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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. OXLEY).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 17, 1998.

I hereby designate the Honorable MICHAEL G. OXLEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

With humble hearts, gracious God, we confess our shortcomings, and with grateful hearts we celebrate the wonderful opportunities that our world allows. We realize that we have not cared for the resources of the land as we should, and yet we use our land to feed the hungry and nourish the soul.

In all things, O God, we have occasions to be responsible custodians of the gifts of the Earth, and so we pray this day that we will pledge ourselves to be faithful and good stewards of all Your blessings and use Your gifts to the welfare and prosperity of every person.

This is our earnest prayer. 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.

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

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

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

Mr. GIBBONS. 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. Pursuant to clause 5, rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Illinois (Mr. SHIMKUS) come forward and lead the House in the Pledge of Allegiance.

Mr. SHIMKUS 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 one-minutes on each side.

THE SUDANESE GOVERNMENT MUST BE HELD TO INTERNATIONAL HUMAN RIGHTS STANDARDS

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

Mr. PITTS. Mr. Speaker, I rise today on behalf of persecuted religious believers in Sudan.

Mr. Faisal Abdallah, a 39-year-old Christian convert from Islam currently is imprisoned in Khobar Prison in Khartoum. Though accused of evangelism, Mr. Abdallah has not formally been charged with apostasy. Instead he has been charged with criminal violations of, and I quote, ''political conspiracy against the Khartoum regime.'' This charge requires the death penalty upon conviction.

The Sudanese Government is attempting to force extremist Islam on the entire population of Sudan. Reports are that authorities beat, torture, sell into slavery, force to convert to Islam in exchange for food and force to fight against their own people, anyone who disagrees with the Khartoum government. Christians, Animists and moderate Muslims suffer terribly.

Mr. Speaker, these horrifying atrocities must not continue. The Sudanese Government must be held to international human rights standards which protect religious and other fundamental freedoms.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1891

Mr. HOLDEN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1891.

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

There was no objection.

ORANGE COUNTY'S FINEST

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

Ms. SANCHEZ. Mr. Speaker, I rise today to pay special tribute to truly outstanding students from California's 46th Congressional District.

Last year I had the opportunity to nominate young men and women from my district to our finest military academies, and I am pleased that five high

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school seniors were among those offered appointments to join our academies for the 1998 academic year. These students from Orange County will now prepare for one of the most exciting, challenging and educational experiences of their lives, years of commitment and service to their Nation. During their years in high school several of these students excelled in academics, athletics, and more importantly, these students were very devoted to community service.

I ask my colleagues to join me in congratulating the following students who were appointed to the United States military academies for the 1998 academic year:

Robert J. Kennedy of Garden Grove
Julio A. Nelson of Anaheim
Michael Bigrigg of Santa Ana
Joshua Fogle of Garden Grove
Leo Kosi of Garden Grove

SUPPORT THE CHILD CUSTODY PROTECTION ACT

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

Ms. ROS-LEHTINEN. Mr. Speaker, today the Committee on the Judiciary will vote on a bill that is of great importance to the protection of my rights, my colleagues' rights and the rights of every American parent. The Child Custody Protection Act will protect the most sacred bond that exists, that between every parent and their children. As Members of Congress we have shown great determination in our pursuit of prosecuting and punishing sexual predators who prey on our children. We must also act to stop those who decide to play parent to our children.

Mr. Speaker, these strangers smuggle children across State lines in order to circumvent a State's parental law on abortions. Let us safeguard our parental rights by passing H.R. 3682 so that the laws of every State regarding abortion for minor girls are respected. This bill makes it a Federal crime for a nonparent to transport a minor girl across State lines to evade her home State's parent involvement law and obtain an abortion. It does not establish a nationwide parental notification retirement, but it does respect parental rights.

Mr. Speaker, no stranger should break the sacred bond between a parent and her child.

HOUSTON HABITAT FOR HUMANITY

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

Mr. GREEN. Mr. Speaker, too often from these microphones we hear what is wrong with our country, and today I want to talk about what is right with our country.

In Houston this week we are celebrating the kickoff of the 1998 Jimmy Carter and Habitat For Humanity work project, the largest Habitat for Humanity project ever attempted. Throughout this week volunteers from all across the country will be building 100 houses in Houston and at least 40 in the congressional district that I am honored to represent. One hundred families will have a roof over their heads as well as an affordable place to live and raise their families. The Jimmy Carter work project will give Houston families an opportunity to buy a home where there is no profit included in the sales price and no interest charged on the mortgage.

On Monday morning not only myself, but my staff and I, joined in this project putting up that house, and all this week staff and volunteers are working on our house to have a safe and decent home for our family, Francisco and Claudia Villanueva and their five year-old child, Ana. This home is being built as a House that Congress Built project that is being built nationwide across all Members of Congress, 435. I am glad to have this opportunity to directly provide a house in our district, but also participate nationwide.

Mr. Speaker, that is what is right with our country.

SUPPORT BETTER EDUCATIONAL OPPORTUNITIES FOR OUR CHILDREN

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

Mr. ROGAN. Mr. Speaker, the defenders of the education status quo are on the wrong side of history. Each year these people ask for more money for the same failed programs that gave us such poor education results in the first place. Parents are fed up with broken promises and the lack of accountability that has been the hallmark of these demands for more and more money. Parents and reformers are demanding change. Charter schools, school choice and education IRAs are the wave of the future. Yet these reforms are fought tooth and nail by the special interests and their defenders in Congress.

But these bureaucracy lovers will ultimately fail. They will fail because parents who care about the education of their children will no longer accept failure no matter how much money is wasted on the failure.

Mr. Speaker, parents and their children who desire more educational opportunities are looking to Congress to pass the Coverdell legislation and vote for better educational opportunities for their children. That is the mandate and the obligation of this Congress, and I urge my colleagues to follow it.

WE MUST DEAL WITH NORTH KOREAN MISSILE SALES

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

Mr. TRAFICANT. Mr. Speaker, more threats from Communists: North Korea said, ''We will sell missiles to your enemies, and if you want to stop us, Uncle Sam, you will have to pay us.''

Unbelievable.

Sources say that North Korea believes there is a softening of resolve in Washington. Evidently, North Korea believes that a White House that will make no demands on China after China threatened Taiwan and Los Angeles is a White House that will make no demands on communists, my colleagues.

Beam me up. North Korea would never say in-your-face threats to Ronald Reagan.

Congress better look at these foreign entanglements that endanger our national sovereignty.

I yield back any missiles pointed at America.

TAX CODE ELIMINATION OFFERS A FRESH OPPORTUNITY

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

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, for a number of years now we have heard political leaders call for reform of the Tax Code, but nothing ever seems to change. Now Congress has a real chance to do what so many Americans have been asking for for a long, long time.

Today the House of Representatives will have an opportunity to vote on the Tax Code Elimination Act, a bill that will finally get rid of the Tax Code once and for all. It will sunset the Tax Code on December 31, 2002, and it will require Congress to come up with an alternative way to collect revenue. By voting for this bill, Mr. Speaker, Congress will be putting America on notice that a national debate must begin about a new tax system that is simpler, more fair and more transparent.

Mr. Speaker, it is time to choose a more rational system of taxation, one that average people can understand without having to consult accountants and tax attorneys. It is time for a national debate, and it is time for that national debate to begin now.

FIRST—ONE OF THE MOST INNOVATIVE AND EDUCATIONAL PROGRAMS EVER CREATED

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

Mr. REYES. Mr. Speaker, tomorrow Capitol Hill will be given the opportunity to experience what I believe is one of the most dynamic, innovative and educational programs ever created in our country. This program, called FIRST, teaches our youth that science and technology can be fun, it can be exciting and, yes, even cool.

Mr. Speaker, teams of high school students work with local adult mentors

to build robots. They then compete against other teams in regional competitions and culminate with a national competition at Disney World in Florida.

Tomorrow FIRST is bringing 12 of its outstanding teens here to provide a mini version of one of its competitions. One of these teams, I am proud to say, is Montwood High School and their robot Rambot which comes from El Paso, Texas, in my district. I am very proud of the hard work and determination that brought them here this week.

Mr. Speaker, many of our colleagues on both sides of the aisle have already joined me in supporting FIRST and are helping to sponsor tomorrow's event. I urge each one of my colleagues, as well as their staffs, to come by the Rayburn foyer tomorrow between 9:30 a.m. and 4:00 p.m. to learn how the lives of our students and students in my colleagues' districts can be changed forever in a very positive way.

CONSIDER THE CONSEQUENCES OF FREE AIR TIME

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

Mr. SHIMKUS. Mr. Speaker, as we continue to debate campaign finance reform some of my colleagues continue to press for free air time. Some of the legislation we will be considering requires broadcasters to sell time to candidates at 50 percent below the already discounted rate. I really do not think they have carefully considered the consequences of this issue.

The first problem is that it will not necessarily reduce campaign spending. What would stop a candidate from buying twice as many spots?

Secondly, the glut of commercials will simply turn voters off. A survey by Opinion Research Corporation last year showed that 61 percent of adults do not want more campaign ads on TV or radio.

What do they want? They want more debates and news coverage, all of which are currently provided by broadcasters for free.

Mr. Speaker, Congress needs to take a step back, let the voters decide and allow the best candidate to win.

HOW WE CAN BEST SERVE AMERICA'S STUDENTS

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

Mr. WYNN. Mr. Speaker, good morning. I rise today to talk about the issue of education and the debate that is evolving here in the House about how we can best serve American students. The best seems to be two areas of thought. The Republicans today and tomorrow will talk about another program to aid private school education.

□ 1015

The Democrats again are saying we need to support public education. This is really ironic when we think of the fact that 90 percent of American students attend public school. It would seem only logical that we would put our money where the students are.

However, that is not the case on the Republican side. They are advocating so-called savings accounts for education that would allow tax-free contributions into private schools. That is not the way we can help American education.

The Democrats have a very simple and straightforward approach. We suggest that what we need to do is improve public schools. We need to reduce class size by providing Federal assistance so that we can hire more teachers. Sixty percent of Americans surveyed say the Federal Government needs to spend more money on public education. We can hire 100,000 new teachers, we can reduce class size, we can modernize our schools.

We need to put our money where the students are, and that is in public education.

COMMITMENT TO A MORE SECURE FISCAL FUTURE FOR AMERICANS

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

Mr. GIBBONS. Mr. Speaker, the tax man cometh and cometh and cometh. Yet, there is a bright light at the end of this dark tax tunnel.

Today in Congress, Congress will have that chance to answer the call of millions of hard-working families in this country who feel the Federal Government needs a new system of taxation. Today, the Federal Government has the great opportunity to renew the American dream.

Mr. Speaker, Members of Congress have a chance to lift the tax burden off their constituents by passing legislation to sunset the current Tax Code. It is time to retire this outdated and oppressive Tax Code; it is time to give our children and generations to come the opportunity to participate in the American dream that rewards hard work, not penalizes it, with an unfair tax system. It is time to clear the way for a fairer, less complicated, and less burdensome tax system in this country.

Mr. Speaker, let us tell the American people that we are serious about changing the tax system and pass the Tax Code Termination Act. It is our commitment to a more secure fiscal future for our children and future generations.

ELIMINATE THE MARRIAGE TAX PENALTY

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

Mr. WELLER. Mr. Speaker, 3 weeks ago this House made a commitment to eliminate the marriage tax penalty in the budget that we passed, and I think a series of questions best illustrate why it is so important.

These are pretty simple questions. Do Americans feel that it is fair that our Tax Code actually provides a higher tax on a married couple just because they are married? Do Americans feel that it is fair that 21 million married, working couples pay on the average of $1,400 more just because they are married? Do Americans feel that it is right that the only way today to avoid the marriage tax penalty is to file for divorce? Of course, Americans all agree that is wrong.

Mr. Speaker, $1,400 in the south suburbs of Chicago, that is one year's tuition at Joliet Junior College; that is 3 months day care at a local day care center. Higher taxes just because you are married are wrong.

We made a commitment in the budget that we passed out of this House a few short weeks ago to eliminate the marriage penalty. Let us work together in a bipartisan way. I hope President Clinton will join with us in making this a bipartisan effort to eliminate the marriage penalty. Let us eliminate the marriage penalty, and let us eliminate it now.

PAKISTAN NUCLEAR TESTS: ANOTHER CLINTON FOREIGN POLICY FAILURE

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

Mr. HEFLEY. Mr. Speaker, make no mistake about it, Asia is in a full blown nuclear arms race, and I think Bill Clinton is personally responsible for it.

The sad truth is that Bill Clinton permitted the sale of satellite and missile technology to China. China provided nuclear assistance to Pakistan and Iran. That prompted India to boost its nuclear weapons program, not because it was afraid of Pakistan, but because it was afraid of China, and then Pakistan upped the ante.

At best, this represents striking incompetence on the part of the Clinton-Gore administration. It will require congressional and other investigations to establish whether corruption also played a role.

Presidents Reagan and Bush restored America's credibility and left America and the world safer places. Clinton has systematically eroded our credibility abroad and he is irresponsibly squandering the presidential legacy he inherited.

So what does this President do? He jumps on India and Pakistan and jumps on a plane to China, which is the source of the problem. Outrageous. I suppose consistency is too much to expect from this administration.

MAJORITY OF AMERICANS WILL NOT BENEFIT FROM TAX REFORM PROPOSAL

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

Mr. DEFAZIO. Mr. Speaker, today we have the stealth plan to fix the system of taxation in America, to repeal the entire Tax Code. Well, not the entire Tax Code, not the most regressive part of the Tax Code.

Seventy-two percent of the American people pay more in FICA taxes than they do income taxes to the Federal Government. Guess what? That 72 percent of the American people are left out of this phony election year proposal. But what is included, what we are going to repeal is the mortgage home deduction. That is the one, the one shelter, that middle income, working Americans have available to them is a deduction for the interest on their home mortgage. That is repealed. That is gone.

We are also going to repeal that which provides for employer-provided health care and charitable deductions. Guess what? This stealth proposal is a dagger aimed right at the heart of working Americans under the guise of helping them. So once again, the Republicans can service the special interests that are doing so well under the current code, but want to do better under a new one.

EDUCATION SAVINGS ACT

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

Ms. DUNN. Mr. Speaker, I rise today to urge my colleagues to support the Education Savings Act Conference Report.

I encourage the adoption of this legislation for a number of reasons. It helps families choose the best schools possible at all levels of education by providing families with much needed education-related tax relief.

Not only does this bill create opportunities for families to save their hard-earned dollars and receive interest tax-free for costs associated with K through 12 education, but it also makes higher education more affordable by offering favorable tax treatment for prepaid tuition plans.

This bill encourages families to invest in their children's future. One of the provisions which the gentlewoman from Texas (Ms. GRANGER) and I have worked on in this bill enables families with school-aged children to save money tax-free for future college expenses through plans established by private institutions. Today, more than 50 independent colleges and universities have joined together to offer families prepaid tuitions at numerous institutions.

I hope my colleagues will look at this legislation and support it later today.

CAMPAIGN FINANCE REFORM

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

Mr. FARR of California. Mr. Speaker, I rise today because we are finally getting around to campaign finance reform, which as many people know, I have authored the major bill on campaign finance reform which will be debated.

So the idea that we are debating campaign finance reform is music to my ears, but then I look at the way it has all been set up and I am reminded of the song in Musicman that goes, ''Talk a little, pick a little, talk a little, pick a little; talk, talk, talk, talk, pick a little, pick a little.''

Well, that is exactly what we are doing. We are talking a lot and we are picking it apart. There are 258 amendments to 11 different measures. I think the debate is designed to be confusing, it is designed to go on and on and on and on. It is designed to never have anyone coalesce around any one of the bills.

Mr. Speaker, last night the Republican Party went out and raised $10 million, and today they are going to get up and talk about campaign finance reform. You bet we need it.

TIME TO SCRAP THE TAX CODE

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

Mr. BLUNT. Mr. Speaker, it is time to scrap the Tax Code. ''Scrap the Code'' has been a slogan for tax reformers for years now, but today we have an opportunity to take the first step toward its realization.

Today on the House floor is an opportunity to vote the Tax Code Elimination Act, a bill that will sunset the Tax Code on December 31, 2002, and require the Congress to come up with a new, simpler, fairer, revenue-neutral Tax Code.

This bill will make fundamental tax reform a major issue in the 2000 presidential race and will force this issue to the top of the national political agenda.

Lawmakers have been talking about reforming the Tax Code for too long. It is time to act. This bill will show our willingness to act and our willingness to listen to the millions of Americans who have been calling for an end to our Tax Code for many years.

Fundamental tax reform should be a bipartisan issue. Democrats and Republicans both have an interest in the Tax Code that is fairer, simpler and less complicated. The time to act, Mr. Speaker, is now.

FBI WANTS TO TAX AMERICANS

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

Mr. BARR of Georgia. Mr. Speaker, in just 5 short months, we will have an opportunity to witness real progress being made in our effort to keep guns out of the hands of criminals when the National Instant Check System, the so-called instant background check, goes into effect, pursuant to the previous Brady law.

But be careful. I urge all Americans and my colleagues to be very careful about what the FBI is planning, and that is a stealth tax and a registry of gun ownership in America.

The FBI is proposing to tax every single gun transfer in this country up to $30, despite the fact that Congress maintains, the last time I looked 2 minutes ago, the sole power to tax in this country. The FBI is proposing to use the National Instant Check System as a subterfuge for taxing the American people, and they are also proposing something that we have fought in this Congress and we ought to continue to resist, and that is a national registry of gun ownership in this country.

Let us move forward with the national tax system, but let us resist vigorously, through H.R. 3949, this unconstitutional effort by the FBI to tax and to register firearms.

U.S. TAX CODE IS A MESS

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

Mr. WATTS of Oklahoma. Mr. Speaker, the U.S. Tax Code is a mess. When the income tax was first introduced in 1914, the entire Code was 14 pages long and the top tax rate was 7 percent. Today it is nearly 4,000 pages and constantly changing.

While last year alone we managed to add 334 pages, create 285 new sections, and add 824 amendments, that is bad enough, but it is not the whole story. The code alone is only a part of the law. The rest comes in the form of implementing regulations and tax court decisions which make the code even more incomprehensible. It literally grows every day. Some estimates put the cost of compliance at over $250 billion per year. That is $250 billion of unproductive effort. Think what that could do for the economy if it was channeled into other areas.

A majority of Americans want an end to the current code and we have a responsibility to take this problem head-on. We cannot continue with business as usual. We need a national debate to build a consensus for sweeping change. The Tax Code Termination Act is the first essential step in breaking free from the cycle of incrementalism which has produced the current code.

AMERICANS DESERVE ACTION ON REFORMING THE TAX CODE

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

minute and to revise and extend his remarks.)

Mr. COOK. Mr. Speaker, let us face it. If we were to start from scratch, no one in his right mind would ever come up with the current Tax Code, not in 1 million years. It is incredibly complicated, it has countless loopholes, special cases, exemptions, and arcane provisions.

Average Americans sit down with their 1040s and soon they are frustrated, flustered, and often angry. Then they start on the schedules and all the special forms, and then they cannot figure out if the special cases applies to the special cases and all the instructions, and then it gets worse from there. Heaven help you if the IRS disagrees with your interpretation of one of the IRS regulations.

It is time to start over and come up with a simple, fair, honest tax system. It is time to start a national debate on what the new Tax Code should look like. It is long overdue, and the American people deserve action on this important issue.

CONGRESS HAS BETTER THINGS TO DO

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

Ms. SLAUGHTER. Mr. Speaker, I rise this morning to discuss very briefly the controversy that has arisen about the Independent Counsel's office and the recent magazine article which asserts that he has leaked consistently to the press.

□ 1030

Mr. Speaker, the people in my district, the 28th District of New York, tell me on a consistent basis that they have simply had enough. And if there are requests now for money to investigate Mr. Starr, who is investigating everybody else, I say that on behalf of the people of the 28th Congressional District that we have had enough and this would be good money after bad, coming to absolutely nothing.

The 5-year investigation by this independent counsel's office which started with Whitewater and ends with heaven knows what has gotten us nothing but the concern of the people in the United States that we do not have anything more important to do in Washington, and a concern, I think, throughout the world that we also are not doing anything very important here.

But, Mr. Speaker, there is much to do. I have a bill, H.R. 306, which would protect every person in the United States from discrimination in their health insurance because of their genetic makeup. We have 200 bipartisan sponsors and over 125 outside groups that probably collectively include almost half the population of the United States. But we have been totally unable to get a hearing on this bill.

It is absolutely critical that we do protect the genetic privacy and information of Americans because we are on the cusp, at the beginning of this new century, of having an entirely new way of providing health care and learning more about ourselves than we were ever able to know before.

Mr. Speaker, I urge my colleagues in this House to demand that we have a hearing on this bill. We have filed a discharge petition that we are hoping that all Members, on a bipartisan basis, will sign so that before the end of this session we will have an opportunity to discuss and to pass this bill to protect all of us because, believe me, all of us have genes, to protect all of us against the loss or the change in rates in terms of our health insurance.

SUPERFUND REFORM IS OVERDUE

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

Mr. BOEHLERT. Mr. Speaker, it is time and long past due to reform the Superfund program. The Superfund program is designed to clean up our Nation's toxic waste sites. The administration is prone to repeating over and over and over again that more than 10 million Americans live within 4 miles of a toxic waste site. That is a serious concern to the administration. It is a serious concern to the Congress of the United States.

Yet, what do we get from the administration when we call on them to support much-needed Superfund reform? We get the Vice President of the United States reading a script prepared by the Democratic Congressional Campaign Committee.

Mr. Speaker, I call upon the Vice President to quit the partisanship and get on with the serious business of reforming Superfund. We have a bill, H.R. 2727, which is endorsed by the National Governors' Association, the U.S. Conference of Mayors, the National Federation of Independent Business, the National Association of Manufacturers, the list goes on and on. They support meaningful reform of Superfund because they know how important it is to America. I call upon the administration to join us in this task.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2646, EDUCATION SAVINGS AND SCHOOL EXCELLENCE ACT OF 1998

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 471 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 471

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. OXLEY). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, yesterday the Committee on Rules met and granted a rule to provide for the consideration of the conference report accompanying H.R. 2646, the Education Savings and School Excellence Act of 1998.

The rule waives all points of order against the conference report and against its consideration. In addition, the rule provides that the conference report shall be considered as read.

Mr. Speaker, every child in this country deserves the best education possible and every parent knows what school will best suit their children. Here in Congress, it is our duty to get out of the way and empower all Americans to follow through on their educational choices. We will do just that tomorrow when we approve the conference report to the Education Savings Act of 1998.

Simply put, the Education Savings Act will allow caring fathers and mothers, as well as concerned charities, corporations, friends or grandparents, to save more for their children's education. By permitting parents to deposit up to $2,000 per year in a tax-free education savings account from 1999 through 2002, the bill will help parents pay for elementary school, secondary school, and college tuition.

Not all parents need to save for private school tuition though. Often the local public school is clearly the best option. H.R. 2646 recognizes that, even before they send their children to college, the parents and friends and relatives of public schoolchildren deserve tax-free education savings too. The bill permits all young families to save tax-free for tutoring expenses, computers, books, special needs services, and extended day program fees.

Mr. Speaker, all too often young parents are unable to give their children the very best. Every year rent, mortgage payments, grocery bills and, yes, taxes limit the educational choices of American families. A select few wealthy parents have no problem paying for tuition, if necessary, as well as for tutors and computer equipment. But the rest of us, we could use real help. Americans should be able to keep a little more of what they earn to pay for education.

In addition to tax-free education savings accounts, H.R. 2646 expands government efforts to teach our children

to read. The bill authorizes the Secretary of Education to spend $210 million per year from 1999 through 2001 to support State and local child literacy efforts.

There is a sense of the Senate in this bill on Dollars to the Classroom. The sense of the Senate resolution says that 95 percent of every Federal education dollar should end up in the classroom.

Mr. Speaker, this is a good bill. Teachers' unions and advocates of public school bureaucracy may balk at our efforts to expand the educational choice of American parents while we work to improve our public schools, but this bill is a sincere effort to throw politics aside and to help children and families who need help most.

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

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

Ms. SLAUGHTER. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. MYRICK) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, H. Res. 471 waives all points of order against the conference report on H.R. 2646 and against its consideration. While I will not actively oppose the rule, I rise in strong opposition to the underlying bill.

We all know that we need to improve our public schools to give our children the education they need to reach their full potential. Educators agree that we need to target our assistance to schools and students who do not have the resources needed to have an equal opportunity to succeed.

Our limited Federal education programs should target those most in need and support efforts that we know have a proven record in improving educational achievement.

For example, research has shown that smaller class size in grades K through 3 has a positive effect on students for their entire lives. The improved classroom discipline and reading and math skills provide a solid base for the child's continued education achievement.

Research has also shown the benefits of after-school programs that promote safe and nurturing activities for young people during nonschool hours. These programs provide positive alternatives for kids who would otherwise be on the streets or alone with only the television set for company.

After-school tutoring offers young people the extra help they may require to succeed in their classes. Organized sports allow the young people to expend their energy in a positive setting, building physical skills and endurance.

Our schools also need help to improve teacher training, to modernize the school buildings which are in crying bad shape, to promote safe schools, and to challenge students to meet higher standards. But, unfortunately, this bill does not do any of that.

Mr. Speaker, instead, H.R. 2646, at a cost of $2.2 billion over 5 years, will provide a taxpayer subsidy to the Nation's most privileged; 70 percent of its benefits will go to families with incomes in the top 20 percent. Under H.R. 2646, families will get a significant benefit only if they have enough disposable income to contribute $2,000 per child per year to an education savings account. Families struggling just to put food on the table and buy school shoes for their kids will receive nothing from this bill.

The Joint Committee on Taxation, with a majority of Republican members, estimates that the benefit for an average family would be only $37 a year if they have children in private schools and even less, $7 a year, for families with children in public schools. The $2.2 billion would be more usefully spent to improve our public schools.

This bill is a favorite of some because it provides a foot in the door for public subsidy for nonpublic schools. In fact, more than 50 percent of its benefits would go to the 7 percent of families who send their children to private and religious schools. That is only 7 percent of America's families.

Public funds should be used to improve public schools which serve all students. We should not ask families struggling from paycheck to paycheck, those in the lower- and middle-income brackets, to subsidize families in the upper 20 percent income bracket. Taxpayer subsidies for private school education will lead to fewer available resources for the public schools which serve the 93 percent of our families.

Mr. Speaker, in my district both the Monroe County School Board Association and the Rochester City Schools oppose this plan to shift public funding to private schools and parochial education. The National PTA, the National Education Association, the American Federation of Teachers, and the Council of Chief State School Officers all oppose H.R. 2646 because it will create taxpayer-financed subsidies for private and religious schools, while doing virtually nothing to improve America's public schools.

Mr. Speaker, I urge my colleagues to support the motion to recommit the conference report with instructions to substitute H.R. 3320, the Public School Modernization Act. H.R. 3320 would pay the interest on $22 billion in local school bonds so that we could make sure our public schools are safe, have up-to-date equipment and facilities, and have enough classrooms for all their students.

Mr. Speaker, America's public schools have been a model for the whole world, and we should work to strengthen them, not abandon them.

Mr. Speaker, I ask my colleagues to support the Rangel motion to recommit, and if that fails, to oppose the conference report.

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

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

Mr. Speaker, just a point of clarification. This bill does not take away any current education dollars. This is over and above what we are currently spending, so nothing is being taken away.

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

Ms. SLAUGHTER. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. STARK).

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

□ 1045

Mr. STARK. Mr. Speaker, I had intended to speak later today on an issue of professionalism in the House of Representatives. It has seemed to have departed in 1994. The House is now, unfortunately, being run by amateurs who have really no concept of what legislation does in its far-reaching effects.

A perfectly good example is this bill before us. While I happen to differ with the distinguished gentlewoman about the best way to support education, I respect her right to her opinions as to what will increase benefits to our children. The fact is that the gentlewoman's leadership has got this place so convoluted that her distinguished efforts today will not make any difference.

My chairman of my subcommittee on which I serve, the gentleman from California (Mr. THOMAS), recently referred to a lot of Republican legislation as asinine. He was not just whistling Dixie.

I want to suggest to the gentlewoman that a little later today, the gentlewoman is going to vote for a bill which will absolutely negate this bill that she is now proposing. Which does the gentlewoman want to do?

Would she like to help parents with their savings account, as she so eloquently purports to do? Then I propose that the gentlewoman would join me in opposing the bill that her party will bring to the floor today, which will absolutely suspend the entire income tax system in 2002 and, therefore, make her bill useless, meaningless.

Not only will it make the gentlewoman's bill useless, she will probably not have any schools, because not only will sunsetting the income Tax Code mean that no longer will the public be willing to buy tax exempt bonds, because who knows whether, in fact, they will be tax exempt or taxed or how high they will be taxed; no longer will the public be willing to give, to donate to their church, because they are not sure whether that will be taxed or not.

As a practical matter, we had better hurry up and die before the year 2002 or our wills will not be any good. All of the plans that the financial markets

make, and I do not know if there are any Republicans who deal with the financial markets, I think these tax plans have all been designed in football huddles. But aside from that, had any of them studied economics and had any of them had any awareness of the implications of what abolishing the Tax Code would do?

I have no quarrel that some people may pay too much tax; some people may pay too little in tax. Some people may not like cigarette taxes. Some people may not like gasoline taxes. All of those things can be debated. They can be debated in the context of what it will do to our country's economy.

But the sheer lunacy, the absolute sophomoric inanity of taking and saying we are going to abolish the Tax Code, I would suggest that you might as well, while you are at it, abolish the Criminal Code. That would give some Members of Congress, and particularly on the Republican side, relief from some fines and some jail terms. But other than that, why not abolish it and say, well, in the year 2002, we will write a new Criminal Code, but in the meantime, go do what you want.

So as we are sitting here debating a bill that might at the outset make some reasonable sense to people who want to support private schools at the expense of destroying public education, a reasonable debate that has been going on for some time, we are getting prepared, as we sit here this morning, to bring to the House of Representatives a bill that would, in effect, end the Tax Code.

I understand that there are a great number of modern-day Pharisees who reside here in the House of Representatives and other types of conservatives who believe that we should have no income tax. Again, the most sensible of those who purport to do that have a replacement. They would suggest a value-added tax or a sales tax or a whole host of revenue raising. But none have been so lunatic in their approach as to say we should raise no revenue.

It would be interesting to talk to the members of our fighting forces. The gentlewoman from New York and I just returned from Bosnia where we were proud to see our forces keeping peace. They might want, as well, to throw up their hands and go home. How do they know that they will get paid at the end of the 3 years if the Republican mindset were to continue to control this Congress?

This is the most amateurish approach. It is pandering, pandering in the worst conceivable way for a few votes in an election year, pandering about something which some people does not understand.

It is clear that whoever drafted and will support this legislation to sunset the Tax Code has no idea of what they are doing. They are not qualified. There are not many qualifications to membership in this body, but I will tell you one of them ought to be to be able to count to 20 with your shoes and socks on. I am not sure that many of my Republican colleagues could pass that test when it comes to the economics of dealing with the Tax Code.

So as we sit here in all solemn splendor and discuss whether we are going to help our children, we are just waiting for an hour or two, and we will be in this Chamber saying, let us vote to sunset the Tax Code.

Can you imagine what is happening in Jakarta which is a result of basically a king destroying the economic system in Indonesia? This is exactly what will happen in the United States if this Republican provision prevails. The financial markets will suddenly awaken and realize that none of the contracts, none of our pensions can be depended upon. The very basis of all of our retirement income will collapse. The stock market will be in shambles.

I want to suggest to you that if you want to create financial anarchy in this country, follow the Republican lead. There is a Republican-mandated commission now that is talking about the future of Medicare, the future of Medicare. From where will the income come? From where will the taxes come? From where will the deductions come for the employers who are paying those taxes? This all disappears under this marvelous Republican leadership.

What we are getting here is Dial-A-Prayer in the House of Representatives. Dial-A-Vote. Dial-A-Special-Interest. Dial-A-Special-Interest and ask them what they would like to hear the government do, and we will bring it to the floor of the House without regard to the effect on the United States, on its children, on its families.

Family values? Let me ask the gentlewoman how she would expect any person in the United States could sell their home in the next 3 years, realizing that the homeowner's interest deduction will disappear in 2002.

One of the mainstays of the American family is the right to buy and own a home. The value of homes will plummet as a result of this Republican-contrived cockamamy scheme to buy some attention from the right-wing wackos in this country who would say abolish the income Tax Code.

So I say to my colleagues, while it may be of some interest to discuss, in all seriousness, how we can help our children get educated, we had better worry about whether our children will be able to sell apples on the street corner as children did in the bowels of the Depression, because with the Republicans in leadership, having no understanding of the basic tenets of economics, and leading this House in the most amateurish, asinine way, we will destroy this economy, destroy the values upon which the families are based, and lead us into a confused and distraught and archaic state in the United States.

I urge my colleagues, please, to treat the upcoming tax sunset bill with all of the derision and scorn that it deserves. It is an amateurish bill, written and drafted by people who have not the foggiest concept of government, of how to govern, of economics, led by a leadership who is led around by the nose by extreme right-wing religious groups and right-wing wacko groups, and getting a vote a day on issues that some of their Members may have to run on in their districts.

But I urge my colleagues to disdain any more of this foolishness in the House of Representatives. It brings discredit to this House. It brings discredit to those who would like, in all seriousness, to improve the lot of families, as the Democrats have been struggling to do.

I urge my colleagues to vote ''no'' on the rule, vote ''no'' on this bill, and vote absolutely, absolutely ''no'' on the rule on the income tax sunset and, by all means, just vote ''no'' on sunsetting the income tax.

Mr. Speaker, I thank the gentlewoman for yielding to me.

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

Mrs. MYRICK. Mr. Speaker, I would just like to say I believe that the gentleman from California's remarks were a little below the decorum of this House in making accusations.

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

The SPEAKER pro tempore (Mr. OXLEY). The question is on the resolution.

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

Mrs. MYRICK. 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. Pursuant to clause 5 of rule I, further proceedings on the resolution are postponed.

The point of no quorum is considered withdrawn.

PROVIDING FOR CONSIDERATION OF H.R. 3097, TAX CODE TERMINATION ACT OF 1998

Mr. HASTINGS of Washington. Mr. Speaker, by the direction of Committee on Rules, I call up House Resolution 472 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 472

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3097) to terminate the Internal Revenue Code of 1986. The bill shall be considered as read for amendment. The amendment in the nature of a substitute printed 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 bill, as amended, to final passage without intervening motion except: (1) two hours of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways

and Means; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Texas (Mr. FROST), pending which I yield myself as much time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, this rule is a fair and balanced attempt to bring to the floor an issue that is front and center in every American's mind. The rule provides for a closed rule, which is typical on tax issues. The rule further provides that the amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying the rule be considered as adopted. The rule also provides 2 hours of debate equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means. The rule provides one motion to recommit with or without instructions.

Mr. Speaker, anyone who has prepared his or her own tax return understands why so many Americans spend hundreds of dollars to hire professional accountants to complete their tax returns. Considering the Tax Code itself is 3,458 pages long, it is not surprising that the preparation of tax returns is so difficult. It is also not surprising that our complex code requires over 110,000 Internal Revenue Service employees at an annual cost to the taxpayers of $9.8 billion per year. That is just to police the tax collection system.

Americans want and need a tax system that is both fair and simple. Today's Tax Code frankly is neither. That is why the gentleman from Oklahoma (Mr. LARGENT) and others has introduced legislation to begin the process of overhauling the current U.S. Tax Code.

The Tax Code Termination Act will set a date certain for the expiration of Federal tax laws that currently govern the collection of America's corporate, personal, estate, and excise taxes. Under the Tax Code Termination Act, the current Tax Code would continue on the books for 4 more years. At that time, the current system would expire and be replaced by a new Tax Code that would be thoughtfully and deliberately determined by Congress, the President, and, most importantly, the American people.

In addition to terminating the Tax Code, this legislation would protect Social Security and Medicare, require a supermajority of both Houses of Congress in order to raise taxes and eliminate the bias against savings and investment as well as bias against families.

The next 4 years will give Congress and the American people plenty of time to debate the merits of the many tax reform proposals currently being discussed, as well as new ideas that will undoubtedly emerge. Having a date certain for the expiration of the Tax Code will keep the issue at the top of the national agenda and force Congress and the President to make the Tax Code fair and simple. The rule sets the stage for this first critical step on the debate on tax reform. As a result, Mr. Speaker, I urge Members' support of the rule.

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

□ 1100

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

Mr. Speaker, this bill, of course, takes the cake. My Republican colleagues want to scrap the Tax Code lock, stock and barrel but are proposing nothing to take its place. Does this demonstrate a commitment to the responsibilities of governance? I think not, Mr. Speaker. This proposal, coming just 5 months before an election, is nothing more than a gimmick. I know it, you know it, Mr. Speaker, and the American people know it.

Mr. Speaker, I have spoken with a number of prominent businessmen in my Congressional District in Texas about the idea of scrapping the Tax Code. And, quite frankly, Mr. Speaker, many of these individuals are Republicans themselves and hold no fondness for the current code. But, Mr. Speaker, to a person they have told me that scrapping the code without a substantial proposal ready to take its place is folly. Not just folly, Mr. Speaker, such an idea is dangerous. Certainty and predictability are absolutely critical to sound business decisions, and the idea that we are going to do away with our existing tax structure without holding a single hearing on what might come next will do little to engender confidence in the business community. What are we saying to America's businessmen and women?

And it is not just business that worries about this idea. What about the countless individual taxpayers who make any number of decisions each year based on what might be the tax implications for them? Who will want to buy a home not knowing if there is a mortgage deduction? The National Association of Realtors said, ''Eliminating the current code without having a workable alternative in place would be disastrous for America's homeowners.'' We can only guess about the chaos this legislation will create in the housing market. Not knowing if mortgage interest and property taxes will be deductible certainly has the potential to create wild fluctuations in home prices, in response to rumors and speculation about what might or might not happen to the new tax system.

Mr. Speaker, 75 percent of the families in this country who claim the mortgage interest deduction have incomes of less than $75,000. What are we saying to them? What are we saying to all the industries who depend upon the housing market for their livelihood?

Without a replacement for the Tax Code on the books, Americans planning their retirement will not know what to do about investments for the future. Are KEOGH plans, or IRAs, or Roth IRAs going to be available, if and when the Congress gets around to implementing a new system of taxation? What will happen to money in their company pension plan? And, of course, do we really believe that Congress is going to be capable of passing a new tax plan when Congress cannot even pass a budget on time?

Corporations will delay investments in new plants and equipment if they do not know what will happen to cost recovery rules. Schools and hospitals that depend upon tax exempt bonds to finance construction and maintenance will be in limbo. Who in 1998 will want to buy a tax exempt bond if the exemption is scheduled to end in the year 2002? And who knows what will happen next? States and localities will have a harder time coming up with capital, because investors thinking of buying municipal bonds will not know what will happen to their money.

What then are we saying to everyone in the United States? I will tell my colleagues what we are saying, Mr. Speaker. We will be saying that the Republican Congress is willing to play a reckless game of chicken with the lives of real Americans because they will not otherwise take up real tax reform. The Republican majority is willing to promise reform without offering a clue of where they might be heading. This is bad business, Mr. Speaker.

If the Republican majority really wants to reform the code, then let us do it and let us do it now. There are plenty of interesting proposals that have been tossed around for years, so let us bring them up, debate and vote.

I would like to offer the Republican majority the opportunity to vote; to vote against ordering the previous question and to allow me to offer a substitute to the rule. My substitute would allow the House to consider the flat tax advocated by the gentleman from Texas (Mr. ARMEY), my colleague; the value added tax advocated by the gentleman from Louisiana (Mr. TAUZIN); and the tax reform package proposed by the Democrat leader, the gentleman from Missouri (Mr. GEPHARDT). Those are three very interesting proposals that the House should consider if we want to force the issue of reforming the Tax Code.

Mr. Speaker, I urge my colleagues to vote ''no'' on the previous question. If we do not prevail there, and a majority of the House decides instead to bring up this reckless proposal, I would urge my colleagues to oppose it. The Republican leadership, in an effort to retain its majority, has brought us a dangerous bit of election year posturing that does not deserve to pass.

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

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I want to thank my friend from Washington State for yielding me this time. I rise in support of the rule as well as this legislation. Really what this vote is all about, when we cast the vote later today on setting a date certain when we will replace the Tax Code, is really a simple choice for all of us in Congress, and that is are we happy with the status quo.

In town meetings that I have, whether I am at the union hall, the VFW, the business or professional women's club meeting, the local chamber of commerce, or at a coffee shop on Main Street, there is a pretty clear message that I hear as I listen, and that is people are very frustrated. Over half of Americans hire someone else to do their taxes. They are afraid of getting audited by the IRS. They believe the Tax Code is much too complicated, it is clearly unfair, and the tax burden is too high. In fact, today the tax burden is at its highest level since World War II.

One example I want to use of why we need to replace the Tax Code is what is really probably the most unfair provision in the Tax Code today, and that is the marriage tax penalty, which is suffered by 21 million married working couples. It really is an issue of fairness, if we think about it. Do Americans feel it is really fair that 21 million average working married couples pay on the average of $1400 more just because they are married under other Tax Code? Of course not. That is unfair. And $1400 in the south suburbs of Chicago, that is real money. That is one year's tuition at Joliet Junior College; that is 3 months of day care at a local day care center in Joliet, Illinois. Clearly, we need to work to make the Tax Code fair.

We have begun a lot of work in reforming and replacing the Tax Code already. Our efforts to restructure the IRS, to make the IRS, the tax collector, accountable to the folks that live by the rules and pay the bills back home. Restructuring the IRS is going to be a major achievement for this Congress when it is sent to the President and signed into law later this summer. That is a big step forward in tax reform.

In bringing fairness to the Tax Code, we need to begin with eliminating the marriage penalty. I believe it should be the centerpiece of this year's budget and, hopefully, we will get that done this year. But we need to set a date certain.

Politicians in Washington talked a long time about balancing the budget. Politicians in Washington said it is something we should do, but politicians in Washington took 28 years, over a generation, in order to balance the budget. Let us set a date certain. It took 28 years before Washington balanced the budget and does something that our families do back home every day, and that is live within our means. We need to set a date certain that we are going to replace the Tax Code.

If I ask for a show of hands, I very rarely ever find taxpayers back home who feel our Tax Code is simple, that our Tax Code is fair, that the tax burden is not enough. We need to reform our Tax Code. We need to make our Tax Code simpler, fairer, and we need to lower the rates for average, working, middle class Americans. That is the goal of tax reform.

We need to set a deadline. We need to make a commitment to getting the job done. And of course there will be those who do not want to make that kind of commitment. We know how Washington can take a long time. We need a date certain. I support this rule and this legislation. Let us get the job done, let us reform the Tax Code, let us make the Tax Code fairer, simpler, and also let us lower taxes for average, middle class, working Americans.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. STARK).

Mr. STARK. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the distinguished gentleman from Illinois makes excellent points. I would agree with him that the Tax Code could be more fair and should be more fair; that the burden should be redistributed; that the marriage penalty is something that should be adjusted, taking into account the new structure in families. And that may well get done, if the Republican leadership decides to let it get done and bring it to the floor. I have serious doubts about their ability to do that. But if they do, they would receive a lot of support from this side.

Now, having said that, the bill under discussion, if we did reform the marriage tax penalty, would completely negate that. If we made the Tax Code more fair, this silly bill that is under discussion would completely eliminate that. My colleagues may say, yes, we must set a time. Look at the experience under the Republican leadership, Mr. Speaker. In 1994, the Republicans shut down the government, not once but twice, because the Republicans could not even agree on a budget. Now, imagine rewriting the entire Tax Code at a time when the government is shut down. No money.

Do we have any faith that the Republican leadership that has brought government to a standstill twice in their tenure, that has waited 28 years for a balanced budget, could get the Tax Code revised? They cannot solve the marriage penalty, they cannot get anything done, they cannot protect people in managed care from the greedy insurance companies, they cannot punish the tobacco companies. The Republicans have shown no ability to get their act together. Why would anyone in their right mind think that they could put together a tax bill in its entirety when they cannot bring one to the floor now?

So their way is to destroy the government. Shut it down, again and again. This time, if we shut down the government for the lack of a Tax Code, it will be gone for a long time. I urge my colleagues to think through the seriousness of this, the capriciousness, the irresponsibility, the childishness of bringing forth a bill which could destroy the government.

And it certainly destroys what little, if any, credibility the Republican leadership of this House might have with the American public. They are inept and unable to run this Congress or bring forth bills that will help the country and, in so doing, they show their ineptness, their impotence to pass legislation by saying if we cannot do anything, let us set a time limit.

My children, Mr. Speaker, when they were unhappy, used to say, ''I'm going to hold my breath and die if I don't get an extra bit of desert.'' Well, let us let the leadership hold their breath and see what happens. I urge a ''no'' vote.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from Washington for yielding me this time, and I rise in strong support of this legislation and the rule that brings it to the floor.

