality Surveillance; Connecticut/Maine/Massachusetts/New Hampshire/Rhode Island/Vermont; Modification of the Ozone Monitoring Season [001–7201a; FRL–5808–7] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2783. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Commonwealth of Pennsylvania; Approval of Source-Specific RACT [PA069–4053, PA096–4053; FRL–5808–9] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2784. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Limited Approval and Limited Disapproval of Implementation Plans; Rhode Island [RI–6972a; FRL–5711–1] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2785. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Indiana [IN45–3a; FRL–5698–5] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2786. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Minnesota [MN48–01–7268a; FRL–5699–1] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2787. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Approval and Promulgation of PM10 Implementation Plan for Denver, Colorado [CO–001–0016; FRL–5802–6] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2788. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Approval of Source-Specific VOC and NO_X RACT Determinations [PA–4055a; FRL–5809–9] received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2789. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; California State Implementation Plan Revision; Bay Area Air Quality Management District [CA 179–0029a; FRL–5697–1] received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2790. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Approval of Source-Specific VOC and NO_X RACT Determinations [PA–4056a; FRL–5809–7] received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2791. A letter from the Deputy Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 04–97 for United States involvement in the United Kingdom's Fast Jet Missile Approach and Warning System Technology Assessment Program [FJMAWS TAP], pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

2792. A letter from the Chair, Christopher Columbus Fellowship Foundation, transmitting the fiscal year 1996 annual report under the Federal Managers' Financial Integrity Act [FMFIA] of 1982, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

2793. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Excepted Service—Schedule A Authority for Temporary Organizations [5 CFR Part 213] (RIN: 3206–AH67) received April 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

2794. A letter from the Secretary of Housing and Urban Development, transmitting the Federal Housing Administration's [FHA] annual management report for the fiscal year 1995, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform and Oversight.

2795. A letter from the Chief Justice, the Supreme Court of the United States, transmitting amendments to the Federal Rules of Civil Procedure that have been adopted by the Court, pursuant to 28 U.S.C. 2074 (H. Doc. No. 105–67); to the Committee on the Judiciary and ordered to be printed.

2796. A letter from the Chief Justice, the Supreme Court of the United States, transmitting amendments to the Federal Rules of Criminal Procedure that have been adopted by the Court, pursuant to 28 U.S.C. 2074 (H. Doc. No. 105–68); to the Committee on the Judiciary and ordered to be printed.

2797. A letter from the Chief Justice, the Supreme Court of the United States, transmitting amendments to the Federal Rules of Bankruptcy Procedure that have been adopted by the Court, pursuant to 28 U.S.C. 2075 (H. Doc. No. 105–70); to the Committee on the Judiciary and ordered to be printed.

2798. A letter from the Chief Justice, the Supreme Court of the United States, transmitting amendments to the Federal Rules of Evidence that have been adopted by the Court, pursuant to 28 U.S.C. 2074 (H. Doc. No. 105–69); to the Committee on the Judiciary and ordered to be printed.

