

conservative and realistic. Second, this budget includes the strongest step in entitlement reform since our welfare reform proposals of last year. Third, the resolve of the Republican Congress to balance the budget is the strongest this country has seen since 1954.

Conservative economic assumptions, entitlement reforms, and Republican resolve, those are the keys to this balanced budget agreement. That, Mr. Speaker, separates this budget agreement from the failed promises of previous balanced budget deals.

□ 1415

SILVER CHARM

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

Mr. DREIER. Mr. Speaker, from the Los Angeles County Fairgrounds in Pomona to the Santa Anita race track in Arcadia, California's San Gabriel Valley is totally charmed by our Triple Crown contender and favorite son, Silver Charm, but it is owners Bob and Beverly Lewis who have captured our hearts. Their generous spirit of giving is evident throughout southern California. We celebrate with them as their Kentucky Derby and Preakness winner makes his bid to add the final jewel to his crown.

Silver Charm represents the spirit of America. He is a street fighter who rose to the top through sheer hard work, ability and talent. He is what America is all about. We all root for him because in essence he represents us. He has come not from the royal barns of Kentucky but has become a champion in spite of it.

The son of Silver Buck and Bonnie's Poker continues to fascinate us as he heads to the Belmont Stakes.

Mr. Speaker, this Saturday Californians will be very proud as we celebrate our first Triple Crown winner.

ESTATE TAXES

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

Mr. EHLERS. Mr. Speaker, I rise today to say a few words about estate taxes, sometimes called inheritance taxes and more recently referred to as death taxes. This is often designated as a tax on the rich, and some therefore say we should not cut it. But I wish to clarify some of the issues.

Ninety-three percent of the businesses in my area of west Michigan are small businesses, having under 50 employees. Estate taxes, contrary to the public's perception, do not apply just to Bill Gates and others of that sort, but they apply to a majority of the small businesses and farmers in this Nation because, when they die, they have substantial assets in their businesses.

The saying is that farmers are always cash poor but land rich. That is certainly true. And it is unfortunate that today many farmers are not able to pass their farms on to their children. Part of the farm must be sold in order to pay the estate taxes before the farm can be passed on to their children.

Even modest family owned businesses and farms can fall into the range of estate taxable assets, causing great financial hardship. Ironically the truly wealthy families are generally better able to avoid estate tax liability because they can afford to hire experts to reduce their estate taxes, while the small business people and the farmers do not have the money to hire that kind of expertise.

Furthermore, the top estate tax rate of 55 percent is taxing money which has already been taxed, giving a high tax rate of approximately 73 percent.

I believe the estate tax is too high. It is unjust and we should change this so that those who own small businesses and farms can in fact retain them and pass them on to their children upon their death.

CUTTING TAXES

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

Mr. GUTKNECHT. Mr. Speaker, I must say, I get a little irritated when the folks on the other side resort to the only card in their deck: class envy.

Yes, America, the land of class envy.

In the liberal vision, America is not a land of unlimited opportunity, a land where all Americans are encouraged to become as prosperous as their God-given talents and hard work will take them. No; in the liberal vision we do not encourage people to become rich. We must tear them down.

No; in the liberal vision of success, it must not be considered the just rewards of hard work; success must be attacked.

No; in the liberal vision, instead of serving as a spur to your own success, government must expropriate wealth that others have produced.

Mr. Speaker, we reject that liberal vision. Pitting one class against another is destructive, counterproductive and just plain wrong.

Cutting taxes on Americans, rich or poor, is nothing more than the belief that Americans should get to keep more of the wealth that they produce.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MILLER of Florida) laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, May 30, 1997.
Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives. I have the honor to transmit a sealed envelope received from the White House on May 30, 1997 at 3:26 p.m. and said to contain a message from the President whereby he notifies the Congress of modifications of duty-free treatment under the Generalized System of Preferences.

With warm regards,

ROBIN H. CARLE,
Clerk, U.S. House of Representatives.

DESIGNATION OF CAMBODIA UNDER GENERALIZED SYSTEM OF PREFERENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105-88)

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 Cambodia should be designated as a least developed beneficiary developing country under the GSP program because it has taken steps to improve worker rights and the protection of intellectual property. I have also determined, as a result of the 1995 Annual Review of petitions for changes that three products should be added to the GSP list of eligible products and that the competitive need limits on 22 products should be waived. As a result of a review of 1996 imports of GSP products, I have determined that de minimis limits on 79 products be waived and 11 products, whose imports no longer exceed the program's competitive need limits, should be redesignated as GSP eligible. Finally as a result of certain provisions of the legislation enacted in August 1996 reauthorizing GSP, I am granting GSP eligibility to an additional 1,783 articles not previously included under GSP, provided that they are imported directly from the least developed beneficiary developing countries.

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

WILLIAM J. CLINTON,
THE WHITE HOUSE, May 30, 1997.