A few months ago Newsweek magazine had on its cover, ''The IRS: Lawless, Abusive, Out of Control.'' Now, when any Federal agency, but especially one that affects so many Americans and is so intrusive as the Internal Revenue Service, is described by a major national magazine, a mainstream magazine like Newsweek, as being lawless, abusive and out of control, things have gotten to a pretty sad state.

We can do much better, Mr. Speaker. We should do much better, if we are going to do the job that the American people want us to do. Almost every poll shows that 85 to 90 percent of the people want us to drastically reform, drastically simplify the Tax Code. There is no good reason why we should have a Tax Code nearly as complicated, convoluted and confusing as the one we have.

Mr. Speaker, we have a Tax Code that is something like 91,000 pages of rules and regulations on top of the code itself, involving five or six million words. Almost no one understands it. All of us have seen articles showing that about 40-something percent, or almost half of the advice that the IRS itself gives out is wrong. And almost everyone in this country has violated some tax law at some point in his or her life, unintentionally, unknowingly, and all it would take would be for an overzealous prosecutor or some power crazed IRS agent to come after them to cause them to go through all sorts of misery and heartache and go to tremendous expense.

So we need to do what the American people want us to do. We need to drastically simplify this Tax Code. We need to throw out the code that we have got and simply start over and come up with a code that is simple and fair to the American people and do the job that they sent us here to do and give this government of this country back to the citizens once again.

I am proud to be a cosponsor of this legislation and I urge its passage.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

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

□ 1115

Mr. TRAFICANT. Mr. Speaker, I support the rule and I support the bill. And I am trying to figure out a strategy for Democrats coming back to the majority here today.

With a Tax Code that is so heavy, it would give Hulk Hogan a hernia. We need 5 Philadelphia attorneys to try to interpret it; and after their session, they will all argue and not come to an agreement. The Tax Code rewards dependency, penalizes achievement, subsidizes illegitimacy, kills investment, kills jobs, and takes our hard-earned tax dollars and in many cases gives them outright to countries overseas that literally have threatened us.

Most recent, North Korea. They said, stay out of it, Uncle Sam. We will sell ballistic missiles to your enemies. And if you want us to stop it, pay us.

What do we expect? We reward China through our Tax Code. And they once threatened, some say passively, to nuke Los Angeles after they made a passive statement about Taiwan.

Look, the American people are taxed off, they are tired of the taxes, and they know the Tax Code is not fair. They want Congress to change it. And there is only one way to change it. We have to scrap this Tax Code.

I would hope the Democrats would take another tack by the year 2002 and submit a substitute. I do not think either of the two major substitutes that the Republicans are talking about is the right answer.

I think we should cut income taxes drastically but leave some of them on and add to it a value-added or a sales tax more specifically for the balance and see how the system works. And if it is possible in the future to scrap the entire income Tax Code, fine. But make it a limited, small, flat tax. Give the American people more of their income. Let them make the choices.

I believe the Republicans are on the right track here. I cannot believe the Democrats are fighting this proposal. I want to say today, it is time to sunset the Tax Code because the Tax Code has lived out its days in the sun. The American people know it and they are tired.

In addition, as one last thing, look at the whole tax structure. If we fix up our homes, we pay more taxes; let our homes go to hell, we get a tax break; work hard, we pay a lot of taxes; do not work, the government sends us a check. I think we have it all screwed up, folks.

One last thing. If we find ourselves in the tax court against the IRS, the burden of proof is even on the taxpayer. It took 14 years to get us to look at that. We ought to be ashamed of ourselves.

I support the bill. I support this rule. And I ask everybody to support the rule and the bill.

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

Mr. Speaker, one of our previous speakers, the gentleman from California (Mr. STARK) characterized this legislation as silly. It would be one thing if this were just silly.

What the Republicans are proposing is dangerous. What they want to do is they want to end the code and have nothing in its place. If that were to pass and become law, and I do not believe it will become law, but if it were to pass and become law to eliminate the code, with nothing in its place, there will not be a person in this country who will be able to purchase a home and rely on any type of mortgage deduction, there will not be a city or a county that will be able to issue a bond to build a school or build a highway.

This is not just silly, this is dangerous. What the Republicans are suggesting is an enormous dice roll that could lead us to become a third-world banana republic with no Tax Code, with no structure in place, simply because they want to make a rhetorical point.

What we do here on this floor is serious business. We are not here playing games. With this bill, the Republicans, who do not have the courage to bring a proposal to the floor, a reform proposal, are saying to the American public they do not care if this economy crashes and burns. If they cared about the economy of the United States, they would do the right thing, they would bring forward a reform proposal and say, here is what we stand for. Here is what we want. Vote it up or down. But they lack the courage to do that.

What they want to do is say, let us risk no one being able to get a home mortgage, let us risk not a single municipality in this country being able to issue a municipal bond, so that they could say, oh, we did something; we abolished the Tax Code.

There are a lot of changes that need to be made in our Tax Code. Everybody understands that. And we have a proposal that we are prepared to offer.

I would advise my colleague on the other side that the speaker that we had been anticipating has come on the floor, so that I will need to yield some time to him. And then I will have to reclaim my time because I have one point I have to make before I close.

Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. RANGEL), the ranking Democrat on the Committee on Ways and Means.

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

Mr. RANGEL. Mr. Speaker, one of the great things about being a Member of Congress is that we follow a real tradition, that our Founding Fathers set up a Constitution which allowed the people to express their concern through us.

They did not say that they wanted chairmen of committees to find out what is best for America. They did not say it should be the President or the Supreme Court. They said that in this House of Representatives, the people of the United States of America should speak.

And that is why we have only a 2-year term so that, if we misspeak, the voters may not be able to get to the Senate, they may not be able to express their disagreement with the President, they darn sure cannot reach the Supreme Court, but we are here to be held accountable.

To protect us, we have a committee system, because it is common knowledge that we were not elected based on our IQ rates. We were elected to find out and to search for the truth. And in most every piece of legislation, we have more than two sides of the issue; and, so, we have hearings and we have experts and we are able to get staff, Republican and Democrat, who are experts to review this so that when the committees report to the House, most of the work is done, the arguments are crystallized, and the Members have an opportunity to vote.

For 200 years, the Committee on Ways and Means has had the constitutional responsibility to raise the revenues and to provide the ways and the means for this great Nation to move forward. But under recent majority leadership, it was decided in some back room that we do not need any committees, we do not need any subcommittees, we do not need any committee chairmen, all we need is a Speaker and one good press relations person.

And, so, instead of legislation, we get press releases, we get one press release that the whole IRS, the whole code, is going to be abolished not because the Ways and Means Republicans said it, but because the Speaker said it.

If he can eliminate our ability to pay taxes with legislation, maybe he can eliminate our ability to have to pay our indebtedness, maybe we can eliminate cancer, maybe we can do a variety of things just by one-shot legislation not going through any responsible committee.

Where is the chairman of the Committee on Ways and Means? How are we letting the institutions of this House just fall apart? Whether we are for term limits or not, we have an obligation to leave this House in as good a shape as we found it.

And now we find that we have an education tax bill coming out of the Committee on Rules because there was an amendment on the Senate floor. I am

not here to say anything about the Senate. If they wake up and want to pass an amendment, they can do it. They do not need hearings over there.

But it is assumed that when they amend a bill that this House will be responsible and that we would have hearings and we will have experts and when people discuss and our staff discuss what does the bill mean, that we will be in the position to say that it is not a rip-off, it is sound, good tax policy that makes some sense.

Ask any American that knows the serious nature of our education problem in this country whether giving them a $2,000 savings account interest free is going to better the education of their kids. If the kid goes to private school, they save 37 bucks. If they are poor enough to have their kid go to public school, they save 7 bucks. And if they do not have $2,000 to save at all, they save nothing.

So it just seems to me that far more important than the legislation is the process in which this bill comes to the floor, without hearings, without witnesses, without any of the members of the Committee on Ways and Means, without a liberal point of view, without a conservative point of view. Where are the educators to say, what are we doing to help education?

Mr. Speaker, this is a wrong way for the House of Representatives to proceed.

Mr. HASTINGS of Washington. Mr. Speaker, how much time is remaining on either side?

The SPEAKER pro tempore (Mr. OXLEY). The gentleman from Washington (Mr. HASTINGS) has 22 minutes remaining, and the gentleman from Texas (Mr. FROST) has 12 minutes remaining.

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

Mr. HASTINGS of Washington. Mr. Speaker, I yield 6 minutes to the gentleman from Oklahoma (Mr. LARGENT) the author of this legislation.

Mr. LARGENT. Mr. Speaker, I thank my colleague, the gentleman from Washington for yielding me the time.

I am one of those people that believe that God created the heavens and the Earth and that he created man in his own image. That used to be indisputable. Unfortunately, we live in a time that some people now dispute that. I do not. And I think that it is informative to understand that when God created man in his own image, he gave us some instructions, some very simple instructions.

I make no apologies to the ACLU. These are the Ten Commandments that God gave us as his instructions of how to live and conduct our lives in a productive and healthy way. Those are the Ten Commandments.

Now, God expanded on the Ten Commandments through using the divine inspiration of man and he expanded on those and we now have the Bible, which again is God's expanded version on how we are to conduct our lives. The Creator, the wisdom of the universe, has given us the Bible as an instruction manual about how to conduct our lives. Here is the Bible. Here are the Ten Commandments.

When Jesus came, in fact, he basically boiled down all of this into one simple paragraph when he said that we are to love the Lord, our God, with all our hearts, souls, and minds and our neighbors as ourselves. That sums up all of the instructions that God has given us of how to conduct our entire life.

Now, let me contrast that with this. The IRS, telling us how to file our tax returns, this is what they do. First of all, here is the Internal Revenue tax code right here, this stack of books. That is the tax code that has been passed by Congress since 1913.

This tax code has grown 100 pages every year since it was created in 1913 by Congress, 100 pages. In fact, the 105th Congress just last year passed 400 changes in one bill, passed 400 changes to the tax code, added 325 pages to the tax code.

□ 1130

Here is the Tax Code. That is the commandments the Internal Revenue Service gives to the taxpayers about how to file your tax return.

These are the instructions God gives us to live our lives. Here is the Tax Code about how to file your tax return.

The IRS was kind enough to expand the rules on how to file your tax return. Here are the instructions and the forms that the IRS has given to us, in giving us direction about how to file our tax returns in this country, 6,200 pages of instructions and forms about how to file your tax returns in this country, right here. That is what this represents, from the Internal Revenue Service.

Do I need to go on any further about what the problem is with the current Tax Code? I do not think so. It is too complex, it is too onerous, it needs to go. We need to pull it out by its roots.

Mr. Speaker, let me quote a very distinguished colleague of mine from the House of Representatives. This is what he said in 1996:

''Let me be very clear about this: nobody likes today's Tax Code.''

And again in 1997:

''But let's also understand that the complexity of our Tax Code undermines the confidence of the American people in their government and, in part, leads to the problems we're addressing today. Today's action is just a partial solution. The real solution is abolishing the IRS Code and starting over building a tax system that's fair and makes sense. A Tax Code that allows people to make decisions based on what's in their family's best interest, not because of some tax gimmick or loophole.''

''Today we're striking a blow for reform. Let's not delay the next step, the need to abolish the Tax Code and start over with real reform.''

''Decades of toying and tinkering at the margins have only made the problem worse. And I've concluded that the only way to fix anything is to replace everything, to overhaul the entire system, from top to bottom.''

''Tax reform is the path to achieving real progress towards simplicity and fairness.''

''The Tax Code is riddled with preferences.''

Again finally in 1998:

''Our Tax Code has become a dense fog of incentives, inducements, and penalties that distort the most basic economic decisions, constrain the free market, and make it hard for Americans to run their own lives.''

My distinguished colleague, the minority leader, DICK GEPHARDT, has been saying that what we are about to vote on, the Tax Code Termination Act, is needed, it restrains the economy, it keeps people from experiencing the freedom in this country, what we are all about. The Tax Code and pulling the Tax Code out by the roots and abolishing it and starting over and having a real comprehensive debate on tax reform is desperately needed.

The Tax Code Termination Act that sunsets the Tax Code 2 years after the next presidential election year does several things. One is it assures us that we will in fact do it and quit just talking about it. The second thing it does, and probably most importantly, is that it includes all Americans in the discussion, because we will have a quasi-national referendum through the next presidential election year that says, what do you want for comprehensive tax reform. This will be a bill that will be written not by special interests in Washington, D.C., but by the American people, and the genius and the creativity of the American people.

I would urge my colleagues this morning to vote yes on the rule and yes on the Tax Code Termination Act. Let us pull the Tax Code out, have a comprehensive, full debate and dialogue over a 4½ year period of time. I believe that we can come up with a system that is more fair, certainly more simple than the one that we currently have.

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

Mr. Speaker, I would like to ask the gentleman who was in the well a question. I did not want to intrude on his time but I would like to ask him a question if I may. The gentleman in the well pursued a very distinguished career as a professional athlete prior to being elected to Congress. Many professional athletes as a part of their salary negotiations come up with deferred compensation. I would ask the gentleman if in, during his career, if part of his compensation was deferred compensation that will be paid out in a future year.

Mr. LARGENT. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from Oklahoma.

Mr. LARGENT. Yes, it was.

Mr. FROST. Is the gentleman prepared to forgo the tax advantages that he negotiated as a part of his contract when he was a professional athlete if we wind up having no code? If we are sunsetted and we have no code, then he would lose all the advantages that he negotiated during his playing career and presumably would have to realize that as current income in one year.

Mr. LARGENT. I guess the question that I would ask in reverse to the gentleman is are you prepared to defend the current Tax Code in its current form or do you really want tax reform in a comprehensive nature?

Mr. FROST. I just asked my distinguished colleague who apparently received a considerable tax advantage in his contract negotiations during his professional career, which he certainly was entitled to do, whether he is prepared when we have the absence of a code to forgo all the tax advantages that he secured during his playing years.

Mr. LARGENT. I would tell the gentleman in all sincerity that I am prepared to do that and would do it willingly, that I participated in a number of the tax shelters that the Congresses in the past created that were a total disaster, and I would have been far better off just to pay the taxes and not been allowed to do the things that were allowed by past Congresses.

Mr. FROST. I would ask the gentleman why he participated in all those tax shelters. Was this on the advice of counsel? Was this on the advice of his agent? He is a grown man and could make those kind of decisions of course in terms of how he conducted his own affairs.

Mr. LARGENT. Absolutely it was on the advice of counsel, to take advantage of the tax loopholes and shelters and everything else that have been created in Congresses past.

Mr. FROST. I would only ask the gentleman one other question. He talked about 100 pages being added to the code last year.

Mr. LARGENT. 400 pages.

Mr. FROST. 400. Did the gentleman vote for the legislation that added those pages?

Mr. LARGENT. I did.

Mr. FROST. Was he concerned at the time that he voted for the legislation about the amount of pages that were being added to the code?

Mr. LARGENT. Very much so.

Mr. FROST. But he voted for it anyway.

Mr. LARGENT. Yes, sir.

Mr. FROST. I thank the gentleman.

Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. MCDERMOTT), a distinguished member of the Committee on Ways and Means.

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

Mr. MCDERMOTT. Mr. Speaker, I sat and listened to the gentleman from Oklahoma talk about his desire to rip the Tax Code out by its roots. By the analogy he used, he stood up here and told us what God did, and I suppose that if he did not like something in the world, he would also say that we should go back to the beginning when it was form and void and God created all the world again. He wants this country to go to a position where there is no Tax Code whatsoever. Now, when he points to all those books of rules and he admits that he himself participated in taking advantage of the Tax Code, he wants us to throw all that away.

Well, first of all, in this country, three-quarters of the people in this country do not itemize their deductions. They do not use hardly a single page in that book of rules and regulations that he himself was a real advantage taker. The gentleman from Texas (Mr. FROST) asked him a question about whether or not he added these pages to the law last year. Now, if I had his Bible up here, it would be smaller than the number of pages which he voted to put into the Tax Code. Now, the people in his district and the people in this country ought to ask, are these people really serious? Are they serious? Last year they came out here and very proudly passed 800 pages of additions to the Tax Code and beat their breasts and said they made it better for every American. And this year they come in and say, last year what we did was stupid. We want to tear it all out and throw it away and start again.

Now, you have to ask yourself, which person should you believe? The one that last year passed all 800 pages and was proud of every single thing that is in here? Or are they proud of they are now going to tear it out?

Let me tell my colleagues what it means to ordinary Americans. If they take this bill and pass it and say in 3 years we are not going to have a Tax Code, how is an American going to buy a house or sell a house in this country when you do not know where the interest deduction that we all take advantage of when we buy a House, where will that be? Will that be included in this next Tax Code? Or will it not? I mean, the whole real estate industry in this country is based on the fact that we can take a deduction for the interest that we pay on our mortgages. What will that mean as to the value of our house? If you cannot take the deduction, does the value go up or does the value go down? How do you make a decision as Americans? This is the stupidest idea I have seen in 10 years.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. PAXON).

Mr. PAXON. Mr. Speaker, this is clearly an historic day in the history of this great legislative body. It is an historic day because it offers such a clear choice between two competing visions of how this institution should work. On one hand, we are hearing it today across the aisle, the defenders of the status quo in Washington. They like the 5.5 million word Tax Code. They think it is just fine because they spent their careers building it up, for one reason: They like high taxes. They think government should take money from the American people, send it here to Washington so the bureaucracy can spend it. They like the uncertainty that comes with the current Tax Code because it confuses people and they do not know what their tax situation is because over half of Americans because of this code are forced to seek professional assistance in rendering their taxes, and that does not even count the folks who have to seek professional psychiatric assistance once they are done trying to figure all this out. They like the fact that the special interests drive the debate because it is done behind closed doors and the American people never get a chance to have at these reforms, so-called reforms, of the current Tax Code.

Mr. Speaker, on the other hand, it is all the rest of the country and an awful lot of us here in the Congress who think this is historic because we are going to change it. This legislation, the legislation that we have put forward today, reverses the trend. We are going to let the American people decide. We are going to say 4 years from now, the Tax Code is gone, you know it, we are going to end the skepticism, the American people can come forward and get their representatives and tell them what they want in the Tax Code, not just the folks in Washington in the K street community. The American people will have a choice for a change.

I believe it will result in a clearer Tax Code, a more understandable Tax Code, a Tax Code that most importantly takes less money out of the pockets of the American people. And would that not be a great change for the better in this country?

Mr. Speaker, this is truly a moment of great history in this legislative body. The gentleman from Oklahoma (Mr. LARGENT) and I believe very strongly that the Tax Code Termination Act will help move this country forward in the global economy. It will help this Congress reestablish our credibility with the American people that for 40 years looked at Congress and saw it in the hip pocket not of the American people but of the special interests.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in support of this bill and encourage all my colleagues to vote in support of it. The current Tax Code is complex, confusing, corrupt, costly and coercive. Even experts do not agree on the Tax Code. Some studies actually show that the IRS itself gives the wrong answers to questions from taxpayers up to as often as 40 percent of the time. Money magazine gave a hypothetical tax return to 45 different tax preparers nationwide.

The result? Forty-five different responses, ranging from paying 123 percent too much in taxes to 14 percent too little. Thirty-three of the 45 preparers exceeded the acceptable range of error by $1,000. And for these erroneous tax returns, the tax preparers charged from $300 to $4,950.

The current Tax Code is costly to our economy. It costs Americans between $157 to $22 billion per year just to prepare the taxes. This $157 for each person could be invested in schools, businesses or in savings. Enforcement for the Federal Government itself costs $13.7 billion per year. Businesses spend between $4 and $7 in keeping up with the taxes they owe for each $1 in taxes they pay. It costs taxpayers 5.3 billion hours to comply with the code. This is more than it takes to produce all the cars and trucks in America and is equal to 2 weeks of American productivity nationwide.

□ 1245

H.R. 3097, the Tax Code Termination Act, is simple. It directs Congress to enact a new Tax Code by July 4, 2002.

What is so bad about that?

It ends the existing Tax Code on December 31 of that year, six months after the initial enactment of the new code. Calls for a fairer and flatter Tax Code are made in this bill. It will enable the American people to have a national debate about how they want the Tax Code to change and become fairer and more simple. It will ensure that the Tax Code is replaced with one that has been vetted out by the American people and not decided by special interests in Washington.

Mr. Speaker, this bill is a good piece of legislation. The American people are fed up with the complicated Tax Code laws that they now have to live under. They want more, they demand more, they deserve more. They deserve a better system, and what is more important, we are heading into a new millennium, a new century, a new age, and we need to have a Tax Code that will enable America to continue to be competitive and lead the world.

Mr. Speaker, I encourage all my colleagues to vote in support of this legislation.

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

Mr. Speaker, I hate to engage in elementary civics lessons, but I think it is important that we understand, and particularly people outside this Chamber understand, how the Congress of the United States works.

The Republicans are in the majority. They control what bills come to the floor through the Committee on Rules that I serve on, and they also control what bills are reported out of the Committee on Ways and Means on which the gentleman from New York (Mr. RANGEL) serves.

They are in the majority. If they want to change the Tax Code as the majority party, they have the ability to report a bill out of the Committee on Ways and Means changing the code.

Whether it is the flat tax, whether it is the value-added tax really does not make any difference. They are in control. They can bring a bill to the floor.

Mr. Speaker, they lack the courage of their own convictions. They will not bring a bill to the floor. Why will they not bring a bill to the floor? I do not know. Maybe they have a disagreement inside their own caucus, maybe some of these ideas are a little bit crazy, maybe they do not have enough votes to pass anything. I do not know why they do not bring a bill to the floor. They are in charge; they have the votes. If they want to reform the Tax Code, bring a bill for this House to vote on.

What do they do? They risk financial chaos in this country by tearing down the current code which admittedly has a lot of problems and needs to be fixed and not offer a single alternative to the current code.

If they really want tax reform, bring a bill to this floor and have us vote on it.

Mr. Speaker, I urge Members to vote no on the previous question. If the previous question is defeated, I will offer a substitute to the rule that will allow for a responsible debate on real tax reform for the Tax Code, not simply election year grandstanding. The rule I will offer will make in order the Armey flat tax proposal as base text. It will also make in order 2 substitutes to that bill, the Gephardt simplified tax bill and the Tauzin sales tax legislation. Members will have the opportunity to vote up or down on all of these proposals. The substitute that passes and receives the most votes will be the one that is considered as adopted.

Mr. Speaker, if we are serious about reforming or replacing the current Tax Code, let us not fool around with meaningless and irresponsible legislation that could jeopardize our economy and our government. Let us take action on real legislation that addresses the issue, not frivolous legislation that does nothing except provide a handy campaign slogan.

Mr. Speaker, I ask unanimous consent to insert the text of my substitute rule and extraneous materials at this point in the RECORD.

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

There was no objection.

The text of the substitute rule and extraneous materials are as follows:

PREVIOUS QUESTION FOR H. RES. 472—TAX CODE TERMINATION ACT

Strike all after the resolving clause and insert in lieu thereof the following:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1040) to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. After general debate the bill shall be considered for amendment under the five-minute rule and shall be considered as read. No amendment shall be in order except the amendments in the nature of a substitute specified in section 2 of this resolution. Each amendment may be offered only in the order designated, may be offered only by the Member designated or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the amendments specified in section 2 are waived. If more than one amendment in the nature of a substitute is adopted, then only the one receiving the greater number of affirmative votes shall be considered as finally adopted and reported to the House. In the case of a tie for the greater number of affirmative votes, then only the last amendment to receive that number of affirmative votes shall be considered as finally adopted and reported to the House. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without restrictions.

Sec. 2. The amendments described in the first section of this resolution are as follows:

(1) An amendment in the nature of a substitute consisting of the text of H.R. 2001 if offered by Representative Dan Schaefer of Colorado;

(2) An amendment in the nature of a substitute consisting of the text of H.R. 3620 if offered by Representative Gephardt of Missouri; and

(3) An amendment in the nature of a substitute consisting of the text of H.R. 1040 if offered by Representative Armey of Texas.

Amend the title to read: Providing for consideration of the bill (H.R. 1040) to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment.

The majority argues that our attempt to defeat the previous question is futile because our proposed amendment is not germane. The fact of the matter is that the chair has not made a ruling nor heard our arguments as to the germaneness of our amendment. The only way to make that determination is to allow us to offer the amendment by defeating the previous question.

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote.

A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan.

It is a vote about what the House should be debating.

The vote on the previous question on a rule does have substantive policy implications. It is

one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

I ask unanimous consent to insert material in the RECORD at this point.

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's ''Precedents of the House of Representatives,'' (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Republican majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the Republican Leadership ''Manual on the Legislative Process in the United States House of Representatives,'' (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: ''Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule. . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment.''

Deschler's ''Procedure in the U.S. House of Representatives,'' the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

The vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

DEPARTMENT OF THE TREASURY,
SECRETARY OF THE TREASURY,
Washington, DC, June 16, 1998.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I am writing to express my grave concern over H.R. 3097, the ''sunsetting'' bill that would effectively repeal the Internal Revenue Code without providing for its replacement. If presented to him, I would recommend that the President veto the bill.

The President stands ready to consider carefully all proposals to reform the tax system. He will evaluate these proposals by using four criteria: fairness, fiscal responsibility, impact on economic growth, and simplification. In contrast, it would be irresponsible for the Congress to enact legislation to terminate the tax code without having already provided a reform plan to replace it. Moreover, none of the proposals currently under discussion by Members of Congress meet the President's four criteria. At a time when the country is experiencing the strongest economy in a decade, we simply cannot allow that economy, the nation's fiscal discipline, and the well-being of its families to be put at risk.

Proposing to sunset the tax code is a deeply flawed idea that, if enacted, would harm our strong economy. Many families, for example, would refrain from buying homes because of the uncertain tax treatment of mortgage interest and property taxes (as well as other State and local taxes), that would harm current homeowners. Many businesses would hire fewer workers and make fewer capital investments because of uncertainties in how taxes would affect the return on productive assets. Furthermore, the uncertainty of the size of future receipts would raise the specter of increased Federal deficits which in turn would raise interest rates and weaken or destroy economic growth.

Adoption of this legislation would have many other harmful effects on the well-being of families. A family's health insurance would be threatened because the tax status of employer-provided health benefits would be uncertain. Hope Scholarships that make higher education more affordable for students would be in jeopardy as would child tax credits that help families with the costs of child-rearing. The structure of employer-provided pensions and tax incentives for retirement saving could be altered in ways that could harm retirement income security. In short, enactment of this legislation would create substantial risks to our economy and the American people.

The right way, the responsible way, to reform is to work to reduce unwarranted complexity in our tax laws, to increase their fairness and efficiency, to enact responsible legislation restructuring the Internal Revenue Service, and to continue to refocus it on customer service. Last year, for example, President Clinton proposed and signed into law 40 tax simplification measures as part of the balanced budget agreement. As a result of that simplification 99 percent of homeowners will not have to pay capital gains tax when they sell their home, 9 out of 10 corporations will not have to worry about complex alternative minimum tax calculations, and many dependent children will be able to earn a greater income without being subject to tax. Furthermore, the President wants to see a responsible IRS restructuring bill on his desk as soon as possible.

In conclusion, I urge you and all members of the House of Representatives to vote against H.R. 3097 when it is considered later this week.

Sincerely,

ROBERT E. RUBIN.

NATIONAL ASSOCIATION
OF MANUFACTURERS,
Washington, DC, June 16, 1998.

Hon. NEWT GINGRICH,
Speaker of the House,
Capitol Building, Washington, DC.

DEAR MR. SPEAKER: On behalf of the NAM's 14,000 members, and of the 18 million people employed in manufacturing, I urge you to oppose H.R. 3097, the ''Tax Code Termination Act.''

Let me make it clear, however, that this is in no way a defense of the current federal tax code. The attached resolution, adopted by our board of directors more than two years ago, makes it quite clear that we believe *''the federal tax system as now configured is beyond repair and should be scrapped and replaced with a new model,''* [emphasis added]

But, while we defer to no one in our enthusiasm for scrapping the tax code, we do not support doing so until such time as a replacement code has been agreed upon and the numerous problems involved in transitioning from the old law to the new law have been satisfactorily resolved.

In our view, the numerous real problems associated with so-called ''expiring provisions'' already in the code—such as the research and experimentation tax credit—should be enough to dissuade anyone from taking the approach of H.R. 3097. These provisions frequently do expire, vastly complicating business and investment planning because taxpayers are uncertain as to whether the provision will be reinstated and, if so, whether such reinstatement will be retroactive.

Thank you for considering our views in opposition to H.R. 3097.

Sincerely,

PAUL R. HUARD.

Enclosure.

NATIONAL ASSOCIATION OF MANUFACTURERS BOARD OF DIRECTORS MEETING—FEBRUARY 10, 1996

RESOLUTION ON GROWTH AND TAXES

The single biggest obstacles to increased economic growth is our impossibily complex and ever-changing tax code. And as 1996 unfolds, signs of a weakening economy make it more important than ever to focus the nation's policy priorities on the critical need for increased economic growth. The NAM continues to believe that technological advances, worldwide competitive pressures, productivity improvements and other factors have substantially raised the economy's potential for non-inflationary growth. Those arguing growth must be held at or below 2.5 percent to avoid a resurgence in inflation are ignoring the enormous transformations that have occurred in manufacturing. In our view, a target growth rate of three percent or more is not only attainable but also essential. We can see no other way to improve incomes and living standards for American wage-earners while at the same time maintaining U.S. global competitiveness.

But we can't get there with our existing tax structure. There is a growing consensus among policymakers that the federal tax system as now configured is beyond repair and should be scrapped and replaced with a new model. We agree, and believe our present anti-employee, anti-growth tax system should be replaced with a pro-employee, pro-growth model having these characteristics:

Simplicity. This should be paramount. The new system should be one that average wage-earners can both understand and believe to be fair. The current code is not only incomprehensible to most taxpayers but also gives rise to the suspicion that it can be manipulated by high-income taxpayers. What's needed is a simple low-rate system with relatively few deductions or other adjustments.

The billions of dollars currently wasted on compliance costs of the current system could then be applied to more productive uses.

Elimination of Multiple Taxation. Income once taxed should not be subjected to multiple taxation just because it is saved or invested rather than consumed. The highly regressive situation whereby wage income is subjected to both income and payroll taxes must also be corrected. Similarly, business income should be taxed only once so that, among other things, corporate profits paid out as dividends are not taxed to both the corporation and the shareholder. And, business taxes under any new system should be compatible with those of our trading partners so that, for example, American exports are not double-taxed by the U.S. and the destination country.

Stability. Present tax laws are both disliked and hard to understand in large part because they are in a constant state of flux. Once a new, simple tax system is in place, procedures—such as supermajority voting requirements—should be adopted to ensure that future revision is both difficult and infrequent.

Recent analysis concludes that excessive levels of taxation have been a significant drag on economic growth. Reversing this trend by adopting a tax system that is not biased against work, savings and investment should be one of our highest national priorities. The resulting dynamic growth will benefit businesses and their employees alike.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,

Washington, DC, June 16, 1998.

DEAR REPRESENTATIVE: The AFL–CIO strongly urges you to help protect America's working families from serious economic hardship by voting against H.R. 3097, the Tax Code Termination Act.

The AFL–CIO is very disappointed that the leadership of the 105th U.S. Congress has, once again, decided to waste its time on an extreme measure like H.R. 3097—legislation which would eliminate the Internal Revenue Code by December 31, 2001, without specifying which alternative tax system would replace it.

Needless to say, H.R. 3097 would hurt our nation's working men and women in several different ways. It would make buying a home more expensive for working families by eliminating the mortgage interest tax deduction. It would reduce employer-provided health and pension benefits for America's workers by abolishing all of the tax incentives which currently help make these important benefits more affordable and more available. In fact, this deeply flawed legislation would also harm those who need help the most by repealing the $500 child tax credits and the $1,500 Hope Scholarships which currently help millions of working families raise and educate their children.

H.R. 3097 would also create economic uncertainty for all American businesses. By not specifying which alternative tax system would replace the current one, H.R. 3097 would discourage businesses from making any new capital investments until Congress decided how the new tax system would affect them. In turn, this reduction in private investment could substantially increase interest rates and the federal deficit by dramatically decreasing productivity and federal revenues.

Finally, H.R. 3097 would devastate thousands of America's religious institutions, social service organizations, cultural institutes, colleges, and universities by eliminating the tax deduction for charitable contributions.

For all of these reasons, the AFL–CIO strongly urges you to vote against H.R. 3097.

Sincerely,

PEGGY TAYLOR,
Director,
Department of Legislation.

TAX EXECUTIVES INSTITUTE, INC.,

Washington, DC, June 16, 1998.

Re proposal to sunset the Internal Revenue Code.

Hon. NEWT GINGRICH,
Speaker of the House, House of Representatives, Rayburn House Office Building, Washington, DC.

Hon. RICHARD GEPHARDT,
Minority Leader, House of Representatives, Longworth House Office Building, Washington, DC.

DEAR SPEAKER GINGRICH AND MINORITY LEADER GEPHARDT: On behalf of Tax Executives Institute, I am writing to express the Institute's serious concern about proposals to sunset the Internal Revenue Code on a designated date without specifying a replacement tax system. In our view, these proposals reflect either a misapprehension of the importance of certainty and predictability to business enterprises and individuals or a disregard for the consequences of ''terminating'' the tax system. They illustrate the folly of making tax policy by sound bite and should be rejected.

BACKGROUND

Tax Executives Institute is the principal association of corporate tax executives in North America. TEI is a nonpartisan not-for-profit membership association that represents approximately 5,000 in-house tax professionals employed by 2,800 of the leading companies in the United States and Canada. TEI is dedicated to the development and effective implementation of sound tax policy, to promoting the uniform and equitable enforcement of the tax laws, and to reducing the cost and burden of administration and compliance to the benefit of taxpayers and government alike. TEI members deal with, and are frustrated by, the complexities of the tax laws on a daily basis, and know that abrupt or ill-conceived shifts in the law—changes without due consideration of transitional issues—exact a heavy toll.

SUNSETTING THE CODE: A BEGUILING BUT UNWISE MOVE

Later this week, the House of Representatives is scheduled to vote on H.R. 3097, which is styled ''The Tax Code Termination Act.'' The legislation would sunset the Internal Revenue Code on December 31, 2001. Although the legislation includes a hortative declaration that any new federal tax system should be approved by Congress in its final form no later than July 4, 2001 (to permit a six-month transition to the new system), there is no assurance that the principles underlying a replacement system could be agreed upon, that the new system's contours could be defined, and that meaningful and comprehensive transition rules could be developed in time to meet that ambitious deadline. What is more, there is substantial doubt whether, even if the Fourth of July 2001 target were met, the six-month transition period contemplated by the legislation would be sufficient to avoid major disruptions in particular industries or the economy as a whole.

Given our members' ongoing experiences with the tax laws, it should come as no surprise that TEI supports efforts to improve and simplify the Internal Revenue Code. Moreover, while the Institute itself has not taken a position on which of the competing tax reform proposals should be adopted (in large measure because of the diversity of our membership and the divergence of their views). We fully understand the desire of many members of Congress ''to scrap the Code'' and replace it with a different system. And we appreciate the popular appeal of striving to make the tax law simpler and fairer.

The legislation before the House, however, is nothing more than a Siren's song—alluring but ultimately dangerous—because it is far from clear how the legitimate objectives of tax reform can best be achieved. The ongoing debate in Congress and the country at large, while spirited, demonstrates that finding consensus will not be easy or quick. Even assuming that agreement can be expeditiously achieved on ''where'' tax reform should take us, determining the ''how'' of getting there will pose additional challenges. Whether or not you agree with the estimates of the U.S. General Accounting Office and the Treasury Department that the implementation of a new tax system would require between 18 and 24 months, it is clear that the change cannot be made overnight. It is also clear that individuals and businesses—the U.S. economy as a whole—cannot convert to the new system with the ease of flicking a light switch. Transition rules cannot be handled as an afterthought. Indeed, given the intricacies of the American economy, how it interacts and is integrated with the global marketplace, and the overriding importance of the tax law in providing incentives to salutary behavior (such as investments in plants and equipment, retirement savings, home ownership, municipal bonds, and charitable giving), the ''pain'' of the transition from the current regime to a new one could well overwhelm the promised benefits of reform.

Supporters of H.R. 3097 argue that the legislation is necessary to force action on tax reform. Even if that were true—and Congress's recurring inability to renew expiring tax provisions in time to forestall gaps in the law suggests that future Congresses may not feel so obliged—TEI questions whether the uncertainty and potential chaos is worth the risk. For example, a company that otherwise would invest millions of dollars in a multi-year expansion of its manufacturing facilities might well demur if the pending legislation were enacted because of uncertainty over whether or how, after December 31, 2001, it would be able to recover its costs. (There are an estimated $3 trillion in unrecovered costs of existing property, and of course the current economic expansion is dependent on sustained future investments.) Similarly, individuals who would otherwise invest and save toward retirement might pause because of uncertainty over how their retirement earnings would be taxed. To repeal the Internal Revenue Code without specifying a replacement system—to exalt the exhilaration of ''doing it now'' over the necessity of ''doing it right''—is to threaten major disruptions of the economy and the lives of the American people. The proposal might score well in public opinion polls, but that does not make it any less imprudent.

Once again, TEI appreciates the surface appeal of calls to terminate the Internal Revenue Code. H.R. 3097 and similar bills, however, would create a sense of urgency for tax reform much like plunging the detonator on a time bomb and then scrambling to disarm it before it explodes. The action might cause the adrenaline to flow, but we question whether the Nation would be the better for it. Because the bill fails to meet the standards of reasoned and responsible legislation, Tax Executives Institute urges you to work toward its rejection.

CONCLUSION

Tax Executives Institute appreciates this opportunity to present its views on the proposal to sunset the Internal Revenue Code.

Any questions about the Institute's views should be directed to either Michael J. Murphy, TEI's Executive Director, or Timothy J. McConnally, the Institute's General Counsel and Director of Tax Affairs. Both individuals can be reached at (202) 638–5601.

Respectfully submitted,

PAUL CHERECWICH, JR.,
International President.

Mr. FROST. Mr. Speaker, I ask that my colleagues vote no on the previous question so that we can take up actual tax reform.

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

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to speak just a minute on the underlying bill that this rule will make in order, and I want to couch that, my remarks, in terms of what I experienced back home in the last year, 9 months to a year. I had several town hall meetings that dealt specifically with the Tax Code, and I can say from those people, and by the way, we had a huge turnout at both those meetings that we had, and I can say without any qualification that those that attended the town hall meetings that spoke regarding a Tax Code, nobody was defending the current tax system, nobody was defending the current tax system. It is also fair to say, however, that there was no unanimity as to what should replace this tax system, but there certainly was a broad consensus and probably near unanimity that we need to do so. The question that faces us today then is how do we get from here to there.

Now we heard all of the adjectives about how, and I do not know if the word draconian was used, but it is certainly implied, but let us put things into perspective. What this bill would do would simply say 4 years from now the Tax Code will end. What will happen between now and the end of year 2002? Well, we will go through an election, if this bill were to pass, and obviously it will be the top of everybody's agenda, this Congress will have passed the bill to end the Tax Code. That means that Members in this body would have the opportunity to go to the polls, or to go to election this year, and voters would have an opportunity to go to the polls, ask us what we think would be the best method or best system to replace our Tax Code. We would do that this year, one election cycle. And probably more important, in the year 2000, because of what this bill would allow, we would have a presidential election whose probably primary debate would be centered on the Tax Code. Now at that time I think the American people would be very, very well engaged, and the next Congress after that would be the Congress that would come up with a brand-new Tax Code.

My friend from Texas (Mr. FROST) said that he wanted to talk about elementary civics lessons. Let me offer one other addendum to that. An elementary civics lesson as it relates to this body is this: We deal in deadlines. This Tax Code is some 86 years old. It is badly in need of an overhaul and, frankly, scrapping. This sets a time certain for that to happen. It sets a deadline for this body and the President, the next President of the United States, to come together, come up with a Tax Code that the American people will feel comfortable with.

So I feel very strongly that this bill needs to be debated, which it will if we pass this rule, and, furthermore, that it needs to be passed so that the Congress can act on this legislation.

Now as to this rule, let me make a point.

At this time, Mr. Speaker, I ask unanimous consent to insert into the RECORD what the previous question vote means.

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

There was no objection.

The document referred to is as follows:

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

The previous question is a motion made in order under House Rule XVII and is the only parliamentary device in the House used for closing debate and preventing amendment. The effect of adopting the previous question is to bring the resolution to an immediate, final vote. The motion is most often made at the conclusion of debate on a rule or any motion or piece of legislation considered in the House prior to final passage. A Member might think about ordering the previous question in terms of answering the question: Is the House ready to vote on the bill or amendment before it?

In order to amend a rule (other than by using those procedures previously mentioned), the House must vote against ordering the previous question. If the previous question is defeated, the House is in effect, turning control of the Floor over to the Minority party.

If the previous question is defeated, the Speaker then recognizes the Member who led the opposition to the previous question (usually a Member of the Minority party) to control an additional hour of debate during which a germane amendment may be offered to the rule. The Member controlling the Floor then moves the previous question on the amendment and the rule. If the previous question is ordered, the next vote occurs on the amendment followed by a vote on the rule as amended.

Mr. HASTINGS of Washington. Mr. Speaker, the previous question procedure is simply one to end debate, and, if the previous question is defeated, then those that oppose it, which in this case would be my friend from Texas who had an opportunity to change, and actually we would lose control, to put it in perspective, of the floor and turn it over to a bill that frankly, ironically, none of the three provisions in that bill have been debated in the Committee on Ways and Means or on the floor. I find that rather ironic. But what it would do, it would turn over to the minority the floor, and I think that would be not advantageous for us.

So, Mr. Speaker, then what I would like to do and to urge my colleagues is to vote for the previous question so that we can get on with this debate, and I would also say that I believe the debate that is going to ensue after this rule is passed will indeed be historic.

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

The SPEAKER pro tempore. The question is on ordering the previous question.

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

Mr. FROST. 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.

Pursuant to clause 5 of rule XV, the Chair will reduce to 5 minutes the minimum time for electronic voting on adoption of this resolution, and, without objection, the proceedings will resume on House Resolution 471 immediately thereafter.

The Chair also will reduce to 5 minutes the minimum time for electronic voting on adoption of that resolution.

There was no objection.

The vote was taken by electronic device, and there were—yeas 229, nays 194, not voting 10, as follows:

[Roll No. 234]

YEAS—229

Aderholt	Danner	Hostettler
Archer	Davis (VA)	Houghton
Armey	Deal	Hulshof
Bachus	DeLay	Hunter
Baker	Diaz-Balart	Hutchinson
Ballenger	Dickey	Hyde
Barr	Doolittle	Inglis
Barrett (NE)	Dreier	Istook
Bartlett	Duncan	Jenkins
Barton	Dunn	Johnson (CT)
Bass	Ehlers	Jones
Bateman	Ehrlich	Kasich
Bereuter	Emerson	Kelly
Bilbray	English	Kim
Bilirakis	Ensign	King (NY)
Bishop	Everett	Kingston
Bliley	Ewing	Klug
Blunt	Fawell	Knollenberg
Boehlert	Foley	Kolbe
Boehner	Forbes	LaHood
Bonilla	Fossella	Largent
Bono	Fowler	Latham
Brady (TX)	Fox	LaTourette
Bryant	Franks (NJ)	Lazio
Bunning	Frelinghuysen	Leach
Burr	Gallegly	Lewis (KY)
Burton	Ganske	Linder
Buyer	Gekas	Livingston
Callahan	Gibbons	LoBiondo
Calvert	Gilchrest	Lucas
Camp	Gillmor	Manzullo
Campbell	Gilman	McCollum
Canady	Goode	McCrery
Cannon	Goodlatte	McDade
Castle	Goodling	McHugh
Chabot	Goss	McInnis
Chambliss	Graham	McIntosh
Chenoweth	Granger	McIntyre
Christensen	Greenwood	McKeon
Coble	Gutknecht	Metcalf
Coburn	Hall (TX)	Mica
Collins	Hansen	Miller (FL)
Combest	Hastert	Moran (KS)
Condit	Hastings (WA)	Morella
Cook	Hayworth	Myrick
Cooksey	Hefley	Nethercutt
Cox	Herger	Neumann
Crane	Hill	Northup
Crapo	Hobson	Norwood
Cubin	Hoekstra	Nussle
Cunningham	Horn	Oxley

Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—194

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—10

Ford
Gonzalez
Hastings (FL)
Hilleary
Hilliard
Johnson, Sam
Lewis (CA)
McNulty
Ney
Peterson (PA)

□ 1213

Mr. JACKSON of Illinois, Mr. MILLER of California, Ms. HOOLEY of Oregon, and Ms. KAPTUR changed their vote from ''yea'' to ''nay.''

Mr. HOBSON changed his vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

□ 1215

The SPEAKER pro tempore (Mr. OXLEY). The question is on the resolution.

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

RECORDED VOTE

Mr. HASTINGS of Washington. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 232, noes 188, not voting 13, as follows:

[Roll No. 235]

AYES—232

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
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
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—188

Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
McCarthy (MO)
McDermott
McGovern
McHale
McKinney
Meehan
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—13

Abercrombie
Gonzalez
Hastings (FL)
Hilleary
Johnson, Sam
Lewis (CA)
Matsui
McDade
McNulty
Meek (FL)
Ney
Peterson (PA)
Waters

□ 1224

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2646, EDUCATION SAVINGS AND SCHOOL EXCELLENCE ACT OF 1998

The SPEAKER pro tempore. The pending business is the question de novo on the passage of House Resolution 471.