2799. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 and DC–10 Series Airplanes, and KC–10A (Military) Airplanes (Federal Aviation Administration) [Docket No. 95–NM–234–AD; Amdt. 39–9986; AD 97–07–12] (RIN: 2120–AA64) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2800. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce plc RB.211–524 Series Turbofan Engines (Federal Aviation Administration) [Docket No. 95–ANE–56; Amdt. 39–9978; AD 97–07–04] (RIN: 2120–AA64) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2801. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Textron Lycoming and Superior Air Parts, Inc. (Federal Aviation Administration) [Docket No. 96–ANE–43; Amdt. 39–9977; AD 97–01–04] (RIN: 2120–AA64) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2802. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes (Federal Aviation Administration) [Docket No. 96–NM–105–AD; Amdt. 39–9988; AD 97–07–14] (RIN: 2120–AA64) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2803. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Construcciones Aeronauticas, S.A. (CASA) Model CN–235 Series Airplanes (Federal Aviation Administration) [Docket No. 96–NM–127–AD; Amdt. 39–9987; AD 97–07–13] (RIN: 2120–AA64) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2804. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 28882; Amdt. No. 1792] (RIN: 2120–AA65) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2805. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 28883; Amdt. No. 1793] (RIN: 2120–AA65) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2806. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 28863; Amdt. No. 1789] (RIN: 2120–AA65) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2807. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 28865; Amdt. No. 1791] (RIN: 2120–AA65) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2808. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 28864; Amdt. No. 1790] (RIN: 2120–AA65) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2809. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Reduced Vertical Separation Minimum Operations (Federal Aviation Administration) [Docket No. 28870; Amdt. No. 91–254] (RIN: 2120–AE51) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2810. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Truckee, CA (Federal Aviation Administration) [Airspace Docket No. 96–AWP–21] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2811. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; San Francisco, CA (Federal Aviation Administration) [Airspace Docket No. 97–AWP–5] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2812. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Willcox, AZ (Federal Aviation Administration) [Airspace Docket No. 97–AWP–8] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2813. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Hudson, NY; correction (Federal Aviation Administration) [Airspace Docket No. 96–AEA–12] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2814. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Temporary Restricted Area R–3203D; Orchard, ID (Federal Aviation Administration) [Airspace Docket No. 96–ANM–21] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2815. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Craig, CO (Federal Aviation Administration) [Airspace Docket No. 96–ANM–030] received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2816. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Battle Mountain, NV (Federal Aviation Administration) [Airspace Docket No. 96–AWP–32] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2817. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E2 Airspace; Brunswick Malcolm-Mckinnon Airport, GA (Federal Aviation Administration) [Airspace Docket No. 97–ASO–6] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2818. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; St. Cloud, MN, St. Cloud Regional Airport (Federal Aviation Administration) [Airspace Docket No. 96–AGL–33] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2819. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Hillsboro, ND, Hillsboro Municipal Airport (Federal Aviation Administration) [Airspace Docket No. 96–AGL–32] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2820. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; St. Cloud, MN, St. Cloud Regional Airport (Federal Aviation Administration) [Airspace Docket No. 96–AGL–34] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2821. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Mackinac Island, MI, Mackinac Island Airport (Federal Aviation Administration) [Airspace Docket No. 96–AGL–35] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2822. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Mineral Point, WI, Iowa County Airport (Federal Aviation Administration) [Airspace Docket No. 96–AGL–38] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2823. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Detroit, MI, Romeo Airport (Federal Aviation Administration) [Airspace Docket No. 97–AGL–5] (RIN: 2120–AA66)

received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2824. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Phillips, WI, Price County Airport (Federal Aviation Administration) [Airspace Docket No. 97–AGL–4] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2825. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Pine Ridge, SD, Pine Ridge Airport (Federal Aviation Administration) [Airspace Docket No. 96–AGL–7] (RIN: 2120–AA66) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2826. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Monte Vista, CO (Federal Aviation Administration) [Airspace Docket No. 95–ANM–31] received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2827. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Burlington, CO (Federal Aviation Administration) [Airspace Docket No. 95–ANM–27] received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2828. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Removal of Certain Limitations on Cost Comparisons Related to Contracting Out of Activities at VA Health-Care Facilities (RIN: 2900–AI61) received April 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2829. A letter from the General Counsel, Department of Defense, transmitting proposed items of legislation that address personnel, procurement, policy, and environmental concerns of the Department of Defense; jointly, to the Committees on National Security, Ways and Means, the Judiciary, Government Reform and Oversight, and Transportation and Infrastructure.

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. SKAGGS (for himself, Mrs. ROUKEMA, Mr. SPRATT, and Mr. STENHOLM):

H.R. 1321. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority; 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. HYDE (for himself, Ms. PRYCE of Ohio, Mr. BARCIA of Michigan, Mr. ROYCE, Mr. STUMP, Mr. BONO, Mr. MORAN of Virginia, Mr. HORN, Mr. BRADY, Mr. FOLEY, Mr. STEARNS, Mr. GALLEGLY, Ms. ROS-LEHTINEN, and Mr. LOBIONDO):

H.R. 1322. A bill to implement the Victims' Rights Constitutional Amendment and protect the rights of crime victims; to the Committee on the Judiciary.