The Clerk read the title of the resolution.

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

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

RECORDED VOTE

Mr. HASTINGS of Washington. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 228, noes 191, not voting 14, as follows:

[Roll No. 236]

AYES—228

Aderholt
Archer
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McKinney
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—191

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Gutierrez
Hall (OH)
Hamilton
Harman
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—14

Armey
Gilchrest
Gonzalez
Green
Hastings (FL)
Hefner
Hilleary
Johnson, Sam
Lewis (CA)
McNulty
Ney
Ortiz
Peterson (PA)
Vento

□ 1233

Mr. MORAN of Virginia changed his vote from ''aye'' to ''no''.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider is laid on the table.

THE JOURNAL

The SPEAKER pro tempore (Mr. THORNBERRY). Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

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

TAX CODE TERMINATION ACT

Mr. BUNNING. Mr. Speaker, pursuant to House Resolution 472, I call up the bill (H.R. 3097) to terminate the Internal Revenue Code of 1986, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The bill is considered read for amendment.

The text of H.R. 3097 is as follows:

H.R. 3097

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 ''Tax Code Termination Act''.

SEC. 2. TERMINATION OF INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—No tax shall be imposed by the Internal Revenue Code of 1986—

(1) for any taxable year beginning after December 31, 2001, and

(2) in the case of any tax not imposed on the basis of a taxable year, on any taxable event or for any period after December 31, 2001.

(b) EXCEPTION.—Subsection (a) shall not apply to taxes imposed by—

(1) chapter 2 of such Code (relating to tax on self-employment income),

(2) chapter 21 of such Code (relating to Federal Insurance Contributions Act), and

(3) chapter 22 of such Code (relating to Railroad Retirement Tax Act).

SEC. 3. NEW FEDERAL TAX SYSTEM.

(a) STRUCTURE.—The Congress hereby declares that any new Federal tax system should be a simple and fair system that—

(1) applies a low rate to all Americans,

(2) provides tax relief for working Americans,

(3) protects the rights of taxpayers and reduces tax collection abuses,

(4) eliminates the bias against savings and investment,

(5) promotes economic growth and job creation, and

(6) does not penalize marriage or families.

(b) TIMING OF IMPLEMENTATION.—In order to ensure an easy transition and effective implementation, the Congress hereby declares that any new Federal tax system should be approved by Congress in its final form no later than July 4, 2001.

The SPEAKER pro tempore. Pursuant to House Resolution 472, the amendment in the nature of a substitute printed in House Report 105–580 is adopted.

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

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Tax Code Termination Act''.

SEC. 2. TERMINATION OF INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—No tax shall be imposed by the Internal Revenue Code of 1986—

(1) for any taxable year beginning after December 31, 2002, and

(2) in the case of any tax not imposed on the basis of a taxable year, on any taxable event or for any period after December 31, 2002.

(b) EXCEPTION.—Subsection (a) shall not apply to taxes imposed by—

(1) chapter 2 of such Code (relating to tax on self-employment income),

(2) chapter 21 of such Code (relating to Federal Insurance Contributions Act), and

(3) chapter 22 of such Code (relating to Railroad Retirement Tax Act).

SEC. 3. NEW FEDERAL TAX SYSTEM.

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(3) protects the rights of taxpayers and reduces tax collection abuses,

(4) eliminates the bias against savings and investment,

(5) promotes economic growth and job creation, and

(6) does not penalize marriage or families.

(b) TIMING OF IMPLEMENTATION.—In order to ensure an easy transition and effective implementation, the Congress hereby declares that any new Federal tax system should be approved by Congress in its final form no later than July 4, 2002.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. BUNNING) and the gentleman from New York (Mr. RANGEL) each will control 1 hour.

The Chair recognizes the gentleman from Kentucky (Mr. BUNNING).

GENERAL LEAVE

Mr. BUNNING. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 3097.

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

There was no objection.

Mr. BUNNING. Mr. Speaker, I yield myself such time as I may consume to open the debate on this bill.

Mr. Speaker, the Federal income tax system is broken beyond repair. We cannot tinker with it any longer and make it work any better. We need to wholesale reform and totally overhaul the system.

There are two basic elements that are absolutely necessary for a Federal tax system. It must be understandable, and it must be fair. As it now stands, our Federal income tax fails badly on both counts.

Our Tax Code has become so complex that no one can understand it. When tax experts cannot agree on how much an American taxpayer owes, how can we expect the average taxpayer to understand it?

This complexity is expensive. It costs over $300 billion a year for taxpayers to comply with the Tax Code. That is money that is totally wasted. It does not benefit government or increase funding for essential services. It does not benefit the private sector or create investment, develop jobs, or improve the quality of life. It is just money down the drain. It is a crime.

Our Tax Code is unfair. We have focused a great deal of attention this year on the marriage penalty, but this is just one of hundreds of inequities in the existing law.

Over the years, Congress has created a hodgepodge of loopholes and arcane tax incentives, most of which were well-intentioned. But when you take them altogether and weed them into a 5½ million word tax code, it creates such a mess that only the very wealthy have the ability to take advantage of them. That creates unfairness. As a result, the American people have lost confidence in their tax system.

Incremental change is not enough. We have tried that. It has resulted in failure and more complexity. We need real reform, a total overhaul of the Tax Code. We need to restore that confidence.

That is what this bill is all about. It simply says that the sun will set on the Internal Revenue Code as we know it on December 31, 2002. It gives Congress 3 years to debate and develop a new tax system.

It would simply force Congress to do in a timely manner what we need, no, what needs to be done, to pull the Federal income tax code out by its roots and replace it with an income tax system that is fair and understandable. This bill will help us do that. I urge my colleagues to support and vote for H.R. 3097.

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

Mr. RANGEL. Mr. Speaker, I yield myself as much time as I may consume.

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

Mr. RANGEL. Mr. Speaker, this is a historic moment in the history because of our Congress, because I do not think that we will ever live to see a more irresponsible act committed by any Member of Congress.

I know that this is an election year and so some leeway has to be given to the majority because, unfortunately, there is no institutional memory of them having passed any legislation this year. Being a politician myself, I can understand how they would like to capture the voters' imagination by doing something dramatic.

But just to abolish the Tax Code, just to say that, by the year 2002, no tax shall be imposed by the Internal Revenue code, what a gift to give the American people. You will not have to pay any taxes until the Republicans, and do not laugh, until the Republican majority comes up with an idea as to how they are going to replace it.

Let us think this one out. Who has been in charge for the last 3 years? Who had the majority? Who had the opportunity, really, to substitute this complex mess that they talk about? But rather than to come together, as if that is possible, with some type of a meaningful, fair tax code that would increase economic productivity for our great Nation and to continue to propel the prosperity that President Clinton has brought to us, they would rather just pull up the Tax Code by the roots.

I assume that, while they are pulling it up by the roots, that this 800 pages of what they call a tax bill last year is mere fertilizer for the Tax Code that they are going to bring to us. Where are these great ideas that you have?

Should the American people not have some idea as to where do you meet to come up with a new code? Years ago, Members would go to the Committee on Ways and Means. Now we go to the Committee on Rules. We have people just telling us what they are going to end, but no one is there to tell us what they are going to start.

I have served on the Committee on Ways and Means for two decades. Every year, we had a tax bill; some good, some bad. For the last 3 years, we have not had anything that is coming up that is new.

I want the Republicans to understand this, if they do not understand anything at all, they are in charge. They have a majority. They have the ability to call their troops together and vote for anything that they want, whether it is good or, in most cases, bad. But for God's sake, just with all due intention I did not bring the Bible, so I did not mean to say that, but for goodness sake, do not end something unless you tell the American people what do you intend to replace it with.

We have business people that are planning now for the future. I would want them to call their Congressman, but since this issue is not being dealt with with the Congress, and since we do not know where the Tax Code is going to come from, and since the Committee on Ways and Means has lost jurisdiction, whoever meets with the Speaker should know what he is going to come up with.

I would say, if people are planning for the future, whether they are going to have bonds out there, whether the States are going to have municipal bonds, where people want to know how to plan, call the Speaker, because I think he has some good ideas that he will not share with us.

Second, if you are a hospital, church, synagogue, charitable organization, there is nothing in this bill that terminates that says you are going to be protected. I know the Republicans are going to protect them, so do not be afraid, but ask them how are they going to be protected.

If we own a home and we have mortgage payments and we have been deducting them, we can deduct until the year 2000, and then we do not have to deduct anymore.

□ 1245

Now, I do not know what happens, but we can call the Speaker and he will tell us what plans he has for mortgage deductions. And I tell my colleagues that, as complicated as this bill is, as bad as the Republican passed tax bill is, at least we know what we got. The fear is what are they going to come up with when for 3 years they have not even come up with a good idea.

So I do hope that in the course of this debate that someone would come up with some kind of a plan that would give us some idea as to what they are going to fill this vacuum with. But I think killing the IRS, pulling it up by the roots, that the American people deserve better than just a bumper sticker.

And if people do not like paying taxes and they think this is the solution, then I beg the Democrats in the minority, if they can just pass a law to keep us from paying taxes, why can we not pass a law to stop people from paying their debts? Why not? And if we do not like that, let us pass a law to terminate cancer. Let us think of something more exciting than our irresponsible brothers and sisters over here, and we will just say that if anyone votes against it, it means they support cancer; if they vote against it, they support paying back debts.

I am ashamed that this is happening in the House, but I know the United States Chamber of Commerce and the local Chambers of Commerce around this country will study this termination bill and I hope we hear from them much before the election.

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

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. LARGENT), one of the authors of the bill, to respond.

Mr. LARGENT. Mr. Speaker, the previous speaker got one thing right, this is an historic moment. Understand, no one likes to be forced to do anything. My children do not like to be forced to make their bed and Congress certainly does not like to be forced to do anything. This bill simply does that, it forces Congress to quit talking about comprehensive tax reform and actually do something about it.

And I would suggest to the previous speaker that maybe the reason he is in the minority and not in control is because it was his side that gave us this, the 6,200 pages that we currently know as the tax forms and instructions about how to file our tax returns today.

And the gentleman is also right about another thing. The way it has always been done before is to go to the Committee on Ways and Means, in a small room in the back, and a few people decide about what the Tax Code should look like for the American people. What we are trying to do is to include all of the American people in the debate and in the discussion and in coming up with a comprehensive tax reform that is written not by a few people on the Committee on Ways and Means but is a consensus opinion of the American people and the business people in the communities around the country, the people that are suffering through 5.4 billion hours filing their tax return every year at a cost of somewhere over $200 billion just simply to comply with the current Tax Code.

So the gentleman is right, we are trying to do it differently, we are trying to make sure it does not happen in the Speaker's room or in the Committee on Ways and Means but in the living rooms of the American people in this country, where they have a voice in the way their government writes a new comprehensive tax law.

Mr. RANGEL. Mr. Speaker, I yield myself 1 minute to say to the distinguished gentleman that he keeps referring to that pile there as being something that has been put together by the Democrats. When we had a debate on the rule, I thought he said that this 800 pound tax document was passed by the Republican majority and he voted for it. So I would be glad to go over there and just put this on that pile.

The second thing is that, we do not have to be another tax expert to know that the Congress should not be having to be forced to do anything. The majority should not have to force themselves to be responsible. All they have to do is take their consensus from the people and pass a decent, respectable, fair and equitable progressive tax bill. They should not force themselves to do it; just do the right thing.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. STARK).

Mr. STARK. Mr. Speaker, I thank the gentleman for yielding me this time.

We have talked today about the asininity of this bill, the sheer folly, the sophomoric sort of approach. I guess I would remind the people that it is the Republicans that shut down the government several times because they were unable to come up with a budget. I would challenge any Republican who has an idea, much less an idea of what they would do just in the oft chance they fail to come up with a bill.

And even if they were to come up with a bill, they are not telling us what happens, say, in health care, an issue which they postulate a good bit about and posture about. The Armey flat tax bill, which they might choose, imposes tax penalties on employers that provide health care benefits to their employees. The Tauzin retail sales tax bill imposes a sales tax on people when they pay for health insurance and health care. I wonder if that is what they intend to do.

The Republicans voted to increase the rate at which self-employed people could deduct their health care. This will end that. I presume that they really do not care, as they have not in the past, about providing health care to the 45 million uninsured. I am sure that they do not want to help employers pay for it, because I think they are indifferent.

I am not sure that anyplace in the King James version of the Bible it suggests that employers should pay for health care benefits or that we should insure people. Therefore, some Republicans will tend to ignore the suffering that people have for lack of health care. The basic fact is that this is sheer irresponsibility, obviously drafted by people with no understanding of business or the Tax Code or economics, some things that are important to having the country's economy function.

One of the things that many of my colleagues on the Republican side have been very assertive of is States rights. But what they do not understand is that this would also destroy many States' ability to raise any revenue. Many States that have an income tax parallel or mirror the Internal Revenue Code. And if in fact, as their bill suggests, we would stop collecting funds in the year 2002, we would, therefore, put these States out of business. And we would not have, obviously, any Federal money to support them. So they are impacting many States. The unintended consequences of this bill are legion.

So that I want to remind my friends and colleagues that no one suggests that we should not reform the Tax Code. The last major reform was led by Ronald Reagan, at his insistence. Much of what is stacked over on that table was Ronald Reagan's suggestion, which we passed. And it was not a bad bill, I might add. Now, we have no bill and we have a nonsensical campaign bumper sticker, and I hope we vote it down and do not see this kind of embarrassing legislation brought again.

Mr. BUNNING. Mr. Speaker, I yield 3 minutes to the gentlewoman from Washington (Ms. DUNN).

Ms. DUNN. Mr. Speaker, after serving on the House Committee on Ways and Means for the past 3½ years, I am continuing to be amazed by the outrageous provisions that are involved in our current income Tax Code. In no small part, many of these provisions that are a function of the Tax Code have spiraled out of control. The irony is that while our Tax Code has just about 7 million words, it lacks two regular words, and those words, Mr. Speaker, are common sense.

The current income tax system is far too complex and it is a source of utter frustration for millions of hardworking Americans and for their families. Over the past few years I have heard from thousands of constituents in my district alone and they have talked to me about hundreds of problems they have experienced with the system of taxation. A common theme, as we all know, has been the intrusive nature of the Internal Revenue Service. I believe it is time for this issue to be brought out of America's kitchen and on to the committee calendars of the Congress.

Money magazine last year reported that not one of 45 professional tax preparers could accurately compute a hypothetical family's tax return. Fewer than one in four came within even $1,000 of the correct figure. How can we expect average citizens to comply with a code when licensed professionals, who have spent years studying the system, cannot even get it right.

Not only this, but the cost of compliance for the average family is horrendous. Each year Americans devote 8 to 10 billion hours complying with our Tax Code. This amounts to over 5 million Americans working all year long, the equivalent of the entire work force of my State, Washington State, of Iowa and Maine. The cost of complying totals about $200 billion annually, or $700 for each, man, woman and child in America.

These are just the numbers associated with following the law. The income tax system involves a number of other costs, including those associated with enforcement and collection, as well as the cost of tax litigation.

Sunsetting the code will work. President Clinton described this plan as reckless or irresponsible. Actually, as the President should know, it is common practice. Major Federal Government programs, such as spending on highways, education and agriculture, regularly expire and are rewritten in 5-year increments. This is a strategy also used by the States, who understand that change will not occur unless they break through the gridlock. This is exactly how this legislation to sunset the Tax Code will work.

There is a national debate going on outside the Congress, Mr. Speaker, on the direction of the Tax Code. We have a terrific opportunity here today to improve the Federal system of corporate and personal income taxation in a manner that will both significantly improve the economic performance of our Nation and substantially reduce the compliance and administrative burden on American families. By scrapping this code, we will bring this debate into focus and force ourselves to discuss this issue. I urge its support.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. MCDERMOTT).

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

Mr. MCDERMOTT. Mr. Speaker, it is really hard to come down here and be serious about this kind of thing. No one likes to pay taxes, no one likes to have to sit down once a year and send money to the government to run it, but what we have today, in an effort to tap voter discontent by the Republicans, is a cheap campaign prop. This is a bumper strip we are doing today, that is why it is only about two sentences long.

In order to take this seriously, we have to go back to a satirist who used to write for the Baltimore Sun by the name of H. L. Mencken. H. L. Mencken called the American public ''Boobis Americanus''. That is, they are all stupid. Now, in order for my colleagues to come with a bill like this, they have to think the American people are stupid; that they simply do not know what is going on. If we say to the American people that right now we spend $1,200,000,000 and we are going to wipe all that out and we are going to get it from somewhere else; now, where are they going to get it from? The moon? Or from somebody else? This sounds like a bill based on the Senator Long theory of, ''Don't tax you, don't tax me, tax that guy behind a tree.''

The American public knows there has to be a Tax Code if we are going to have the kinds of goods and services that we want in this country: Social Security, Medicare, highways, national defense. My colleagues are not going to get rid of the money. They simply are creating the illusion for people that they will come up with a Tax Code that will not tax them, it will tax somebody else.

Well, how stupid do my colleagues think the American people really are? They know that their deduction for their interest on their house they get now. My colleagues are not guaranteeing them anything on their house. My colleagues are not guaranteeing that their employer can deduct paying for health care for them. The average employer today, if he spends $100 on health insurance, actually costs him $65. If we repeal the code, it costs $120.

Now, I know my colleagues will say, oh, we are going to take care of that. Well, if my colleagues are going to take care of it, why do they not put a proposal out here to simply say that they are going to wipe out the code and come back some day, some uncertain time?

The gentleman from California (Mr. STARK) raised another issue which my colleagues really are not thinking about. The Republicans are creating chaos in this country, in the business community planning. No businessman can plan 3 years out.

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The problem with us is we plan 2 years out. Business plans 5, 10, 20. They want chaos. This is a bad piece of legislation.

Seeking to tap into voter discontent about the complexity of the tax code, the Republican leadership today is disregarding the major issues confronting our nation in order to turn the House Floor into a cheap campaign prop. So while this bunch wastes your tax dollars by ranting, raving and campaigning about how they want to ''rip the tax code up by its roots''—without having any idea what tax system they want to replace it with—I am going to talk about what impact this rhetoric will have on real people. In particular, what this extremist legislation will mean to the ability of Americans to purchase affordable health care.

Before I begin, it is important to note that the same people in the Republican majority currently peddling this ''scrap the code'' rhetoric, just last fall voted to add hundreds of new pages to the tax code and a myriad of new complex tax computations. Because of last year's tax law, this bunch added 35 new lines alone to taxpayers capital gains tax forms. So, keep that in mind that when you hear this bunch talk about tax simplicity—they are the ones who 6 months ago made the tax system a whole lot more complex.

Most disturbing in their ''scrap the code'' rhetoric is the proposal to establish a rhetorically pleasing, yet critically flawed ''flat tax.'' This plan is often criticized because of its substantial revenue losses, its unfair redistribution of the tax burden, and its elimination of subsidies for home ownership.

This push for the flat tax may help Republicans at the polls, but for the millions of American workers who need affordable health insurance, the flat tax is disastrous. While not necessarily ''news'' to the 42 million uninsured and the 29 million more who are underinsured in this country, there is no question that the group of workers and early retirees who will get hurt by the flat tax are the same ones who are currently being threatened by rising health costs in this country.

A recent study by the National Coalition for Health Care found that between 1985 and 1997, the cost of health care doubled and it is expected to double again in the next decade. Next year alone, health premiums are estimated to rise between 5 and 10 percent—a rate at least twice that of the increase in benefits and wages. The number of uninsured in this country will exceed 42 million next year and by 2005, it is estimated that one in five Americans under the age of 65 will be without health insurance.

The impact passage of the flat tax will have on worker's health insurance would be devastating. Under current law, there are substantial income tax incentives for employer-provided health benefits, with additional tax-benefits available to the self-employed who purchase health insurance. Employer-provided health benefits are exempt from income tax, Social Security, and Medicare employment taxes. For example, under the current system, the after-tax cost to an employer that provides $100 in health benefits to their employees is $65. Yet, the flat-tax plan destroys this health insurance incentive by increasing the employer's after-tax cost to $120.

Under the flat tax's domestic business tax, amounts paid for non-cash fringe benefits, such as health care, are not deductible. As a result, the plan would impose an onerous tax penalty on employers providing health benefits. This legislation goes a step further by including a new tax on tax-exempt charitable organizations and Federal, State, and local governments equal to 20 percent of the amount paid for health benefits for their workers.

Health benefits to retired workers will also decline. Many companies have large and burdensome liabilities for retiree health benefits and in recent years, those same companies have tried to limit benefits.

The likely response from employers to the flat tax's tax penalties will be a significant reduction in health care benefits available to its current, future, and retired workers. Just last year, MIT economist James Poterba warned that ending the tax preference for employers who provide health insurance would cause the number of American families without health insurance to increase by 20 percent!

In fact, such a decline in employer-provided health benefits should not surprise anyone familiar with the history of the flat tax.

When the Kemp Commission first proposed adoption of the flat tax, even the Health Insurance Association of America—the same group that spent millions of dollars to kill expansion of health care coverage in 1994 and is on the verge of spending millions more to kill managed care safeguards—warned ''one of the unintended consequences of eliminating the exclusion for health insurance premiums is likely to be a rapid increase in the number of people without private health insurance coverage.''

If you want to terminate the tax code, it is vital that you understand the ramifications of each remedy. There's no question that ripping away crucial tax incentives will increase the cost of health care in this country.

I find it amazing that instead of finding ways to improve the quality, affordability, and availably of health insurance, the Majority is using its control of Congress to make America's health care problems worse.

Before you jump on the ''scrap the code'' bandwagon, think, for a second, abut what this legislation will mean to the affordability of health car for America's workers, their families, and their employers. Unfortunately, it's clear form this debate that all this bunch is interested in doing is devaluing the legislative process of our democracy in order to create a simplistic bumper-sticker slogan in time for November's elections.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, our tax system hangs like an albatross around the neck of the American taxpayer, stifling savings and productive investment, and arbitrarily punishing or subsidizing activity and making the process of paying taxes nightmarishly complex even for those of modest means.

In my view, the time has come to replace our current tax system. But we will never do it unless we overcome the inertia of the legislative process, unless we override the influence of the entrenched special interests who have a stake in the complexity of the Tax Code and who savor gridlock on this issue, and unless and until we force the issue and put everyone's feet to the fire.

We propose to do that today. I rise in strong support of the Tax Code Termination Act, legislation that will finally give American taxpayers a solid time line for fundamental tax reform.

Mr. Speaker, I have been a strong advocate of replacing our current Tax Code with a system that is fairer, radically simpler, eliminates the bias against savings, and will allow the U.S. to be more competitive internationally. I am prepared to accept the challenge of the gentleman from California to put forward my proposal this year. But replacing the Tax Code will be an enormous undertaking, and the time line for consideration should not be put off one more day.

I challenge my colleagues, if they do not believe we can replace the current Tax Code with something simpler and fairer that will meet the needs of the American public, then vote against this bill. If they feel that any tax reform inevitably is going to be an improvement, as I do, vote for this legislation and put our feet to the fire.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, I rise in opposition to the current Tax Code and in support of comprehensive reform of our Federal tax system.

I, too, agree that our Federal tax system is too complex, it is not efficient, it costs our taxpayers too much to comply with it, it is not sensitive for savings, we rely too much on income taxes. But the legislation before us is one of the strangest notions I have encountered in the 12 years I have served in this body.

The bill is a result of frustration in our current tax structure, and it tells a Congress in the future to do something about it. We have had 4 years under Republican leadership to try to do something about our Tax Code. In this term, I thought we were going to do something.

Last year, in a bipartisan way, we joined Democrats and Republicans to reform the Internal Revenue Service. We thought that bill would pass last year. It is still lingering within a conference committee. If we want to do something, why are we not using the time today to at least reform the IRS and deal with the tax collecting agency? But instead, no, we are debating some myth about what we are going to do in the future. It is outrageous.

It is not even a fig leaf. We have not had a hearing on this proposal. We do not know what it is all about. Why are we not debating specific proposals on this floor?

Mr. Speaker, yesterday in the Baltimore Sun, my local paper, I authored an article about why I thought a VAT tax is better than a flat tax and why we do not need a corporate income tax and we should be encouraging more savings. Why are we not having that proposal on the floor today and debating? Why is the Republican leadership not giving the American public real reform rather than bringing up a hope of what is going to happen 4 years from now, causing all types of panic about people trying to plan for their futures.

People are trying to figure out how to save for their retirement. They want to know what the tax rules are going to be. And we are going to tell them, we are going to change them, but we are not going to tell them what it is going to be? How irresponsible. How wrong.

Use the time we have. This schedule this year has been embarrassing. We have not been here most of the time. Why are we not using the time this year to have a serious debate on tax reform rather than bringing up this sham?

It is wrong. They know it is wrong. This is not the right way to go. I urge my colleagues to defeat the bill.

Mr. Speaker, I rise in opposition to the current tax code, and in support of a real debate on comprehensive reform of the federal tax system.

The legislation before us is one of the strangest notions I have encountered in the twelve years I have served in this House. The bill is the result of frustration with the current tax system. Normally, when members of Congress seek to change existing law, they introduce legislation to make the changes they support.

But this bill doesn't do that. We are here, in the 105th Congress, debating a bill that says that the tax code is such a mess that the 107th Congress should do something about it.

That's not a serious proposal for simplifying the tax code. Instead of real tax reform, it is just an empty promise.

Yesterday, the op-ed page of the Baltimore Sun, my home town newspaper, printed my article titled ''Why a VAT tax is better than a flat tax.''

The article presented my view that we should replace the existing tax code with a broad-based consumption tax, and relieve 75 million Americans of the burden of the individual income tax. I support repeal of the corporate income tax. Some members of the House will agree with my position; others will disagree.

We should begin this debate now, rather than putting it off until the year 2002. We need to reform the tax code, and when we have done our jobs, and written a tax code that does not punish the American people, I will be proud to join in voting to sunset the existing code. Until then, Mr. Speaker, this process is nothing but talk.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON).

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, we have had hearings, and 2½ years ought to be long enough for the people of the United States to speak and determine what tax they want.

The current Tax Code is complex, confusing, corrupt, costly, coercive, and a lot of other Cs that I cannot think of. But so far there is a lot of talk and no action. When it comes to tax reform, a sunset date will force us to take action and relieve the American taxpayer.

We ought to also repeal the 16th Amendment of the Constitution, and I have introduced a bill to do such a thing, the Tax Freedom Act. It outlaws Congress' ability to collect taxes on income except in time of war. Both these bills accomplish one common goal. No matter whether you support a flat tax, consumption tax, value-added tax, national sales tax, blue, black, brown, whatever, the common goal is replacing the current complicated Tax Code.

Fundamental and comprehensive tax reform will be one of the most profound changes this Nation experiences this century. The Tax Code Termination Act brings us one step closer to achieving that change and restoring freedom to the American taxpayer.

Americans want, need, and deserve to get rid of IRS oppression. We have been

talking about tax reform for years. Mr. Speaker, it is time to quit talking and start action, and this bill does just that.

Mr. RANGEL. Mr. Speaker, I am reminded that when Dr. Frankenstein created his monster, he went immediately to trying to get rid of it. And, so, as the Republicans pass this tax bill, this is the same bill they want to pull up and pull up by the roots.

Gentlemen, it is your bill. Do with it what you want.

Mr. Speaker, I yield 3½ minutes to the gentlewoman from Connecticut (Mrs. KENNELLY).

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise in strong opposition to this legislation to terminate the Internal Revenue Code without replacing it with a system that is fairer, that is simpler, and encourages economic growth.

I come from a State, a small State, Connecticut. But in that State, we have 18 of the Fortune 500 companies. Now, I can just imagine a conversation between a CEO and a board of directors when they hear that this bill is passed, because he or she would have to explain to the respective boards of directors how millions, and in some cases billions, in assets will disappear from their corporate balance sheets because of this legislation.

The chief financial officer will have to explain there is nothing that can be done to prevent this because the Congress passed a bill to eliminate the Code and did not replace it with anything. And as a result of this bill, excess foreign tax credits would disappear, reducing the company's net worth.

As we all know, foreign tax credits are carried as assets in today's corporate balance sheets. As a result of this bill, the corporate alternative minimum tax credit carried forward would disappear, reducing the company's net worth. Of course, as we know, the corporate alternative minimum tax credits are carried as assets on today's balance sheets.

And as a result of this bill, research and experimentation credits would disappear, because as we know, R&E credits are carried as assets and those would just go away.

As a result of this bill, deferred tax assets representing retiree health obligations would disappear, reducing the company's net worth. Not to mention providing retiree health benefits would then disappear because they could not write them off.

The Financial Standards Accounting Board happens to require companies to charge retiree health obligations against current earnings. Retiree health obligations are deductible when actually paid. These deductions carried on today's corporate balance sheets are deferred tax assets. They would disappear.

And as a result of this bill, operating loss carried forward would disappear, reducing the company's net worth. Net operating loss carried forward are carried as assets on today's corporate balance sheets.

Unfortunately, many of these CEOs are going to find themselves explaining more than one of these things. In a few cases, the loss of the impact on these changes on the balance sheets could result in a profitable company losing all their positive net worth. Because this is the fact of the Code as it exists today, and if we do not replace it with something, all these things happen.

I thought the majority in this Congress was opposed to takings. But, as I read this list, I guess not. But it gets worse.

While the CEO needs to explain to the board that the business plan is no longer operative, the small businessman finds he is facing the same problem. A businessman or businesswoman would have to realize the rate of return on capital can no longer be projected.

She has no idea how the company should calculate labor costs. She has no idea how to determine the most efficient financing mechanism for the new building that they will have purchased. They have no idea of the period over which the new equipment could be depreciated. I wonder how many CEOs would lose their jobs or how many small businesses would go out of business.

It is because of these concerns, very real concerns, and I have been on the Committee on Ways and Means for now 13 years, that the National Association of Manufacturers are opposed to this bill.

The Internal Revenue Code is far from perfect. We all know it. But if we are going to eliminate it, replace it with something that is simpler, fairer, and encourages economic growth. That is all we ask today. Do the whole job, not just half of it.

Mr. BUNNING. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. DAN SCHAEFER).

(Mr. DAN SCHAEFER of Colorado asked and was given permission to revise and extend his remarks.)

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. DAN SCHAEFER of Colorado. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, if we would listen to the gentlewoman from Connecticut (Mrs. KENNELLY), who just spoke, what we would have to believe is that the business world did not exist prior to the invention of the Internal Revenue Tax Code; that corporations offer health care only because they get a tax deduction; without the tax deduction, there would be no compassion on the part of the owner to the worker; and that all of the complications that a CEO would have to deal with, in fact jeopardizing their job, are essential to running a business.

What in the world did business do before there was an Internal Revenue Service?

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, during my 15 years here in the House, literally thousands of taxpayers have contacted me to express their frustration with the current code that we have.

The Tax Code is so complicated that even those who call themselves tax experts cannot figure it out. Let me give my colleagues a good example.

Last November, Money Magazine gave 45 accountants nationwide a financial profile of a fictional family and asked them to prepare a hypothetical tax return. Not only did all 45 come up with different answers, but the computed tax liability ranged from $36,000 to $94,000.

No one knows whether they are illegal or not illegal anymore when they file their returns. Today, the average family pays more in taxes than it spends on food, clothing, and shelter combined. As a whole, Americans will spend at least $200 billion and over $5 billion complying with the income tax this year alone. This is more time than it takes to produce every car, truck, and van in the United States each year.

Tracking all this paperwork requires the Internal Revenue Service, five times larger than the Federal Bureau of Investigation. And unlike the FBI, the IRS's power is nearly absolute. It may search our property and records without a court order. And although both the House and Senate have overwhelmingly passed substantial IRS reform bills, I do not believe that that alone will prove successful.

Over the past several years, I have talked to audiences nationwide about the case of replacing the Federal income tax with a national sales tax. Two years ago we introduced the National Retail Tax Act of 1996, and just last year reintroduced it again in H.R. 2001. This legislation is going to abolish the IRS completely, eliminate corporate taxes, gift taxes, capital gains tax, inheritance taxes, gift taxes, and all excise taxes unless they are tied to a trust fund.

I think this is the way to do it. Let us for once take the power of taxation away from Congress, give it to the American people, and let then decide. And once and for all, let us eliminate 8,000-plus pages in the Tax Code and replace it with a Tax Code that is going to say April 15 is another bright, spring day.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Michigan (Ms. STABENOW).

Ms. STABENOW. Mr. Speaker, I rise today to urge a no vote on the bill, but to first indicate that I have voted for IRS reform that we are still waiting to pass this Congress. I support real tax reform. And I would even support a deadline if there were alternatives proposed by the other side, by the majority, that were good for hard-working men and women in my district.

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Mr. Speaker, before coming to Congress, I served for 16 years on the tax and finance committees in the Michigan legislature. I supported and sponsored numerous tax cut bills. But in

each case, they were making things better for the middle-class families, family farmers and small business people that I represented. Unfortunately in this case, the alternatives proposed by the majority are even worse, even more unfair than the current system. For instance, a national retail sales tax, which is also a use tax on professionals and entrepreneurs, would, according to the tax analysts, raise the cost of buying goods and services something close to 30 percent when all is figured. Houses, cars, food, prescription drugs for our senior citizens, on and on. Insurance premiums. It goes on and on. In addition to that, it would tax doctor's visits. It would tax accountant's visits. It would create a situation where every small business person and entrepreneur in my district, every professional, would have to become a tax collector. I do not call that better than what we have right now. Let us really fix it and really do something that is better by proposing a real alternative. In addition, the flat taxes that have been proposed by the other side just shift from wealthy individuals to the middle-class families in my district.

Mr. Speaker, I want to see something simpler. I want to see reform. But let us do it in a way that does not involve the proposals coming from the other side which are not good certainly for the people that I represent in Michigan.

I would urge a ''no'' vote on the bill. I would urge my colleagues instead to do what we did last year. Let us join together in a bipartisan way. We passed a balanced budget amendment. We passed tax cuts last year. Let us join together and create real reform for the real hard-working families, middle-class Americans that deserve the relief in this country.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. PETERSON).

Mr. PETERSON of Minnesota. Mr. Speaker, I rise today in support of the Tax Code Termination Act. I have been in favor of scrapping this code and starting over for a long time. I am one of the few Members of this body that is a certified public accountant that has actually done tax returns for a living and have lived with this code for a long time.

This Congress, under both parties, has contributed to this problem. The people on my side of the aisle might have a good point. I say to them that if they do not like this method of trying to get at this problem, then put something else forward.

I think it makes sense for us to come up with a date certain. We did that when we balanced the budget and it helped us focus our attention. We have a date certain on when we are going to overhaul this Tax Code. I think it helps us. But, as I have said, I have been for reforming this system ever since 1986 when, under the guise of tax simplification, we passed a bill which I think was arguably the worst piece of legislation that has ever been passed in this Congress. We made it worse in 1990, and we made it worse last year when they passed the 1997 tax act to the point where my partner, who is still doing tax returns, told me this weekend that this is so complicated that he does not think he can any longer do a tax return by hand. The only way he can do a tax return is if he has a computer to be able to make all these computations and go back and forth.

Mr. Speaker, this code has gotten completely out of hand. It needs to be simplified. It is not happening under the current process. I am not sure this is the best process in the world but it is the only thing we have in front of us today. I am in favor of overhauling the code. I think the way we do that is we start from scratch, with a clean slate, and then try to build up something that is simpler and makes more sense. I support this bill and encourage everybody's support.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. KLECZKA).

Mr. KLECZKA. Mr. Speaker, I rise in strong opposition to the proposal today; however, I do support simplifying the Tax Code.

Mr. Speaker, what we are involved in this afternoon is a new form of roulette. This afternoon we are playing Gingrich roulette. I say to all Members, it is a most dangerous game.

Mr. Speaker, I happen to serve on the Committee on Ways and Means. This bill comes before us with no hearings, no committee deliberations, no contingency plans should we not have a new Tax Code ready by July 4, 2002. So what we are doing is we are just shooting in the wind, hoping that Congress can develop a whole new Tax Code that is better than the current system.

Let us talk about the current system for a moment. The gentleman from Oklahoma brings forth the 6,000 pages that he claims to be the Tax Code. Where does he think that came from? How many pages of that Tax Code give tax relief to my constituents? Oh, some do. There are some child credit tax provisions in there, there are some earned income tax credit provisions in there, but know full well the bulk of that document you have before the House today is there for the benefit of the moneyed special interests in this country.

How many pages did Ronald Reagan and his 8 years add to the Code? Of the 6,000, I will bet 2,000. How many did President Bush and his administration add to the Code? Probably more than one thousand. But no Republicans are coming up and decrying those enormous and complex additions to the Tax Code. Why? Because all that is good Tax Code. It is good Tax Code because many of those provisions apply to your constituents.

While I am talking about your constituents, let me congratulate you on a very successful fund-raiser last night. Mr. Speaker, I am told that you folks raised in excess of $10 million last evening alone. All the wealthy people that showered you with that money were there because they were crying out for tax fairness? Who do you think you are kidding? Those folks who pumped $10 million into the coffers of the Republican Party are part and parcel of that Tax Code. And their presence last night to eat your chicken was a hearty thank-you. But now you stand before us cleansed and pure decrying, ''We don't like the Tax Code because it is too complex and too unfair.'' But what are you going to tell the folks when you go to your parades on July 4 and you see their little Johnny or Jane and you hug them and say, ''Your family will get an extra $400 for each of them because we passed a child tax credit for you.'' They say, ''Yeah, but you also passed this bill that will take the credit away from us. What's going to happen to the child credit in 2002?''

''I don't know.''

How about the home mortgage deduction? Every constituent of yours that owns a home wants that deduction retained. They may ask the gentleman from Oklahoma, ''What is going to happen in 2002 with that?''

''I don't know.''

Mr. Speaker, I do not know what you guys are doing here today. But, again, congratulations on the $10 million fundraiser last night. You did a good job.

Mr. BUNNING. Mr. Speaker, I yield myself 15 seconds. It is better than taking money from the Chinese government.

Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. METCALF).

Mr. METCALF. Mr. Speaker, this legislation defines the Republican commitment to reduction of the tax burden on working Americans and thereby taking a mighty step toward ensuring a brighter future for people of all income levels.

I am proud to be an original cosponsor of the Tax Code Termination Act. This legislation will provide for the abolition of the current unfair and burdensome Tax Code by 2001. This legislation does not carelessly abolish our current structure. Instead, the legislation requires the enactment of a replacement code by Independence Day, and that is a fitting day for this, 2001, that will be a fairer, simpler tax and reduce the tax burden on all Americans.

Mr. Speaker, the current Tax Code has simply become too big and too complex to correct. You cannot fix it. All Members of the House should join us to replace the current Tax Code with a system that is fairer, less complicated and takes less money from working Americans.

Mr. RANGEL. Mr. Speaker, if there is anybody in this body that knows of anyone that has taken money from the government of China, they would be aiding and abetting and involved as an accomplice in a felony unless they reported it to our Attorney General.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MATSUI).

Mr. MATSUI. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Mr. Speaker, it is really hard to take this whole issue seriously this afternoon. We all know that it is not going to become law. It is going to pass out of the House but the Senate will not take action on it. That is why we are not seeing lobbyists clamber down on Capitol Hill. That is why we are not seeing letters to the editor. That is why we are seeing no stories in the major newspapers throughout the country. This is really a political opportunity for one of the parties. This is not going to become law. So it is really hard to get particularly pushed out of shape or excited or concerned about this. It is just not going to become law. Because the reality of the situation is that those that are advancing this particular proposal really in 1997 added thousands of pages to the Tax Code. In fact, we have added in 1997 when the Republicans were in control of the Congress 285 new sections to the Tax Code, 824 new amendments to the Tax Code. This is just in 1 year. There are now five ways, five separate ways to do capital gains. In fact, Schedule D, which had 23 lines, now has 54 lines, and it really does take H&R Block to really figure it out. The average person cannot do their taxes. Most of them do not have capital gains so they do not have to worry about it. In addition to that, there are now two different way to do IRAs, a back-ended way and a front-ended way. In addition, you can convert over, but you better make sure you understand your economic situation before you do.

We also have a number of different ways either to take a credit or a deduction if you are a student. Should the student take it? Should the student's parents take it? Should the grandparents take it? We have really added complexity to the Code. The 1997 bill was probably the worst tax bill the United States has ever had, because it added more complexity to the Code than we have had in the last 25 years. And so this is not a real exercise in good government. This is really a show game.

I have to say that if it were taken seriously, I think people in this country today would be really concerned. You would have to say, shall I buy a house because I get a deduction on my home, and that is an incentive, that reduces my taxes. But obviously if we changed the Code or the Code is eliminated in 3 years, I may lose that deduction and all of a sudden I might not be able to make my monthly payments on my other expenses. But no one is saying that, because this is not a serious effort. It is really a shame. We are going to be in until midnight tonight and we are not going to take any really substantive action. The irony of it is that we have 13 appropriations bills that are supposed to pass, we have a budget, but we do not have it out of the House yet. Not one appropriations bill has been taken to this body. There has been no budget reconciled between the House and the Senate. It was supposed to be done on April 15. Here we are at June 17, 2 months later. It is amazing. It is absolutely amazing that we are wasting our time engaged in this kind of activity that has no relevance, no value and certainly it is something that is a political exercise that I think the American public will eventually get disgusted with.

Mr. BUNNING. Mr. Speaker, I yield 2 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 want to be logical about this. I have thought a lot about it. I rise today in support of the Tax Code Termination Act. I rise at a time when we are doing better. We are doing better from the standpoint of economics. You can sell a piece of property now. People can find a job. We have got the lowest inflation. We have the lowest unemployment. Knowledgeable economists have told us that we have the best economy we have had since the late 1940s and early 1950s when we had the strongest financial position and strongest geopolitical position in the history of this country. So I guess you have to ask, why? Why are we where we are?

I think the President, the present President thinks that he caused it. I think Mr. Dole probably think he did. I think Mr. Bush thinks it is something he put into motion. But really and truly I believe it is because we are just now getting over the lousy 1986 so-called Tax Reform Act.

A lot of us have talked enthusiastically over the past few years about the need to replace our current tax with one that is more equitable, one that is more fair. Specific proposals for both a flat tax and a sales tax replacement have been debated throughout this country by proponents of these plans. A lot of us have signed on to both of these bills.

The IRS administered Tax Code does not work. It has been the source of endless anguish, unfairness, confusion and the invasion of privacy for a lot of hard-working, well-intentioned Americans. In the interest of fairness, however, I must say it is only accurate to note that many hard-working and honest employees of the U.S. Treasury Department have been embarrassed and appalled by some of the testimony by their fellow employees during congressional hearings on IRS abuses. So I think they know from within that we need to do something about the Tax Code that we have. We have to recognize the fact that our Tax Code has facilitated, and in many cases encouraged outrageous abuses while escaping all attempts at reason and justice.

The American people deserve the right to know when it will end. We need to be able to collectively undertake this important goal as opposed to a mere debate.

□ 1330

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. HOUGHTON).

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

Mr. HOUGHTON. Mr. Speaker, I am not going to take long here, but I do think that this is something which I would like to share an idea or two with my colleagues. Let me tell them a story.

There was a man called Robert Ruark, and he wrote a story called ''Something of Value'' which talked about the end of colonialism in Africa and the total chaos, and the reason there was chaos is that there was nothing to take the place of the old governments. And I think he said we could say as almost a general statement, ''When you take something away, you must be able to put something in its place.''

Now I do not consider this a political argument at all. I consider this an argument of technique. Some people think that the idea of forcing an issue is the better way to get to an end rather than logically taking a look at what the steps are in order to get where we ultimately want to be.

I do not think anybody is happy with this Tax Code. I do not think anybody is happy, as my colleagues know, really since the days of our Lord when the Publicans were running around. I say ''Publicans,'' not ''Republicans,'' were going around and trying to collect taxes.

But really the question is: What is out there? I think we must exert an element of judgment here.

As my colleagues know, to force something without anything at the end, and let us say at the end of June in the year 2002 we have nothing; what do we do? Where do we go? How does somebody plan? Will there be Social Security? Will there be Medicare? Will there be anything else? No one really knows.

Mr. Speaker, this is a very high stakes game, and to use a technique of forcing something without any anything on the other end I think is highly irresponsible, and therefore I think it is a bad measure and something which we should vote against.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Speaker, I rise in strong support of H.R. 3097, the Tax Code Termination Act. I intend to vote for the passage of this legislation, not just because I am a cosponsor of the bill, but also because it makes sense. I have to just take exception with some statements by the speaker from California who talked about increasing people's taxes because of the possibility of not being able to deduct mortgage interest from their income and

charitable contributions. There is in no way an intention to increase, nor decrease, revenues to the Treasury of the United States by changing the Tax Code. We simply want to make it more fair, more equitable and simpler so that the American public can do their own taxes and understand exactly what they are doing.