By Mr. MCHALE (for himself, Mr. HANSEN, Mr. MEEHAN, Mr. OBERSTAR, Mr. YATES, Mr. HINCHEY, Ms. RIVERS, Mr. ACKERMAN, Mr. MILLER of California, Mr. LIPINSKI, Mr. GEJDENSON, Ms. FURSE, Mr. DELLUMS, Mr. EVANS, Ms. NORTON, and Ms. DELAURO):

H.R. 1323. A bill to amend the Internal Revenue Code of 1986 to disallow deductions for advertising expenses for tobacco products; to the Committee on Ways and Means.

By Mr. MARKEY (for himself, Mr. DINGELL, Mr. KLINK, and Mr. SAWYER):

H.R. 1324. A bill to amend the Communications Act of 1934 to clarify the authority of the Federal Communications Commission to authorize foreign investment in U.S. broadcast and common carrier radio licenses; to the Committee on Commerce.

By Mr. DAN SCHAEFER of Colorado (for himself, Mr. TAUZIN, Mr. BONO, Mr. HALL of Texas, Mr. HEFLEY, Mr. LINDER, Mrs. MYRICK, Mr. NORWOOD, Mr. PACKARD, Mr. STUMP, and Mr. WICKER):

H.R. 1325. A bill to promote freedom, fairness, and economic opportunity for families by repealing the income tax, abolishing the Internal Revenue Service, and enacting a national retail sales tax to be administered primarily by the States; to the Committee on Ways and Means.

By Mr. BUNNING of Kentucky (for himself and Mr. THORNBERRY):

H.R. 1326. A bill to amend title 31, United States Code, to provide for continuing appropriations in the absence of regular appropriations; to the Committee on Appropriations.

By Mr. CAMP:

H.R. 1327. A bill to amend the Internal Revenue Code of 1986 to provide for a child tax credit; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts:

H.R. 1328. A bill to prohibit the importation of goods and produced abroad with child labor, and for other purposes; to the Committee on International Relations, and in addition to the Committee on Ways and Means, for a period to be subsequently determine by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GREENWOOD:

H.R. 1329. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the Medicare Program of drugs approved by the Food and Drug Administration for the treatment of individuals with multiple sclerosis; 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. KANJORSKI (for himself, Mr. TOWNS, Mr. BORSKI, Mr. Underwood, Mr. MASCARA, and Ms. NORTON):

H.R. 1330. A bill to prohibit Federal officers and employees from providing access to Social Security Account statement information, personal earnings and benefits estimate statement information, or tax return information of an individual through the Internet or without the written consent of the individual, and to establish a commission to investigate the protection and privacy afforded to certain Government records; to the Committee on Government Reform and Oversight.

By Mrs. KENNELLY of Connecticut:

H.R. 1331. A bill to require the Commissioner of Social Security to assemble a panel of experts to assist the Commissioner in developing appropriate mechanisms and safeguards to ensure confidentiality and integrity of personal Social Security records made accessible to the public; to the Committee on Ways and Means.

By Mrs. MALONEY of New York (for herself, Mr. CONYERS, Mrs. MINK of Hawaii, and Ms. CHRISTIAN-GREEN):

H.R. 1332 A bill to protect the civil rights of victims of gender-motivated violence and to promote public safety, health, and regulate activities affecting interstate commerce by creating employer liability for negligent conduct that results in an individual's committing a gender-motivated crime of violence against another individual on premises controlled by the employer; to the Committee on Education and the Workforce, and in addition to the Committee on the Judiciary, 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. NETHERCUTT (for himself, Ms. DUNN of Washington, Mr. MCINTOSH, Mr. HOSTETTLER, Mr. CALVERT, Mr. CHABOT, and Mr. HEFLEY):

H.R. 1333. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 1334. A bill to amend the Federal tort claims provisions of title 28, United States Code, to repeal the exception for claims arising outside the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself, Mr. OWENS, Mr. TOWNS, Ms. MOLINARI, Mr. NADLER, Mrs. MALONEY of New York, and Ms. VELAZQUEZ):

H.R. 1335. A bill to award a congressional gold medal to honor Jack Roosevelt Robinson; to the Committee on Banking and Financial Services.

By Mr. SMITH of Texas (for himself, Mr. ROEMER, Mrs. ROUKEMA, and Mr. WATT of North Carolina):

H.R. 1336. A bill to amend the Adult Education Act to authorize the Secretary of Education to make grants to States to provide support services to participants in adult education programs; to the Committee on Education and the Workforce.

By Mr. SNOWBARGER (for himself, Mr. MORAN of Kansas, Mr. TIAHRT, and Mr. RYUN):

H.R. 1337. A bill to enhance the administrative authority of the respective presidents of Haskell Indian Nations University and the Southwest Indian Polytechnic Institute, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Government Reform and 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. SOUDER (for himself, Mrs. MYRICK, Mr. LARGENT, Mr. MCINTOSH, Mr. WELLER, Mr. SHADEGG, Mr. WATTS of Oklahoma, Mr. COBURN, Mrs. KELLY, Mr. ENGLISH of Pennsylvania, Mrs. CHENOWETH, Mr. DUNCAN, Mr. KOLBE, Mr. BARTLETT of Maryland, Mr. WELDON of Florida, Mr. GRAHAM, Mr. SENSENBRENNER, Mr. COX of California, Mr. CHABOT, Mr. PAUL, Mrs. EMERSON, and Mr. CALVERT):

H.R. 1338. A bill to amend the Internal Revenue Code of 1986 to increase the amount of the charitable contribution deduction, to allow such deduction to individuals who do not itemize other deductions, and for other purposes; to the Committee on Ways and Means.

By Mr. UNDERWOOD:

H.R. 1339. A bill to amend title 10, United States Code, to impose certain notification requirements on the Secretary of Defense as a precondition on the establishment of Department of Defense domestic dependent elementary and secondary schools; to the Committee on National Security.

By Mr. VISCLOSKY:

H.R. 1340. A bill to reduce corporate welfare and promote corporate responsibility; to the Committee on Ways and Means, and in addition to the Committees on Resources, Agriculture, Science, Banking and Financial Services, the Budget, and Transportation and Infrastructure, 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. HYDE (for himself, Ms. PRYCE of Ohio, Mr. BARCIA of Michigan, Mr. ROYCE, Mr. STUMP, Mr. BONO, Mr. MORAN of Virginia, Mr. HORN, Mr. BRADY, Mr. FOLEY, Mr. STEARNS, Mr. GALLEGLY, Ms. ROS-LEHTINEN, and Mr. LOBIONDO):

H.J. Res. 71. Joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims; to the Committee on the Judiciary.

By Mr. WATTS of Oklahoma (for himself, Mr. LARGENT, and Mr. BUNNING of Kentucky):

H. Con. Res. 61. Concurrent resolution honoring the lifetime achievements of Jackie Robinson; to the Committee on Government Reform and Oversight.

By Mr. HASTINGS of Florida:

H. Con. Res. 62. Concurrent resolution directing the Joint Committee on the Library to procure a bust or statue of Sojourner Truth for placement in the Capitol; to the Committee on House Oversight.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. HAYWORTH introduced a bill (H.R. 1341) for the relief of Comdr. Carl D. Swanson; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Mr. HASTERT, Mr. RIGGS, Mr. SANDLIN, Mr. CALVERT, Mr. NORWOOD, Mr. FOX of Pennsylvania, and Mr. BOB SCHAFFER.

H.R. 27: Mr. BRADY, Mr. HERGER, Mr. HOSTETTLER, Mr. DUNCAN, Mr. BACHUS, and Mr. COMBEST.

H.R. 38: Mr. GALLEGLY, Mr. DEUTSCH, Mr. LAMPSON, and Mr. HEFNER.

H.R. 44: Mr. ANDREWS and Mr. FILNER.

H.R. 47: Mr. COOKSEY.