I am also glad that the fine gentleman from New York is on record as saying that if anyone did take money from the Chinese Government, that it would be a felony, and I know that when the time comes that he will see, if that is exposed, he will see that the full force of the law is enforced.

Mr. Speaker, I recently held two public forums in my State of Wyoming on the Internal Revenue Service and the experiences that people have had, both good and bad. One person told us about having underpaid her taxes in the amount of 3 cents, and she received a bill for over $1400 from the Internal Revenue Service. Time and time again I heard how the Internal Revenue Service abuses its power, and in lieu of attempting to work with people and provide some flexibility on how to address a certain tax problem the Internal Revenue Service seemed to always take a hard-line approach. Mr. Speaker, we can and should make the Internal Revenue Service personnel more accountable for their actions.

Finally, the Tax Code must be simplified. The average person is increasingly frustrated with the time and expense involved in the preparation of their tax return.

I urge my colleagues to support passage of this bill, and I look forward to participating in the subsequent debates on how to address the challenge of replacing the current Tax Code.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Speaker, I would like to associate myself and others who feel as I do with the remarks which the gentleman from New York (Mr. HOUGHTON) made. I think what people want us to do is to act reasonably to try to make a fair Tax Code, to try to raise the revenues that are necessary to buy the aircraft carriers, and the planes and the tanks we need for our defense, to try to do some of the things that we spend money on in terms of helping all of us as American citizens whether it is roads and bridges and infrastructure, water and sewer systems, those things that we need to do as a government that private enterprise cannot do, and I think in the end they want us to behave reasonably.

Now it is hard for me to understand why a bill that forces us, all of us, not just Members of Congress, all of us as citizens, to either, 1, say it is everyone for himself or herself from now until the year 2002, as this new code that we do not know what is going to look like is rewritten; or, 2, if we cannot come to closure, and, my lord, it is hard enough to reach a consensus on tinkering with it around here, and I am on the Committee on Ways and Means, I see it; if we cannot come to consensus, then what happens? Nobody knows. It would be hard for me to think we could sit here as American citizens and padlock the Pentagon so that whoever wants can come in here in the year 2002 and take whatever is left. I do not think that would happen, but who knows? If we cannot reach a consensus in June of 2002, what is the country going to do?

Now I just do not think that this approach, as the gentleman from New York states it, I do not think that people who think about this and think it through believe that is reasonable to put a gun to the collective head of every citizen in this country between now and the year 2002 to say, ''You write the Tax Code.'' Gentlemen say, well, we are going to let the American people write it. Great. How they going to do that? They have got a gun to their head under this bill.

Now later on the gentleman from Florida (Mr. BOYD) and myself and others are going to have a motion to recommit this as a resolution, a sense of Congress, that says the Committee on Ways and Means will go to work now by a day certain to come up with a Tax Code that does not endanger the balanced budget agreement we just worked so hard to reach. We would like to see that work and get us out of what has been an abysmal hole in the wall of debt that is fair, that is more simple, that encourages savings and investment to make our country stronger, that protects Social Security and those things we want, and to undertake hearings. Can my colleagues imagine it being reasonable to come and scrap the Tax Code without one single moment of hearing on this bill in the Committee on Ways and Means, the committee of jurisdiction? I just do not think it is reasonable, and for that reason I urge a no vote.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. ARMEY) the Majority Leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I suppose it would be fair to say that I, along with perhaps my colleague, the gentleman from Louisiana (Mr. TAUZIN), have traveled more miles, visited more cities, spoken before more organizations and groups of people, talked to more individuals in the grocery stores and wherever we have been in America on this subject of tax reform than perhaps anybody. And what the gentleman from Louisiana will tell us and what I will tell our colleagues:

In all of these miles and all of these meetings and all these discussions with all these thousands of people that we talk to there is one consensus that comes burning through. The current Tax Code is an abomination to the human spirit, it goes against everything that we think is important, necessary, beneficial, useful and healthy in the life of our family or our business, and we cannot and will not suffer it any longer, and we expect Congress to do something and do something about it now. They have had a great opportunity to look at what I have offered, the flat tax, or what the gentleman from Louisiana has offered, the flat sales tax, and there is a commanding concession, shows up in the polls, shows up in all our discussions, that one or the other, either of these would be a godsend and a relief by comparison to the current struggles had with the current Tax Code.

Now what are we doing here today? We are saying to the American people, ''We offer you here a bill that expresses the resolve of the Congress of the United States to sunset this code that is driving you crazy, Mr. and Mrs. America, that costs you $200 billion in compliance costs, that costs the average small business in America today $4 in compliance costs for every dollar's worth of revenue that accrues to the American government and tears up your family life for at least 5 months out of your year. But we will sunset that in the year 2002, and by a timetable stipulated in the bill the Congress of the United States working with the President will develop that replacement code.''

Now let us suppose that we pass this legislation, let us suppose that the President signs this legislation, let us suppose that for the next year and a half or so we labor under this law, and let us suppose that Congress finds itself incapable of doing that. Congress then can come to the floor with a bill that says, ''Mr. and Mrs. America, we vote now to continue the existing code.'' How would my colleagues like to make that vote as a confession to the American people that after 2 years, 2½ years, we are incapable of producing that new Tax Code? I do not think we want to make that vote. So what this says is Congress, having made this vote, will get down to business, get the job done. That is what is expected of us.

Now one final point:

The American people will tell us that the problem they have with the code is it is too intrusive. It governs the way they make decisions. They cannot make a decision in the family or in their business based on family, the financial economic criteria. They have to make decisions based on tax criteria, and it is a burden to them.

And listen to the defense of the existing code in opposition to this initiative today. It is a validation of that argument. It is saying that if, in fact, we tell the American people they will not have this code, they will have another code in just a few short years, the American people are supposed to be people that would go into a frenzy of insecurity for they will not know how to make their decisions without this code. What could more validate their complaints?

Let me suggest the spirit of the American people is quite different. The spirit of the American people will be we have got a promise to be relieved of this burden in our lives, we have a commitment, and we should plan for freedom, dignity, respect, honesty, fairness, simplicity, decency. We should plan on the day soon when the government of this country will finally know the goodness of the American people and have the decency to respect that in the manner in which they extract these necessary funds.

I think we will not find an insecure American people. I think we will find an elated American people.

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

Mr. Speaker, I just wanted to say to the majority leader that he has been providing such strong leadership for the last 3 years, and no one can doubt the leadership of the Speaker, the gentleman from Georgia (Mr. GINGRICH). They have got outstanding leaders on that side of the aisle, intelligent, bright, creative people. Why should we believe, if they have not been able to come up with anything in 3 years, that they are going to come up with anything in the next 3 years, which of course assumes that my colleagues also know that they are going to retain the majority?

Mr. ARMEY. Mr. Speaker, would the gentleman yield for just a moment for a response since he directed the question to me?

Mr. RANGEL. Always being the courteous one, Mr. Speaker, I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I appreciate the point the gentleman is making. I would just say to the gentleman the leadership this Republican majority has, I think gentleman is right, for too long too much occupied itself with trying to clean up the mess of the prior 40 years, and it is now just time to cut the cancer out altogether and start afresh, and I appreciate his point.

□ 1345

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California, (Ms. LEE).

Ms. LEE. Mr. Speaker, I want to thank our ranking member, the gentleman from New York (Mr. RANGEL), for giving me the opportunity to speak in strong opposition to the Tax Code Termination Act, H.R. 3097. It is really difficult to believe that Republicans would actually submit this unworkable, impractical legislation.

Yes, Democrats and Republicans have different values and support policies that have significant impacts which are different on all of us, but historically, legislation that has been introduced by a majority party most often has merited serious consideration, especially on controversial issues like taxes.

It is important for all Americans to know that this extreme bill has had no committee deliberations, no hearings, and thus has had no input from Democrats and the public.

Mr. Speaker, when I served on the Revenue and Taxation Committee in the California State Senate, one of our most important responsibilities was to determine the fiscal and economic impact of tax policy. Committee deliberation was an essential part of our responsibility as legislators.

This bill to sunset the Tax Code cannot be serious. The impact of this bill, were it to pass, would make planning impossible for anyone who plans to make a financial transaction, such as selling a house. The bill sunsets most of the Tax Code effective in the year 2002, and there is no replacement tax system. Does our country actually need another threat such as this one?

The bill could knock out municipal and State bonds which offer tax-exempt status and are a significant part of our economy. School construction cannot be financed. Companies will not be able to make sound investment plans.

This is not the way our democracy should work. Our work here has serious, profound consequences. So I ask that we defeat this obviously unworkable, foolish and foolhardy proposal.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentlewoman from Idaho (Mrs. CHENOWETH).

Mrs. CHENOWETH. Mr. Speaker, I thank the gentleman from Kentucky for yielding me this time.

I rise in strong support of the Tax Code Termination Act, a bill that would eliminate a 5.5 million word Tax Code, and it is time that we do it.

Mr. Speaker, it is interesting the debate that we hear, those who would defend the status quo and those who would say that there have not been any hearings held. I can tell my colleagues that there have been hundreds of my colleagues who have joined me in going across this Nation holding hearings, listening to the American people where they live and work and raise their families, and overwhelmingly we have heard that there is a sense of urgency in that we must make an immediate change.

I commend the sponsor of this bill, the gentleman from Oklahoma, for his courage and his vision. I am very pleased to be an original cosponsor to this very necessary piece of legislation. Because indeed, if we do not hold some sort of a gun to this body's head, it will never change, because there are too many people willing to defend the status quo, to defend an Internal Revenue Service that breaks lives and breaks futures and breaks bank accounts.

It is time that we break through the fear and intimidation that we are hearing from the other side and bring a sense of freedom and self-determination back to the American people.

What we intend to do, let me tell my colleagues, and the American people love it, is to shift power to the local and State governments. We are eliminating waste and curtailing the abuse of the Internal Revenue Service. We are eliminating an agency whose budget has tripled in the last 16 years, and yet failed a government audit because it could not account for hundreds of millions of dollars, and people in this body are trying to defend the status quo? I do not think so. This bill is necessary and it is timely.

Mr. RANGEL. Mr. Speaker, I yield 2 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, I thank the gentleman for yielding me this time, and I thank him for his leadership.

The gentleman made a point earlier today about how easy it would be for legislators to take this political vote and eliminate the Tax Code. I would simply put it slightly differently. It is going to be easy for me to vote against it, because I represent working men and women.

I represent those who benefited from the earned income tax credit of which we were very right to ensure that we protect those men and women who made under $30,000 a year. I would like to think that I represent men and women who go to work every day and want to ensure that their employer provides them with the kind of health care of which the Armey flat tax would eliminate and the Tauzin retail sales tax, which must be the result of eliminating the Tax Code. So I cannot afford to vote for this legislation, because I have to vote for health care.

Frankly, as someone who believes in the Boy Scouts and Girl Scouts and the United Way, I cannot afford to vote for a piece of legislation that eliminates and disregards all of the charitable donations that we give around this Nation.

This is a frightening piece of legislation, and frankly, I think if the American people knew what we were doing here, they would be bombarding these chambers begging us not to do it.

Then all of the homeowners, as I participated in the Habitat for Humanity this week, the largest project going on in Houston, Texas, and seeing their work and tears in the potential homeowner's eyes as they will pay their meager earnings to provide for a house, and we want to take away the homeownership deduction, the mortgage deduction. This is a frightening piece of legislation.

I can only say that I understand the concerns about the Internal Revenue Service. I have legislation to make it a softer, nicer Internal Revenue Service, to eliminate the marriage penalty. But the American people realize that they want good health, they want a good environment, they want the Yellowstone Parks, as they venture out into the summer for their summer vacations; they want to be protected on the highways and byways.

This is a bill that would cause a stampede to this Congress begging us

to vote ''no,'' and I am glad I will be standing with the American people. I will be voting ''no'' on this bill.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. RILEY).

Mr. RILEY. Mr. Speaker, our Tax Code is a monstrosity. It is one that I do not believe can be tinkered with or reformed. It has become a Goliath that has to be slain. It is 17,000 pages, 5 and-a-half million words, and 3 times longer than our Bible. Our Tax Code is too complicated and it is far too complex. Even worse, it is unfair and counterproductive.

Why? Because it penalizes the people of this country for being married; it penalizes them for working, for being productive, for saving. It even penalizes the people of this country for dying.

Mr. Speaker, this is insane. It is time to scrap this code, and we have a bill before us today that will do just that. The Tax Code Termination Act will put an end to one of the largest, most complicated and detrimental tax systems in the world. This legislation will at least force Congress into a serious and open debate on the best way to replace this old Tax Code.

Mr. Speaker, a vote against this bill is a vote for the same tax policies we have suffered under for the last 30 years. A vote for this bill is a vote for finding a better, fairer, simpler way for Americans to perform their civic duty. In short, this will be a vote for the American people.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman for yielding me this time.

This is another in those proposals that have become familiar around here. We call it ''government by gimmick.''

What should we do? We ought to have term limits and then spend all of our time trying to figure out on the other side how to get out of those commitments we made. Then we ought to have the line-item veto around here so that we can pray that the Supreme Court will turn it down. Then we ought to have the Balanced Budget Amendment which we were able to accomplish without disturbing the Constitution.

What is the latest gimmick? The latest gimmick is, how do we tell the American people we are now sunsetting the Tax Code when there is not anybody here who believes that 5 years from now or 4 years from now that that is going to occur.

This outrageous bill, which they propose and suggest would terminate our current system, is nothing more than another effort to convince the public that government solutions are all going to be easy. Nobody here defends the current tax system or says that it does not need some improvement. Nobody says that the IRS here is not in need of improvement. But what The Washington Post did say in response to this proposal was, why do we not just sunset the House?

Let me give you a brief quote from that editorial. ''House Republicans have scheduled a show vote this week on what is arguably the least responsible idea in American politics. They would sunset most of the Tax Code effective January 1, 2002, without having agreed upon what ought to be the replacement.''

Now, let me suggest on this occasion, they have not told us what they are going to do with the homeowner deduction. We know that the flat tax would cost 17 percent, and that simply is not enough to generate the current support and level of services that the American people have come to accept and enjoy. The Department of Treasury believes that the tax rate needed to raise the current amount of revenue would raise taxes on middle income Americans if their proposal was to pass by $1,500, and the top 1 percent would get a tax break of $44,000. So what their proposal means is this: The wealthy are going to pay less and average Americans are simply going to pay more.

The national sales tax calls for a 23 percent sales tax to replace all individual and corporate income taxes, the Social Security payroll tax, and the estate taxes. These are hidden taxes on State and local government that could result in the expenditure of up to $120 billion in new taxes at the State and local levels. These tax proposals would be nearly impossible to enforce.

We should not sunset the code before we agree through consensus of Democrats and Republicans how to improve the system. We should not provide uncertainty to the system. We all agree that the current system is flawed, but we have to have worthwhile provisions that the American people will come to regard with an element of respect. I wish I had more time to go on and on about this, Mr. Speaker.

Mr. Speaker, today we are debating a bill that Secretary Rubin called ''semi-ludicrous.'' This outrageous bill would terminate our current tax system and not set a date for enacting a new system. I do not think that one Member of this body does not think that our current tax system needs improvement. I do not think that one Member of our body thinks that the Internal Revenue Service (IRS) does not need improvement.

This does not mean that we should support irrational legislation. On Sunday, the Washington Post ran an editorial entitled ''Why Not Sunset the House?'' Let me give a brief quote from the editorial ''* * * House Republicans have scheduled a show vote this week on what is arguably the least responsible idea in American Politics. They would sunset most of the tax code, effective Jan. 1, 2002, without having agreed on the replacement.''

Congress is in the process of taking responsible action on the IRS. The House and the Senate are in the process of a conference agreement to iron out the differences in the House and Senate passed IRS bills. Commissioner Rosotti is committed to improving the IRS and I believe he has already made progress.

The two leading proposals for tax reform are a flat tax and a national sales tax. Both these proposals have fundamental flaws. The flat tax would replace our current system with one rate and that rate would be 17%. The Department of the Treasury believes that the rate needed to raise the current amount of revenue would raise taxes on middle-income families by $1,500 and the top 1% would get a tax break of $44,000. A flat tax kills the progressivity of our current tax system.

The national sales tax proposal calls for a 23% sales tax to replace all individual and corporate income taxes, the Social Security payroll tax, and the estate tax. There are hidden taxes on state and local governments that could result in $120 billion in new taxes for state and local governments. This tax would be difficult to enforce.

We should not sunset the code before we have a solution to fix the system. We should not provide uncertainty to the system. I agree our current system is flawed, but we do have some worthwhile provisions that provide protections that many taxpayers rely upon.

Let me talk for a second about the home mortgage interest deduction. This provision has benefited millions of Americans. Twenty-eight million Americans benefit from this deduction and more than 50% of these taxpayers earn less than $75,000. This deduction has helped many of us with the American dream of owning our own home. Scrapping the code leaves this deduction uncertain. Also, the deduction of state and local property taxes would be uncertain. This deduction helps make it easier to own a home.

We also have many other valuable deductions such as the deduction for health insurance of the self-employed and charitable deductions. Retirement savings receive preferential benefits from our current tax system. Scrapping the code does not protect retirement savings. Why should we encourage investment in Roth IRAs if they may no longer exist in 2002?

Let's stop this nonsense and address real tax reform. The Democrats on the Committee on Ways and Means have introduced a series of bills to make it easier for taxpayers to compute their taxes. These bills address the individual alternative minimum tax (AMT), individual capital gains, and the calculation individual phaseouts and deductions.

I urge my colleagues not to be part of this outrageous proposal. We should get back to work and work together to simplify our current tax system.

Mr. BUNNING. Mr. Speaker, I yield myself such time as I may consume, just to respond.

I did not know The Washington Post was the expert on tax policy in this country, especially their editorial page.

The markets are panicking so much that we are about to pass this on the floor that the Dow Jones is up 180 points, the Standard & Poor 20 points and the NASDAQ is 38 points today in response to the fact that we are going to pass this horrible, irresponsible bill, and the financial markets are in a panic today.

Mr. NEAL of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BUNNING. I yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Speaker, is the stock market growth that we witnessed in response to the Clinton budget that we passed in this institution without any help from the other side?

Mr. BUNNING. No, it absolutely is not. It is in response to the fact that we have balanced the budget and the Republican Congress is the persons that passed the balanced budget bill.

Mr. NEAL of Massachusetts. Mr. Speaker, if I recall, there was not one vote from the other side.

Mr. BUNNING. Mr. Speaker, reclaiming my time, I yield 1½ minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, let us clarify what this debate is about. We are not changing the Tax Code overnight, but for those who come to the floor and defend this and defend this number of books, I urge the Members who defend this to go ahead and sit down and try and figure out their own taxes. If Members of Congress were required to do their own income taxes every year, they would realize the severity by which we have inflicted pain on the American public.

I also heard today that this is about politics, today's vote is about politics. What do we think represents every page in this book? About politics, about adding amendments.

Now, I did not hear the gentleman from Oklahoma (Mr. LARGENT) or anyone else defending the Republicans who added amendments. He did not say that, nor do I. I suggest both parties are responsible for the promulgation of these rules, regulations, amendments, addendums that require every average American citizen to hire expensive accountants in order to just comply with the law. Money Magazine challenged 50 tax preparers to prepare the return for an average family of 4, the same return. Forty-eight failed to get the same answer. Only 2 were successful in completing the equation.

Now, that should speak volumes, as the books do, about the complexity of the code. Every law we pass in Florida now has a sunset provision. That is a normal, standard operating procedure, because laws do not exist forever. I remember as a young person when rust would appear on my car and I would try to sand the rust and put bonding on it, and I was so surprised months later that rust reappeared. If we merely tinker with this, it will continue to haunt us, and I urge Members to support this bill.

□ 1400

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Speaker, I have a record in support of reforming and simplifying the Tax Code and in favor of reducing the tax burden. As a businesswoman, I know how this complicated system undermines the success of entrepreneurs and small businesses. But tossing out the code without any notion of what will replace it is dangerous.

I worked in the financial markets and my colleagues on Wall Street tell me that this will create uncertainty in the marketplace, and that is America's pension plans on the line.

The Secretary of the Treasury says that it will create dangerous uncertainty in the marketplace. And think about the uncertainty that this creates at the kitchen tables around America. Do we want to see the value of our homes decrease next month over the uncertainty of whether the home mortgage deduction will survive the ban? Do we want to see a drop in charitable contributions because people do not know whether they will remain deductible? Would any American vote for a proposal like this without knowing whether it would result in their own taxes going up because of an unknown plan that might replace the current code?

Mr. Speaker, we need the courage to propose a replacement before we toss this out.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Speaker, we have seen this year that the American people have a hard time saying good-bye, good-bye to anything. The final episode of Seinfeld was a national event earlier this spring. We made it clear that we did not want to say good-bye to our favorite cast of characters.

And after the Denver Broncos won the Super Bowl this year, the big question was whether John Elway would return and come back to defend the crown. Fans of the Broncos begged John to return for just one more year. We did not want to say good-bye to one of the greatest quarterbacks ever to play the game.

The NBA Finals this year received huge ratings, partly because America knew we might be saying good-bye to a sports dynasty.

Mr. Speaker, we have an opportunity this year in this place, this day, to begin saying one more good-bye. If we pass this bill, we will say good-bye to 800,000 words of Tax Code. We will make the statement, our Tax Code is not worthy or capable of reform, but of replacement.

Mr. Speaker, the American people have spoken. Some of them want a national sales tax. Some of them want a flat tax. But all of them seem to agree on one thing: They want to scrap our current Tax Code and start over.

Most importantly, it is time to say good-bye to the IRS. America held Seinfeld parties, we held Superbowl parties, we held NBA parties. Mr. Speaker, let me assure my colleagues that if Congress votes to sunset the Tax Code, we will see parties across this country like we cannot believe.

America does not like to say good-bye, but in this one case I think we would be willing to make an exception.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA), a member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I was reminded of some questions recently that my daughter was asking me and when I had to say no, she kept saying to me why, why, why? This whole debate reminds me of that conversation. Why, why, why?

If the majority wants to get rid of it, what will they do? Do not tell us in the year 2002, tell us now. For those families who are thinking about buying a home, what will the price of the home be now? They need to know. Will they be able to deduct the mortgage interest on the home or not? Will that increase the price they have to pay or diminish the property value once they purchase?

Will that individual, thinking of moving to a new company, have a pension plan because the company knows that right now the Tax Code provides an incentive for companies to provide employees with a retirement plan, and as a result, they get to deduct some of that from their taxes. But if we are going to abolish the Tax Code, will the company be offering pension plans to their new employees?

Why? If my child is entitled to an answer, certainly the American public is entitled to an answer.

Why? What? How? When?

This is nothing but bumper sticker politics. We want to be able to go into November saying, ''We did this. We talked about abolishing the Tax Code.'' It does sound very good, and I suspect after the vote in this House by the majority party here, they will have the votes to pass it on. It will not become law, but they will be able to say they tried to abolish the Tax Code and it will sound great.

But, Mr. Speaker, all the kids in America will still ask why, how, what, and they will never give them an answer. The majority will do the worst kind of policymaking that is possible in this country, and that is legislating by fiat, legislating by show, legislating by theater, legislating by bumper sticker.

Mr. Speaker, that does not do anyone any good. We ought to give the American public, and America's children, whom this will affect most, an answer.

Mr. BUNNING. Mr. Speaker, I yield 1½ minutes to the gentleman from Colorado, Mr. BOB SCHAFFER.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I thank the gentleman from Kentucky (Mr. BUNNING) for yielding me this time.

Mr. Speaker, this is no small debate. But the National Federation of Independent Business, the Nation's largest advocate for small businesses in our country, supports the sunsetting of the Internal Revenue Service Tax Code. They have gone all across the country surveying their members, talking to people throughout the Nation, and small businesses have told us over and over again that this IRS Tax Code is too cumbersome, it represses small business in America. It represses the

entrepreneurial spirit of the American people and a Tax Code needs to be reviewed.

This is not new, when it comes right down to it. Most States throughout the country have sunset codes on all of their regulatory law. This is true in Colorado. There are sunset dates, termination dates, on every single regulatory function of State governments in many States throughout our country. It really does turn the tables and gives the advantage back to the taxpayer and takes the upper hand away from the government. That is what Democrats fear. They fear that because, when it comes to what side we are on, that of the government or that of the people, Democrats always side with the government. We side with the people.

Mr. Speaker, our main supporters want to see lower taxes, more tax relief. Their side enjoys bigger government and more revenue for the government, because those are their constituents. That is fine. They have become the tax collectors of the welfare state. We have become the party of the people that want to be taxed less.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Mr. Speaker, well, I have listened to some of this debate and I think I can sum it up very quickly. I am not in favor of the status quo, but I am not in favor of anarchy.

Anarchy is not being on the side of the American people. The majority is proposing to tear down a house before they have even put one block into a new one. It will not sell. I have heard some say, we need to force Congress to do something. Who has had the majority in this place for 4 years? Where have they been?

They had the majority in both the House and the Senate to pass something. Maybe the President would have vetoed it. But they have not passed a comprehensive tax bill that he could say yes or no to. They say we have to force ourselves?

Mr. Speaker, I suggest the fault is not in the stars, I say to those in the majority, but it is with yourself.

Why is the bill opposed by such a full spectrum from the labor movement to the National Association of Manufacturers? Do not take comfort that when most everybody is against you, it is something good. The people will not buy this.

How are they going to plan mortgages? How are they going to plan their estates if they have no idea what charitable deductions will look like? How are companies going to plan health care coverage if they do not know whether they will be deductible? How do municipalities begin to issue bonds? It is chaos.

Is the majority going to suggest we sunset Social Security next because they do not like the Social Security system?

Mr. Speaker, after the sunset comes darkness where I come from. This is a very dark proposal. If my colleagues on the other side of the aisle think the American people will buy this, they are only fooling themselves.

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

Mr. Speaker, I hope the gentleman from Michigan has read the bill. The sixteenth line of the second page, ''In order to ensure an easy transition and effective implementation, the Congress hereby declares that any new Federal tax system should be approved by the Congress in its final form no later than July 4, 2002.''

Mr. Speaker, I yield 2½ minutes to the gentleman from New York (Mr. FOSSELLA).

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

Mr. FOSSELLA. Mr. Speaker, I stand in strong support of this legislation. Indeed, I think if there is one thing all Americans can agree on, and indeed Members of this body, it is that we have always been the beacon of freedom around the world. We have always been the place where people have come to free themselves of religious persecution and the Nation that still cherishes the notion of life, liberty and the pursuit of happiness.

Mr. Speaker, I think if our Founding Fathers were alive today, they would be looking at our Tax Code with disbelief. Indeed, I stand with all of my Republican colleagues, or at least most of them, to say that the time has come to end the rusty rhetoric that we have been hearing for years to delay, stall and obfuscate what the real issue is, and to tear down this Tax Code once and for all.

There has always been a constant struggle since the beginning of the Republic between and among those who believe that government serves a purpose, but it serves a purpose to unleash the American spirit of hope and opportunity and belief that limited government is the right role for government, that the decisions made in our towns and villages and States across this country, like Staten Island, Brooklyn, the places I represent, are better than those made here in Washington.

What we have created here is a praetorian guard that has defended this Tax Code. The defenders of the status quo who proclaim that if we engage in this 4½ year mission to reform and revamp the Tax Code to make it simpler and fairer and flatter, one that promotes growth, one that promotes savings and investments, one that tries to take money out of Washington and puts it back home in Staten Island and New York where I think it belongs with the hard-working people of this country, and they say that we will have Armageddon.

This country has defied every obstacle known to man, defied the odds, overcome obstacles. Just this century we have won two world wars. We have lost valiant veterans in Korea and Vietnam fighting for freedom, and just recently in the Persian Gulf. Are we to believe that we cannot overcome this challenge?

Mr. Speaker, this is the time to end the rusty rhetoric, to throw out the garbage that we have been hearing. Let us show the defenders of the status quo that America indeed is ready for this long overdue challenge.

America has proven its greatness time and time again. Sunsetting the Tax Code, a complete disgrace to all of us as we have all acknowledged here today, is no exception. I congratulate the gentleman from Oklahoma (Mr. LARGENT) and the gentleman from New York (Mr. PAXON) for introducing this bill. I urge, for the sake of all America and its future, that we pass it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. BENTSEN).

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

Mr. BENTSEN. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, after the highway bill that busts the budget and all the pork projects in it, and the fact that we debated the Republican budget resolution at 12:30 in the morning because they did not want to debate it in the light of day, I did not I think the fiasco of the House Republican leadership could be topped until this ''special order'' piece of legislation was brought to the floor.

Mr. Speaker, this is the most ridiculous thing I have ever seen. We are going to throw out the Tax Code, tell American business that they are not going to know how to invest, not going to know what to issue debt to, issue stock, not going to be able to know what to do because maybe we will do a new Tax Code by 2002.

The gentleman from Kentucky (Mr. BUNNING) says that the bill says, ''Congress should.'' There is a difference between ''should'' and ''shall.'' The fact is that if we want to do tax reform, we should get the gentleman from Texas (Mr. ARCHER), the chairman of the Committee on Ways and Means, my good friend and colleague from Texas, to mark up a bill and bring it to the floor. Let us debate it now. Bring the American people in on the deal.

All this does is set up the Congress for failure and set up American business for failure.

□ 1415

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

One of the primary reasons why fundamental tax reform has not been enacted, and I hear many Members over there saying, well, you are in the majority, let us go enact these changes, is that the person who occupies the Oval Office is opposed to any kind of tax reform. He likes it. He likes the code as

it is, as do many Members on the other side of the aisle who, for 40 years, when they controlled the House of Representatives, used it as a means of redistribution of income in favor of their constituents and their supporters. That is why we need to replace this Tax Code as soon as possible.

Despite the 40 years of Democrat controls, they wrote a code which no one considers fair or simple. How and now is the time to redo it. They did not do it for 40 years when they were in command. We want to do it and start it today. Legislation that we have in front of us is the first step in making that change.

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

Mr. Speaker, I would just like to respond to my friend. It is almost funny. If the gentleman is saying that the Republican majority could not possibly pass any meaningful tax reform legislation because of our distinguished President being in the White House for the last 3 years, then what he is really saying now is, since the gentleman and I know the President is going to be there for 2 more years, that they will not be able to do anything for 2 years. Give me a break.

Mr. Speaker, I yield 1½ to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I thank the gentleman for yielding to me.

No one likes taxes, but taxes are how we fund our schools, our national defense, our police, our parks, environmental protections, highways, and roads. Unless we are going to do away with all those things, do not let anyone fool you into believing they are going to do away totally with your taxes. They are not. If we do away with this Tax Code, we have got to have another.

The first problem with this bill is, they do not have another. This bill eliminates one Tax Code without proposing a new one. In other words, Republicans want to do the easy thing now before the election and save the hard part for later.

Republicans say let us eliminate the home mortgage interest deduction now and, trust us, we will make it up to you later. Let us eliminate incentives for employers to provide health care and pension plans and, trust us, we will make it up to you later. Trust us, they say.

But do you know who does not trust them? The National Association of Manufacturers does not trust them. The AFL–CIO does not trust them. How many times do we get the unions and the manufacturers opposed to the same bill? That tells us something.

Both groups want to keep the economy strong and save American jobs, and they know if business cannot count on the reliability of the Tax Code to plan ahead, to calculate the after-tax costs of investments in plants and equipment and people, then jobs will be lost, the economy will suffer. That is why they are united against this bill. That is why middle-class Americans should be, too.

Any bill that gives a full tax break to someone who inherits a fortune and has never worked a day in their life but takes away a home mortgage interest deduction makes no sense.

Let us have a new Tax Code. But it has got to be fair, not just simple, and it has got to be ready before we eliminate the old one. Do not ask for our trust to fix it later. Give the American public the facts now, unless my colleagues are afraid of what they are offering.

Mr. BUNNING. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, I thank the gentleman for yielding to me. Mr. Speaker, this is an important debate. Really what is happening here today, this whole argument is about power, about who has it, and who does not have it. As long as we have this existing Tax Code in Washington, the Federal bureaucracy and the Internal Revenue Service have the power, and the American citizens do not.

I think that one of the reasons we hear the liberal left squealing on the floor today is because they hear that big sucking sound, being power going out of Washington, D.C., and back to individuals and families in this country. That is really what all of this is about.

So people today who want to vote for the status quo, who want to vote for the current Tax Code and for keeping power in Washington and power with the Federal bureaucracy, vote against this legislation. But if my colleagues are in favor of doing something that is responsible and going to say to the American people that we want them to have power and we want them to have control, and we want to take all of this bureaucracy and all of this special interest money that the other side has talked about today that feeds into keeping the Tax Code the way that it is so the Washington bureaucracy can continue to stay the way it is, then vote with the other side.

We have heard a lot of talk today about the word ''irrelevant.'' We have a Tax Code that is so complicated that Americans are forced to spend over 6 billion hours and $190 billion complying with it. The Tax Code is cumbersome. It is complicated. It is burdensome. If that is not irresponsible, I do not know what is.

The other word I heard today thrown out was ''semi-ludicrous.'' The IRS fined a taxpayer recently $10,000 for using a 12-pitch typewriter instead of a 10-pitch typewriter to fill out his tax forms. That is not just semi-ludicrous, that is fully and completely ludicrous.

We have a major problem. The other side said, when we were talking about the balanced budget, that you cannot balance the budget in 7 years because it is going to destroy the consumers. The nay-sayers, the doom-and-gloom prophesies that are coming from the other side are just exactly what they are; and that is a desperate attempt to try and keep power in Washington, D.C., and keep from giving it back to the American people. We need to support this legislation.

Mr. BUNNING. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. GRAHAM).

Mr. GRAHAM. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, you have probably heard it all about status quo, agents for change. Eventually, you are going to get a team to pick, and everybody in America can choose up a side. We have got two leaders here today that are in the Hall of Fame, one in baseball and one in football.

This really is about team sports; politics are about team sports. Politics are really about team sports. Two teams are going to take the field today when we vote. One team is going to say the Tax Code is too large, too cumbersome, and we are going to replace it in a timely process, in a reasonable process. We are going to give ourselves 3 or 4 years to do it. If at the end of the 3 or 4 years we do not have a compromise that will work, we will just extend the current Tax Code and keep working on it until we get it right.

That team says what we have today is wrong, and we are going to work on it until we get it right. We think 3½ to 4 years is enough, but if we are wrong, we will extend it. But we are not going to sit by and let the Tax Code be unnoticed. We are going to be agents for change.

The other team is going to say it is irresponsible to take a Tax Code that manages the economy to the extent that this Tax Code does and manages people's lives and replace it without knowing where you are going to go. There is a certainly logic to that argument. But a 4-year period, knowing that you are not bound by the 4 years, if you need to extend it, you can, I think that argument sort of falls flat; and it really is a status quo argument.

That team is divided into two camps. One group really believes you need something certain before you replace the current Tax Code. A group within that group never wants change, and they are just saying it as a way to avoid change.

But if you took that logic and applied it to the history of this country, I doubt it if you would have had much teeth on it in Boston Harbor. I guarantee the first militiamen who fired the shots at Lexington-Concord did not know how that thing was going to end, but they knew they were doing the right thing. They knew that they were taking a stand, and what they were leaving behind was unacceptable.

That has been the history of this country, people being bold when they need to be bold, taking oppression and throwing it off the yokes of the working people. That is what this vote is about. That kind of logic, if we had had

it in the mid-part of our country here in the 18th century, we would still be in Ohio because nobody would want to go any farther West because they do not know what was over the hill.

I can tell you what is over the hill for the American worker: a new Tax Code that is simpler, that is fair, that does not chill you to the bone is a good day. That day is going to come sooner or later. I hope it comes by the year 2003.

The only way it is going to happen is if we set a date certain and put a closing date like we do on our House. Anybody that has ever been in litigation, anybody that has ever been a lawyer, they do most of their work on the steps of the courthouse because they have got something to do. You have got a date to meet.

We need a date to take this Tax Code and put it in the history books, put it in the history books where it belongs and replace it with something that helps the working people of this country. We can do it, Republicans and Democrats alike. The reason we know we can do it is, we balanced the budget together. But we have got to buy into it. The status quo has got to go.

Mr. BUNNING. Mr. Speaker, I yield 2 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 in support of the Tax Code Termination Act. Really, when you think about it, this is a rather momentous day, the fact that the United States Congress would come together and have a vote on this matter. Whether we are against this or for it, this is a very significant period in our history to be able to come on the House floor and say we are against the present Tax Code and we wish to change it.

It is important to relate to the constituents and to Members that there is an exception in this for Social Security and Medicare. So when we are eliminating the Tax Code, we are not attacking Social Security. We are not attacking Medicare.

Be that as it may, the last tax decreases in this country provided 300 changes to the Tax Code. If all of us on the Republican side and on the Democrat side go out and say, oh, we have decreased taxes, but at the same time, changed the Tax Code 300 times, what have we done? If we do that year after year after year, it is going to get impossible. In fact, that is where we are today. It is literally impossible to do our taxes.

We are starting the debate by saying, okay, let us do away with the Tax Code by 2002 and replace it with a sales tax or a flat tax or a combination thereof. What is wrong with that? If anybody is going to vote against this, they are voting against open discussion to have a new system. So how can anybody be against the idea of reforming.

In America, there are seven traits that make up all of us because we are an American; and one of them is we like choice, and the other is we like reform. We are willing to change things. We are not satisfied with the status quo. We are always trying to improve.

A third thing is we are impatient as Americans. We believe there is a better way. So what we are doing this afternoon is we are saying there is a better way for America to pay their taxes.

Secondly, we think we can reform the system we have, and let us make the decision, the choice if you will, now to eliminate the Tax Code and get the discussion going.

The SPEAKER pro tempore (Mr. EVERETT). The gentleman from New York (Mr. RANGEL) has 9 minutes remaining. The gentleman from Kentucky (Mr. BUNNING) has 14 minutes remaining.

Mr. BUNNING. Mr. Speaker, I yield 1 minute to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I rise today to express my support of H.R. 3097, the Tax Code Termination Act. In 1996, during my campaign, I pledged, like many of you, to reduce the tax burden on the American family. This legislation is a step in that direction.

The current Tax Code puts an onerous burden on every American family. It is complex, confusing, corrupt, costly, and coercive. Americans work nearly 5 months of the year, until May 10, just to pay their Federal tax bill.

We are taking a first step today to reduce this burden. This bill sets a clear direction, a direction toward reforming by triggering a national discussion. A deadline will work wonders in focusing the energy of the American people, Congress, and the President on real tax reform.

The national debate is the only real hope of transforming the IRS code to a clear, unimplemented, and fair Tax Code. The American people deserve this debate. It is our job to start this debate with clear action by sunsetting the Tax Code today.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

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

Mr. STENHOLM. Mr. Speaker, here we go again. I rise in strong support of responsible, credible tax reform. But H.R. 3097 is not about tax reform. It is an effort to take up our time with a meaningless political statement designed for a 20-second sound bite.

I believe that Congress should begin to roll up its sleeves and begin to work on serious tax reform. We should have done it last year, the year before, the year before that; 4 years we have had.

The same people that talk about the need, and I agree on this, we need to change our Tax Code and encourage savings and investment. Above all, we need to be careful that tax reform is handled responsibly to ensure that we do not jeopardize the economic expansion that we are now enjoying.

The House will have an opportunity to express its support for responsible, credible tax reform by voting for the Rangel-Boyd-Tanner motion to recommit.

□ 1430

It is irresponsible to pass legislation that will require future Congresses to establish a new Tax Code without knowing how the new Tax Code will affect taxpayers.

A businessman trying to decide whether or not to make a new investment for the next 4 years is going to deal with tremendous uncertainty. A community considering issuing a tax exempt bond, again, uncertainty. Businesses deciding what type of health insurance or pension, uncertainty. Families who want to purchase a new home, uncertainty. Farmers and ranchers will not know how the new Tax Code will treat the sale of their land and other assets. Uncertainty. Why not deal with certainty? Why not have the debate about how we do these things before. That is what the motion to recommit is all about.

Before I commit to supporting a new Tax Code, I need to know how it will treat farmers and ranchers, how it will treat the oil and gas industry, how it will treat small businesses who are now trying to compete in an international marketplace. I need to know how it will treat the average man and woman in my district before I vote to do away with the Tax Code, as politically appealing as that might be.

This legislation is another example of the fiscal recklessness of the Republican leadership. Just last month the chairman of the Committee on the Budget was quoted widely saying, ''Balancing the budget was never our goal.'' Recently, the chairman of the Committee on Ways and Means issued a press release expressing grave concern that we are running surpluses that allow us to pay down the debt. Last week the leadership tried to intimidate CBO to change their estimates to fit the Republican agenda.

A vote against this resolution says that the American people, get this, a vote against this resolution says the American people want proof up front what we are talking about doing, not endless political promises. If my colleagues are willing to jeopardize the growing strength of the economy and balanced budget plan in order to make a political statement, vote for this resolution. However, if my colleagues want Congress to begin serious work on responsible, credible tax reform, vote for the Rangel-Boyd-Tanner motion to recommit.

Mr. BUNNING. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. PAXON), a coauthor of this legislation.

Mr. PAXON. Mr. Speaker, about a year ago I was holding a town meeting outside of Rochester, New York, and as I often do, I talked about our agenda.

And a major part of my agenda is ending the tax system as we know it, replacing it with a fairer system, whether it is a national sales tax or a flat rate income tax or some other system. And I made that comment and a constituent raised his hand and said, ''Paxon, I have heard you talk about this for years. I have heard your colleagues in Congress on both sides of the aisle talk about fundamental tax reform for years. Why don't you stop talking about it and do it. Put in a bill that ends this system so we believe you are serious for a change.''

As a result of that, I put forward my piece of legislation last fall that is designed to do one thing above all others: End the skepticism of the American people; make it clear we are serious about tax reform that does not just make the code more complicated, complex and taxes higher, but involves the American people for a change by making it clear where this code is going so they can step forward and be involved in the process.

Now, we are hearing a lot today across the aisle from our colleagues in the other party who say, why do we not just bring it up, bring to the floor today our bill, put it before this Congress and vote on it. My colleagues, that is exactly the thing that contributes to the skepticism of the American people. For years that is exactly what the former majority party in this Congress did time and time again; in the dead of night bring forth a bill that ended up raising taxes, all in the guise of tax relief and reform.

We do not want to contribute to that skepticism. Our goal is to end the cynicism of the American people in the way the process works, to open this process to the American people, to say 4 years from now the current Tax Code ends; that the American people should come forward, get ahold of their Congressman or their Congresswoman or their United States Senator and tell them what they think. We allow two elections to intervene so that the American people can find out how their representatives really feel about this issue.

What might happen, my colleagues, is that something amazing may actually occur. A citizen may well come forward with an idea nobody in this Congress has ever thought of before, an idea that may be revolutionary and be able to be put in place to replace the current tax system.

Now, our friends on the other side of the aisle also make the argument that this will fundamentally ruin the markets; that it creates uncertainty. That is nonsense. Uncertainty? Every single time this Congress meets there is uncertainty. Any day Members of Congress walk to the floor and put in a piece of legislation it can create uncertainty. And, yes, it does create uncertainty. In 1986, it destroyed the real estate market. Other tax relief bills down the years have changed fundamentally the way people have paid their taxes and changed the way investments were made.

We are doing something different, we are saying 4 years from now we intend to make a change that will help the economy of this country. The people will have a voice. It will not just be done in the cloakrooms and the back rooms of Washington, D.C., where only the special interests will have a voice in what happens.

We also heard this same argument when the Republicans put forth for years balancing our Nation's budget. We heard not only in this Chamber but from the White House that balancing the budget will create uncertainty in the markets. They have to be able to have deficit spending, and it will be harmful to our economy. Ultimately, the President signed our bill because we proved that if we are serious and involve the American people in a dialogue, there is not uncertainty nor is there skepticism. It lifts this Nation, working together, moving this Nation forward.

Today, the Tax Code Termination Act, I believe, will be one of the most historic votes this House of Representatives will ever cast. It is turning on its head the system where for years and years only a few insiders, working in the dead of night, could impact on our tax system and on our legislative process. It will ultimately result in the end of the 5.5 million word Tax Code. It will end the authority of 113,000 nameless, faceless bureaucrats. And, yes, frankly, it will end the meddling of 535 people in Congress and a President in a tax system.

Right now it is so complex and confusing, that any time this Congress meets and plays with it, the results are so uncertain most Americans have to go out and hire someone. Fifty percent today hire somebody to help them do their taxes, and then, at the end of it, they do not really know what the Congress did to them. If this code is replaced with a fairer system the American people design, I believe it will be done in such a way that it will be impossible for Congress to play those dead-of-night games. Very, very, very much more difficult for Congress to raise taxes, because the American people understand directly and dramatically how it impacts on their budgets and on their families. And, most importantly, as I mentioned before, it will allow the American people an historic level of involvement in this system.

Now, I find it fascinating, as I travel around this country, and I have been in 65 congressional districts in the past months talking about this and listening to folks about this, that I find unbelievable acceptance, Republicans and Democrats and independents, everywhere I go, and my colleagues I talk to say the same thing. Yet here in this chamber and in Washington, oh, there are folks that are nervous. Of course they are, because we are changing the equation, giving the American people a chance to make history.