H.R. 65: Mr. GALLEGLY, Mr. JONES, Mrs. EMERSON, Mr. ANDREWS, Mr. BACHUS, and Mr. SAM JOHNSON.

H.R. 96: Mr. FATTAH, Ms. DANNER, Mrs. MALONEY of New York, Mr. GREENWOOD, Mr. SCHUMER, and Mr. MCNULTY.

H.R. 107: Mr. GIBBONS, Mr. FORBES, Mr. DEUTSCH, Mr. ANDREWS, Mr. LEWIS of Georgia, Mr. TALENT, and Mr. LANTOS.

H.R. 124: Mr. BARTLETT of Maryland and Mr. HOSTETTLER.

H.R. 125: Mr. CALVERT.

H.R. 127: Mr. OWENS, Mr. NEY, Mrs. THURMAN, and Mr. LANTOS.

H.R. 145: Mr. RUSH, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. MCCARTHY of Missouri, Mr. WALSH, Mr. WELLER, and Mrs. CLAYTON.

H.R. 158: Mr. GILLMOR, Mr. MICA, Mr. CRANE, Mr. DREIER, Mr. CUNNINGHAM, Mr. BONILLA, Mr. WALSH, Mr. SESSIONS, Mr. WHITFIELD, Mr. GRAHAM, Mr. CALVERT, Mr. BARCIA of Michigan, Mr. BAKER, and Mr. BONO.

H.R. 159: Mr. GRAHAM.

H.R. 161: Mr. KOLBE.

H.R. 163: Mrs. EMERSON.

H.R. 166: Mr. BROWN of California.

H.R. 198: Mr. CRANE and Mr. GALLEGLY.

H.R. 228: Mr. ENGLISH of Pennsylvania.

H.R. 303: Mr. GALLEGLY, Mr. JONES, Mr. SHAW, Mrs. EMERSON, and Mr. SAM JOHNSON.

H.R. 312: Mr. PACKARD and Mr. BILIRAKIS.

H.R. 335: Mr. ANDREWS.

H.R. 347: Mrs. EMERSON.

H.R. 408: Mr. WEXLER and Mr. DICKS.

H.R. 423: Mr. LUTHER and Ms. PRYCE of Ohio.

H.R. 424: Mr. EHRLICH and Mr. PETRI.

H.R. 437: Mr. WELDON of Florida.

H.R. 446: Mr. FATTAH, Mr. BOB SCHAFFER, and Mr. FILNER.

H.R. 450: Mr. CAMP, Mr. LEWIS of Georgia, Mr. CALVERT, and Mr. BARR of Georgia.

H.R. 465: Mr. CLYBURN, Mr. BACHUS, Mr. FLAKE, Mr. CALVERT, and Mr. WEYGAND.

H.R. 475: Mr. DELAHUNT, Mr. PETERSON of Pennsylvania, Mrs. MYRICK, and Mr. SHUSTER.

H.R. 482: Mr. POMBO.

H.R. 493: Mr. SANFORD.

H.R. 533: Mr. PAUL, Mr. TRAFICANT, and Mr. LEWIS of Georgia.

H.R. 566: Mr. FLAKE, Mr. TOWNS, Mr. WEXLER, Mr. DAVIS of Illinois, and Mr. LEWIS of Georgia.

H.R. 586: Mr. CARDIN, Mr. MCHALE, Mr. PETRI, and Mr. WOLF.

H.R. 589: Mr. SNOWBARGER and Mrs. CUBIN.

H.R. 614: Mr. SALMON, Mr. SENSENBRENNER, and Mr. NEUMANN.

H.R. 622: Mr. PETERSON of Pennsylvania.

H.R. 630: Mr. GALLEGLY and Mr. ROGAN.

H.R. 659: Mr. HILL, Mr. GUTKNECHT, Mr. HASTINGS of Washington, Mr. BOB SCHAFFER, and Mr. BERRY.

H.R. 667: Ms. SLAUGHTER, Mrs. MINK of Hawaii, Mr. MANTON, Mr. BERMAN, Ms. CHRISTIAN-GREEN, Mr. LEWIS of Georgia, and Mr. HINOJOSA.

H.R. 722: Mr. YOUNG of Alaska, Mr. KLUG, Mr. HEFLEY, Mr. BOYD, Mr. WATTS of Oklahoma, and Mr. RYUN.

H.R. 723: Mr. BAESLER, Mr. BUNNING of Kentucky, Mrs. CHENOWETH, Mr. DOOLITTLE, Mr. PETERSON of Minnesota, Mr. PICKERING, and Mr. WATKINS.

H.R. 758: Mr. GOODLING, Mr. WATTS of Oklahoma, Mr. UPTON, Mr. COBLE, Mr. PICKERING, Mr. BURTON of Indiana, Mrs. NORTHUP, Mr. JONES, Mr. GOSS, Mr. BLILEY, Mr. BACHUS, Mr. GOODLATTE, Mr. LEWIS of Kentucky, Mr. MICA, Mr. KIM, Mr. SHADEGG, Mrs. MYRICK, and Ms. PRYCE of Ohio.

H.R. 789: Mr. SHADEGG, Mr. CHABOT, Mr. BERRY, and Mrs. ROUKEMA.

H.R. 793: Mr. MANTON, Mr. GUTIERREZ, Mr. LEWIS of Georgia, and Mrs. MINK of Hawaii.

H.R. 794: Ms. LOFGREN.

H.R. 812: Mr. LIPINSKI.

H.R. 814: Ms. FURSE, Mr. ROTHMAN, and Mr. LEWIS of Georgia.

H.R. 816: Mr. WELLER.

H.R. 841: Mr. HINCHEY.

H.R. 861: Mr. LUCAS of Oklahoma, Mr. BARRETT of Nebraska, Mr. BOB SCHAFFER, and Mr. THUNE.

H.R. 862: Mr. FROST.

H.R. 875: Mr. KING of New York, Mr. GANSKE, Ms. LOFGREN, Mr. DIAZ-BALART, Mr. MANTON, Mr. DIXON, Mr. COYNE, and Mr. FILNER.

H.R. 880: Mr. PICKETT, Mr. LUCAS of Oklahoma, Mr. BARRETT of Nebraska, Ms. STABENOW, Mr. BAKER, and Mr. STEARNS.

H.R. 901: Mr. LATHAM, Mr. NEUMANN, Mr. HASTERT, Mr. WELLER, Mr. SOUDER, Mr. TURNER, Mr. HALL of Texas, Mr. BOEHNER, Mr. MCCOLLUM, and Mr. BAKER.

H.R. 902: Mr. CRAMER, Mr. HASTERT, and Mr. MCINNIS.

H.R. 910: Mrs. MORELLA and Mr. FARR of California.

H.R. 911: Mr. WYNN, Mr. CARDIN, Mr. PACKARD, Mr. DAVIS of Illinois, Mr. TALENT, and Mr. FORD.

H.R. 915: Ms. PELOSI, Mrs. MEEK of Florida, Mr. KENNEDY of Rhode Island, Mr. LIPINSKI, Mr. DEFAZIO, Mr. TRAFICANT, Ms. BROWN of Florida, Ms. DANNER, Mr. BARRETT of Wisconsin, Mr. OLVER, Mr. EHLERS, Mr. MCNULTY, and Mr. RUSH.

H.R. 916: Mr. ENGLISH of Pennsylvania, Mr. KLECZKA, Mr. HILLIARD, Mr. DEUTSCH, Mr. LIPINSKI, Mr. EDWARDS, Ms. CHRISTIAN-GREEN, and Mr. YOUNG of Florida.

H.R. 919: Mrs. MINK of Hawaii.

H.R. 939: Mr. SKEEN and Mr. SUNUNU.

H.R. 947: Mr. BENTSEN, Mr. KUCINICH, and Mr. CAPPS.

H.R. 953: Ms. NORTON.

H.R. 955: Mr. LARGENT, Mrs. CUBIN, Mr. KNOLLENBERG, Mr. BACHUS, Ms. PRYCE of Ohio, Mr. SHIMKUS, and Mr. WYNN.