My colleagues, I think this is an historic day. I know that the American people will be pleased when they see us move on this legislation. I urge my colleagues to vote with us in support of the Tax Code Termination Act.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Speaker, today is a shameful day. This body used to be called the most deliberative legislative body in the world. It has deteriorated, in my judgment. It has degenerated into an arena primarily for political posturing. That is all this bill is about. It is not a serious bill. It is not taken seriously by serious individuals. It is pure political demagoguery.

What does this bill do? It does not reform the Tax Code, it terminates the Tax Code. The Tax Code raises the revenues for the conduct of government. If we terminate the Tax Code with nothing in its place, we strike a dagger at the heart of government. Government cannot function. We are not, therefore, talking about reform of the Tax Code or reform of government, we are talking about the termination of the Tax Code with a date certain when nothing else is in its place.

What would that mean for certain? Nobody would know what would happen during that period of time. We know we would be pulling the foundation out from under our domestic economy. And the domestic economy of the United States is the foundation for the international economy. And my colleagues would play games with that? This is not a responsible approach. This is the height of irresponsibility.

If we can improve the Tax Code, let us come in with the specific improvements. If there are reforms, let us consider them. If there are alternatives, let us consider them. If we want to make termination of the income Tax Code effective only with the effective date of an alternative, that is a different story. But we are not doing that.

The only solace we have is everyone in the world knows this will never become law; that this is simply a political ploy.

Mr. Speaker, I am concerned by today's childish political ploy. If anyone is truly serious about tax code reform, they would have a serious alternative to offer. But they offer no alternative for two reasons. First, they have no better alternative, and second, they know this bill simply terminating the income tax, without the necessity of an alternative being in place, will not become law.

Let's consider for a moment, however, the consequences of this bill if it did become law. Our entire economy, indeed our society, is built on the provisions of the tax code. This bill would pull the very foundation out from under our economy, and have profoundly damaging—in fact, devastating—domestic and international repercussions.

Private savings and investment would be devastated because neither individuals nor businesses would want to make investments that may not be tax-advantaged in the future. Financial markets would be thrown into chaos,

and interest rates would skyrocket because lenders would have no assurance whatsoever that the government would not default on its debt. Maybe this is why private business organizations such as the National Association of Manufacturers, the Mortgage Bankers Association, and National Small Business United all strongly oppose this bill, and why the Chief Economist at the U.S. Chamber of Commerce called it ''more than a little dangerous.''

In fact, every security on which American families depend is threatened by this bill. Their health insurance. Their pensions. Even their jobs. Employers' deductions for offering their employees health insurance would be in jeopardy, and over 165 million Americans are covered by employer-provided health benefits. The retirement benefits of 60 million Americans who have tax-preferred IRAs or employee retirement plans would be at risk. And rising interest rates and slowed investments would slow the economy, forcing many employers to downsize.

So this is not a pro-taxpayer bill. Taxpayers want answers and solutions, and this bill gives them neither. This bill is pure, total, unadulterated political gimmickry. It has nothing to do with an adult, responsible approach to legislating. It is either child's play or dangerous demagoguery—or, more likely, a combination of both.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding me this time and for his leadership on this issue and so many other issues important to our State of New York.

I believe it is very fair to say that none of us enjoys paying taxes. But instead of having an honest debate about the Tax Code, the Republican leadership has presented us with irresponsible election year pandering.

This bill brings dangerous uncertainty to the American economy, which has been so successful for the past 6 years, while it puts off the real work of determining what the Tax Code should look like to two Congresses in the future, the summer of the year 2002. That is right, the Republicans are saying let us take credit now for something someone else will have to work on 3 years from now.

I am certainly in support of an honest debate about the Tax Code, but an honest debate means that a real alternative is on the table. If we could consider the national sales tax or the flat tax that the Republicans have been proposing, then we could have a debate on the merits. But, instead, the majority appears to be afraid of a debate on the merits and has before us an election year pandering proposal.

I urge a ''no'' vote and a ''yes'' for Rangel-Boyd-Tanner.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, this is a risky tax scheme cloaked in a sound bite that could jeopardize our strong economy.

Two weeks ago the Gingrich Republicans tried unsuccessfully to amend the Bill of Rights, our first amendment, after less than 17 days of committee hearings. Today, the Republican leadership wants to pass a bill to repeal the entire Tax Code without even having 1 hour of committee hearings. The pattern is clear: Gingrich Republicans seem more interested in sound bites than in sound public policy.

This irresponsible approach to the serious business of governing our Nation was captured by the gentleman from Georgia (Mr. LINDER), head of the Republican Congressional Campaign Committee, in his recent memo to Republican House Members. He said this, and I quote: ''Write the 60-second commercial we want to run the last week of the campaign, then focus the rest of the year aiming toward it.''

Mr. Speaker, the American people are hungry for more than just meaningless sound bites. They want meaningful reforms on health care, education, and campaign finance. Let us kill this bill, which should be called the Full Employment Act for D.C. Tax Lobbyists.

Mr. RANGEL. Mr. Speaker, I yield myself the balance of my time.

If this is really the best campaign gimmick the majority can come up with, we are not in as bad a shape as I thought we were. I think it is shameful that we should try to play a hoax on the American people and have them believe that we are going to throw away the Tax Code that the Republicans helped to complicate. And they keep throwing all those papers there that they added 800 pages to it.

People used to say that we have to live with death and taxes. Republicans say, no, they can eliminate taxes. And soon, before the election, they may eliminate death. I do not know.

It was interesting to see how my friend, the gentleman from Kentucky (Mr. BUNNING), explained why in 3 years the majority party just could not pass a meaningful bill, because Mr. Bill Clinton is in the White House. Well, let me say once again, Mr. Bill Clinton is in the White House now and will be in the White House next year and will be in the White House the year after that. It seems to me that if the distinguished Hall of Famer makes sense in terms of saying that the President has prevented them from legislating for 3 years, I do not know what in God's name would make him think that the President is going to yield to him in the next 2 years.

In any event, I think what we are saying is that there is going to be a vacuum as to where do we stand in taxes. And one of the Republicans took the well and said it was something like the Boston Tea Party and that we had to be revolutionary about this. The other side really knows how to be revolutionary in terms of closing down the government. They did it once, and they got so good at it they went and did it again.

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And so, maybe there is a lot of support for this type of way that they run government. If they do not like the tax system, say there are no taxes. If they do not like government, just close it on down.

Mr. BUNNING. Mr. Speaker, I yield myself 1 minute to respond to my good friend from New York and tell him that we will have a bill ready to go when the present occupancy of the White House is removed from the White House so that we can get the cooperation of the new President and work with him to make a bill that the American people have participated in and they have let their representatives know that the Tax Code that we presently have is unacceptable and that they are the defenders, my good friend from New York, are the defenders of the status quo and they want to keep the code and redistribute the income of their current people that they represent and make sure that their supporters are part of that Tax Code and they get that income and make sure that they continue to support that.

But we do not want to do that. We want to make sure that we have a new code and a new occupancy of the White House. As soon as we can get that done, we will have a code ready to go. And that is what the law that we have proposed says. The law, not a substitute for the law.

Mr. Speaker, I yield 7 minutes to my good friend, the gentleman from Oklahoma (Mr. LARGENT).

Mr. LARGENT. Mr. Speaker, let me first of all give my colleagues just a little brief history on how this came about and tell them that I am really saddened by the course of debate that we have had today.

I will tell my colleagues and confess freely to the gentleman from New York that the Tax Code and the problems that we have with the Tax Code today is not a Democrat problem, it is not a Republican problem, it is everybody's problem. It is an American problem and we need to address it, and that is what the Tax Code Termination Act is attempting to do.

I would tell the gentleman and all of my colleagues in the House that the very first person that I went to after we wrote this bill was a Democrat, was Senator JOHN BREAUX in the Senate, and I told him about this idea and asked for his support.

One of the next people that I went to was the gentleman from Missouri (Mr. GEPHARDT), the distinguished minority leader, and asked him for his support. I had read his comments out on the campaign trail where he was talking about, and these are his quotes, ''Decades of toying and tinkering at the margins have only made the problem worse. And I have concluded that the only way to fix everything is to replace everything, to overhaul the entire system from top to bottom.''

That is what Congressman GEPHARDT said. So I thought, surely, he would support this measure. That is what he is saying on the campaign trail, that we need to abolish the Tax Code.

I personally feel soiled as a result of the debate and the rhetoric and the condemnation that has been displayed on the House floor today. I have been called a lot of things before in my life, but I have never been called irresponsible. And I do not believe that I am, and I do not believe that this legislation is.

The thing that really puzzles me is how when the gentleman from Missouri (Mr. GEPHARDT) goes on the President's campaign trail and talks about pulling the Tax Code out by the roots, those are his words, how come it is responsible when he says it, but when I say it, it is ''irresponsible,'' it is ''irrational,'' ''the stupidest idea that has ever been introduced to Congress in 10 years.'' Those were some of the quotes. I do not understand that.

Why is it that when the gentleman from Missouri (Mr. GEPHARDT) says abolish the Tax Code it is not a dumb idea, it is responsible, but when I say it, it is irresponsible? They cannot have it both ways.

Let me say another thing. I am positive that there is no member of the Committee on Ways and Means that has ever read the entire Tax Code. And we heard from a lot of them here. I guarantee my colleagues, there is not a member on either side that has ever read all the pages of the Tax Code. And I understand that. I have not either. I do not plan to. I do not know any of America that has ever read the entire Tax Code.

But let me tell my colleagues about the Tax Code Termination Act. It is a page and a half long. I am pretty sure that most Members of Congress can get through a page and a half of the Tax Code. But the problem is that we have not read it, at least according to a lot of the debate that has been heard on this side tonight.

Because what has been said is what we are talking about doing is abolishing the Tax Code, throwing us into a vacuum, jeopardizing the economy. Not true. Read the bill. It is a page and a half long. I am confident my colleagues can get through it. It is very simple. It is written in plain English.

What it says is that we will replace the Tax Code 6 months prior to the sunset provision. So, in other words, we replace the Tax Code, then we sunset the old code. Let me make that point again because I am sure that most Members did not get that. We replace the Tax Code and we take 4 years to get there.

I am pretty sure if we get the best minds in Congress and the best minds in the business community and the best minds in academia that we can do something comprehensive that will be simple, that will be fair, that will be a lot better than what we have got right now. I am sure we can do that in 4 years.

I know we can do better than what we have got. We can come up with a system that is more fair, that is more simple than what we have currently. And that is the idea behind the Tax Code Termination Act. Again, replace, sunset. In that order. Replace, then sunset. No vacuum. No jeopardy.

Another comment that has been made several times is the threat to the economy. Let me just tell my colleagues that one of the strongest proponents of this legislation is the small business guy. They ask, why would small business be in favor of getting rid of the Tax Code that many believe is so beneficial to the small business guy? Why would they be wanting to get rid of it? Because it is not fair.

The fact is that an average small business guy ends up paying more to file his tax return and the various other forms to the IRS Tax Code, he spends more to do that than he actually owes in taxes. He spends more time complying to the Tax Code and spends more money than he actually owes in taxes.

This is stifling the small businessman. And understand that the small business guy in everybody's district creates about 80 percent of all jobs in this country. So the business community is not threatened by the Tax Code Termination Act. They are begging for it. And so are the American people.

Let me say that I understand why people are scared. Because, like I said earlier, nobody likes to be forced to do anything. And I can tell why Members of this House are scared, as well. Because this is one of those pivotal and rare votes that separates the sheep from the goats. It separates the wheat from the tare. It separates the hypocrites from those who really are serious about doing what is right and replacing the Tax Code.

Because either they are for this and for comprehensive tax reform and doing it sooner, not later, or else they just want to get an applause line at political functions and rail on the IRS, even though it was Congress that created the Tax Code, and get an applause line, knowing that they are really never going to do anything about it. This bill forces us to do something about it.

Let me say, one other thing is that there have been many that have come up and said that in our economy that is strong, no question about it today, that the real heartbeat of our economy and the reason it is doing so well and the reason that we have prospered in this country is not because of the hard work of men and women, not because of the creative genius of the business community in this country, not because we advocate free enterprize in this country and free trade and that we are engaged globally, but because of the Tax Code, that is the real heartbeat of the economy. That is not true.

I urge everyone, if they really are for tax reform, if they really want to do it, vote for the Tax Code Termination Act.

Mr. FAZIO of California. Mr. Speaker, I rise today in exception to H.R. 3097, the Tax Code Termination Act. This bill represents the Speaker and Republican leadership taking a huge gamble with the future and dreams of all American people of average income, state and local governments needing to raise capital, and homeowners. While this proposal offers an interesting challenge, the uncertainty surrounding the bill could cripple our economy that is just now standing on its own.

This bill is purely and simply a political ploy for the upcoming election. Unfortunately it is not even a good one.

Republicans claim they want a ''national debate culminating in sweeping reform.'' If they truly wanted an open debate on tax reform then why was this bill never discussed in committee? Why have no hearings ever been held on this bill? Why not bring their reform ideas to the floor right now?

The truth is that they do not want to discuss the details of these issues, details like: their proposals for a new tax system will tax working families at a higher rate than they are paying now and that the people that get the biggest tax breaks are the ones who need it the least, the rich. I would be more than happy to engage in a national debate on real tax reform, so that we can discuss some of our comprehensive tax reform that is more efficient, fairer and less intrusive.

Since this bill only uproots the current tax system and does not enact reform, it puts the whole country in a state of chaos. Small businesses and investors would be faced with substantial uncertainty when making decisions as to whether or not to make an investment in their future prosperity. Homeowners and people contemplating a new home purchase would not know if they could count on the home mortgage deduction, nor whether the value of that home would be adversely affected by whatever new tax plan is eventually put in place.

Some of the hardest hit by this bill would be state and local governments who depend on tax-exempt borrowing to finance repairs of schools, building new roads, and other improvements which spur economic development in depressed areas. Investors would shy away from low interest rates on tax-exempt bonds if there is even the slightest fear that the income tax would be repealed in the future.

If we do this right, there will come a day when we can sunset the current tax system and replace it with a simpler one. But today's debate is not about what achieving a simplified tax code.

Just think about it. If we scuttle the code and this will put Speaker GINGRICH in charge of writing out a new one. This is the same Speaker GINGRICH who in his first week as Speaker came up with a plan to slash $300 billion from Medicare to pay for bigger tax breaks for the wealthy.

We need to deal with tax reform responsibly. Not pass gimmicks that will do nothing to reform the system and has troubling consequences for the future. The American people deserve more than what this bill has to offer. I hope my colleagues will join me in saying ''NO'' to Speaker GINGRICH and ''NO'' to this bill.

Mr. POMEROY. Mr. Speaker, I rise in opposition to the Tax Code Elimination Act.

I strongly support reforming the nation's tax code to make it fairer, simpler, and less burdensome on the American people. Unfortunately, rather than advancing a constructive tax reform measure, the leadership has proposed a political gimmick—a bill to terminate

the tax code without saying what sort of system should replace it. This bill is not only the height of political cynicism, but if enacted, it could have devastating consequences for American families, farmers, and businesses.

During my tenure in Congress, I have worked to encourage employers to offer health and pension benefits to working families by providing adequate tax incentives and cutting unnecessary red tape. Under this bill, employers would freeze health and retirement benefits until the tax treatment of these benefit costs was determined. In fact, employers might even reduce benefits as a hedge against Congress deciding not to extend the tax deductibility of employee benefits. Likewise, the value of American homes would be adversely impacted as the real estate market would wait to see whether Congress would continue the mortgage interest deduction.

For farmers, the consequences would be even more severe. On the Upper Great Plains, farmers are already struggling with low market prices, devastating crop disease, and adverse growing conditions. Even with the best financial planning and management, many farmers are finding it nearly impossible to make ends meet. Farming is, by nature, a highly risky proposition. Added uncertainty about the deductibility of interest on operating loans, equipment and land, would move farming from risky to almost foolhardy.

I believe that North Dakotans want fundamental tax reform. However, they're unwilling to buy a ''pig and a poke,'' especially when it relates to taxes. They want to see what system is being proposed as a replacement before simply terminating the code and turning giving a blank check to Congress.

Mr. COYNE. Mr. Speaker, too little is known about the effects that this legislation would have on the U.S. economy. This bill as amended would eliminate the Internal Revenue Code by December 31, 2002, except for Social Security, Medicare and Railroad Retirement taxes. The bill would also give Congress until July 4, 2002, to devise a new tax system, while providing only the most general guidance as to what would replace it. What this bill does not do is specify what will replace the current system, once we eliminate those taxes that raise most of the government's revenue.

In Fiscal Year 1997, the U.S. tax system raised $1.57 trillion in tax revenue from all sources. In one stroke, this bill would eliminate the individual and corporate income tax and all excise taxes, which constitute almost two-thirds of the federal government's revenues. Astonishing as it may seem, it would do so without providing any specific alternative except for a simple deadline requiring that the new tax system be in place four years from now.

We have worked on a bipartisan basis on the House Ways and Means Committee and on the IRS Restructuring Commission to advance solutions to the difficulties that many Americans experience in complying with the tax law. We have worked constantly to simplify the tax code, to eliminate unnecessary regulations and paperwork, and to improve IRS taxpayer service. We have made great strides toward these objectives by passing such important legislation as the Taxpayer Bill of Rights 1 and 2. This year, we hope to make additional progress when we complete the IRS restructuring and reform bill.

Our efforts in simplifying the tax code and streamlining IRS administration have not been easy. However, we have, in a bipartisan manner, engaged in thoughtful discussion and analysis of the specific problems facing taxpayers and the IRS. This debate has necessarily factored in the complexity of the tax code. In these efforts, most participants have come to realize that the complexity of the tax code is only one part of the problem, and most agree that Congress should always strive to simplify the Internal Revenue Code wherever possible. But, we should not lose sight of the fact that tax simplification is a goal that must be weighed against other important considerations, such as ensuring that the tax law is fair to all Americans. Provisions of the tax code also provide opportunity for millions of Americans through the earned income tax credit, the HOPE Scholarship, the expanded IRA, and the like.

To date, our efforts have focussed on identifying specific, realistic proposals to solve the problems facing average taxpayers and the IRS. However, unless and until we agree upon a new tax system, we must first fix the problems with the current system by advancing specific solutions such as the IRS restructuring and reform legislation. This is relief that is available now for the American taxpayer, not four years from now. If we then consider fundamental tax reform, our approach should first clearly identify a specific replacement which meets such important criteria as fairness, efficiency and administrability.

Finally, we must also consider this bill's potential adverse effects on the U.S. economy. One of the most important perceptions that a government must project to its citizens is that of consistency and predictability in its tax policies. Given the magnitude of this change, this bill would throw into doubt for four years the basic fiscal mechanisms of the U.S. government. While Congress debates, countless individual and corporate economic decisions would be deferred while the nation awaits the result.

At the individual level, we need to anticipate this bill's effect on the ability of taxpayers to plan for their financial security. Consider the effects of abolishing some of the most widely-used tax provisions, such as the mortgage interest and property tax deductions. How will average homeowners react when they realize, according to a DRI/McGraw-Hill study, that their house may now be worth 15 percent less, or $22,500 dollars on a $150,000 home, because they can't take these deductions. Since this is usually their most valuable asset, how will this affect their ability to plan for their financial future, and how will it affect their current spending? What will be the reaction of financial institutions, and the secondary mortgage markets, when they realize that millions of homes upon which they have written mortgages have just decreased in value?

What will happen to charitable giving if we abolish this deduction under the bill? While Americans lose a tax break, they also lose a significant incentive to give more to charitable causes, and now may give less. If millions of taxpayers contribute less to charity, what will happen to the many socially beneficial activities, such as caring for the nation's needy, that these charitable institutions perform on a daily basis? A weakening of these institutions could unfavorably affect millions of Americans, with no guarantee that the federal, state or local government would fill the void.

These are only a few tax provisions, but look at the effect that they would have on the nation if we eliminate them with no specific alternative or sensible transition relief. This bill's fundamental problem is that we do not really know how it would affect the economy and average Americans, while most would agree that there is significant potential for short-term disruption.

Mr. Speaker, do we really want to gamble with the financial security of millions of Americans, the health of the U.S. economy, and the stability of the U.S. government by abolishing the tax code without first providing a specific alternative? As much as we want to simplify the tax code and reduce the presence of the IRS in our lives, I do not think that this legislation provides an acceptable, responsible solution.

Ms. DEGETTE. Mr. Speaker, I rise today in opposition to H.R. 3097, the ''Tax Code Termination Act.'' This ill-conceived legislation would terminate the entire federal tax code, except for those provisions that fund Social Security and Medicare, on December 31, 2002. It also requires Congress to enact a new tax code by July 4, 2002, six months before the current tax code would end.

It is undeniable that our federal tax code is complex. Yet, throwing out the entire system will not simplify matters. Eliminating the current tax system with no viable alternative in place will only send this country's economy into utter chaos. If this bill is enacted into law, all financial activity in this country could very well stop because no one would know the tax status of their investments, purchases, mortgages or savings accounts until July 4, 2002.

I would welcome a serious debate on real comprehensive tax reform, but what is before us today is simply a political gimmick and certainly not real reform. This bill raises a multitude of questions but provides no answers.

Mr. VENTO. Mr. Speaker, as President Reagan said, ''Here you go again.'' Once again the Republican majority party is demonstrating how out of touch it is with the American people. In 1993, the American people sent a message to Congress that they wanted the budget deficit reduced. It was a straight forward message, easily understandable and a demand to which Congress responded. The Democratic controlled Congress, working with President Clinton and without a single Republican vote, made the tough decisions and put in place the foundation for today's strong economy and this year's budget surplus.

In 1995, the new Republican Majority took charge with this sound Democratic economic plan in place. But instead of working with the Clinton Administration to develop a rational budget plan to move forward with deficit reduction, the GOP majority sought to undermine the real progress that had been made. Instead of the responsible policy course, the majority party chose slogans over substance in 1995–96. The GOP to save money, just shut down the entire federal government, they said. Ignore the consequences of this irresponsible action they urged. As a result, they held the American people hostage over their radical demands.

One would assume that the leadership would have learned a lesson from this 95–96 public policy and political disaster. But no. Today, in a massive misreading of what the American people really want, this legislation is offered. The Majority party believes that the public is so mad at the IRS that they are blind

to the fact that the Republicans do not have an answer, that all they want to do is to vote to scrap the tax code and pray that things work out. This action also abolishes the financial certainty that individuals, families and businesses rely upon to make investments and to plan for their future.

With this bill, the family home mortgage interest and charitable contribution deductions are eliminated. The new child credit and incentives to save for college are wiped out. At a time when Congress is telling the American people to assume greater responsibility for their retirement planning, this Republican proposal will repeal the basic rules upon which the American taxpayer must comply. No. IRA. No 401K. Just a vacuum awaiting some future Congressional action to solve the problem that this Congress is creating putting the American people into today.

And that is just the individual side of the tax code. For businesses, decisions on expansion, the installation of new equipment, and personnel matters will be clouded by this legislation. Future plans will be put on hold, until Congress provides the public with some answers. The end result would be uncertainty and no predictability. This would be bad for the economy and bad policy.

Instead of providing individuals and businesses with the answers and certainty that are needed, this legislation leaves a huge hole in our economic foundation with a billboard announcing: ''Under construction—check back in 2002 for details.'' Ironically with the backlog of policy issues not just regards tax policy, but the budget appropriation and it's a rare program these past four years that has been reauthorized. The Republican Majority plans through this bill to junk and destroy tax law.

This Republican-led economic self-destruction is not what the American people want. They do not want their entire financial life to be a pawn in a political consultants' media game. They want Congress to go to work and do its job. The American taxpayer does not want their home mortgage interest deduction eliminated, the exemption on their home sale loss, or their entire retirement plan thrown into an economic limbo for Republican or Democratic political gain. They do not want the very tax breaks that many of us hailed in 1997 to be eliminated in 1998!

What the American people want is true tax simplification. This is an issue we could agree upon and enact this Congress rather than the hollow promises in this legislation. Today, it takes too long for the average taxpayer to file their taxes. In fact, the American taxpayer is taxed twice. Not only do we pay our taxes, but our time is taxed as well. At this time of year, instead of spending time with our families, working around the home, or just taking a break, we spend hour after hour punching numbers into a calculator, trying to decipher IRS directions and tables, and searching through our financial records to find that last receipt for a charitable contribution that we made.

According to the IRS, this annual spring exercise will take the average taxpayer 15 hours and 47 minutes to prepare and file a typical tax return (Form 1040 and Schedules A and B). Add in other forms, such as Schedule C, the business profit and loss schedule, and the total time for tax compliance can be in excess of 30 hours.

Congress should address those issues now instead of this tax code repeal political gimmick. Earlier this year, I introduced the ''10 for 60'' Resolution. My resolution directs the Internal Revenue Service and Congress to begin this year the process of cutting in half the time that it takes the average taxpayer to file their tax returns. As the first step, the ''10 for 60'' Resolution calls for 10 changes in law or regulation this year to cut 60 minutes from tax preparation time. The ''10 for 60'' Resolution intends that these proposals should be revenue neutral and should focus on changes that benefit as large a group of taxpayers as possible. This proposal may not have the shock value of scrapping the whole tax code, but ''10 for 60'' will respond to the call for true simplification now.

There are plenty of examples of ways that we can simplify tax code now. The mileage deduction was intended to help not only those with business expenses, but individuals with medical, charitable and moving travel costs. However, the tax code contains three separate reimbursement rates for travel. Why should a taxpayer be required to keep three separate records for using the same car?

The Earned Income Tax Credit (EITC), designed to help low income families and reward work, is good policy. In fact, an analysis by the non-partisan Center on Budget and Policy Priorities, reveals that the EITC ''lifts more children out of poverty than any other government program.'' Yet, this single credit has been changed twelve times in the past 20 years. The credit contains nine eligibility standards and could require one checklist, two worksheets, one schedule and a normal 1040 to complete.

Congress should focus on what the taxpayers really need—true tax simplification. Concrete proposals already exist to simplify the existing tax code with minimal revenue changes. The House included in the IRS Restructuring and Reform Act the requirement that any new tax legislation include a complexity analysis before enactment. Why not apply such an analysis to existing provisions of law?

Tax simplification this year is an achievable goal but not if Congress gets bogged down in debating unrealistic gimmicks and proposals to abolish the tax code or initiate other radical changes. These are Trojan horses being advanced as tax simplification. It is time to address real tax simplification as more than a rhetorical tool and to make it a policy priority. My ''10 for 60'' resolution places the American taxpayer, not politics, first by focusing on real, attainable tax simplification for this year. My resolution gives everyone something they need more of—time.

I urge my Colleagues to join with me in rejecting this political document and instead, make tax simplification a reality in 1998. It is time to get something positive done. Congress needs to get to work on good policy. That is the best politics. There is plenty to do, the majority leadership need not invent issues like H.R. 3097 to distract Congress or the American people from the real issues which are here and waiting for action!

Mr. CASTLE. Mr. Speaker, like everyone, I am severely distressed about the complexity of the tax code and the high rate of taxes. As a nation, each year we spend 5.2 billion hours complying with and enforcing the tax code. That is more hours than the Department of Defense spends defending the nation.

My first instinct when I hear statistics like this is to tear the tax code up by its roots and replace it with a simplified system. However, the plain facts are that in our complex, hi-tech global economy, such a move would introduce tremendous uncertainty into our markets and threaten the sustained prosperity this nation is enjoying. Unemployment is at its lowest rate in 28 years, 16 million new jobs have been created, and CBO projects that we will have a budget surplus for the first time since 1969.

The simple fact is that businesses, families, and charities need to plan. Without a tax code in place, families looking to buy homes based upon the tax advantages of the home mortgage deduction would hold off their purchase thus crippling the housing market. Family health insurance would be threatened because the tax status of employer-provided health benefits would be uncertain. Businesses rely on various tax credits to give them the incentive to invest in research and development, to engage in environmentally sound behavior, and to overcome various market failures. Scraping the tax code invites the return of those market failures and the inefficiencies that accompany them. Charities rely on $80 billion in deductible charitable contributions each year. Churches, synagogues, medical research institutes, colleges, universities, and relief organizations will all face tremendous uncertainty in their annual budgets without the incentive to donate in order to lower taxes.

In addition, there is no consensus that terminating the tax code without an alternative is a good idea. It is simply irresponsible for Congress to propose eliminating the tax code without a ready substitute. There are plenty of respected sources who have been advising Congress against this. Chief among them are our own constituents. The Republican National Committee reportedly found that most voters oppose the Act because they believe it will create dangerous economic risks. NFIB may have 500,000 signatures supporting the Act, but there are many more businessmen and there who oppose it. The US Chamber of Commerce polled their members and found significant division on whether the tax code should be terminated and which reform proposal should replace it. The National Association of Manufacturers opposes the Act. The tax directors from the 2,800 largest American corporations have said that ''individuals and businesses—the U.S. economy as a whole—cannot convert to a new system with the ease of flicking a light switch.''

Congress should stay on track with IRS reform and annual manageable tax cuts. Before the July 4th recess, Congress will likely vote to create a taxpayer friendly, accountable IRS. Federal and State governments are passing sensible tax cuts that promote investment and economic growth. This is a much better approach that scraping the code altogether and risk crippling the economy in the process. Let's work toward fundamental reform of the tax code, but do not throw out the tax code before we have a new one in sight.''

When I was a child and wanted to get something my way. I would argue to my mother that everyone else was doing it. She would respond, ''if everyone was jumping off a cliff with darkness below, would you jump just because everyone else was doing it? I would hope that Congress would not risk our economic prosperity by jumping off this cliff into darkness.

Mr. BEREUTER. Mr. Speaker, this Member opposes H.R. 3097, the Tax Code Termination

Act, both as introduced and in the form of the Manager's Amendment.

Before going into the reasoning behind this opposition, this Member would like to preface his comments by the following statement. This Member unequivocally believes that substantial but very careful reform is needed for the U.S. tax Code. Examples abound of inefficiencies and counterproductive elements of the Internal Revenue Code as it operates today. However, this Member opposes H.R. 3097 for the following four reasons:

(1) This Member does not think that we should delay decision-making as H.R. 3097 does. We need to decide today's issues today and not defer them to tomorrow.

(2) H.R. 3097 fails for its lack of precision. H.R. 3097, in its manager's amendment version, would sunset the current tax code effective December 31, 2002. It is certainly not legislatively wise to eliminate the tax code without an alternative to replace it with. If such major action should be taken as contemplated by H.R. 3097, a precise alternative of a federal tax system needs to be simultaneously discussed.

(3) This Member does not support this legislation because it could dramatically discourage investment as investors are faced with great uncertainty. If H.R. 3097 is passed, Americans will be in a state of great confusion and apprehension until a replacement tax code is enacted, which could be as late as December 31, 2002 (the manager's substitute amendment date). We are in June of 1998. It may be 4½ years until a new tax system is passed, if H.R. 3097 is adopted. Members of the House need to put themselves in the position of their constituents. For example, can a corporation make a prudent investment decision if they do not know what the tax consequences will be of that decision just a few years hence? No, they cannot. Will investors continue to be as ready to buy tax-exempt bonds if they are not sure whether this tax exempt status will continue?

Another example of the potentially very negative effects of H.R. 3097 concerns the mortgage interest deduction. A young family, who desires to purchase a home for the first time, will not know in the future if they can count on the mortgage interest deduction if H.R. 3097 is passed. In fact, this uncertainty may be enough to deter someone from purchasing a house until a replacement tax code is in place.

(4) H.R. 3097 would have a negative effect on state and local entities. For example, there would surely be a lack of confidence in private municipal bonds due to the uncertainty created by H.R. 3097. Certainly, local school districts could be adversely affected, along with most other varieties of local governmental bodies.

Mr. Speaker, for these four reasons just briefly described by limited available examples, this Member must oppose H.R. 3097. We need a fundamental reexamination of America's Federal tax code and it should begin now, but rash action like H.R. 3097 is most assuredly not the way to proceed. It would have a chilling effect upon our economy and cause greater difficulty in pubic and private decision-making. All that is lacking to begin such a comprehensive review and reform of our Federal system of taxation is the will or commitment to begin and the organizational and legislative skills to implement such changes. With such a narrow majority in this House, it will also take bipartisan cooperation and good will.

Mr. BLUMENAUER. Mr. Speaker, I have worked my entire life to improve the fairness of the tax code—first in Oregon and now as a member of the House of Representatives. I also know how politics work.

It is irresponsible to vote for a massive change without telling the American people how this will impact them. No one knows what would replace the current tax code—who is going to win, who is going to lose, and why. Improving the tax code is of critical importance and I welcome an open national discussion and full congressional debate on the merits of real proposals. However, I cannot support H.R. 3097.

Ms. DELAURO. Mr. Speaker, I rise in strong opposition to this bill.

I agree with my colleagues that our tax code is far too complex, and that hard working middle class families are paying too much in taxes. In fact, the first bill I introduced as a member of Congress was the Middle Class Tax Relief Act. But this bill is not the solution.

But do you wonder why the sponsors of this bill are in such a hurry to eliminate the tax without saying what they would replace it with? They are pushing flat tax or sales tax systems that would reduce taxes for the wealthiest Americans, and raise them for the rest of us. Flat tax sounds easy, doesn't it? Only this tax medication is pure snake oil for the middle class.

According to the Treasury Department, under Mr. Armey's 17% flat tax, the typical middle-income family would see its federal taxes increase by about $1,500. By contrast, the richest 1% of taxpayers get an average tax cut of $44,000.

And if we adopted a sales tax instead, there would be a new 30% tax on everything you buy. A monthly prescription for a senior's blood pressure medication which currently costs around $110 would go up to $143. A $23 box of diapers would increase to $29.90. A pair of children's shoes which costs $20 would go up to $26. And who bears the brunt of this tax increase? Hard working middle class people.

This bill is also opposed by the business community. Business needs to know what the tax law will be so they can make informed and rational economic decisions. Ignorance about the tax consequences of investment decisions could have a crippling effect on the economy. That's why the National Association of Realtors, National Association of Manufacturers, Mortgage Bankers Association and National Small Business United have publicly opposed this proposal as irresponsible.

Finally, the Republican plan to scrap the code would also scrap the American Dream for millions of working families who depend on the mortgage interest deduction and the deduction for real property taxes to afford their home. Today, the average mortgage interest deduction for the 29 million Americans who have home mortgage expenses is almost $7,000.

I urge my colleagues to reject this radical proposal. Let's work together for the real tax reform.

Mr. WATTS of Oklahoma. Mr. Speaker, I rise in support of H.R. 3097, the Tax Code Termination Act. America's income tax code is a heavy and complex burden for America's families and small businesses. The complete income tax code is, in fact, 3,400 pages long. No wonder so many Americans are fed up with the federal tax code and want Congress to enact a simpler tax code. This is a most reasonable request.

It's bad enough that the average family's taxes are too high. According to the Tax Foundation, forty percent of the average family's income goes to pay federal, state and local taxes. Mr. Speaker, this is much too high a tax burden. The American people should not have to work for the government and only get a sixty percent commission on their earnings. Congress should take steps this year to lower taxes so hard-working Americans can keep more of their paycheck for themselves and their families.

Nonetheless, sooner or later, Congress is going to have to overhaul the tax system completely, and put in place new tax laws which are easily understood and easy to comply with. Families and small businesses should not have to spend hundreds of dollars to hire lawyers and accountants to do their taxes. A newer and simpler tax code will save taxpayers time and money.

There a good debate in Congress these days about which type of new tax code is best. Some support a flat tax, which has its merits. Others support a national sales tax, an idea which also has its merits. No matter which one of these plans is enacted, everyone in this chamber should agree that the current tax code is broken and should be replaced. The climate in America is right for such a change, and there is a consensus in the country—especially in my home state of Oklahoma—that the current income tax code should be scrapped as soon as possible, and a new code put in its place. I rise today to support these efforts, Mr. Speaker, and I urge my colleagues to do the same.

Mr. HASTERT. Mr. Speaker, I rise in support of H.R. 2097, the Tax Code Termination Act. I am pleased to be a co-sponsor of this legislation which will sunset the current tax code effective December 31, 2002 and require that Congress enact a new code by July 4, 2002. It is time that this Congress began the effort to fundamentally reform the way government collects revenue.

Mr. Speaker: The reason I support this bill is simple: The current tax code is unfair, too complex, and too burdensome on America's families. The debate over the tax code is now becoming one on not whether it should be replaced, but how to do it. Whether it's a flat tax or a national sales tax, I believe that the federal income tax is economically destructive and that almost any alternative would be better than the status quo. I have been literally inundated by letters, calls, and emails from my constituents who are fed up with the unfairness and unnecessary complexity of our current tax code.

Mr. Speaker: Just consider these appalling statistics—the total tax burden on Americans is the highest ever, a whopping 31.7 percent of income. Not only are our taxes way too high, the size and complexity of the current code serve to compound the burden. Families and businesses spend over $225 billion per year to figure out how to comply with our federal tax code. What began, in 1913, as a one-page form, 14 pages of tax law and a top tax rate of just 7 percent has evolved into the unwieldy monster we know today. Consider this as well—the current tax code is seven million words! Lincoln's Gettysburg Address is only 269 words, and the Declaration of Independence a total 1,337 worlds.

Mr. Speaker, I have not made up my mind about the form a new tax system should take; but I am certain that no matter what replaces the current system it will undoubtedly be far superior. That is why passage of this bill is so important. Once Congress has determined that a change must occur—that the tax code will cease to exist on a date certain—one of the most important debates in the history of our great Nation can take place. In this clash of competing ideas, I am confident that we can come together on a new tax code that applies a single, low rate to all Americans, requires a supermajority of both chambers of Congress to raise new taxes, provides tax relief for working Americans, protects the rights of taxpayers and reduces tax collection abuses, eliminates the bias against savings and investment, and promotes economic growth, jobs, and opportunity.

Mr. Speaker, I am proud to be part of this historic effort today. Sunsetting the current tax code is a first step along the road to fundamental tax reform. I urge my colleagues to support this important legislation. A vote for this bill is a vote in favor of the American taxpayer and the American family.

Mr. GOODLATTE. Mr. Speaker, I rise today in support of H.R. 3097, the Tax Code Termination Act, offered by my good friend from Oklahoma, Mr. LARGENT. I want to commend the gentleman for offering this important legislation.

Mr. Speaker, our tax code is a seven million word monster that has simply grown out of control. Hard working Americans are being punished every day by a tax code that is complicated and confusing. It penalizes success, discourages growth and overburdens individuals and families.

Mr. Speaker, something's clearly wrong with our system when Money magazine asks 50 professional tax prepares to file a return for a fictional family and not one of them—not one out of fifty—came up with the same total, nor did any of the preparers calculate what Money magazine thought was the correct federal income tax. How can we expect the American people who are busy working and taking care of their families to sort through a tax code that is too complicated for professional tax preparers to figure out?

Something's wrong when Americans have to devote 5.4 billion hours each year just to comply with the tax code—that's more time than it takes to manufacture every car, truck and van made in the United States.

Something's wrong when the American people spend hundreds of billions of dollars each year to pay for tax lawyers, accountants, and other related expenses just to make sure they don't violate any of the seven thousand pages of burdensome IRS rules and regulations. That's money taken from the taxpayers' pockets that could be put toward retirement savings or invested to pay for the child's education.

The Tax Code Termination Act will force us to work together to develop a new system. By setting definite date when the current, abusive code is terminated, we will ensure that action is taken immediately to study new and innovative proposals to create a system that is simple and fair to every American.

Mr. Speaker, our system is broken. It's time to stand up for the American people and scrap this abusive tax code. It's time we take action and get this monster off the back of the American people once and for all.

I urge my colleagues to vote in favor of this important legislation.

Mr. ARCHER. Mr. Speaker, the issue before us today presents a simple question—whose side are you on?

Are you a defender of the unfair, complicated, high-tax status quo, or are you in favor of reform? If you support reform, then I urge you to join me in a bipartisan show of support for changing the code.

I support nothing less than pulling the code out by its roots and throwing it away so it never grows back. The current code is unfair, punitive, anti-growth, and anti-taxpayer. American workers today are caught in a tax trap. The longer they work, the harder they work, the more they pay.

I want to create a new code that says the more you spend, the more you pay. We need to stop punishing success in this country and start toward savings and hard work.

Mr. Speaker some have asked me why, if I feel so strongly about this, am I not passing a bill to create this new tax code today.

If I thought for a minute that President Clinton would join this Congress in pursuing a new tax code, we would today be voting on a replacement code instead of sunsetting the current code.

Unfortunately, President Clinton has given no sign that he will abandon his embrace of the tax status quo. As a result we are passing this measure to highlight the importance of this issue and to establish its proper place as a top priority in our national agenda.

Perhaps this vote will help the President to join with us next year in making the sunset a reality. I haven't given up hope and I urge the President to join with us.

Before I close, let me address the ''sky is falling'' opponents of this bill who claim uncertainty and havoc will be created in the marketplace as a result of this measure.

Mr. Speaker, the stock market today is up almost 200 points. If their doomsday predictions were right, the market would be in sharp decline. The markets, being smarter than politicians, recognize this measure for what it is.

It's a very powerful symbol of where we want to go. That's why I urge my friends in both parties to show that you want to take this nation in the right direction and that you don't support the failed status quo.

Join me in voting to sunset the code.

The SPEAKER pro tempore (Mr. EVERETT). All time for general debate has expired.

Pursuant to House Resolution 472, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. RANGEL. Yes, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RANGEL moves to recommit the bill H.R. 3097 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. COMPREHENSIVE REFORM OF TAX CODE.

(a) DEADLINE.—It is the sense of Congress that comprehensive reform of the Tax Code should be enacted not later than April 15, 2001.

(b) PRINCIPLES.—Any comprehensive reform of the Tax Code shall be consistent with the following principles:

(1) Such reform shall be fiscally responsible and not endanger the Balanced Budget Agreement.

(2) Such reform shall be fair to all income classes.

(3) Such reform shall emphasize simplicity, thereby resulting in a Tax Code that is less complicated.

(4) Such reform shall promote economic growth by encouraging savings and investment.

(5) Such reform shall ensure adequate funding for the Social Security and Medicare Trust Funds, both for current beneficiaries and future beneficiaries.

(c) IMPLEMENTATION.—Not later than 30 days after the date of enactment of this Act, the Committee on Ways and Means of the House of Representatives should commence hearings on proposals for comprehensive tax reform. Such hearings should, at a minimum, involve an examination of the impact of current and prospective tax restructuring plans on—

(1) availability of employer-provided health care,

(2) employer pension plans,

(3) home ownership,

(4) charitable organizations,

(5) State and local governments, and

(6) farmers and other small businesses.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes in support of his motion.

Mr. RANGEL. Mr. Speaker, under the rule, only one Member may offer the recommittal motion. But in the spirit of trying to have broad-based support for what we are going to do and to make certain that we did not have this frightening idea where the original legislation said that they should do the right thing by having a bill, we say they do not repeal it unless they do the right thing by having a bill.

But we Democrats all do not think alike; and, so, what we have done is try to work together now to see what we could work with so that if we were the majority, we would be able to come to the Republicans and say, what can we do as a Congress for the people of the United States, not what we can do for the Democratic Speaker.

Mr. Speaker, I yield to the gentleman from Florida (Mr. BOYD), my cosponsor.

Mr. BOYD. Mr. Speaker, I want to thank my friend the gentleman from New York (Mr. RANGEL) for allowing me this time to talk about this motion.

First of all, I want to say to my friend from Oklahoma (Mr. LARGENT) that I believe that his intentions are very good in trying to move this debate forward, in trying to develop something that serves this country better. I certainly do not question those intentions.

I spent the last couple hours watching on television, though, as Member after Member came to the podium; and, basically, it was a partisan shouting match, and that somewhat disappointed me that we carried it to that level.

My colleagues, we live in the greatest country in the world. Our economy is clicking at a rate that it has not clicked at for more than 50 years. Certainly, there is nothing perfect about our Tax Code, and I believe that it needs changing. But I think we ought to be very careful in the way that we change that.

I agree that the Tax Code needs to be reformed. There are some parts of the Tax Code, however, which provide real benefits to millions of taxpayers that will be thrown out if this bill is enacted. Any business owner knows there are many important decisions which are made, at least in part, because of the tax treatment those investments receive.

As a former State legislator, I am well aware of the important role municipal and State bonds play in funding new schools, roads, and other infrastructure construction. This bill could throw the bond market into chaos as municipal bondholders and State and local governments who offer those bonds will not know how the Tax Code will treat their investments after the year 2002.

Every day business owners make decisions based on the tax treatment of certain investments. Hiring new employees, purchasing new equipment, those are decisions which are influenced by the Tax Code. Upsetting the Tax Code could paralyze investment in new plants and equipment because business owners will be unwilling to hire new employees or build new manufacturing facilities because of the uncertainty this bill would create.

Under the current Tax Code, employers who provide insurance benefits to their employees receive 100 percent tax deduction. This bill would scrap that provision and cause many businesses to eliminate health insurance benefits for their employees.

Yesterday, the National Association of Manufacturers announced their opposition to this bill because it does not allow businesses to plan for the future.