H.R. 964: Ms. MOLINARI, Mr. JONES, Mr. MCINTYRE, Mr. MCINTOSH, Mr. KNOLLENBERG, Ms. PRYCE of Ohio, and Mr. BALLENGER.

H.R. 965: Mr. DREIER.

H.R. 977: Mr. BARRETT of Nebraska.

H.R. 978: Mr. BILIRAKIS, Mr. JONES, and Mr. BARR of Georgia.

H.R. 979: Mr. HILLIARD, Mr. MORAN of Virginia, and Mr. LEWIS of Georgia.

H.R. 983: Mr. LEWIS of Georgia and Mr. FILNER.

H.R. 984: Mr. SENSENBRENNER, Mr. ENGLISH of Pennsylvania, and Mr. GRAHAM.

H.R. 986: Mr. BOB SCHAFFER, Mr. CHRISTENSEN, Mr. BAKER, and Mr. RAMSTAD.

H.R. 991: Ms. EDDIE BERNICE JOHNSON of Texas and Mr. CRAMER.

H.R. 1031: Mr. PAYNE, Mr. DELAY, Mr. FROST, Mr. BOEHNER, Mrs. CLAYTON, Mr. MCINTOSH, Mr. JEFFERSON, Mrs. MYRICK, Mr. SENSENBRENNER, Mr. HILL, Mr. PICKERING, Mr. ENGLISH of Pennsylvania, Mr. TRAFICANT, Mr. HULSHOF, Mr. WAMP, Mr. KNOLLENBERG, Mr. SOUDER, Ms. CHRISTIAN-GREEN, Mr. THORNBERRY, Mr. RIGGS, Mr. COBURN, Mr. NORWOOD, Mr. BARTLETT of Maryland, Mrs. EMERSON, Mr. KUCINICH, Mr. HAYWORTH, Mr. CHABOT, Mr. KING of New York, Mr. TOWNS, Mr. WELDON of Florida, Mr. WATKINS, Mr. NEUMANN, Mr. SOLOMON, Mr. PETERSON of Pennsylvania, Mr. LEWIS of Kentucky, Mr. PITTS, Mr. LARGENT, Mr. MILLER of Florida, Mr. DAVIS of Virginia, and Mr. ENSIGN.

H.R. 1035: Mr. FATTAH.

H.R. 1043: Mr. JEFFERSON, Mr. BARCIA of Michigan, Mr. VENTO, Mr. WISE, Mr. ABERCROMBIE, Mr. BALDACCI, Mr. ACKERMAN, Mr. KIND of Wisconsin, and Ms. FURSE.

H.R. 1049: Mr. MARTINEZ.

H.R. 1050: Mr. RUSH.

H.R. 1054: Ms. LOFGREN, Mr. MILLER of California, Mr. DREIER, Mr. CUNNINGHAM, Mr. ENGLISH of Pennsylvania, Mr. HERGER, and Mr. ROYCE.

H.R. 1060: Mr. BRYANT, Mrs. LINDA SMITH of Washington, Mr. GANSKE, Mr. WAMP, Mr. SOLOMON, Mr. ALLEN, Mr. TURNER, and Mr. WELDON of Florida.

H.R. 1114: Mr. FALEOMAVAEGA, Mr. GONZALEZ, Mrs. MORELLA, Mr. KUCINICH, Mr. FOGLIETTA, Mr. HINOJOSA, and Ms. SLAUGHTER.

H.R. 1125: Ms. DELAURO, Mr. DOYLE, Mr. KANJORSKI, Mr. HINCHEY, and Mrs. LOWEY.

H.R. 1126: Mr. LANTOS.

H.R. 1129: Mr. SHAW, Mr. FATTAH, Mr. OBERSTAR, Ms. SLAUGHTER, Mr. FARR of California, and Mr. MATSUI.

H.R. 1130: Mr. DAVIS of Illinois, Mr. ROTHMAN, and Ms. PELOSI.

H.R. 1140: Mr. BUNNING of Kentucky and Mr. DEAL of Georgia.

H.R. 1169: Mr. BOEHLERT, Mr. MCGOVERN, Mr. HAYWORTH, Mr. GALLEGLY, Mr. GREENWOOD, Mr. RADANOVICH, Mr. SANDLIN, Mr. PETERSON of Minnesota, and Mr. PITTS.

H.R. 1178: Mr. NADLER.

H.R. 1215: Mr. FROST, Mr. BILBRAY, Mr. BERMAN, Ms. PELOSI, Mr. BONIOR, and Mr. EVANS.

H.R. 1224: Mr. CALVERT.

H.R. 1231: Mr. SANDERS and Mr. BORSKI.

H.R. 1245: Ms. CHRISTIAN-GREEN, Mr. EVANS, Mr. FROST, and Ms. LOFGREN.

H.R. 1246: Ms. CHRISTIAN-GREEN, Mr. FROST, Mrs. MEEK of Florida, and Mr. WATTS of Oklahoma.

H.R. 1247: Mr. DEAL of Georgia, Mr. LAHOOD, Mr. CALVERT, Mr. TALENT, Mrs. LINDA SMITH of Washington, and Mr. MILLER of Florida.

H.R. 1248: Mr. PICKERING.

H.R. 1263: Mr. MCGOVERN, Mr. WEXLER, Mr. OLVER, and Mr. MCHALE.

H.R. 1270: Ms. DUNN of Washington, Mr. FOX of Pennsylvania, Mrs. THURMAN, Mr. CONYERS, Mr. LATOURETTE, Mr. KLUG, Mrs. FOWLER, Mr. HYDE, Mr. GILLMOR, Mr. CALVERT, and Mr. SAM JOHNSON.

H.R. 1299: Mr. TAYLOR of North Carolina, Mr. CRAMER, Mr. COOKSEY, Mr. BAKER, and Mr. GOODE.

H.R. 1301: Mr. LEWIS of Georgia, Mr. DEFAZIO, Mr. RANGEL, Mr. YATES, Mr. PAYNE, Mr. SPRATT, Mr. GEJDENSON, Mr. SAWYER, and Mr. BLUMENAUER.

H.R. 1302: Ms. KILPATRICK, Ms. LOFGREN, Mr. KILDEE, Ms. JACKSON-LEE, Mr. WEYGAND, Mr. MORAN of Virginia, and Mrs. MEEK of Florida.

H.J. Res. 37: Mrs. CHENOWETH.

H.J. Res. 54: Mr. BERRY, Mr. KLUG, and Mr. THOMPSON.

H.J. Res. 56: Mr. SESSIONS.

H.J. Res. 62: Mr. GANSKE, Mr. GILMAN, Mr. KIM, Mr. KINGSTON, Mr. RADANOVICH, and Mr. DAN SCHAEFER of Colorado.

H.J. Res. 65: Mrs. MEEK of Florida, Mrs. MALONEY of New York, and Mr. FROST.

H. Con. Res. 8: Mr. ORTIZ.

H. Con. Res. 13: Mr. LEWIS of Georgia, Mr. WATT of North Carolina, Mr. PAYNE, Mr. BILIRAKIS, Mr. GILLMOR, Mr. WELDON of Florida, Mr. HILLIARD, Mr. DAVIS of Illinois, Mr. HINOJOSA, and Mr. YOUNG of Florida.

H. Con. Res. 23: Mr. CLAY.

H. Con. Res. 32: Mrs. KENNELLY of Connecticut and Mr. DELLUMS.

H. Con. Res. 38: Ms. DELAURO, Mr. FATTAH, and Mr. LAFALCE.

H. Con. Res. 43: Mr. EVANS and Mrs. MCCARTHY of New York.

H. Con. Res. 53: Mr. LANTOS.

H. Res. 37: Mr. FLAKE and Ms. DUNN of Washington.

H. Res. 39: Mrs. MALONEY of New York and Mr. GUTIERREZ.

H. Res. 109: Mr. RADANOVICH, Mr. PAXON, Mr. ROYCE, Mr. PAPPAS, and Mr. ADERHOLT.

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. 950: Ms. DELAURO.

H.R. 1200: Mr. WATTS of Oklahoma.