□ 1500

Also, I heard earlier that the Chamber of Commerce had taken a position that they were going to score this in opposition to this but there may have been some calls from some very important Members of this body who have changed their mind. I am unclear at this point as we begin to take a vote on it whether that will be done.

It is clear that the vast majority of business owners realize sunsetting the Tax Code is an irresponsible move that will jeopardize our country's remarkable economic growth.

The motion to recommit before Members now seeks to address the problems in this bill and pushes the Committee on Ways and Means to do something it should have been doing for months, hold comprehensive hearings on reforming the Tax Code. H.R. 3097 states the obvious, that the current Tax Code needs to be reformed. Unfortunately, it leaves the hard work of developing a fair and understandable replacement to a future Congress.

I urge my colleagues to support the Rangel-Boyd-Tanner-Stenholm motion to recommit and send this bill back to the Committee on Ways and Means so we can get a responsible piece of legislation that addresses the needs of business owners and taxpayers.

Mr. RANGEL. Mr. Speaker, Members have heard how we have tried to come together and work together with the diversity that we have in the Democratic Party, in hoping that if we were going to have meaningful legislation, that no one party can do it, it takes Republicans and Democrats coming together and doing what is best for the American people, not just someone just singularly saying that they are going to deep-six the Code.

In our recommittal, we say that it has to be fiscally responsible. We do not want to have the reputation of closing down government. We say that it has to be fair. We say that it has to emphasize simplicity, and it has to encourage economic growth and competition.

We have certain things that we think are so important in the Tax Code that we hope that Members would vote for what the gentleman from Tennessee (Mr. TANNER) has contributed to, and that would be the Boyd-Tanner-Rangel-Stenholm recommittal motion.

The SPEAKER pro tempore (Mr. EVERETT). Is the gentleman from Kentucky (Mr. BUNNING) opposed to the motion?

Mr. BUNNING. Mr. Speaker, I am opposed to the motion.

The SPEAKER pro tempore. The gentleman from Kentucky is recognized for 5 minutes.

Mr. BUNNING. Mr. Speaker, I yield to the gentleman from Georgia (Mr. GINGRICH), the Speaker of the House.

Mr. GINGRICH. Mr. Speaker, I thank the gentleman from Kentucky for yielding.

Mr. Speaker, I rise in strong opposition to this motion to recommit, because I think it is a clever device to avoid the changes that are necessary.

The question here is very simple: Do you believe the current Internal Revenue Code, thousands of pages, described differently in every region of the country by the Internal Revenue Service, total uncertainty about what is involved, millions of pages of filings every year, actually 2.2 billion pages filed annually. If you think this is a good system, if you want to defend this system, you should vote for the motion to recommit. Because it is a smoke screen designed to avoid change.

On the other hand, if you think the time has come to send a clear signal, the President of the United States should start to prepare to replace the current cumbersome, complex code with a much simpler version. The President could propose a simplified flat tax, the President could propose a replacement with a consumption tax, but the President should recognize that the American people are tired of thousands of pages of regulations, of audits they do not understand, by agents they cannot talk with, from a bureaucracy they cannot control. This bill says, the Congress is committed to replacing the current Internal Revenue Code.

It is ironic. I actually had a copy of the 1913 tax filing form. It is two pages. The entire form is two pages, and the instructions that were sent out with it, they were two pages. Today you cannot even get through the introduction to the introduction of the basic outline to the simplified form in two pages.

Mr. Speaker, I would say to the gentleman from New York, this is a nice effort to avoid the issue. If you do not want us to replace the code, vote ''no'' when the bill comes up for final passage. Stand proudly with the current Internal Revenue Service. Stand proudly with the current complicated code. But then you go back home to your small businessman and your small businesswoman and you tell them why you did not want to help relieve them of the tax burden and relieve them of the paperwork burden and relieve them of all the attorneys' fees and all the accounting fees and all the bookkeeper fees.

Mr. Speaker, I am delighted that the gentleman from Oklahoma (Mr. LARGENT) and the gentleman from New York (Mr. PAXON), working closely with the National Federation of Independent Businesses and 600,000 businessmen and businesswomen, people like my daughter Kathy who owns a small coffee store and who knows how many hours she puts in personally because she is her own bookkeeper, she knows how much it means to her to pay her accountant, she knows how complex the code is, she knows how difficult the IRS is to deal with, and they have had the courage, LARGENT and PAXON, to have come to this floor and said, ''Let's draw a line in the sand. We want to replace the current Tax Code by the end of 2002.'' That is clearly plenty of time. That is clearly reasonable notice.

That gives us the entire next Congress to think it out, to lay it out. It gives the presidential candidates time to lay it out. It means this country can debate it in 2000. It means in 2001 the new President can recommend a specific replacement. It means by 2002 we can have passed it and sent it to the President.

It is an orderly, practical and reasonable step. And to suggest that we replace that with a press release that, instead of having a real law offering a real change, we have a press release sense of the Congress resolution, I think, is an insult to every American

who wants to replace the code and an insult to every American who is fed up with the Internal Revenue Service.

I urge my colleagues, vote ''no'' on the motion to recommit, vote ''yes'' on final passage. This is the right signal that we are going to move toward a better Tax Code for all Americans.

CALL OF THE HOUSE

Mr. BUNNING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 237]

ANSWERED ''PRESENT''—413

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
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
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Olver
Ortiz
Owens
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
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
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
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

□ 1525

The SPEAKER pro tempore (Mr. EVERETT). On this rollcall, 413 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

TAX CODE TERMINATION ACT

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 203, nays 223, not voting 7, as follows:

[Roll No 238]

YEAS—203

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Bereuter
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Ganske
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn
Yates

NAYS—223

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman

Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—7

Cooksey
Dreier
Gonzalez
Hastings (FL)
Lewis (CA)
McNulty
Wise

□ 1543

Mr. SMITH of Michigan changed his vote from ''yea'' to ''nay.''

Mr. FRANK of Massachusetts changed his vote from ''nay'' to ''yea.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DREIER. Mr. Speaker, I would like the RECORD to show that I was in the chamber when the gavel went down without allowing the 2-minute grace period on the recommittal motion on H.R. 3079. I would like the RECORD to show that, had I been recorded at that time, I would have voted against the recommittal motion.

The SPEAKER pro tempore (Mr. PEASE). The question is on the passage of the bill.

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

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 209, not voting 6, as follows:

[Roll No. 239]

AYES—219

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lazio
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Maloney (CT)
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Strickland
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Young (AK)
Young (FL)

NOES—209

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
LaHood
Lampson
Lantos
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Upton
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Wolf
Woolsey
Wynn
Yates

NOT VOTING—6

Cooksey
Gonzalez
Hastings (FL)
Lewis (CA)
McIntosh
McNulty

□ 1600

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on table.

PERSONAL EXPLANATION

Mr. MCINTOSH. Mr. Speaker, I ask that the RECORD reflect concerning H.R. 3097, the Tax Code Termination Act, that I was detained in subcommittee hearings and unable to make the vote on final passage. I am delighted that the measure passed 219 to 209, and, as an original cosponsor of that bill, I would have voted yes, and I ask the RECORD reflect that.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H. RES. 463, ESTABLISHING THE SELECT COMMITTEE ON U.S. NATIONAL SECURITY AND MILITARY/COMMERCIAL CONCERNS WITH THE PEOPLE'S REPUBLIC OF CHINA

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 105–583) on the resolution (H. Res. 476) providing for consideration of the resolution (H. Res. 463) to establish the Select Committee on U.S. National

Security and Military/Commercial Concerns with the People's Republic of China, which was referred to the House Calendar and ordered to be printed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 4 o'clock and 03 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1638

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. NEY) at 4 o'clock and 38 minutes p.m.

PERSONAL EXPLANATION

Ms. LOFGREN. Mr. Speaker, yesterday United Airlines Flight 200, the 8 a.m. flight from San Francisco, took off 2 hours late. All the passengers were delayed 2 hours. I missed 2 rollcall votes as a consequence and would ask the RECORD to show had I been present I would have voted yes on Rollcall 232 and 233.

□ 1638

BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

The SPEAKER pro tempore (Mr. NEY). Pursuant to House Resolution 442 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2183.

□ 1639

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, with Mr. PEASE (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore (Mr. PEASE). When the Committee of the Whole House rose on Friday, May 22, 1998, all time for general debate had expired.

Pursuant to House Resolution 442, the bill is considered read for amendment under the 5-minute rule.

The text of H.R. 2183 is as follows:

H.R. 2183

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 ''Bipartisan Campaign Integrity Act of 1997''.

TITLE I—SOFT MONEY AND CONTRIBUTIONS AND EXPENDITURES OF POLITICAL PARTIES

SEC. 101. BAN ON SOFT MONEY OF NATIONAL POLITICAL PARTIES AND CANDIDATES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''BAN ON USE OF SOFT MONEY BY NATIONAL POLITICAL PARTIES AND CANDIDATES

''SEC. 323. (a) NATIONAL PARTIES.—A national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees, may not solicit, receive, or direct any contributions, donations, or transfers of funds, or spend any funds, which are not subject to the limitations, prohibitions, and reporting requirements of this Act. This subsection shall apply to any entity that is established, financed, maintained, or controlled (directly or indirectly) by, or acting on behalf of, a national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees.

''(b) CANDIDATES.—

''(1) IN GENERAL.—No candidate for Federal office, individual holding Federal office, or any agent of such candidate or officeholder may solicit, receive, or direct—

''(A) any funds in connection with any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of this Act;

''(B) any funds that are to be expended in connection with any election for other than a Federal office unless such funds are not in excess of the amounts permitted with respect to contributions to Federal candidates and political committees under section 315(a)(1) and (2), and are not from sources prohibited from making contributions by this Act with respect to elections for Federal office; or

''(C) any funds on behalf of any person which are not subject to the limitations, prohibitions, and reporting requirements of this Act if such funds are for the purpose of financing any activity on behalf of a candidate for election for Federal office or any communication which refers to a clearly identified candidate for election for Federal office.

''(2) EXCEPTION FOR CERTAIN ACTIVITIES.—Paragraph (1) shall not apply to—

''(A) the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee; or

''(B) the attendance by an individual who holds Federal office at a fundraising event for a State or local committee of a political party of the State which the individual represents as a Federal officeholder, if the event is held in such State.

''(c) PROHIBITING TRANSFERS OF NON-FEDERAL FUNDS BETWEEN STATE PARTIES.—A State committee of a political party may not transfer any funds to a State committee of a political party of another State unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) APPLICABILITY TO FUNDS FROM ALL SOURCES.—This section shall apply with respect to funds of any individual, corporation, labor organization, or other person.''.

SEC. 102. INCREASE IN AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS TO POLITICAL PARTIES.

(a) IN GENERAL.—The first sentence of section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''in any calendar year'' and inserting the following: ''to political committees of political parties, or contributions aggregating more than $25,000 to any other persons, in any calendar year''.

(b) CONFORMING AMENDMENT.—Section 315(a)(1)(B) of such Act (2 U.S.C. 441a(a)(1)(B)) is amended by striking ''$20,000'' and inserting ''$25,000''.

SEC. 103. REPEAL OF LIMITATIONS ON AMOUNT OF COORDINATED EXPENDITURES BY POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by striking paragraphs (2) and (3).

(b) CONFORMING AMENDMENTS.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended—

(1) by striking ''(d)(1)'' and inserting ''(d)''; and

(2) by striking '', subject to the limitations contained in paragraphs (2) and (3) of this subsection''.

TITLE II—INDEXING CONTRIBUTION LIMITS

SEC. 201. INDEXING CONTRIBUTION LIMITS.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by adding at the end the following new paragraph:

''(3)(A) The amount of each limitation established under subsection (a) shall be adjusted as follows:

''(i) For calendar year 1999, each such amount shall be equal to the amount described in such subsection, increased (in a compounded manner) by the percentage increase in the price index (as defined in subsection (c)(2)) for each of the years 1997 through 1998.

''(ii) For calendar year 2003 and each fourth subsequent year, each such amount shall be equal to the amount for the fourth previous year (as adjusted under this subparagraph), increased (in a compounded manner) by the percentage increase in the price index for each of the four previous years.

''(B) In the case of any amount adjusted under this subparagraph which is not a multiple of $100, the amount shall be rounded to the nearest multiple of $100.''.

TITLE III—EXPANDING DISCLOSURE OF CAMPAIGN FINANCE INFORMATION

SEC. 301. DISCLOSURE OF CERTAIN COMMUNICATIONS.

(a) IN GENERAL.—Any person who expends an aggregate amount of funds during a calendar year in excess of $25,000 for communications described in subsection (b) relating to a single candidate for election for Federal office (or an aggregate amount of funds during a calendar year in excess of $100,000 for all such communications relating to all such candidates) shall file a report describing the amount expended for such communications, together with the person's address and phone number (or, if appropriate, the address and phone number of the person's principal officer).

(b) COMMUNICATIONS DESCRIBED.—A communication described in this subsection is any communication which is broadcast to the general public through radio or television and which mentions or includes (by name, representation, or likeness) any candidate for election for Senator or for Representative in (or Delegate or Resident Commissioner to) the Congress, other than any communication which would be described in clause (i), (iii), or (v) of section 301(9)(B) of the Federal Election Campaign Act of 1971 if the payment were an expenditure under such section.

(c) DEADLINE FOR FILING.—A person shall file a report required under subsection (a) not later than 7 days after the person first expends the applicable amount of funds described in such subsection, except that in the

case of a person who first expends such an amount within 10 days of an election, the report shall be filed not later than 24 hours after the person first expends such amount. For purposes of the previous sentence, the term ''election'' shall have the meaning given such term in section 301(1) of the Federal Election Campaign Act of 1971.

(d) PLACE OF SUBMISSION.—Reports required under subsection (a) shall be submitted—

(1) to the Clerk of the House of Representatives, in the case of a communication involving a candidate for election for Representative in (or Delegate or Resident Commissioner to) the Congress; and

(2) to the Secretary of the Senate, in the case of a communication involving a candidate for election for Senator.

(e) PENALTIES.—Whoever knowingly fails to—

(1) remedy a defective filing within 60 days after notice of such a defect by the Secretary of the Senate or the Clerk of the House of Representatives; or

(2) comply with any other provision of this section,

shall, upon proof of such knowing violation by a preponderance of the evidence, be subject to a civil fine of not more than $50,000, depending on the extent and gravity of the violation.

SEC. 302. REQUIRING MONTHLY FILING OF REPORTS.

(a) PRINCIPAL CAMPAIGN COMMITTEES.—Section 304(a)(2)(A)(iii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)(iii)) is amended to read as follows:

''(iii) monthly reports, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of the year, a pre-general election report shall be filed in accordance with clause (i), a post-general election report shall be filed in accordance with clause (ii), and a year end report shall be filed no later than January 31 of the following calendar year.''.

(b) OTHER POLITICAL COMMITTEES.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended to read as follows:

''(4)(A) In a calendar year in which a regularly scheduled general election is held, all political committees other than authorized committees of a candidate shall file—

''(i) monthly reports, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of the year, a pre-general election report shall be filed in accordance with paragraph clause (ii), a post-general election report shall be filed in accordance with clause (iii), and a year end report shall be filed no later than January 31 of the following calendar year;

''(ii) a pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election, and which shall be complete as of the 20th day before the election; and

''(iii) a post-general election report, which shall be filed no later than the 30th day after the general election and which shall be complete as of the 20th day after such general election.

''(B) In any other calendar year, all political committees other than authorized committees of a candidate shall file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.''.

(c) CONFORMING AMENDMENTS.—(1) Section 304(a) of such Act (2 U.S.C. 434(a)) is amended by striking paragraph (8).

(2) Section 309(b) of such Act (2 U.S.C. 437g(b)) is amended by striking ''for the calendar quarter'' and inserting ''for the month''.

SEC. 303. MANDATORY ELECTRONIC FILING FOR CERTAIN REPORTS.

(a) IN GENERAL.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking the period at the end and inserting the following: '', except that the Commission shall require the reports to be filed and preserved by such means, format, or method, unless the aggregate amount of contributions or expenditures (as the case may be) reported by the committee in all reports filed with respect to the election involved (taking into account the period covered by the report) is less than $50,000.''.

(b) PROVIDING STANDARDIZED SOFTWARE PACKAGE.—Section 304(a)(11) of such Act (2 U.S.C. 434(a)(11)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) The Commission shall make available without charge a standardized package of software to enable persons filing reports by electronic means to meet the requirements of this paragraph.''.

SEC. 304. WAIVER OF ''BEST EFFORTS'' EXCEPTION FOR INFORMATION ON OCCUPATION OF INDIVIDUAL CONTRIBUTORS.

Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

(1) by striking ''(i) When the treasurer'' and inserting ''(i)(1) Except as provided in paragraph (2), when the treasurer''; and

(2) by adding at the end the following new paragraph:

''(2) Paragraph (1) shall not apply with respect to information regarding the occupation or the name of the employer of any individual who makes a contribution or contributions aggregating more than $200 during a calendar year (as required to be provided under subsection (c)(3)).''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

This Act and the amendments made by this Act shall apply with respect to elections occurring after January 1999.

The CHAIRMAN pro tempore. Before consideration of any other amendment, it shall be in order to consider the amendments in the nature of a substitute specified in House Report 105–545. Each amendment shall be considered in the order specified, may be offered only by the Member who caused it to be printed in the CONGRESSIONAL RECORD or his designee, shall be considered read, and shall not be subject to a substitute amendment or to a perfecting amendment carrying a tax or tariff measure.

Consideration of each amendment specified in the report shall begin with an additional period of general debate, which shall be confined to the subject of the amendment and shall not exceed 1 hour, equally divided and controlled by the Member causing the amendment to be printed in the CONGRESSIONAL RECORD or his designee and an opponent.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

If more than one of the amendments specified in the report is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted. In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

It is now in order to debate the subject matter of the amendment printed in the CONGRESSIONAL RECORD as number 16.

Pursuant to House Resolution 442, the gentleman from Washington (Mr. WHITE) and a Member opposed each will control 30 minutes.

Mr. GEJDENSON. Mr. Chairman, I rise in opposition to the bill and claim the 30 minutes in opposition.

The CHAIRMAN pro tempore. The gentleman from Connecticut will be recognized for 30 minutes.

Mr. GEJDENSON. Mr. Speaker, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently, a quorum is not present.

Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 240]

ANSWERED ''PRESENT''—392

Abercrombie	Bliley	Capps
Ackerman	Blumenauer	Cardin
Aderholt	Blunt	Carson
Allen	Boehlert	Castle
Andrews	Boehner	Chabot
Armey	Bonilla	Chambliss
Bachus	Bonior	Chenoweth
Baesler	Bono	Clay
Baker	Borski	Clayton
Baldacci	Boswell	Clement
Ballenger	Boucher	Clyburn
Barcia	Boyd	Coble
Barr	Brady (PA)	Coburn
Barrett (NE)	Brown (CA)	Collins
Barrett (WI)	Brown (FL)	Combest
Bartlett	Brown (OH)	Condit
Barton	Bryant	Conyers
Bass	Bunning	Cook
Bateman	Burr	Costello
Bentsen	Burton	Cox
Bereuter	Buyer	Coyne
Berman	Callahan	Cramer
Berry	Calvert	Crane
Bilbray	Camp	Crapo
Bilirakis	Campbell	Cubin
Bishop	Canady	Cummings
Blagojevich	Cannon	Cunningham

Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn

□ 1705

The CHAIRMAN pro tempore (Mr. PEASE). Three hundred ninety-two Members have answered to their names, a quorum is present, and the Committee will resume its business.

It is now in order to debate the subject matter of the amendment printed in the CONGRESSIONAL RECORD as Amendment Number 16.

Pursuant to House Resolution 442, the gentleman from Washington (Mr. WHITE) will control 30 minutes, and the gentleman from Connecticut (Mr. GEJDENSON) will control 30 minutes.

Mr. GEJDENSON. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio (Mr. NEY) control 7 minutes of my time.

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

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. NEY) will be recognized for 7 minutes, and the gentleman from Connecticut (Mr. GEJDENSON) will be recognized for 23 minutes.

The Chair recognizes the gentleman from Washington (Mr. WHITE).

Mr. WHITE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I waited for this day for a long time, and I think many of us in this Chamber have waited for a long time for the day where we would have a full, fair and open debate on campaign finance reform. I feel like I have waited a particularly long time though because the bill that we are considering now, my substitute to the base bill, was the first bill I introduced as a Member of Congress.

Mr. Chairman, it was about 3 years ago that a group of citizens from my district came into my office and said, ''You know, you guys just don't get it back in Washington, D.C. There is so much disgust at the way this process develops. We need to take a better approach to campaign finance reform, and you need to introduce a bill.''

So we did something that probably was unusual at the time. I was a new Member of Congress; I really did not know any better; so we went out and tried to find all the people we could who knew something about campaign finance reform, and we talked to a bunch of academics, we talked to people at the Federal Election Commission, talked to lots of different people, and at the end of the day we came up to a conclusion that has guided everything I have done since that time and guides this bill.

Mr. Chairman, that is the fact that the last people we can trust to reform our campaign laws are the Members of this body, the Members of the Senate, the people who got elected under the very laws we are trying to change.

Mr. Chairman, when we made that discovery, one that was not really a surprise to any of us, we drafted a bill that would take the power away from this Chamber to a bipartisan-nonpartisan group to recommend to us how we should reform our campaign finance laws. That was the commission bill. I introduced it with great pride and fanfare in 1995, and at the end of the 104th Congress, about a year later, I had two cosponsors of that bill. It was not really a very good effort in the last Congress.

So when we came back in this Congress, in the 105th Congress, we decided to take a different approach. We talked to everybody who had any sort of commission bill of any kind that they had ever introduced or ever cosponsored, we got together with lots of Democrats and lots of Republicans, and we put together one joint commission bill among Republicans and Democrats that all of us could support. That process took us a while.

Once we got the bill that we could agree on, we went out and started getting cosponsors, and I am proud to say, Mr. Chairman, that as of today we have 119 cosponsors of our bill, more bipartisan cosponsors than any other bill in the House.

That is a record of progress.

But, Mr. Chairman, a funny thing happened on the way to this floor because a bill that was designed to take politics out of this process, to give it to a neutral body, all of a sudden started to become perhaps a victim of politics, and there are lots of editorial boards, lots of special interest groups who said,

> You know what? We don't like the commission bill. We've got a bill that we like better. In fact, we know how to write the campaign finance laws better than a commission would, we don't want to give up that control, and so we think that not only do we want to change our mind about voting for the commission bill, we want to oppose any bill except our particular way of doing it.

And we heard from a number of our cosponsors that they decided not only not to speak for our bill, not only not to vote for our bill, but that they are going to vote present for our bill, kind of as a matter of protest, and we will have some more discussion about that later.

Let us talk for a moment about what this bill would do. As I said, the entire premise of this bill is that we cannot let Members of this House or of Congress write the rules that govern their own election. It is a fairly simple concept. The personal self-interest of every single Member of Congress is at stake, and it is frankly asking a lot of anyone, especially a Member of Congress, to write the rules in a way that would make it easier for them to lose their jobs.

So it is a recognition of reality. Let us set up a commission of independent people to make this choice.

Now who would be on this commission? Well, we have four Republicans,

four Democrats and four independents composing the commission of 12 people who would have 180 days to sit down and write a bill with their recommendations for what our campaign finance bills would be like. We have a procedure for picking the members of this commission that is very similar to the Base Closure Commission process designed to be as neutral as we can be in this town. We have some Republicans making some decisions, some Democrats making some decisions, the President making some decisions, but each one of them has to at least name one independent to the commission so we really do come up with an independent body.

As I said, once that happens, the commission has 180 days after the adjournment of this Congress to come back with recommendations to this House, and at that time this House and the Senate both have to vote up or down on the commission's recommendations. No amendments are allowed.

□ 1715

And I have to tell my colleagues, Mr. Chairman, that of all of the proposals that are out there, this is the only one that is going to give us real reform.

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

Mr. GEJDENSON. Mr. Chairman, I yield myself 4 minutes.

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

Mr. GEJDENSON. Mr. Chairman, we are in a process, trying to avoid a straightforward discussion of campaign finance reform. I know there are some people that believe in a commission, and commissions are not the worst things in the world, but we all get paid a salary and we are elected here to make decisions about legislation, and if we believe in representative government, we are here to represent our constituents to try to address one of the fundamental issues gnawing at the confidence of how their government operates by the American people.

Now, 157 weeks ago the Speaker of the House shook hands with the President of the United States and says, we are going to do campaign finance reform. Mr. Chairman, 157 weeks of dodging and weaving to try to avoid a vote. And then we had one day where we had this sham set up that all the papers basically wrote off as a sham, and then we came up with as convoluted a process as we could possibly come up with, and here we are today. We are passing rule upon rule, we are doing a section of debate today and a section tomorrow. Some people may validly believe in a commission, but a vote on a commission today is a vote to end the process of stepping forward with campaign finance reform.

I think Shays-Meehan, or McCain-Feingold is wholly inadequate. It does not have spending limits; it does not address some of the fundamental issues that I think are important. But in a legislative process, we either go forward or we kill the process and stop dead in our tracks.

The Republican leadership is intent on stopping the campaign finance reform process. It is astounding that they could go to such lengths, because we have to remember, they have been able to filibuster the bill to death in the Senate. So even if by some miracle we are able to get through this Congress, we are confronted with a continuing filibuster in the other body.

Mr. Chairman, 157 weeks, and what we want here is a straight up-and-down vote to at least address some of the fundamentals; the fundamentals on soft money, on independent expenditures. I think we ought to be doing more on all of these. I think the Democratic record here is one we can be proud of. We established the FEC. The Federal Elections Commission, as inadequate as that body is, there was no real review until we overrode Richard Nixon's veto.

Democrats put forth and passed the 1974 Campaign Act. Was it not for a wrong-headed Supreme Court decision, we would have better law on the books today.

In the 102nd and 103rd Congress I had the privilege of passing bills that limited PACs, that limited the amount of contributions wealthy people could give, and that limited campaign spending, one vetoed by President Bush, one filibustered to death by the Republicans in the Senate. The American people want campaigns to go back to a debate of what we believe in, of what we stand for, of what we have done, and not a race for dollars.

I had a candidate tell me a couple of days ago that he was informed by a member of the Republican Party in a race that they actually spent 3 times the money that was published in the FEC by using independent expenditures and issue advocacy. The American people want an honest accounting. They want to know where the money comes from, and they want to hear us talk about what we believe in, and not have Members of Congress spending inordinate amounts of time trying to raise money.

Defeat this proposal. Go forward with the only thing that keeps the process going.

Mr. WHITE. Mr. Chairman, I yield myself just 1 minute to respond to the gentleman from Connecticut.

I would simply make 2 points. The gentleman said that we are paid a salary to make decisions and that is absolutely right, so why in the world would anyone vote present on this bill? I ask that question. Number 2.

Mr. GEJDENSON. Mr. Chairman, I would be happy to answer that question.

Mr. WHITE. Regular order, Mr. Chairman. Regular order.

Mr. GEJDENSON. Mr. Chairman, I thought the gentleman asked me a question and wanted an answer. I am sorry.

Mr. WHITE. Mr. Chairman, the gentleman can respond on his own time.

I actually agree with the gentleman from Connecticut, there actually was a handshake between the President and the Speaker, but it was a handshake on setting up a commission. If we want to do what the President and the Speaker agreed to, we have to vote for this bill.

Mr. Chairman, I yield 7 minutes to the gentleman from New Jersey (Mr. FRANKS).

(Mr. FRANKS of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. FRANKS of New Jersey. Mr. Chairman, I sincerely hope that the process that we have begun this week will result in us delivering to the American people a campaign finance system that they can trust. The public is tired of talk and is demanding action.

Since the first day that I entered this House some 6 years ago, there is no other issue that has been the subject of more discussion off this floor than the need to change the rules under which congressional campaigns are financed. My colleagues have regularly told me they spend too much of their time raising money. They say they do not like relying so heavily on PAC contributions, and most importantly, they hate going back home and having constituents question whose agenda is at work in the Nation's capital, theirs or the special interests.

Our failure over some 20 years to meaningfully address this issue hurts all of us. It undermines public confidence in this institution and casts a cloud over every action that we take.

We now have an opportunity to put this issue behind us and begin restoring public confidence. But first, we all need to face a harsh reality. When it comes to an issue like this one, one in which all of us as Members have a vested interest in the outcome, the traditional legislative process just will not work.

Let us take a look at the long and sorry history of congressional efforts at campaign finance reform. Between 1987 and 1996, there have been 6,742 pages of hearings on campaign finance reform. There have been 3,361 floor speeches, and 29 sets of hearings have been held by 8 different congressional committees. Yet, after all of this, we find ourselves today back where we first began, talking about the need to change the system of financing campaigns.

Even on those rare occasions when this House has gone so far as to actually pass a campaign reform bill, we often acted knowing full well that it would never see the light of day in the other body.

Mr. Chairman, today we find ourselves at a crossroads. We can once again follow the failed path of relying on the traditional legislative process and hope that in contrast to all past history, this time we will be successful, or, we can bravely follow a new path.

Our independent commission would develop a legislative package of reforms that must be voted upon by both

Houses, up or down, no amendments, no tricks, no procedural barriers. There could be no delay, no stalling tactics. Our bill establishes a strict time frame for the commission to deliver its recommendations and for both Houses to actually vote on it. The commission would have 180 days from the adjournment of this Congress to deliver a legislative proposal to the floor of this House.

Some have called the commission approach a cop-out, an effort to thwart what some call real reform. Nothing could be further from the truth. In fact, the Reform Party led by Ross Perot, the man who more than any other American brought this issue to the forefront of the public's agenda, has endorsed our bill creating an independent commission.

Let me read from a letter we recently received, and I quote:

> The Reform Party agrees that true reform can only come when an outside body is convened to draft meaningful, comprehensive legislation to fix a system that is frequently abused. Current Members of Congress are too often unwilling or unable to fix this system and form the consensus needed to reform it, this system that they alone benefit from.

Our commission bill would force both Houses to act on precisely the same measure. It holds out the only real hope that we can achieve comprehensive campaign reform. For this House to pass only a proposal that has already been rejected by the Senate does not qualify us as reformers. Under that scenario, Members would go back home and take credit for addressing the issue, but in reality, they will have voted merely to place campaign finance reform in eternal limbo between 2 legislative bodies.

If we are really serious, let us stop playing the same old game, which only serves to fuel cynicism and contempt among those who are concerned about the integrity of our electoral process.

This Congress has answered a similar call in a similar situation a number of years ago when we faced another politically sensitive issue: the need to close military bases. While we all agreed with the goal of eliminating surplus military bases, no Member wanted to be in the position of voting to close down a facility in his or her district. By creating an independent base realignment and closure commission, Congress successfully completed that important mission.

The independent commission approach works. It is the best hope of restoring sanity to our campaign finance system and rebuilding public trust in this institution.

With more bipartisan cosponsors than any other campaign finance bill, the independent commission is the last, best chance for real reform in this Congress.

Mr. GEJDENSON. Mr. Chairman, it is my privilege and pleasure to yield 3 minutes to the gentleman from Missouri (Mr. GEPHARDT), the minority leader of the House.

Mr. GEPHARDT. Mr. Chairman, I rise to state that this is a good idea. The commission has much to be said for it. I have been for this proposal in the past, and I would hope that we could add this to the Shays-Meehan bill, which I believe we will be able to do. But I also rise to say that the way this procedure as written, if this bill gets the most votes, it would in effect defeat the Shays-Meehan proposal.

So I rise tonight to ask Members on both sides of the aisle to vote ''no'' on this proposal, because we will get a chance to add it, if we get that far, to the Shays-Meehan proposal, so it rightly could be added to that proposal. All of us know that while Shays-Meehan is good reform and has a lot of the elements that we think is the first big step of reform, there is a lot more that needs to be done, and this commission could start as we pass Shays-Meehan and could look at other reforms that we could do in the future.

I want to especially commend the Members in the Republican Party who have worked so hard with Members in our party to try to get Shays-Meehan to be the bill that comes out of this process. As the last speaker said, campaign reform is hard to do. It is complicated. Everybody is an expert here because we all run in our own campaigns, and we all have a little bit different idea of what the right reforms are.

But in my mind, I believe that Shays-Meehan is the best bill that we can do at this point in time. It is supported by many, many outside organizations. It does attack both soft money and independent expenditures which I think most Members and observers believe are the major areas that have been abused.

We can do it now. We can do it this month. We can get it off to the Senate and try to get a bill out of the Senate that would be similar. By voting ''no'' on the commission or voting ''present,'' we are not really voting ''no'' for it on the last chance we will have. We can put it onto the Shays-Meehan bill and have the best of both worlds.

So in the spirit of bipartisanship, in the spirit of reform, in the spirit of getting something meaningful done, which I think the American people desperately want us to do in this Congress, I urge Members to vote ''no'' or ''present'' on this very good commission proposal; I urge Members to add it to the Shays-Meehan bill when we get the chance, and I urge Members on both sides of the aisle to vote for Shays-Meehan to give it the greatest vote so that under this process, it is the bill we vote on last and it is the bill that we send to the Senate.

□ 1730

Mr. WHITE. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, it was very interesting to listen to the previous speaker, and I recognize his sincere desire to try to reform the campaign finance laws. But I would say to the gentleman, and I would say to the Members on the other side, it is a perfect example of the reason we will not have campaign finance reform because the reason he wants to vote ''present'' on this bill, or even against it, is because he wants to do it his way. He cannot bear to give up the ability to write the rules himself, to write the rules in this House so that we get to control the process by which we get elected.

Mr. Chairman, we have been down that path so many times before. The list of failed efforts at campaign finance reform that we have had since 1974 fills a whole column in the Washington Post.

Mr. Chairman, I include for the RECORD the following list:

FAILED EFFORTS—SUMMARY OF ATTEMPTS AT CAMPAIGN FINANCE REFORM

1974.—Reacting to Watergate abuses, Congress passed bill that set contribution and spending limits for candidates in federal elections and provided for public financing of presidential elections. Signed by President Gerald R. Ford.

1976.—The Supreme Court ruled that the 1974 law's spending limits violated the First Amendment.

1977.—President Jimmy Carter's proposal for spending limits and public matching funds for congressional elections was blocked by a Senate filibuster and House committee opposition.

1979.—Legislation to limit contributions from political action committees (PACs) was passed by the House but stalled in the Senate, threatened by a Republican filibuster. Public funding legislation died in the House.

1985.—Sens. David L. Boren (D-Okla.) and Barry Goldwater (R-Ariz) proposed legislation to limit PAC contributions; the Senate delayed action on it.

1986.—The Senate approved the Boren-Goldwater proposal as part of legislation that failed to pass.

1987.—A broader bill was introduced by Boren and Majority Leader Robert C. Byrd (D-W. Va), calling for voluntary spending limits, some public funding and restrictions on PAC contributions. Republicans filibustered, and Democrats failed in seven attempts to end the stalling tactics.

1988.—The bill was shelved after Democrats failed in an eighth attempt to end the GOP filibuster.

1990.—The House and Senate passed separate bills with voluntary spending limits, public funding and limits on contributions from special interests, including PACs. House-Senate conferees never met.

1991.—Both houses again approved separate bills, and President George Bush promised a veto, saying the legislation would favor Democrats.

1992.—The House and Senate agreed to a compromise on the 1991 bill and passed it, but it was vetoed by Bush. The veto was sustained.

1993.—President Clinton supported reform efforts but did not give them high priority. Both houses once again passed different bills, with the Senate favoring stronger PAC curbs than the House did.

1994.—House Democrats delayed an agreement with the Senate on the 1993 bill until fall, and Senate Republicans filibustered it to death.

1996.—A bipartisan group of senators introduced a scaled-back bill, including voluntary spending limits, a ban on PAC contributions and other curbs on special-interest giving

but without any provision for public funding. It was killed by a Republican filibuster June 25. House action on an even more limited bill is possible later this month, but chances of reconsideration by the Senate are dim.

Mr. Chairman, I would implore this House not to miss the opportunity to at least try to do the right thing. The fact is, we are going to have lots of debate on lots of different campaign finance bills. Lots of them are going to be designed simply to hurt the other party or to hurt challengers so that incumbents' positions are safer.

Mr. Chairman, I would say to my friends, go ahead and have those fights. Go ahead and try to do it their way. Go ahead and try to get 218 votes to do it their way to make sure incumbents stay in and that we get to write the rules. If it turns out their position wins, that is fine.

But, I would tell them, do not miss the opportunity to actually do it the real way. Do not miss the opportunity to actually have a fair bill. The opportunity, for once, to have somebody who does not have an axe to grind, who is not part of the inside-the-Beltway circle to write some rules that will be fair to everyone.

Mr. Chairman, I would implore all Members on both sides of the aisle not to miss the one opportunity we have today for real campaign finance reform.

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

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me this time.

Mr. Chairman, I want to state that I rise in opposition to the commission bill, but I want to express my deep appreciation to the gentleman from Washington (Mr. WHITE), my friend, for his leadership on this issue. I believe that he has been unfairly attacked by people who say that he is not genuine about reform. I do not believe there is anyone more genuine in this body about campaign finance reform than the gentleman from Washington. I want to thank him for his commitment to this issue, his dedication, and his hard work.

Mr. Chairman, under any other circumstances, I would be supporting the gentleman's bill. But they used to call Reggie Jackson ''Mr. October,'' because he hit home runs in October. This is an October bill, and yet this is June and we still have time to accomplish reform in this Congress. For that reason, I do not want to give up a present opportunity for a promise down the road.

I do believe that the commission bill is a recipe for reform, but it is a very slow-cooking recipe. And so let us not make excuses for inaction today by saying that we are going to work on it in the future or we are going to give this responsibility to a commission.

If we look at what can happen down the road if we enact the commission bill, the Senate might not pass it, which is a danger in any legislation. But whenever the commission is created, the commission members may not agree. But, most significantly, when the result is finished by the commission, it comes back to this body which could once again reject the reform which is offered by the commission.

So here at the present time, at this moment in history, we have a present alternative, an alternative we can vote on. It is on this floor for a vote. And so when we have reform on this floor for a vote, you do not take it off and indicate we are going to give it all to a commission.

Mr. Chairman, the American public expects us, this body, the elected representatives in this country, to take action. And the present alternative is the base bill, the Hutchinson-Allen freshman bill. It does a number of good things. It bans soft money. It strengthens the role of the individual in our political process. It provides for more disclosure, more information to the public. But, very importantly, it is constitutional. It respects free speech. It does not federalize State elections, and it is bipartisan.

For that reason, the gentleman from Missouri (Mr. GEPHARDT) indicated that he wanted everybody to vote for Shays-Meehan. I think it is important to remember that there are going to be a couple of significant reform votes as we go along in this process. And it might not be tomorrow, but the end game of this reform process is the freshman bill which will be voted on in the final vote.

Mr. Chairman, we hope that people who are committed to reform will respect the Constitution, will respect the role that we have in the Federal elections process and vote for the Hutchinson-Allen freshman bill.

Let me say a word about the process. I hope that we have an open debate. I think we are going to have that. I do not believe we ought to complain about this open debate. But I hope that we who are interested in reform will withdraw the amendments that we have offered to the various bills so that we can move this process through a little bit quicker and save some floor time. This is true for the Republicans and the Democrats.

Mr. Chairman, I noted that the Democrats requested before the Committee on Rules 74 amendments to the different substitutes that have been offered. I think that we ought to calm down. We ought to pull the requests down. Let us speed up the process. Let us work together to get a vote on the main substitutes that are being proposed.

I want to thank the gentleman from Washington (Mr. WHITE), compliment him and respectfully ask my colleagues to vote against the commission bill and support the freshman bill, the Hutchinson-Allen bill, which represents constitutional but real reform.

Mr. GEJDENSON. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Chairman, I rise in opposition to my own bill. As one of the principal sponsors of the commission bill, I really am asking all of my colleagues on both sides of the aisle to vote against the bill, or to vote ''present,'' because it is now in competition with the Shays-Meehan bill, a real reform bill that will accomplish many of the things that many of us wanted to accomplish through a commission bill.

First of all, I would like to thank all of my colleagues who worked very hard on this legislation, particularly the gentleman from Michigan (Mr. DINGELL), who is a leader not only on campaign finance, but so many important issues before this body. He has often said that the best legislation is bipartisan, and we had a sincere bipartisan effort.

I also thank the gentleman from Washington (Mr. WHITE), the gentleman from California (Mr. HORN), and the gentleman from New Jersey (Mr. FRANKS) for all their hard work and commitment.

But what has happened with the way the rule is in place, the prospects for passage of Shays-Meehan is weakened with each competing vote. And now the commission bill is in competition with Shays-Meehan.

I have always called the commission bill a fall-back position, one that we would go to if we could not achieve a vote in this Congress on meaningful reform.

But Shays-Meehan is a strong vehicle for change. It addresses two of the greatest abuses. It bans soft money and brings into accountability the so-called independent expenditure groups. And so now is not the time to vote for a fall-back position, but to vote for real reform.

Mr. Chairman, we cannot let the commission bill be used as a trump or a way to kill Shays-Meehan. We have an historic opportunity to pass real reform. That is Shays-Meehan. I call upon my colleagues on both sides of the aisle to vote ''present.''

Mr. GEJDENSON. Mr. Chairman, will the gentlewoman yield?

Mrs. MALONEY of New York. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I got this sheet from my colleague here. It is interesting. In 1974, it starts, the Democrats passed campaign finance reform. In 1979, it is a Republican filibuster. In 1988, it is a GOP filibuster. In 1991, Bush promises a veto. In 1992, Bush vetoes. In 1993, Senate Republicans filibuster. In 1996, Republicans filibuster.

There is a difference in the two parties. Democrats have generally been for this. Not perfect, but for this. And the very sheet my colleague brought up

here time and time again talks about Republicans filibustering and killing the process, and I would say the gentleman's bill would kill the process again.

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

Mr. WHITE. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, that is exactly what I am talking about. This is not a political issue. Why do we always make it a political issue? It is not about Republicans and Democrats. It is not about who killed it last time. It is not about who brought up the bill and passed it, when they knew that the President would veto it.

It is about trying, for once, to get a real fair bill done, not pointing fingers at other side, simply voting for a bill that is designed to take politics out of this system.

Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky (Mr. WHITFIELD).

Mr. WHITFIELD. Mr. Chairman, all of us have been clamoring for debate on campaign finance for some time. In fact, that has been the issue that most people have been talking about, particularly on that side of the aisle, since the beginning of this Congress, and rightfully so.

But I find it interesting that every time they talk about we need full and open debate on all these issues, so we have time to talk about every issue, and yet in a minute we may vote on a rule that would allow us also to address some nongermane amendments to Shays-Meehan. And that is really where the problem began in the first place because, for example, the way the presidential elections are financed, that is where all of this problem started.

If my colleagues will remember, the Clinton-Gore campaign came close to violating about every Federal election law there is to violate. I am reading from the Washington Post, the Federal page, and it talks about campaign finance probe, 94 witnesses who will not talk, 94 witnesses who take the Fifth Amendment. Many of them, it has been verified, have broken campaign finance laws. Yet this rule is going to be coming up, and I bet everyone on that side of the aisle will vote against the rule, even though we need also, if we are going to have full disclosure and full debate, we need to look at nongermane amendments as well as germane amendments.

So, Mr. Chairman, in the spirit of the way my Democrat colleagues were talking and asking for full and open debate, I would urge them to vote for this rule that we will be considering a little bit later.

Mr. GEJDENSON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan (Mr. DINGELL), a leader of this House and a leader on this issue.

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

Mr. DINGELL. Mr. Chairman, I thank the gentleman from Connecticut (Mr. GEJDENSON) for yielding me this time.

Mr. Chairman, I would like to say that the amendment before us is a good one. And I want to commend the gentleman from Washington (Mr. WHITE) and the gentleman from New Jersey (Mr. FRANKS) for their efforts on behalf of this, as well as the gentleman from California (Mr. HORN) and the gentlewoman from New York (Mrs. MALONEY). They had the vision to understand that this is a good approach. It is one which affords us an opportunity for doing something.

Unfortunately, the way the situation has been crafted, we now find that we have another very important opportunity, and that is one which, in my view, is a better opportunity to address quickly the real problems we confront in terms of campaign financing.

For that reason, I am going to vote ''present'' on the amendment that is offered by my good friends, and I do it with a great deal of regret. I have never done this in all the years that I have had the privilege of serving in this body, and it is with profound regret that do I that. But it is my view that Shays-Meehan is the best and most immediate tool that we have that is possible for us to use to correct the serious problems that we confront with regard to campaign financing.

A little history: When I first ran for Congress some 40 years ago for $19,000, I beat 23 candidates, one of whom was former mayor of Detroit, and a sitting city councilman, a past Commander of the American Legion, and a large number of other influential citizens. Ten years later I beat an incumbent in his own district with $35,000.

There is no way on God's green Earth, unless we reform this intolerable situation of campaign financing, that anybody will ever have that opportunity to do those kinds of things again. One of the most disgusting and degrading events that takes place in our life is the tremendous amount of money that we have to raise to hold this job.

□ 1745

That is not something which I applaud.

I think all my colleagues find this same thing equally distressing. I would tell my colleagues I intend to vote for the rule when it comes up, and I intend to support the idea that we should be able, at that time, to offer the commission bill to Shays-Meehan.

Shays-Meehan offers us, with that amendment and without it, a superb opportunity to do something immediate about cleaning up the mess that is campaign financing in the United States.

I want to commend my colleagues who worked with me on the commission bill. It was a bipartisan effort. Shays-Meehan is a bipartisan effort. I urge all of my colleagues to join me in a bipartisan effort to clean up the campaign situation in this country at the earliest possible moment and to do so through the device of supporting Shays-Meehan and then later to also support the rule and to support the bill with an amendment which we will offer, which will be supported by its sponsors, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) to add the commission to it so that we can expand further what needs to be done in terms of cleaning up the campaign situation in this country.

I do not want any of my colleagues to feel that in any way they are demeaned by this. This is one of the unfortunate choices that Members of Congress have to make because of the way the rules work in a situation where we have a large body, where the process is disorderly, and where, unfortunately, constraints and time are necessary in order for us to serve the public good.

Mr. WHITE. Mr. Chairman, I yield 3½ minutes to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I thank my friend, the gentleman from Washington, for yielding to me.

Mr. Chairman, let me relate an incident in Louisiana where I once asked a local politician why he thought we spent so much money in political campaigns. His answer was, well, you know, Billy, the other candidate always goes on television before you are ready to go on television. They start telling lies about you, and then you have got to go on television to answer those lies much sooner than you wanted to go on television or you probably could afford to go on television.

Then as the campaign draws closer to election day, they go back on television, and they start telling the truth about you, and then you have really got to spend a lot of money to answer those ads.

The bottom line is, whether that is true or not, we spend an extraordinary amount of money in campaigns across America for State, local, and Federal elections. The rules by which we raise that money and spend it inevitably get written by whom, by the incumbents, by those of us who have been fortunate enough to win an election and to serve in public office.

Inevitably, the campaign practice rules we write in the State legislatures and here on the floor of the House and in the Senate, inevitably, those rules are suspect. People always believe those rules must have been written to favor incumbents.

Inevitably, when Democrats propose a campaign practice reform or when Republicans propose a campaign practice reform, those reforms are suspect, because people believe, quite naturally, that one party must have written the rule to gain a fair or perhaps even an unfair advantage over the other party in the coming election.

So the question we should be thinking about as we once again debate another round of campaign practice reform laws is whether we should be the ones proposing those reforms or whether, in fact, an independent commission on which no incumbent Members of Congress can serve should be proposing those reforms while we in the end endorse those reforms by a single up or down vote. That is the concept between a single commission approach.

I want to commend the gentleman from Washington (Mr. WHITE) and others who have worked on it for the thought here. The thought is that if you want a credible campaign practice law that has in it no suspicion that it favors incumbents, no suspicion that it was drafted to make the Democratic Party more advantageous in the election than the Republican Party or some independent third party.

To give any one a better chance than the other in raising the funds and spending the funds in the campaigns of America, then why not this commission approach? It makes an awful lot of sense.

It preserves to the Congress the ultimate authority to vote up or down on the recommended reforms, but it leaves the meticulous fashioning of those reforms to an independent commission composed of nonincumbents. It leaves literally to nonincumbents the duty of fashioning the intricate details of campaign practice reform law.

Let me tell you where I come down quickly. I would hope, whatever we do in the context of this debate, that we remember in the end it is the citizens of this country that are most benefited if we do two simple things: that we make sure that there are reasonable limits to donations in all cases, and secondly, there is full disclosure to the American public.

If the American public knows how campaign money is raised and knows how it is spent, all under reasonable limits, I think it will have provided the best reforms we can provide with the least amount of suspicion that we did it simply to favor ourselves or to favor one party or the other.

How do we get there from here? I recommend the commission form.

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

Mr. Chairman, I say, where are these commissioners coming from? They are being nominated by the Republican and Democratic leaders of the two Houses. Mother Teresa has passed away. These are going to be political people on this commission.

Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. ADAM SMITH).

Mr. ADAM SMITH of Washington. Mr. Chairman, confusion has been as big an opponent of campaign finance reform as outright opposition. There seem to be 100 different plans, 100 different ideas out there, and that confusion has stopped us from getting the consensus we need to pass a bill until now; the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN), through a number of years of hard work, brought us that consensus with the Shays-Meehan bill that we now have the option of voting on.

I think we should seize on that consensus and pass that bill. It was crafted in a bipartisan way. Unfortunately, the way the rules were set up, a vote for the commission bill is a vote against Shays-Meehan. So we need to vote against the commission bill and give our full support to Shays-Meehan, a bill with meaningful reforms.

I have listened to the opposition to Shays-Meehan and support for the commission bill, but what I have not heard are any specific complaints about Shays-Meehan. It makes perfect sense to do as the gentleman from Missouri (Mr. GEPHARDT) suggested, to pass Shays-Meehan and add the commission bill to it. That gives us the best of both worlds.

Basically, if there is something more that needs to be done, great, we can do the commission. But what in Shays-Meehan is so bad? I have not heard that from the proponents of the commission bill because there is nothing bad about it.

It bans soft money. It limits independent expenditures. I think perhaps as important as anything else, it gives the Federal Elections Commission more enforcement authority to actually enforce the rules that exist. Those are good things.

Somebody has got to say why they are in opposition to Shays-Meehan.

We have got a great opportunity here to pass a bill that has consensus and makes meaningful reform. We are arguing against it without even saying why. What is wrong with Shays-Meehan?

One final point, we have heard that the Senate may not pass Shays-Meehan. If that is the criterion, we should go ahead and stop right now, because the Senate is not going to pass the commission bill either.

We have an opportunity to lead here in the House with Shays-Meehan, with meaningful reform, that does things that we all claim to support. Why do we not support them with our vote as well as with our rhetoric?

Mr. WHITE. Mr. Chairman, I yield myself 1 minute to respond to my colleague from the Puget Sound area and to others who have spoken to it before. We have heard a lot of complaints blaming it on the rule, blaming the need to vote ''present'' on the rule.

The fact is, we cannot blame the rule for how you are going to vote on this bill. This is about the most open process we could possibly decide. We have got to take blame ourselves. That is what this House is about. We have got to vote for or against this bill. If we are not voting for it, we have got to be prepared to take the heat.

I think it is a mistake to suggest that it is the fault of the rule that these people have to vote ''present.'' The fact is they either want a bill that does it their way, and many of them think that is the Shays-Meehan bill, or they want a bill that does it the fair way, which is what the commission bill does.

I would also say to my friend from Washington who asked what is wrong with the Shays-Meehan bill, I will tell you what is wrong with it. It is not comprehensive. It kind of nudges around the edges of campaign finance reform.

We have already got a system like that. The system we adopted now was ruled partially unconstitutional by the Supreme Court, so we have already got half a system. We do not need another half a system to make the process even worse. That is what is wrong with the bill. Only the commission gives you a comprehensive package.

Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. DOOLITTLE).

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

Mr. DOOLITTLE. Mr. Chairman, there is so much that is wrong with the present system, but the Democrats gave us this system. We had a Republican President who, unfortunately, signed it into law. It is a disastrous system. Before this system came into being, most people had never heard of PACs or of soft money or hard money or issue advocacy or all of these wonderful permutations that come as a direct result of the big government regulation that you Democrats gave us, that you love, that is so unconstitutional, so undesirable, and so unworkable.

By the way, that is what is wrong with Shays-Meehan. It is more of the same old rehash, more rules, more regulations, more bureaucratic czars, more of everything that is ruining our political system. It is terrible.

Here, this is like having a patient that has been misdiagnosed by the physician. The sicker the patient gets, the heavier the dosage of medicine. What is the medicine? Government regulation. Obviously, we do not have enough, let us have some more.

Let us take Shays-Meehan. Let us have the Allen-Hutchinson freshman bill. Let us have more of these awful proposals that are so contrary to the whole history of America that have produced this mess that frustrates people, that makes them wonder what is going on in Washington, D.C.

What we need to do is step back, get a new diagnosis, and find out what the problem really is.

The problem is government regulation of political speech. What could be more clear than the First Amendment, which says Congress shall make no law abridging the freedom of speech? Yet, Shays-Meehan, Allen-Hutchinson or Hutchinson-Allen, and many of these proposals that are coming before us are precisely that, abridgements of the

freedom of speech, all in the name of some greater good, fairer campaigns or whatever it is.

I think that we have a real problem here. At least the gentleman from Washington (Mr. WHITE) is giving us a bill that has the potential of producing some improvement. I do not think it is perfect, but few bills are perfect that come before this House. At least it offers the opportunity to do something.

To the gentleman from Connecticut (Mr. GEJDENSON), we hear all this talk about big money. The last campaign, I see the gentleman raised $1,177,000 according to the official FEC records. So the gentleman has got some big money in there himself.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield to me?

Mr. DOOLITTLE. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, what preceded this system that is bad and needs fixing was a ''cashocracy''. People came to Members of Congress and presidential candidates with bundles full of cash. I think that was a worse system. We are not perfect today, but we are better than a system where people used to come in to Members of Congress offices with envelopes of $100 bills.

Mr. DOOLITTLE. Mr. Chairman, the system we have now is not better than the one we had. One wrong does not make a second wrong. All we would need to do is have full disclosure in a very timely fashion like one of the proposals before us will do, and you would let the electorate judge. Then you would not have the heavy hand of regulation. Let the electorate do it. The Founders did not want a government czar regulating our freedom of speech.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, only those with enough money to buy the megaphone would get to speak. Yes, the rich would be heard. But the average person, he might be able to read about which rich person is being heard, but he could not express himself if the almighty dollar is how you buy access to television and radio and speech.

Mr. DOOLITTLE. Mr. Chairman, let me respond. I respectfully submit that is utter nonsense. The Supreme Court itself observed in the Buckley case that there is no obligation for the government to fund people in making their speech, but we all have the right to make the speech we want to make.

Mr. Chairman, I ask unanimous consent to have 5 more minutes.

The CHAIRMAN pro tempore (Mr. SUNUNU). The rule on this bill limits debate. Unanimous consent is out of order at this time.

PARLIAMENTARY INQUIRY

Mr. GEJDENSON. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GEJDENSON. Mr. Chairman, there would be nothing to preclude the gentleman and I continuing our discussion following the allotted time in making a statement at that point. So the gentleman could get additional time at the end.

The CHAIRMAN pro tempore. Under the 5-minute rule, the gentleman from Connecticut (Mr. GEJDENSON) or the gentleman from California (Mr. DOOLITTLE) could request additional time.

Mr. DOOLITTLE. Mr. Chairman, we will carry on at that point.

Mr. GEJDENSON. Mr. Chairman, I am now privileged to yield 3 minutes to the gentleman from Massachusetts (Mr. MEEHAN), the author of the legislation that should be before us and is the most significant reform bill before the Congress today.

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

Mr. MEEHAN. Mr. Chairman, I take the floor today certainly not to defend the status quo or the present system we have, but rather to rise and thank my colleagues, especially the gentleman from Michigan (Mr. DINGELL), the gentlewoman from New York (Mrs. MALONEY), and all of the other sponsors, my friend, the gentleman from New Jersey (Mr. FRANKS), the gentleman from Washington (Mr. WHITE) and the gentleman from California (Mr. HORN), who have been fighting for the commission bill.

□ 1800

And I also want to suggest that by voting ''present'' rather than ''yes'' on their own amendment, both the gentleman from Michigan (Mr. DINGELL) and the gentlewoman from New York (Mrs. CAROLYN MALONEY) will help us shore up the necessary majority to pass the Shays-Meehan bill.

Three years ago Frank MacConnell stood up at a town meeting in Claremont, New Hampshire and asked Speaker GINGRICH and President Clinton to commit to passing a campaign finance reform bill. The Speaker and the President shook hands on that. One year later, after no commission, Frank MacConnell came to Washington to ask Speaker GINGRICH and President Clinton to commit to passing the McCain-Feingold, Shays-Meehan bill rather than establishing a commission.

The bottom line is that voting to solely establish a commission rather than a commission as part of the Shays-Meehan bill will further delay action on campaign finance reform until next year, despite the fact that we have an historic opportunity to pass real campaign finance reform now. By incorporating the commission bill into the Shays-Meehan bill, we really have the best of both worlds: Number one, we have campaign finance reform this year, plus a mechanism through which we can look for bipartisan routes to achieve additional reforms down the road.

If my colleagues support campaign finance reform, I am asking them to join with the lead Democratic sponsors to vote ''present'' or ''no'' on the commission bill as a stand-alone substitute. I believe that we have a majority of the Members of this House who are ready to pass real campaign finance reform. I believe that that majority is ready to make the commission bill part of the Shays-Meehan bill. The only way that we can do that under the present rules is if we join together.

And I am delighted at the way reformers from all parts of the country, who have been working over the last several years, are coming together to form a critical mass at a critical point in time to establish the majority we need to pass real campaign finance reform. Let us not miss this opportunity. Let us join together. Vote ''present'' or ''no'' on this particular stand-alone bill and then let us amend the Shays-Meehan bill and get real campaign finance reform.

Mr. WHITE. Mr. Chairman, may I inquire as to how much time is remaining on each side?

The CHAIRMAN pro tempore (Mr. SUNUNU). The gentleman from Washington (Mr. WHITE) has 5½ minutes remaining; the gentleman from Ohio (Mr. NEY) has 3 minutes remaining; and the gentleman from Connecticut (Mr. GEJDENSON) has 4½ minutes remaining.

Mr. WHITE. Mr. Chairman, do I understand correctly that the gentleman from Connecticut (Mr. GEJDENSON) has the right to close?

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. GEJDENSON) is speaking in opposition. On general debate, the gentleman from Washington (Mr. WHITE) has the right to close.

Mr. NEY. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, this should be a time that I really feel great, and I do not, and I have only myself to blame. What I do not feel great about is the sense that somehow this is going to be a brutal fight and we are going to make lots of enemies in the process.

For me, I believe with a passion in the Meehan-Shays bill. I believe passionately for this bill because it bans soft money, both at the Federal and State level, for Federal elections; that it, for once, recognizes that the sham issue ads are truly campaign ads and treats them as campaign ads and comes under the campaign laws; that we finally codify Beck, which makes it clear that a nonunion member does not have to pay money in his or her agency fee for political activity; that we improve the FEC disclosure and enforcement; that we deal with franking and ban it 6 months to an election district wide; and that we make it clear that foreign money and raising money on government property is illegal, which it is not right now, if it happens to be soft money.

I believe passionately in this bill. I believe it is bipartisan and I believe it

should pass. I also believe that the commission bill has a role to play but it does not have a role to play if it replaces the Meehan-Shays bill.

I heard my colleague, who is a very outstanding Member of Congress and has tried to elevate the debate, talk about blame yourself and take responsibility. I think when we take responsibility, we take action. And action is to ban soft money; to recognize that the sham issue ads are campaign ads and treat them that way. I believe that that is taking responsibility. I think it is not taking responsibility to say that our leaders will appoint members who will supposedly come out with a bill that my colleague believes we can all support. I do not know what they will do.

I wish my Speaker had lived up to his word and moved forward with a commission bill 3 years ago, because we would now have a commission before us and we could vote it up or down. But that was 3 years ago. I do not intend to wait another year to take action, because I want to take responsibility for my vote. So I encourage my colleagues to vote ''present'' on the commission bill. I encourage them to vote ''yes'' on the rule. I encourage them to vote ''yes'' on Meehan-Shays and oppose all amendments except one, attach the commission bill to the Meehan-Shays proposal.

Attach the commission bill and we can frankly have the best of both worlds: We can take action now on soft money and on these sham issue ads and we can deal with all the host of other issues that my colleague feels we have not addressed. If my colleague, the gentleman from Washington (Mr. WHITE), feels we have not addressed it, then he too should support an amendment to Meehan-Shays that puts the commission bill into the Meehan-Shays bill.

Mr. GEJDENSON. Mr. Chairman, I yield 2½ minutes to the gentleman from Maine (Mr. ALLEN), who has played such a major role in campaign finance reform since he entered this Chamber.

Mr. ALLEN. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in opposition to this bill, but not because I do not think it has merit. And I commend the gentleman from Washington (Mr. WHITE), the gentleman from California (Mr. HORN), the gentlewoman from New York (Mrs. MALONEY), and the gentleman from Michigan (Mr. DINGELL) for their efforts on behalf of campaign finance reform. But we need reform now, not later.

As a co-chair of the freshman bipartisan task force, I want to say that one of the appealing things about this bill is that it reflects very much the process that we went through as freshmen. There were six Republicans and six Democrats. We sat down, we learned together, we all shared the experience of the 1996 campaign when the airwaves were flooded with the results of more soft money than had ever been raised or spent in any cycle and with more issue advocacy money than had ever been raised or spent in any cycle. So I understand the importance of this bipartisan process. But the way the commission bill is coming up now is this: It will, if passed, if it gets enough votes, block a chance to ban soft money now. It is reform later, not reform now. It will block a chance to get real control over issue advocacy now, not later.

Both the Shays-Meehan bill and the Hutchinson–Allen freshman bill deserve to come up for a debate and deserve to have a real vote. They represent real reform. They represent reform now; the kind of bill we could send to the Senate and expect them to act on during this session. So I want to urge everyone who may support the commission bill to vote ''no'' or ''present'' and to give real reform a chance.

Finally, I would say this. An earlier speaker, the gentleman from California, said the problem is government regulation. I disagree. The problem is big money in politics. And whenever we hear the words ''free speech'', we have to be careful, because sometimes they mean ''big money''. The gentleman from California is a sponsor of a provision that would take all the limits off, hard money limits off, so that individuals could give $50,000, $100,000, $500,000, $1,000,000 to an individual candidate. That is not the law now and it is simply wrong to drag the red herring of free speech across this debate when what we are really talking about is big money.

We need to contain the influence of big money in politics and we do that by banning soft money and by banning it now.

Mr. GEJDENSON. Mr. Chairman, I yield the balance of my time to the gentleman from the great State of Rhode Island (Mr. WEYGAND), my neighbor, to close for our side.

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

Mr. WEYGAND. Mr. Chairman, I want to thank my neighbor from Connecticut for allowing me to close on this very important issue.

I have to compliment the gentleman from Washington (Mr. WHITE) in the great effort that they have put forward. When I look and listen to what the gentleman has said, it really strikes home.

But I look at this picture here that was taken 3 years and 1 week ago tomorrow, and that was the commitment we had back then. Let us put together a commission to truly study the things that the gentleman has talked about today. Because when we talk about soft money and all the other things that run into this, the people back home, their eyes glaze over. They wonder what we are really talking about here in Washington. They want true reform.

And the reason for it is that the average American today can no longer run for Congress. What we have done with the system that we have today is divorced all Americans, the majority of Americans, from running for this Congress. The gentleman's bill today would just further extend that divorce. It would further extend it to 4 years or 5 years by the time we had true reform.

When we first started this great assembly here, our founding fathers said this chamber should have its pulse on the feeling of America, not in the pocketbooks of the special interests, which is exactly where it is right now. For the average American, they cannot afford $1 million. The average American wants a voice in this chamber and they want it now. Unfortunately, the great effort that the gentleman has put forward, which I believe is wonderful in its intent, will just further exacerbate and procrastinate our decision to move forward on true campaign finance reform.

I urge my colleagues and the Members in the House to vote ''no'' or simply ''present''. Let us move on with real reform. Let us not relinquish our responsibility to do this now. Let us not delay any further. Campaign finance reform today, not tomorrow.

Mr. WHITE. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, I want to ask the gentleman from Rhode Island (Mr. WEYGAND) if he would tell us what is a special interest? What does he understand that term to be? I hear that term used a lot.

Mr. WEYGAND. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from Rhode Island.

Mr. WEYGAND. I am sorry, would the gentleman repeat the question?

Mr. DOOLEY of California. Yes. Can the gentleman tell us what he means by special interest?

Mr. WEYGAND. Well, let me ask the gentleman this. When a person has to spend a million dollars or $2 million of special interest, including the various organizations that have helped them——

Mr. DOOLITTLE. No, no, I want the gentleman to define—it is my time and I reclaim it. What is the definition of special interest? Is all the labor PAC money the gentleman got special interest?

Mr. WEYGAND. The special interest is what controls the Chamber here, and the gentleman knows that. And what I am asking the gentleman——

Mr. DOOLEY of California. So the answer then is yes, it is a special interest. The gentleman is receiving money, gobs of it, from special interests and he honestly sits here and pretends that does not happen.

Mr. WHITE. Mr. Chairman, I yield myself the balance of my time, and I think we have had a good example of why we need campaign finance reform here.

I admire the gentleman from Connecticut (Mr. SHAYS), I admire a lot of

the people on the other side, and I appreciate the efforts of many of the Democrats who worked with us on our bill. And, frankly, I agree with the gentleman from Connecticut. I think we need to take personal responsibility for this vote. But what all the arguments we have heard today really boil down to is, we do not want to do the commission because we want to do it our way.

Now, doing it my way was fine for Frank Sinatra, but when we are talking about elected Members of this House, whose personal self-interest depends on what these rules are, I think it is a little bit of a stretch to say we have to do it our way.

Banning soft money? That would be fine, but are we going to lose the opportunity to have real comprehensive, long-term reform, simply so we can ban soft money today? It seems to me the balance swings pretty heavily in the other direction.

So let me just go through a little analysis here. Let us say I was one of the 94 Democrats who cosponsored my bill and I was now trying to figure out, gee, how should I vote on this. The first question I would ask myself is: Why would I vote against this bill? Would I vote against it because it is fake reform? It is not real reform? No. This is the only bill that really gives us independent neutral reform.

Would I vote against this because it is a political game? It is one party trying to stick it to the other party? No. This is the only bill that is neutral, the only bill where one party cannot try to stick it to the other party.

Would I vote against this bill because it is only partial reform? It is the same thing we have right now? No, I would not, because this is the only bill that guarantees us a full package of reform that is carefully thought through.

Would I vote against it because it favors incumbents? No. It is probably the only bill we will ever get, the only way we will ever get a bill that does not favor incumbents is if it is somebody who is not an incumbent suggesting it. So I do not think my colleagues should vote ''no'' on the bill unless the real reason they are voting ''no'' is because they lose the right to write these rules.

Why would I vote ''present'' on this bill? Well, usually we vote ''present'' to show we are here. That is a step in the right direction. Or maybe someone would vote ''present'' because they cannot decide on this bill. But, frankly, the real reason people will vote ''present'' on this bill, if they do vote ''present'', is because they are getting their arm twisted by the leadership of their party because they want to do it their way. And I would suggest that is a mistake.

So, Mr. Chairman, I would submit that the only way to vote on this bill is to vote ''yes''. It is the only way we get a fair bill, the only way we get an impartial bill, the only way we get a bill that does not have politics at its core, and it is the only way we are really going to restore some dignity to this House.

□ 1815

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

The CHAIRMAN pro tempore (Mr. SUNUNU). All time having expired, it is now in order to consider Amendment No. 16 printed in the CONGRESSIONAL RECORD.

AMENDMENT NO. 16 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WHITE

Mr. WHITE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

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

Amendment No. 16 in the nature of a substitute offered by Mr. WHITE:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Commission on Campaign Finance Reform Act of 1998''.

SEC. 2. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this Act as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 3. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint 3 members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party officeholder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than 4 members of the Commission may be of the same political party.

SEC. 4. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least 9 members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 5. ADMINISTRATIVE PROVISIONS.

(a) PAY AND TRAVEL EXPENSES OF MEMBERS.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) STAFF DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) STAFF OF COMMISSION; SERVICES.—

(1) IN GENERAL.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commission may procure by contract the temporary or intermittent services of experts or

consultants pursuant to section 3109 of title 5, United States Code.

SEC. 6. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Fifth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity, including any changes in the rules of the Senate or the House of Representatives, to which 9 or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 7. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) IN GENERAL.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 6(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 6(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 8. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 6.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this Act.

Amend the title so as to read: ''A bill to establish the Independent Commission on Campaign Finance Reform to recommend reforms in the laws relating to the financing of political activity.''.

Mr. WHITE. Mr. Chairman, I think we have had a good debate on this bill over the last hour. And I hope all our colleagues are listening from their offices. I would hope that there will not be any amendments.

Mr. GEJDENSON. Mr. Chairman, I move to strike the last word.

The author of the legislation says we cannot have it our way because he wants it his way. He is telling us, unless we do it his way, we are not for doing it. Well, let us take a look at the history.

I will venture a guess, and I do not believe in prophecy as a general rule from this Chamber anyway, that when you look at the people who voted for reform in the past, they will be voting ''no'' or they will be voting ''present.'' And for the folks back home, the reason they will vote ''present'' or ''no'' is because they know that this is simply an attempt at the moment to undercut Shays-Meehan, which will give us a more comprehensive shot at reform.

If somebody who is an original cosponsor of the bill votes ''no,'' they are afraid of the 30-second ad that says they voted one way and then they voted the other way. And to make sure that nobody can do that to anybody on either side of the aisle, we are working to make sure that we can add to Shays-Meehan the prospects of adding a commission that can do even more good work if they think a commission adds to the process.

But the fundamental debate, the real debate, I think, is between the gentleman from California (Mr. DOOLITTLE) and myself. And I hope the gentleman is still here. I enjoy debating with him, because I think he honestly speaks what he believes.

Some of us in this Chamber believe that a society has the right to guarantee that those without power, those without wealth have a right to speak. I have said this on the floor before. Democracy is a process that is evolutionary in its nature.

The great efforts by the British, starting with the Magna Carta, did not provide for democratic opportunity for all their citizens. It simply provided rights for the nobility, that the nobility in their dealings with the king would have a right to have a process so their property would not be taken away.

With the revolution that occurred on these shores, our great Founding Fathers took another step forward. They said that we did not have to be noblemen to have rights in this process; if we simply were men and owned land, we could vote. And they wrote a Constitution that guaranteed that white men who owned property would have the right to vote.

And slowly in this society, we have expanded that right to include women and minorities. It was a struggle.

Today, the struggle is about whether or not electoral politics will be about money, that rather than an aristocracy we will be a ''cashocracy,'' whether or not it will simply be the wealthiest individuals who will reach into their pockets and their friends' pockets to spend tens of millions of dollars to try to win elective office, or whether average citizens have an opportunity to feel they are relevant to the political process.

In California, we saw tens of millions of dollars be the litmus test for entry into the race. This country prospers because we include all of our citizens. We make sure that everyone gets an education, that everybody gets to vote. And if we limit the political process to only the wealthy, only those who will curry favor with the wealthy, we will see the demise of this great Nation.

This Nation grows because we expand opportunity and we give everyone an equal shot and do not just rig it for the rich.

Mr. WHITFIELD. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Kentucky.

Mr. WHITFIELD. Mr. Chairman, I thank the gentleman for yielding.

I would just remind the gentleman from Connecticut that in Buckley, which is the ruling case on this whole issue, the Supreme Court case, it says very clearly in the case, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment.''

Mr. GEJDENSON. Mr. Chairman, reclaiming my time, I think the gentleman makes an excellent point. The Supreme Court in this case is dead wrong.

Remember, we have a Supreme Court that for 50 years said separate and equal were okay. Well, people who did not believe in segregation did not lie around wringing their hands that we

had a Supreme Court that believed we could have black kids in a school that was falling apart and have a shining, air-conditioned school for the white kids. We fought segregation.

I think the same thing comes here. I respect the separation of powers. This Supreme Court thinks rich people have a right not just to dominate, but to have exclusive domain in the political process. I think that is wrong. I think a real democracy values its citizens and their statements even if they have no wealth.

Mr. DOOLITTLE. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from California.

Mr. DOOLITTLE. Mr. Chairman, under the present disastrous system which this philosophy has given us, the philosophy of my colleague, the only ones who have unlimited rights are the rich. But somebody who is not rich, who wishes to go and run for a Federal office, is forced under these terrible laws that we have to go and raise money in dribs and drabs. They spend all their time doing that instead of addressing the issues.

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

What I would like to see happen is to deregulate. If you deregulate, they are not going to have soft money. It will not be needed. Issue advocacy will dramatically drop.

Look at what went on in the Commonwealth of Virginia in the gubernatorial elections, where they had men and women of average means running. I think the current governor is the son of a butcher. They had the campaigns running. They were able to raise their money. It was all reported. Nobody claimed that it was an aristocracy or nobility. No, there was no hint of graft in that election, and they do not have these regulations.

Where we have had the present scheme of regulation due to inflation over the years, money has had to come in through other ways because the hard money has never been adjusted for inflation since 1974. And yet, we have had two-thirds of those limits eroded by inflation.

If I may ask the gentleman from Connecticut (Mr. GEJDENSON), why do you folks not agree to adjust those limits at least for inflation?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I would say two things. One is, I fundamentally disagree with two of the concepts of my colleague. One is that by making everything soft money, basically, under the proposal of my colleague, we could have unlimited contributions to individual candidates.

Mr. DOOLITTLE. Reclaiming my time, let me just say, everything is hard money, not soft money.

Mr. GEJDENSON. If the gentleman would further yield, fine, it is all legal in the sense that it is today.

So, for instance, if somebody in my colleague's district came with a double tractor-trailer full of hundred dollar bills for his campaign, as long as it was reported, he thinks that is enough?

Mr. DOOLITTLE. I think we all stipulate, the present regulation, it should not be cash, it should be a check. But, yes, that is enough. That is enough because the American people are the judges, not a government czar.

Mr. GEJDENSON. So how does a candidate who does appeal to really rich people, where does he get the resources to get heard?

If the rich people can own the stock in the newspapers, if they can own the TV stations, and if they can write $10 million checks to the candidate, if they represent poor people, how do they get their voice out, how do they get heard, how do they buy TV time unless they also find some rich sugar daddy?

Mr. DOOLITTLE. The point is, right now, only the people who are personally rich can spend unlimited amounts of money. At least under this system, if they are not rich themselves, they can go to those who have money and they can contribute to them instead of just the limit of $1,000 they are limited to now.

Mr. GEJDENSON. So my colleague wants to go back to the old system, which instead of cash will now be checks from a handful of rich people.

Mr. DOOLITTLE. It is not from a handful at all. It would be from a number of people. It would all be reported. And if people think that is too much, they would not vote for them in the election.

What is the matter with that? That is freedom. That is disclosure. That is the American system.

Mr. GEJDENSON. No. The American system has been a system that has tempered the free market to make sure that none of our citizens—

Mr. DOOLITTLE. Reclaiming my time, that is the system you liberal Democrats gave us. The Democrats took away the American system and gave us the government regulation of political speech.

Mr. GEJDENSON. If the gentleman would continue to yield, that system, which you condemn in public education and all these other forums, has the highest standard of living in the world, has the biggest economy in the world, is the idol of every other economy in the world.

The countries that followed the model of my colleagues and let the wealthy alone control education and the economy and politics have fallen by the wayside.

Mr. DOOLITTLE. Reclaiming my time, it is the people of my colleague who own the New York Times, the Washington Post, every major newspaper in this country; and under their system, they can do whatever they like.

And under a Shays-Meehan/Hutchinson–Allen bill, they are the only ones who will have the freedom of speech.

Mr. GEJDENSON. Those are Democratic papers?

Mr. DOOLITTLE. Well, they certainly are not Republican papers.

Mr. GEJDENSON. Well, they are not Democratic papers. I read their editorials every day.

Mr. DOOLITTLE. My colleagues want more regulation, more government and less freedom.

I might point out that since the 1974 FECA amendments, political participation has steadily declined in this country. And then I hear the philosophy of the gentleman and bootstrap that to demonstrate why we need more government regulation, which would be further reduction.

The CHAIRMAN pro tempore. Members are reminded that they need to yield and reclaim time so that only one Member is speaking at a time.

The gentleman from California (Mr. DOOLITTLE) controls an additional 30 seconds.

Mr. DOOLITTLE. Mr. Chairman, I yield to the gentleman from Kentucky (Mr. WHITFIELD).

Mr. WHITFIELD. Mr. Chairman, I would just say in 30 seconds that my colleague talks about giving everyone equal rights; and it is so interesting that in the Shays-Meehan bill and the bills that ban soft money, they are allowing politicians and their hard money to spend more, but they are shutting out other people from speaking on political elections by banning soft money, because soft money is simply money spent by groups interested in the political process to express their views.

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

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. PASCRELL. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I would just say to my friend, the gentleman from California (Mr. DOOLITTLE) that, yes, as we have had increasing amounts of money spent, participation has gone down. We ought to limit spending in campaigns.

Mr. PASCRELL. Mr. Chairman, we are back to the beginning if we listened to the last two speakers. As in the beginning, we here in this House are divided into two groups, one group that says there is too much money in campaigns and another group that says there is never enough money in campaigns. And the more that you have, the more free speech that you have.

The gentleman from California (Mr. DOOLITTLE) explicitly and implicitly stated just a few moments ago what this debate is all about. And that is, what he is really after is an unlimited number of dollars in campaigns. That is the crux of the debate. Regardless of the amendments, regardless of substitutions, that is the crux of the debate.

The issue of campaign finance reform is not the same as base closings. In base closings, we had a need for an

independent commission that could break the impasse that existed, because no one wanted to vote to close a base in their own State. There is no comparison between the subjects that we discuss today and the subjects that were discussed in past Congresses, none whatsoever.

With campaign finance reform, we are not voting to close a base and put anyone out of business, no. Passing campaign finance reform is an entirely different subject. The only reason to pass and create a commission is to avoid making a hard-choice decision ourselves.

The people did not send us here to put the hard decision on someone else's shoulders, Mr. Chairman. That is not why I came. They sent us here to make the decisions in this House. By voting on the freshman bill or Shays-Meehan, we have the opportunity to vote for real reform. We should not pass our responsibilities off to others.

Mind you, we are going to select the folks that are serving on this commission. No sitting Member can be a member of the commission and that group out there is going to make the decision for us to live by in our raising dollars so that we can be elected and reelected.

The people of this country created a commission already. It is called the Congress. And the Congress is up for election every 2 years, Mr. Chairman.

□ 1830

Mr. DOOLITTLE. Mr. Chairman, will the gentleman yield?

Mr. PASCRELL. I yield to the gentleman from California.

Mr. DOOLITTLE. Mr. Chairman, the gentleman indicated we spend too much money on campaigns. I just wonder if he could tell us what is too much money or perhaps what is the appropriate amount of money that we should spend.

Mr. PASCRELL. In the debate that we are having here on this floor, the two major bills that we are discussing and, according to the Speaker of this House, the bill that we are discussing as a base bill deals with soft money. That is money that comes into the campaign in the last 3 or 4 weeks which if you have not received and collected enough hard money, you cannot win that election in the last 3 or 4 weeks unless you are way ahead. He knows it and I know it. We are talking about soft money that we do not know how much is really spent in a campaign, and that is true with Democrats and Republicans. This is not a partisan issue.

Mr. DOOLITTLE. Let me just ask the gentleman, setting aside for a minute soft money, then, since that is somewhat nebulous and it is not spent by the candidates themselves, how much hard money is enough?

Mr. PASCRELL. Mr. Chairman, I for one agree with the gentleman from Connecticut, that there should be caps on how much is spent. Under the present Supreme Court decision, that cannot happen. I would say the average congressional campaign, if that is what we are talking about here, we can look at how much is being spent in hard money across the United States of America. I would be willing to discuss that with the gentleman.

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

Mr. Chairman, the main point is that today, tonight, we can pass a bill that will ban soft money from campaigns. That is an important achievement.

Many of us in this body have sat through many hearings on alleged campaign abuses. But what was in common in every alleged campaign abuse was soft money. So instead of pointing fingers at each other and having partisan investigations or hearings, let us work together and actually do something about it. This is a very modest proposal. It would ban the soft money. It would clean up third-party expenditures. So instead of delaying tonight, let us pass hopefully Shays-Meehan, send it to the Senate where a majority has already supported it, and a Democratic President has come out and said that he will sign it into law.

So we have an historic opportunity to this night pass meaningful, not all that needs to be done, but very meaningful reform, reform that other Members, particularly on the other side of the aisle, have been most critical of. So instead of criticizing, let us do something. Let us ban the soft money. We do not have to wait to do it.

One of the things that I wanted the commission bill to do was to ban soft money. But we do not have to wait for the commission bill to do it. We can do it tonight. We do not have to wait 180 days. Quite frankly, I did not think that we would be able to get this vote in this Congress. That is why I worked so hard on the commission bill, to force something to the floor. But right now we have it before us. We do not have to wait. We can vote tonight and let our constituents know that we are serious about changing the system in a very meaningful way.

Mr. Chairman, at this point I would like to compliment very much my colleagues on both sides of the aisle, particularly the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS), not only for their hard work and their willingness to compromise, to really roll back their bill to basically two major issues, that of banning soft money and cleaning up third-party expenditures. Now, they have generously indicated that they will accept an amendment to their bill, Shays-Meehan, which accomplishes a great deal, of the commission, which, after we enact and sign into law Shays-Meehan, will allow 180 days for members appointed by legislative leaders on both sides of the aisle to come forward with other important proposals. But the main point is we do not have to wait. We can do it tonight. And we should.

I compliment the leadership on the other side of the aisle for moving forward, hopefully tonight, with a vote on Shays-Meehan, so that we can ban soft money, we can take care of these abuses that so many Members, particularly on the other side of the aisle, have been so critical of, they have said has been wrong. Let us do something about it. Let us take it out of the system and show our constituents that we are serious about something that is far more important than our own reelections, that of making our campaign system more accountable to the people who vote for us by taking out of the system this huge, massive amount of money that flows into our campaigns called soft money.

Mr. Chairman, I can say when I ran for Congress, my opponent outspent me five to one. I was one of the few Members who ever gets elected when you are outspent in that type of way. The area where most of this money flows into campaigns is through the soft money loophole. So even if that is all we accomplish, we will have accomplished a great deal.

Mr. Chairman, I compliment really all of my friends on both sides of the aisle for their work on Shays-Meehan. I am hopeful that my leaders on the commission bill on both sides of the aisle will join me in voting ''present'' on the commission bill, moving quickly towards Shays-Meehan so we can send it to the Senate, so they can act on it, so we can send it to the President and enact it into law. It is important reform. It is meaningful reform. But due to the nature of the rule, a vote for the commission bill is a vote against Shays-Meehan. It is in effect a vote against Shays-Meehan. That is why we have to vote ''no'' or ''present'' on the commission bill. If we pass this amendment, if we pass the commission bill, it would prevent us from passing legislation to ban soft money, to clean up third-party expenditures and to accomplish many very important substantive reforms.

I ask my colleagues who are cosponsors to vote ''no'' or ''present.''

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

Mr. Chairman, I yield to the gentleman from Washington (Mr. WHITE).

Mr. WHITE. Mr. Chairman, I thank the gentleman from Louisiana very much for yielding.

Mr. Chairman, I would just like to take a few moments to respond to the gentlewoman from New York who, I have to say, has been a wonderful partner to have in our process of putting together the commission bill. I understand that she is torn in this situation and the situation that many of us find ourselves in. But I would say the gentlewoman is absolutely right to make the point that the Shays-Meehan bill is a modest proposal. That is exactly what is wrong with it. It is not a comprehensive reform. And we are losing the chance to have a commission that

would develop comprehensive reform simply to do a few modest things that frankly are more of the same, more of the same regulations that we have had in the past.

Mr. Chairman, to say that we are going to lose the chance to really reform the system so that we can do some modest little things right now does not make sense to me.

I know some people have suggested that we should add the commission process to the Shays-Meehan approach, and I would respectfully suggest, just what does that mean? What would it mean to say, we are going to have a commission that gets to write all the rules, but it is going to be appended to a bill that writes some other rules, too. The whole point of the commission bill is that we do not get to write these rules ourselves. We are too involved. We do not have perspective. We always want to do it our way. The whole point of the commission is to let a neutral group write fair rules so that we can then vote on it up or down and we will still have the right to say ''no'' if we think that is what we have to do. But any other approach, no matter how we try to slice it, no matter how we try to explain it away, no matter how we try to it vote on it under the rule that put us in this difficult position where we have to vote against a bill that we really like, the fact is that if Members vote against the commission bill, they are voting against it because they want to do it their way. I would respectfully submit that is the problem we have had with every campaign finance bill passed by this Congress. We always do it our way, it always feathers our nests, and that is the reason we have gotten ourselves in the situation we are in right now.

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

Mr. Chairman, I yield to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, I would like to respectfully respond to the gentleman from Washington (Mr. WHITE) my colleague and really partner on the commission bill with whom we went through innumerable hours of work on this bill. I would really like to point out that Shays-Meehan will accomplish banning soft money and third-party disclosure now, and that is very important.

If my colleague recalls that on our negotiations on the commission bill, and believe it or not, it was difficult to reach that fragile flower of consensus on the commission bill. One of the things that I had in my bill was that the commission should address soft money. Some Members on the other side of the aisle objected to that being included in the commission bill. So then to argue that Shays-Meehan will not be comprehensive enough, in all due respect, I do not believe is a very genuine argument.

I would like to point out to all of my colleagues who are sincere reformers on both sides of the aisle, is that we can pass Shays-Meehan tonight, banning soft money and other proposals, and enact it into law. An amendment that is attached to Shays-Meehan with the commission bill will not touch the important reforms in Shays-Meehan but will allow all the other many good ideas from the gentleman from California (Mr. DOOLITTLE), from the gentleman from Washington (Mr. WHITE), from everyone here to be considered and reported back in 180 days. But what we have before us tonight is a vote where we can actually accomplish something, we can actually pass meaningful reform, banning soft money tonight.

As I say, many of us have sat through so many hearings where alleged abuses in campaigns, all of which involved soft money. We now have an opportunity, in the best of bipartisan spirit, with Shays-Meehan, to actually do something about the abuses that many of my friends on the other side of the aisle have been critical of. So by passing Shays-Meehan, we can ban soft money but we can attach the commission bill and discuss all of the other options and report back in 180 days.

Ms. KILPATRICK. If I could make just one point, Mr. Chairman, I am one of those who heard much of the testimony and am looking forward to the vote. It is unfortunate that we are making a mockery of the process. We have a vehicle before us. We hope that we will pass and vote on it soon.

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

Mr. Chairman, I yield to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, I would like to pose a question to the gentlewoman from New York (Mrs. MALONEY) if I might. She had spoken against soft money and we are desirous of banning it. I just wanted to read a quote by Mr. Robert F. Bauer. He is a leading Democrat election lawyer and counsel for the Ohio Democratic Party in its current suit against the FEC to have a court strike down the FEC's allocation formula which deals with soft money because the allocation formula requires parties, even though they are engaging in issue advocacy, to spend 60 percent of that from hard money funds as opposed to what everybody else can do from soft money. What he said was, ''Government control over money is control over free speech.'' I just wondered how she felt about that. Is that a statement that she agrees with or disagrees with?

Mrs. MALONEY of New York. Mr. Chairman, will the gentleman yield?

Mr. POMBO. I yield to the gentlewoman from New York.

Mrs. MALONEY of New York. Mr. Chairman, I certainly support free speech. But I think what we need to focus on is what is in front of us, not some letter to the Federal Election Commission. And what is in front of us is the opportunity to vote for a good, clean bill, a modest bill. Many of us would like to have seen much more in it. That is why attaching a commission to it will allow us to do more in 180 days, but we do not have to wait 180 days. Tonight we can vote on two very important reforms. Let us do it. Let us focus on passing Shays-Meehan and let our constituents know that we came here to do something far more important than work for our own reelections, that we want to do something that is important to them, and, that is, reform the campaign system.

Mr. POMBO. Mr. Chairman, reclaiming my time, I yield to the gentleman from New York (Mr. SOLOMON).

Mr. SOLOMON. Mr. Chairman, let me just recall Members' attention to the procedure that we are under here now. We had the general debate on this bill. Now we are on 1 hour of general debate which we have used up on the commission alternative. We are now on the 5-minute rule. The intention of the 5-minute rule is to allow Members to offer germane amendments to this issue.

□ 1845

We have been on this for some time now. Some of the debate has been interesting, but we are going too far with this, and there are Members on their side of the aisle and on ours that say that someone is stalling, they want to drag this thing out. We have gone past the intended hour of debate, we are now on the amendment process, and no amendments are being offered.

My point is that now we ought to move on. If there are not going to be amendments offered, we ought to have a vote on this, and then we ought to move on to regular procedure and get this House moving. That is regular order.

Mr. POMBO. Reclaiming my time, Mr. Chairman, I yield to the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. Mr. Chairman, I would just like to echo the chairman of the Committee on Rules.

I am one of those dirty dozen that wanted to vote on these issues. There is proper discussion, there is proper dialogue, but I would ask my colleagues on both sides of the aisle to remember we are here to vote on this issue eventually, so I think the time has come for us to be able to do what we say we want to do, and that is vote either for or against proposed legislation as it comes up.

Mr. POMBO. Mr. Chairman, I yield to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, I would just observe I do not think any of this debate has in any way been improper. I mean this is getting right to the heart of what these issues are, and frankly I would just want to say that I

think we are going to have to have this kind of freewheeling debate to really bring out the different points of view. I have no desire to prolong it, and if there is no desire to offer amendments, I have no objection to going to a vote.

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

The CHAIRMAN pro tempore (Mr. SUNUNU). If there are no further speakers, the question is on the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. WHITE).

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

RECORDED VOTE

Mr. WHITE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 156, noes 201, answered ''present'' 68, not voting 9, as follows:

[Roll No. 241]

AYES—156

Aderholt
Archer
Bachus
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Blunt
Bonilla
Bono
Boucher
Bryant
Burr
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Christensen
Coble
Coburn
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Franks (NJ)
Frelinghuysen
Gallegly
Gekas
Gibbons
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hilleary
Hobson
Hoekstra
Horn
Hunter
Hyde
Inglis
Istook
Jenkins
Jones
Kim
Kingston
Klug
Knollenberg
LaHood
Largent
Latham
LaTourette
Livingston
Lucas
Manzullo
Martinez
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Mica
Myrick
Nethercutt
Ney
Norwood
Nussle
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Saxton
Scarborough
Schaefer, Dan
Sensenbrenner
Shadegg
Shaw
Shimkus
Shuster
Smith (MI)
Smith (NJ)
Smith (OR)
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Watkins
Watts (OK)
Weldon (PA)
Weller
White
Wicker
Wolf
Young (AK)

NOES—201

Abercrombie
Ackerman
Allen
Armey
Baesler
Baldacci
Barr
Barrett (WI)
Bass
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Boehlert
Boehner
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Bunning
Burton
Buyer
Campbell
Cannon
Capps
Carson
Chenoweth
Clay
Clayton
Clyburn
Collins
Combest
Condit
Conyers
Cook
Costello
Coyne
Crapo
Cummings
Danner
Davis (FL)
DeLauro
DeLay
Dicks
Dixon
Doggett
Doyle
Edwards
Evans
Fattah
Fazio
Filner
Forbes
Ford
Fowler
Frank (MA)
Furse
Ganske
Gejdenson
Gilchrest
Gilman
Goode
Granger
Green
Gutierrez
Hall (OH)
Hamilton
Hefner
Herger
Hill
Hinchey
Hinojosa
Holden
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Jackson (IL)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
King (NY)
Kleczka
Klink
Kolbe
LaFalce
Lampson
Lazio
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lowey
Luther
Markey
Mascara
Matsui
McCarthy (MO)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Neumann
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Parker
Pastor
Payne
Pelosi
Pickett
Porter
Poshard
Ramstad
Rangel
Reyes
Rodriguez
Roemer
Rogers
Rothman
Roukema
Roybal-Allard
Sabo
Sanders
Sanford
Sawyer
Schaffer, Bob
Scott
Serrano
Sessions
Skaggs
Skeen
Skelton
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Stark
Stenholm
Stokes
Taylor (MS)
Thomas
Thompson
Tierney
Towns
Upton
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weldon (FL)
Weygand
Whitfield
Wise
Wynn
Yates
Young (FL)

ANSWERED ''PRESENT''—68

Andrews
Barcia
Barrett (NE)
Becerra
Bilbray
Bishop
Brown (OH)
Cardin
Castle
Clement
Cramer
Davis (IL)
DeFazio
DeGette
Delahunt
Deutsch
Dingell
Dooley
Engel
Eshoo
Etheridge
Farr
Fox
Frost
Gephardt
Gordon
Harman
Hilliard
Jackson-Lee (TX)
Kildee
Kilpatrick
Kind (WI)
Kucinich
Lantos
Leach
LoBiondo
Lofgren
Maloney (CT)
Maloney (NY)
Manton
McCarthy (NY)
McHale
Minge
Pallone
Pascrell
Pomeroy
Price (NC)
Quinn
Rahall
Rivers
Rush
Sanchez
Sandlin
Shays
Sisisky
Slaughter
Spratt
Stabenow
Strickland
Stupak
Tanner
Tauscher
Thurman
Torres
Turner
Wamp
Wexler
Woolsey

NOT VOTING—9

Cooksey
Gonzalez
Greenwood
Hastings (FL)
Johnson (WI)
Kasich
McNulty
Schumer
Sherman

□ 1913

Mrs. CHENOWETH changed her vote from ''aye'' to ''no.''

Messrs. SNOWBARGER, HEFLEY, SHADEGG, and NETHERCUTT changed their vote from ''no'' to ''aye.''

Messrs. CRAMER, BECERRA and RAHALL changed their vote from ''no'' to ''present.''

Mr. BLAGOJEVICH and Mr. BOEHLERT, and Mrs. CLAYTON, Mrs. KENNELLY of Connecticut and Ms. McCARTHY of Missouri changed their vote from ''present'' to ''no.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

□ 1915

Mr. THOMAS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. SUNUNU, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, had come to no resolution thereon.

CAMPAIGN FINANCE REFORM DEBATE SHOULD NOT BE DELAYED AGAIN

Mr. MEEHAN. Mr. Speaker, I ask unanimous consent to speak out of order for 1 minute.

The SPEAKER pro tempore (Mr. SUNUNU). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. THOMAS. Mr. Speaker, I could not hear you nor the exchange. What has occurred?

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MEEHAN) has made a unanimous-consent request to speak out of order for 1 minute.

Mr. THOMAS. Reserving the right to object.

Mr. MEEHAN. Mr. Speaker, the ruling was already made.

The SPEAKER pro tempore. The gentleman has been granted permission to speak out of order for 1 minute.

Mr. THOMAS. Mr. Speaker, I thought it was a request unanimously to speak out of order.

The SPEAKER pro tempore. Hearing no objection, the gentleman was recognized.

Mr. THOMAS. Mr. Speaker, I did not hear the exchange, but go ahead.

Mr. MEEHAN. Mr. Speaker, we have been waiting for a vote on campaign finance reform now for literally years. Years. My question to somebody on the other side is, how in the world could the debate on the rule on this bill have possibly been canceled again?

My understanding through the grapevine is that we are actually not going to do the rule again tonight. In other words, my understanding is that we are going to walk away tonight again not

having done the rule, again not having started debate on the Shays-Meehan bill that we were promised a vote on over and over and over again.

Mr. Speaker, I hope someone on the other side can give me some justification, just a little bit of justification as to why we are canceling this debate on this rule again. It is outrageous.

Mr. Speaker, this has been canceled five times, this rule. And I cannot believe we are going to walk out of here before we vote on this rule. The American people are demanding a vote. I will yield to whoever can explain this to me.

PARLIAMENTARY INQUIRY

Mr. FRANK of Massachusetts. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FRANK of Massachusetts. Mr. Speaker, would you check and see if the gentleman from Florida (Mr. HASTINGS) took the campaign finance bill with him on that leave of absence.

The SPEAKER pro tempore. The gentleman is out of order.

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 gentleman from Florida (Mr. MCHUGH) is recognized for 5 minutes.

(Mr. MCHUGH addressed the House. His remarks will appear hereafter in the Extension of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

(Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extension of Remarks.)

CONGRESSIONAL MEDAL OF HONOR SOCIETY PATRIOT AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SOLOMON) is recognized for 5 minutes.

Mr. SOLOMON. Mr. Speaker, I just wanted to call attention to something that happened in my district last weekend. The Congressional Medal of Honor Society held their annual convention in Saratoga Springs, New York.

I think those who may live west of the Mississippi may not understand, but the Saratoga battle was the turning point in the Revolution. It was when General John Burgoyne was defeated by Benedict Arnold, and that was the turning point of the Revolution. That is the reason that we actually stand here today in the greatest democracy in the history of the world and the longest standing democracy in the history of the world.

At that convention, I was very proud to have been the chairman of the occasion and the Congressional Medal of Honor Society gave their Patriot Award to two great Americans, one by the name of Bob Dole, former Senator and our presidential candidate. And it was the first time they gave a dual award to two people, the same award, and that was to Elizabeth Dole who, as we all know, is the head of the American Red Cross.

Mr. Speaker, it was a thrilling occasion to see those two wonderful people who have devoted their entire lives to their country in one way or another. I just wanted to call the attention of this body to the fact that that convention was held.

During that same time, we were very proud to have the Army, Navy, Marine Corps and Air Force all represented with their stellar bands participating in a parade that day on Saturday. And all of the people that turned out were honoring some 100 still-living members who have received that highest award, that is the Congressional Medal of Honor Society Patriot Award. So I wanted to call that to the attention of the membership.

ADDRESSING HAWAII'S ECONOMIC RECESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. ABERCROMBIE) is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Speaker, I want to take this opportunity to thank my colleagues in Congress for all of their cooperation in our fight to help Hawaii's economy and to explain why the fight is far from over and why we must redouble our efforts to find solutions to the State's economic problems.

Over the last few months, I have had success in bringing new jobs to Hawaii. For instance, the defense authorization bill contains over $200 million for new, needed construction projects in Hawaii, a record level. This includes renovation and construction of the barracks at Schofield and Kaneohe Marine base, as well as funding for Navy family housing and the Pearl Harbor Public Works Center.

Mr. Speaker, many of my colleagues' constituents are members of the U.S. military and reside for at least part of their time in service at Schofield or Kaneohe or Pearl Harbor. The military is very important to Hawaii. Having the military in Hawaii itself is vital to our national interests. I strongly believe we need to maintain and build upon the military presence in Hawaii as we approach the 21st century in the interest of the national interests of the United States.

In addition to this, this year's transportation bill included funding for several vitally important highway projects which will further stimulate the construction industry in Hawaii, as well as provide much-needed improvements. I extend thanks for myself and on behalf of the people of Hawaii for all of the help that has come from Washington recently as we try to work our way out of this economic recession.

Mr. Speaker, I returned recently from Hawaii and continue to hear from families and businesses that economic conditions are difficult and, therefore, the need for action by the State of Hawaii and Congress is necessary to return the islands to economic well-being.

Although much of the mainland has been experiencing strong economic growth, Hawaii, despite periodic spurts of recovery, in fact remains stagnant. The 7-year recession in Japan and more recently in Korea, Indonesia, Malaysia and Thailand has resulted in declining tourism, Hawaii's lifeblood, and subsequently high unemployment, record bankruptcies, foreclosures, and declining property values. In short, Hawaii is experiencing the deepest recession since statehood.

Beyond the hardship being experienced by thousands of families in Hawaii, there have been layoffs which triggered declining confidence in the economy. There has been a cutback in spending and fearing for the future, a very real and human reaction I might say, Mr. Speaker.

The consequence, however, is additional economic contraction, more layoffs and every business thus is affected.

There is, in the face of this grim situation, knowledge that we will get back on our feet. In time, the Asian economies will restructure, currency exchange rates will stabilize, tourism will rebound, and the economy will regain its strength. We must, however, take every action available at the disposal of the Federal Government to cushion the recession and provide the short-term economic stimulation necessary to see it through the hard times.

□ 1930

In addition to the successes I mentioned earlier, there are some projects still in the works. I am happy to be working with the Small Business Administration and the Department of Commerce to identify resources that can be brought to bear on our problems in Hawaii.

For example, the Commerce Department needs adequate funding for its community and economic development program. A $50 million appropriation would provide needed grants for planning and technical assistance many communities need which are experiencing the economic problems that Hawaii has.

I am working with the Congressional leadership and administration to reestablish the spousal business travel deduction and increasing business meal and entertainment deductions which will help promote tourism, not only for Hawaii, but all over the mainland as well.

I have introduced legislation to repeal the airline tax in last year's budget bill. The highway bill, as I indicated, provided Hawaii with $135 million in annual formula grants and will fund numerous priority projects. Money will be coming in, for example, to help needed improvements in Honolulu's harbor.

I will continue to call on Congress to pass funding for the International Monetary Fund. It is all too evident to the people of Hawaii that when the Asian economies suffer, the economy of our State suffers just as greatly. I might add by extension, Mr. Speaker, the mainland as well.

We should send this money because it is the right thing to do and because anything that stabilizes the Asian economies will help increase tourism and help to stabilize our own economic progress throughout the United States.

We must also focus on securing long-term solutions to our problems, improve our education for our children, higher medical care reimbursement. In Hawaii's case, I am helping to diversify Hawaii's agriculture and to upgrade the Pacific Missile Range Facility to help bring Hawaii's military facilities, which I have mentioned at the beginning of my remarks, Mr. Speaker, into the 21st Century.

I also want to upgrade Hawaii's telecommunications links to the mainland and the world.

Tourism, the military and agriculture will continue to be Hawaii's key industries in the next century. We must, however, be well prepared to guide the changes underway. In the long run, technology development and innovation, as well as diversity within those industries, will lead us back to economic growth, jobs and prosperity. We must make wise decisions in this time of economic crisis.

I look forward to working with my colleagues to resolve Hawaii's economic problems.

The SPEAKER pro tempore (Mr. SUNUNU). Under a previous order of the House, the gentleman from New York (Mr. BOEHLERT) is recognized for 5 minutes.

(Mr. BOEHLERT 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 gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

(Mr. WALSH 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 gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

(Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. WHITFIELD) is recognized for 5 minutes.

Mr. WHITFIELD. Mr. Speaker, we have had quite a loud and lively debate here today about campaign finance. I for one think that that debate is healthy. Anyone watching this debate would see that there are very deep feelings about this issue. I think that all sides are speaking from the sincerity of their beliefs.

There are a lot of confusing issues on this issue of campaign finance. I for one do not think simply calling something reform means that that is going to make it better. In fact, some people would say that instead of campaign finance reform, this should be called campaign finance regulation.

In the definitions of campaign finance, we talk about hard money, we talk about soft money, we talk about independent expenditures, we talk about issue advocacy, we talk about a lot of magic words that a lot of people really do not focus on, do not understand.

I noticed that, during the debate today, that the minority leader referred to independent expenditures as being a real problem as someone else referred to independent expenditures as being a real problem. I do not really think independent expenditures are a real problem, because independent expenditures is express advocacy and already comes under FEC jurisdiction except in a few minute exceptions.

But if a person donates money to a candidate, and the candidate decides to give that money, let us say, to a not-for-profit group, there are some provisions in here, the Shays-Meehan bill, that would prevent, for example, political parties giving money to 501(c)(3) organizations or nonprofit organizations.

I for one think that political parties have a right to give money to nonprofit groups and allow them to get their message out on issues that are important to them. Issue advocacy was the real issue that brought us this whole debate to the House floor, because during the 1996 Presidential election, the Clinton/Gore campaign and the Dole campaign went farther than anyone had ever gone in raising soft money for issue advocacy by the political parties.

The only reason that there was difficulty with that is because a lot of foreigners made contributions to some of these political campaigns, and that is illegal under existing law. Section 441(e) of the Federal election law already makes it illegal for a foreigner to contribute to a political campaign.

Not only that, but also we know for a fact that, at the Buddhist Temple fund-raiser, many individuals were listed as contributing hard money supposedly to a campaign, and then we subsequently found out that they did not actually contribute, but money came from foreign sources. So I would simply submit that we already have legislation on the books that can deal with the foreign money issue.

Now, another issue that is disturbing to many of us is the fact that some of these bills expand the definition of express advocacy. What that means is that, if you use express advocacy, you are expressly advocating the election or the defeat of a particular candidate. If you do that, then you have to file all the reports with the FEC. You have to meet the contribution limits and so forth.

I for one think that we have an opportunity in this debate that is I suppose to begin tomorrow to address some very serious issues, very serious constitutional issues regarding these pieces of legislation.

I know that tomorrow it will probably be another heated debate, but, as I said in the beginning of this statement, I know that both sides are approaching it with sincerity in their beliefs.

I see my time is about to expire, but I do look forward to the debate tomorrow.

SOFT MONEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MEEHAN) is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I fully expected that we would be debating the rule on campaign finance reform at this time, but, unfortunately, there has been a delay. I do want to say that I think the debate today was enlightening at times, entertaining at other times. There were many Members of this body who have done great work on campaign finance reform, bipartisan work on campaign finance reform over the last 3 or 4 years: The gentleman from Connecticut (Mr. SHAYS), people like the gentleman from Tennessee (Mr. WAMP), the gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Wisconsin (Mr. BARRETT), the gentleman from Maryland (Mr. CARDIN), the gentleman from Michigan (Mr. LEVIN), the gentleman from California (Mr. HORN), the gentlewoman from New Jersey (Mrs. ROUKEMA), the gentleman from California (Mr. CAMPBELL), the gentleman from California (Mr. BILBRAY), new members like the gentlewoman from California (Mrs. CAPPS), and the gentleman from Washington (Mr. ADAM SMITH), effective Members who have sat down to try to come up with a bill that is fair to both political parties. That is all we are trying to do here.

We do not have the perfect bill. We do not have the special magic wand that is going to make the system perfect. But let me tell you what we do

have. We have a bill the Democrats and Republicans have worked on in a bipartisan and bicameral way.

This bill is McCain-Feingold in the United States Senate, where Democrats and Republicans have been working together in that body. In fact, they, even when it came to a vote, got a majority of the Members of the other body to vote for the bill. Unfortunately, under Senate rules, they need a 60-vote majority to get by the filibuster.

In the House of Representatives, we have a golden opportunity. I have felt over the period of the last months more and more Members are willing to take on a special interest, fight for bipartisan campaign finance reform. The number of Members on both sides of the aisle committed to the Shays-Meehan bill has been growing every day.

I might add that it seems that every time the leadership on the other side of the aisle puts up another obstacle to passing true meaningful bipartisan campaign finance reform, it seems that we get more Members supporting our effort.

So I am not sure that the strategy to complicate the matter, the strategy to delay and procrastinate and capitulate, frankly, I do not think that it is working. In fact, more Members are supporting the Shays-Meehan bill today than have at any point in time over the last several years.

They have joined with editorial boards all across America, the Los Angeles Times, New York Times, U.S.A. Today, the Christian Science Monitor. They have joined with the League of Women Voters and Common Cause and Public Citizen and people in public interest groups who have been fighting to find a way to reduce the influence of money in American politics.

Critical to our proposal is making soft money illegal. I do not know how we could have spent millions of dollars over the last several months conducting investigations and having hearings, politically charged hearings about the abuses of soft money in the last Presidential election, and now we have an opportunity to have a bill that bans soft money, and the leadership is procrastinating, delaying, promising a vote, no vote, pulling rules.

Time and time again, you will hear opponents of reform argue that soft money is not a problem. Let us be clear. When they are defending soft money, they are really defending big money. That is where the American public clearly disagrees.

The soft money loophole allows corporations and labor unions to bypass Federal election laws and tap into their treasury accounts to funnel millions of dollars into the parties, money that is then spent to influence Federal elections.

The fact is that, as long as soft money is allowed, our campaign finance system will be the type of system that invites corruption. That is why we are trying to change this system.

The sham ads, issue ads, opponents of campaign finance reform tell us that we must protect free speech. But when they say free speech, they mean big money. The fact is that the Shays-Meehan bill does not ban any type of communication. It merely reigns in those campaign advertisements that have been masquerading as so-called issue advocacy.

According to the United States Supreme Court, communications that expressly advocate the election or defeat of a clearly identified candidate can be subject to regulation.

The question is not whether the Federal Government should regulate campaign advertisement. It already does. The real question is whether or not the current test adequately identifies campaigns advertisements. The answer is simple. No, it does not. The Shays-Meehan bill will give us an opportunity to make these corrections.

CHINESE OCCUPATION OF TIBET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SCARBOROUGH) is recognized for 5 minutes.

Mr. SCARBOROUGH. Mr. Speaker, earlier this week we had a rally on the Capitol talking about freedom in Tibet, and there were a lot of people talking about the need to pray for the people in Tibet. I believe, though, that we need to worry about the people of America and America losing its way, turning its back on the very things that Thomas Jefferson and our founders believed in regarding freedom in this country and in this world, for the country that has been called the last great hope for a dying world has turned its back on freedom loving friends across the globe for 30 pieces of silver.

It seems Americans are confused by facts or more concerned about 9,000 points on the Dow Jones than what is going on. Nine thousand is a number that has mesmerized politicians in Washington. Nine thousand is a number that has mesmerized the wizards of Wall Street and those on Madison Avenue.

But when we are talking about Tibet, I think we need to talk about some numbers that at least, to me, and at least to the freedom-loving people of this country should be more important than the 9,000 number when talking about the Dow.

I am concerned about the number 50. That is the number of years Tibet will have illegally been occupied by China in the next few years. I am concerned about the number 1.2 million. That is how many Tibetans, one-fifth of the country's population, have died since 1959 because of the Chinese occupation.

I am concerned with the number 2,000. There are more than 2,000 political prisoners right now in Tibet. I am concerned about the number 130,000. That is how many Tibetans are in exile.

Right now, there are 250,000 Chinese troops occupying Tibet. At least 6,000 people were sentenced to death in 1997. Right now, 60, the count is 60 million for the number of people that this brutal regime has killed since its inception in 1949.

□ 1945

And yet we have politician after politician and corporate leader after corporate leader falling all over themselves to embrace China and, in doing so, crushing the human rights of those people in Tibet.

Freedom is what I believe America is about. Thomas Jefferson's view of America was an America with a free marketplace of ideas, where people could come together and talk about and debate and export liberty and freedom across the globe. And yet in America today we remain strangely silent because of our preoccupation with the Dow Jones over 9,000 points and our preoccupation over China as the next exporting market. And, meanwhile, we import from China and other places in east Asia, basically getting cheap consumer goods based on little more than what we in America would term slave labor.

It is very frightening. It does not remind me of the America that Thomas Jefferson and the founders talked about when they wrote,

> We hold these truths to be self-evident; that all men are endowed with certain inalienable rights by their creator, and among these are life, liberty, and the pursuit of happiness.

Now, if our founders believed that God gave those rights to all men, are those rights that Jefferson wrote about, that the creator endowed us with, are those rights exclusive only to those people that are not good trading partners? Or if we have a good trading partner, do we turn our back on Jefferson's vision and our founders' vision of America in this world? Regrettably, over the last few years, I am afraid the answer is, yes, we have turned our backs. It is not the America that Jefferson believed in, it is not the America that leaders have believed in, it is not the America that I believe in.

So many people at the rally seemed concerned that they could not make a difference; that there was nothing they could do to break down the walls of resistance from the White House or from this Congress or from Wall Street or from Madison Avenue. But I am reminded of a quote that Bobby Kennedy made some 32, 33 years ago. And, of course, Senator Robert Kennedy was shot down about 30 years ago last week. But he believed that one person could make a difference. Just like he said in Johannesburg, one person could make a difference in breaking down the walls of oppression. I believe that to be the case in Tibet.

CONGRESS NEEDS TO ACT CREDIBLY WITH REGARD TO PROMISES TO REFORM CAMPAIGN FINANCE

The SPEAKER pro tempore (Mr. SUNUNU). Under a previous order of the

House, the gentleman from Connecticut (Mr. SHAYS) is recognized for 5 minutes.

Mr. SHAYS. Mr. Speaker, I have been in this chamber 11 years and I have seen days that are very satisfying and days that are not. I, obviously, am very proud to be a Republican Member of this Congress and am proud that in 1994 that Republicans had an opportunity to lead this Congress, to help get our country's financial house in order, to save our trust funds, and to move from a caretaking society to a caring society, where people have their hopes and dreams more likely to occur.

I was also proud to be part of a 1994 Congress that took office in 1995 that was able to move forward with congressional accountability, getting Congress under all the laws that we had exempted ourselves from. Congress had exempted itself from the civil rights law, it had exempted itself from fair pay, the 40-hour workweek, time and a half. The private sector had to do it, Congress did not.

Congress had exempted itself from OSHA, the Occupational Safety and Health Act, which basically meant that the Congress did not have to abide by safety procedures for its employees. A Member of Congress could not be sued by an employee for sexual harassment. We exempted ourselves from things that the private sector came under. We did until the 104th Congress, the last Congress, in which we passed congressional accountability.

But we did not stop there. And we did it, candidly, on a bipartisan basis, which is the best way to get reform through. We did not just try to ram it through. We worked with colleagues on both sides of the aisle and got wide support for it. We did the same thing with gift ban and lobby disclosure. We banned, frankly, all gifts, something that was long needed certainly to bring them under control, because Members could receive unlimited gifts of meals and wine and so on. They did not even come under the gift ban. They could get $100 at a clip, $250, during the course of a year. We wanted to bring it down to what the Senate had, but the Speaker wanted to ban all gifts, and I concurred in that.

We also, for the first time since 1946, we also amended our lobby laws to really get people who are lobbyists to register and to report who they try to influence and how much they spend. And it has made a significant difference in identifying who really is trying to influence this place. These were reforms that happened under the 104th Congress and, to its credit, on a bipartisan basis.

But we did not deal with campaign finance reform. I guess three out of four is pretty good, but it was my hope and my expectation that a reform-minded Congress would deal with campaign finance reform; and that we would reform our laws, the unlimited soft money that has contributed to the political parties, the over $260 million that was given collectively to both parties that was not used for party building, was not used for registration, but was used to influence directly individual races, circumventing the campaign law, unlimited sums by individuals, corporations, labor unions and other interest groups.

I was hoping that we would deal with sham issue ads, the truly campaign ads, call them that and place them under the campaign laws, freedom of speech, under the rules that everyone else has to abide by; that we would codify Beck and make sure that nonunion members do not have to pay political costs to a union for a political activity they do not agree with; improve FEC disclosure enforcement; deal with the abuse in franking and require that foreign money and fund-raising on government property stop. Because right now it is illegal to do that for campaign money, but it is not illegal to do it for soft money. So we need to make sure people know that, one, we ban soft money, but if there is money that is not under hard money, that foreigners cannot do it and they cannot raise this money in government buildings.

It had been my hope and expectation we would deal with this issue last year, but we did not. There was a promise we would deal with it in February and, at the latest in March, but we did not; and then a promise we would deal with it in May, and we have not. And so promises are becoming empty words. It is important that my side of the aisle live up to its agreement, live up to its agreement to deal with campaign finance reform.

I fault my colleagues on the other side for not wanting to deal with the abuses in the White House, I fault my colleagues on this side of the aisle for not wanting to reform the system. We need to do both. We need to hold the abuses of the White House accountable, and we need to reform the system. We need to do both to be truly credible. And I hope and pray that in the days and weeks to come we do that.

TOMORROW'S CAPITOL HILL ROBOTICS INVITATIONAL PROMISES TO BE A REAL TREAT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DELAHUNT) is recognized for 5 minutes.

Mr. DELAHUNT. Mr. Speaker, if you think ball-playing robots invading Congress sounds like a science fiction script, then think again, and set your alarm clock for early tomorrow morning, when you and I will kick off an unprecedented head-to-head national robotics competition on Capitol Hill. It will truly be an exciting time in the halls of Congress tomorrow.

A dozen high school teams from across the country, including students from Plymouth North and Quincy and North Quincy High School, many of whom are in the gallery here tonight, will cheer on their robots' attempts to pivot around mechanical competitors scoring points by heaving large balls into 8-foot goals.

Last summer, when I attended the Rumble at the Rock in America's hometown, Plymouth, Massachusetts, a regional robotics competition held at Plymouth Rock, I expected something between a chess club demonstration and a science fair. What I saw left me stunned and truly impressed.

These competitions create an intense thirst for achievement that is usually reserved for the NCAA or NBA finals, proving again what sports promoters and parents have long known: We can create demand for excellence among the kids themselves.

Tomorrow's Capitol Hill robotics invitational is designed to underscore the work of a unique foundation, called FIRST, which is headed by Andrew Allen, a former astronaut who served as commander of the Space Shuttle Columbia. The acronym FIRST stands for, and I am quoting, For Inspirational and Recognition of Science and Technology.

Over 20,000 students on 200 teams participated in regional contests leading to FIRST's national finals earlier this year at the Epcot Center in Florida. Televised by ESPN, and with a crowd of more than 12,000 screaming from the sidelines, it had all the excitement of a national student athletic championship.

Each team is issued an identical trunkful of raw materials and a $425 credit to purchase additional supplies, then has 6 weeks to collaboratively design and construct a robot capable of competing in a designated event. The participating students have built remote control robots capable of picking up and maneuvering 20-inch rubber balls around a small 6-sided playing field to score goals while competing against other robots.

These projects combine technical sophistication, practical know-how and old-fashioned teamwork. A key to FIRST's success is breaking down the classroom door by partnering with corporate sponsors like Boston Edison and Gillette, and through mentoring from corporate R&D shops and academic engineering departments.

As the Quincy and Plymouth students discussed earlier today with senior officials at the Department of Education, these projects are national educational models combining on-the-job training with competitive adrenaline. How else can you explain that morning during a New England storm this past winter when members of the Plymouth North robotics team trudged through the snow to attend school, even though classes were canceled? Or the many Sunday evenings when Mike Bastoni, its devoted robotics teacher, has to shoo students out of the computer lab at 10 o'clock at night?

It is no accident that these kids emerge with a keen sense of their own potential and with the tools to succeed in a rapidly changing technologically

advanced work force. The ultimate rewards, as the students in the House gallery can attest better than I, are lifelong skills and self-respect.

I look forward to the competition tomorrow in the Rayburn foyer, and I promise all who come a real treat. Thank you, Mr. Speaker, for your effort and your assistance in cosponsoring this event.

□ 2000

PAYCHECK PROTECTION ACT

The SPEAKER pro tempore (Mr. SUNUNU). Under the Speaker's announced policy of January 7, 1997, the gentleman from Colorado (Mr. BOB SCHAFFER) is recognized for 60 minutes as the designee of the majority leader.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, it happened again just a few days ago. I was at a Republican event, a political event dealing with putting candidates on the ballot back in Colorado and one of the individuals in the audience came up and he said, ''I am fed up and sick and tired of labor unions taking cash out of my wages and spending those dollars on political causes that I do not support.''

This was a Republican worker who lives up north in the Morgan area, in Morgan County in my district, in the Fourth District of Colorado. And he asked if there is anything I can do about that.

Well, I asked more questions, tried to find out exactly what had occurred to him. It seems he works for a closed-shop operation there in Colorado, which is in not a right-to-work State. A closed-shop State means essentially that one can be forced or compelled to join a labor organization against their will as a condition of employment. Their only option, of course, is to give up their job and move on and go somewhere else.

So this individual does not approve of his union's activities. I suppose he probably supports some of the collective bargaining and maybe some of the agency representation and so on. But what he really resented was that a certain portion of his paycheck was automatically deducted and withheld and redirected toward political causes of the union's choosing without the consent of this particular wage earner. He thought it was a crime. In fact, he called it such. And I could not disagree with him at all.

Well, this is a practice which occurs throughout the country. It is interesting, here on the House floor, with all the debate about campaign finance and campaign finance reform and what campaigns ought to look like, how they ought to be funded, whether there ought to be caps and limits, what kind of disclosure and reporting requirements that we ought to insist upon, that no one is really willing to spend the time talking about whether campaign funds are raised legitimately in the first place.

The fact of the matter is, right here in the great old United States, it is quite possible, in fact it is quite likely, that a wage earner can have a portion of his wages automatically deducted and withheld out of his paycheck and spent on some political cause simply because he happens to be associated with a labor union. It happens with other organizations as well.

Well, we have tried in fact to take a crack at the issue here on the House floor. The last time campaign finance issues were raised we brought a topic to the floor called the Paycheck Protection Act, a proposal designed to end this practice of having wages automatically deducted and spent on political causes without the consent of the wage earner.

It strikes me as being a pretty simple matter, yet it gets quite confused here in Congress. And I will explain that in a moment, why there seems to be a source of confusion. But it seems that anybody would be hard pressed to come up with an explanation as to why stealing wages out of somebody's paycheck and directing it toward a political cause without the wage earner's knowledge or the wage earner's consent is a good idea, how it can possibly be justified, how we can in fact stand for it, how we can allow campaign cash to be raised in this sort of manner and not object on a daily basis.

Well, I have heard from too many constituents, rank and file union Americans, who do object, who do come up to me at political events, at town meetings, at the parade celebrating small towns throughout my rural district, who come up and tell me that they are fed up with it, that they are sick and tired of having their wages raided by people they do not support for political causes they do not condone, and spent in a way that is outside their control.

I sort of look at this as a pay raise. If we can really protect the paychecks of hard-working Americans, make sure that no portion of their wages are automatically deducted and siphoned off for political causes, that really means, for many wage earners in America it means more dollars in their pocket.

It is very consistent with our efforts towards tax cuts in America to try to encourage and empower individual wage earners by protecting what they work hard for, by protecting their earnings, to allow them to keep what they have toiled over and the fruits of their labor and let them spend it on things that they believe to be high priorities rather than some union boss sitting in another city perhaps or maybe right here in Washington, D.C., or maybe a committee of them that is forming today perhaps to decide which Members of Congress ought to stay and which ones ought to go.

Well, it really does work that way. If my colleagues want to figure out what the motivation is why any labor organization would stand for siphoning off portions of their members' wages to spend on political causes of the union's choosing, they just need to spend a little time here in Washington D.C.

Whenever we have these campaign finance debates, these halls are lined out here in the committee hallways and Members offices' are lined with union organizers and union lobbyists and union bosses who understand that when we talk about paycheck protection, we really are threatening the way of life for a handful of powerful union bosses who have made an art and a career out of siphoning wages away from wage earners' paychecks for the political purposes of their choice.

Campaigns can be fun if they are involved in them, if they are involved in raising money and trying to spend it in a way that helps affect the direction of Congress. It seems to be the American way. That is what every citizen should be encouraged to do and to participate in and be involved in, to choose the candidate of their liking and decide which one best represents them, to put a yard sign in their yard maybe, to put a bumper sticker on their car, to take some literature through their neighborhood and give it to their friends and neighbors, maybe to go to precinct caucus meetings and maybe some State and county assemblies, maybe the national convention, to be involved in whatever way they can in help selecting the candidate that best represents them and that they think is the one that is really going to help turn the country around and to meet their expectations.

And a big part of that is raising money too, as we all know in this case. We spend a lot of time trying to replenish the campaign coffers so that we can run for election. And our opponents who are out trying to replace us today are on the phone, perhaps trying to raise money for their campaign coffers so that they can convey their message.

There is nothing wrong with that. That makes a lot of sense. But it ought to be voluntary. It seems, at the very least, we ought to insist upon a voluntary nature about politics. To insist upon the simple notion that no one, no one in America should ever be forced to contribute to a political cause which they do not support. Does that seem to be too much to ask?

Well, when we asked that question here on the House floor a few months ago, the answer was no, it was too much to ask actually when it came right down to it. Because those union bosses and lobbyists that I mentioned who march around the Capitol building and who hang out around the offices of likely Members of Congress who seem to be sympathetic to the cause of union bosses, well, they said no, they said no to the Paycheck Protection Act.

We hope to give them another chance and another opportunity, in fact, several opportunities crafted in several different ways. There are a dozen, at least a handful of proposals and variations on the Paycheck Protection Act that we can consider here in Congress.

I am going to offer my proposal again. The Paycheck Protection Act is a very similar bill. It is only a couple of pages. What it suggests is that no wage earner's wages can be withheld for political contributions in any manner without the consent of the wage earner. And anyone who siphons money out of the paycheck of an unsuspecting wage earner would be subject to judicial proceedings and actions taken against him by the wage earner himself.

You see, I am not really against and I do not think anybody who supports the Paycheck Protection Act is against labor unions being involved in the political process. Quite the contrary, I am for that. I think labor unions serve a very useful purpose. I am for collective bargaining, I am for agency representation, as long as people voluntarily agree to become associated with these groups and organizations and clubs.

I am even for labor unions being involved in politics, and I think most supporters of the Paycheck Protection Act are, as long as the money that they raise is raised voluntarily, as long as the individuals who contribute to the political cause know what they are doing and agree to it and agree to open up their wages to give the special account number to the special interest groups so that some of the money that otherwise would go directly to the wage earner's paycheck is instead diverted, a small portion of it, to an union's account, a political account.

That is fine if it is voluntary. The Paycheck Protection Act insists upon a voluntary nature associated with raising political dues.

Well, what many of the opponents of paycheck protection understand is that the measure is pretty passionately opposed by union bosses. This is pretty easy money for these folks, that comes pretty easily. When they are stealing it, when they are taking it away from paychecks and wage earners unsuspecting, that is easy cashing for those who are here to raise money.

Many of us insist upon doing it the hard way, and that is getting on the phone or having a meeting with individuals and asking them to contribute, to in fact invest in our political cause and to back the message that we propose so carry to Washington, D.C.

But taking it through this mechanism of wage withholding and wage deduction is certainly easier. There is no confrontation involved. They do not have to do any explaining at all. They just take it and they spend it on these same Members of Congress and other candidates like then who seem to be sympathetic to the notion that these union bosses have good ideas and ought to perpetuate them in Washington.

Here is something else, Mr. Speaker, that these individuals, these same opponents of paycheck protection know. They know that the rank and file union members support the Paycheck Protection Act.

This is a graph that outlines a recent public opinion poll that was taken among the American citizens. And we asked, should we change or keep the current Federal election laws that allow unions to make political contributions with money deducted from a union member's paycheck?

Of all voters, when all voters were surveyed, way over there on my right, 78 percent of American voters throughout the country said that they in fact support changes in the law, those laws that currently allow political contributions to be made with money deducted from a union member's paychecks. Seventy-two percent of union households, now these are union households, these are households where union members are answering the surveys, 72 percent of union households say we should change the law so that paychecks are protected and that no one's wages are withheld without the consent of the wage earner.

Look over here, when we talk to members of teachers' unions, these are again not all union members throughout the country, that is this column here, this is just union members who are part of a teachers' union, this is a smaller subset, 78 percent of teacher union members tell us that they support changes in the current law which allows wages to be automatically withheld and spent on political causes without the consent of the wage earner. Seventy-eight percent of members of teachers' unions say that that law ought to be changed.

When we exclude all the union members and talk to all union members, we get a 2 percent bump; 80 percent of nonunion voters throughout the country believe that we ought to change the law.

The next graph is pretty similar and in many ways restates what I had said earlier, but the question was asked a little differently in this instance. We asked whether the respondent would approve or disapprove of a new Federal law that would protect workers' paychecks, whether they would support the paycheck protection in fact.

Again, when we ask all voters, all voters throughout the country, 80 percent tell us they support the Paycheck Protection Act. Eighty percent of union members, union households, tell us they support the Paycheck Protection Act.

That is really remarkable for a lot of people. If we listened to the opponents of paycheck protection, we would think, in listening to their arguments, come to the conclusion that union members somehow want their wages to be withdrawn and withheld for political causes against their will. But when we asked the wage earners themselves, 80 percent of them told us that they believe that we ought to pass the Paycheck Protection Act and end this abuse.

When we go to teachers' union households in this case, 84 percent tell us that we ought to pass the protection, they approve of the law. And again, when we exclude all the union members and just look at nonunion households, 80 percent of nonunion households support a measure that would protect the paychecks of, well, anybody's paycheck; they do not even have to be a labor union member, but anybody's paycheck that is subject to being raided by various political operatives of various sorts.

It is interesting that we would think that with 80 percent of all voters who favor paycheck protection that we would have the balance, the 20 percent, that would oppose. Actually, the number is smaller than that. It is 16 percent. There is a handful of folks in every single instance who have not made up their minds on the matter, who have not come to a conclusion yet as to whether we ought to protect the paychecks of wage earners.

Sixteen percent of all voters say that we ought to leave the law as it is. Sixteen percent of union members say we ought to leave the law as it is. Thirteen percent of teachers throughout the country say we ought to leave the law as it is. Sixteen percent of nonunion members say we ought to leave it as it is.

Those are small numbers, 16 percent, 13 percent in the case of teachers, and the comparisons on the other graph are very similar. But it is odd how powerful this minority of voters seem to be here in the halls of the United States Congress. Because these are the people who won when we took the last vote here in Washington. These are the folks who were represented who earned more votes in Congress than the people in these tall columns.

So we wonder why that might be. And the reason is because what happens with campaign laws as they are today, which allows wages to be raided and a portion of those wages to be redirected toward political causes without the consent of the wage earner, as we have this 80 percent column that is footing the bill for union political causes, and only 16 percent, this small minority here, actually approve of how those dollars are spent.

□ 2015

So you take money from this big column here and you spend it to empower the small minority there. The small minority there turns around and gives that cash in many cases to Members of Congress, to candidates who are running for office, to governors, to city council members, to county commissioners, to anyone who is sympathetic to their special interest causes.

Once again, I say, I am really not opposed at all to unions being involved in the political process. If they want to give their cash to candidates who are sympathetic to them, that is great. That is what democracy is all about. That is what industrial democracy is all about. That is what is being part of a union is all about, too. But the money ought to be raised legitimately.

It ought to be raised credibly. It ought to be raised voluntarily. That is why the Paycheck Protection Act is such a central and essential part of any debate we propose to have here on the floor of the House with respect to campaign finance.

Now, there are lots of issues we can discuss. Again, you will hear all kinds of particular topics of debate, about whether we ought to have spending limits, where candidates can only spend a certain amount of money. Some people here in Congress support the notion of having the Government finance campaigns. Some people think that all we need to do is maintain full and open disclosure and timely disclosure so that everyone knows and understands where a candidate's cash comes from in a timely manner. Some think we ought to cap the amount of money that people can give to the political process, really to limit the extent to which an individual can participate in politics, in the democratic process here in America.

But I think before we get to any of those discussions, before we get to any of those debates, we ought to be able to agree that the 80 percent of wage earners in America who think their paychecks ought to be protected should at least be considered here in Washington, should at least be considered in some minor way by the Members of the House. I hope we can convert that to consideration in a major way where we will actually respond positively and affirmatively with a Paycheck Protection Act as part of this overall campaign finance debate that will reach out to hard-working wage earners, that will reach out to the mother and father who are working extra hours, perhaps right now, maybe two jobs, trying to make ends meet, to pay the high taxes that this government maintains, that will reach out to those individuals and tell them that we are just going to make sure that you do not end up contributing to a political cause without your knowledge, and that politics in America continues to be voluntary.

There are a lot of people involved in this debate. A lot of people have a lot to say about it. A lot of people who are undecided, those hard-working rank-and-file union members and wage earners who are hoping tonight, maybe watching and maybe paying attention to what goes on here in Congress because they care, those individuals who are hoping that we will vote for them for a change, that we will reach out to them and that we will ignore those minority of union bosses, we will ignore that little 13 and 16 percent column that I showed you, and instead pay attention to the average hard-working person in America. That we will protect their wages, and we will construct a campaign system here in America that will earn their confidence.

Mr. Speaker, with that I yield to the gentleman from Texas (Mr. DELAY), the distinguished minority whip.

Mr. DELAY. Mr. Speaker, I appreciate the gentleman yielding to me and I really appreciate the gentleman from Colorado taking this special order. What he is doing is so right. The best part of what the gentleman from Colorado is doing is he is trying to participate. I think it is rather fascinating that we are here tonight when we should be debating campaign reform under an open rule process, where every Member can have the opportunity to offer the kinds of amendments that that Member cares to offer and every Member get to offer their own substitutes, unfortunately we are not doing that. What we are doing is we are in special orders talking about an issue that is very important to both of us. But we are being held hostage once again by what I think quite frankly is a situation that the Democrats have found themselves in. It is the same sort of situation when the dog chases the big dump truck down the street and catches the dump truck, he does not know what to do with the dump truck. Well, we have been criticized by the Democrats and some organizations for not having open and honest debate on campaign reform for months, mainly in my opinion to cover up the fact that the administration and the Democrat National Committee have broken campaign law, and so it is an old political ploy that you go from breaking campaign law, and the way to shift the focus of the American people is to all of a sudden be great reformers of campaigns and campaign law.

But here we are in a special order as the gentleman knows. I just asked the question, why do the Democrats not want to support an open rule on campaign reform? I mean, we had every intention of bringing a rule to the floor this evening that would open up the process, allow all kinds of amendments, really have an open debate in this House, and frankly it started with a very good debate last week. I thought it was very helpful. The gentleman from Arkansas (Mr. HUTCHINSON) who has the base bill presented his side, everybody was presenting their sides, we were getting ready to have this debate. Yet all of a sudden the rule is not good enough. Members of the minority party asked for an open process in campaign reform. They even demanded it. And when we first announced that we would have an open rule, my colleagues were exuberant.

The gentleman from Maine (Mr. ALLEN), Mr. Speaker, said, and I quote, this is great, this is exciting, after learning that we would bring an open rule to the floor.

The gentleman from Connecticut (Mr. SHAYS) said it was a great day for democracy.

Fred Wertheimer of Common Cause said, and I quote, it was a real breakthrough.

But now these same so-called reformers are complaining because this debate will be too open for their tastes. Apparently the only kind of open debate that they want is debate on their proposals and no other proposal of Members of the House. In their minds the only reforms worth real discussion are their reforms. This attitude is typical of the wider debate that is going on here. The so-called reformers want to shut down this political discussion in America. Now they want to shut down discussions of issues on this House floor. In my view, the real reason we are having this debate at all is because of the abuses that the Clinton campaign had in the last election. In my opinion, Democrats oppose this open rule for one reason and one reason only. It will allow us to vote on reforms dealing with the Clinton scandals of 1996.

Mr. Speaker, the Clinton Democrats remind me of the boy who killed both of his parents and then begged for mercy because he was an orphan. The Clinton campaign brazenly broke campaign laws and then begged for mercy claiming that the campaign system was broken. This open rule that we wanted to bring to the floor earlier this evening would have allowed us to vote on an amendment that would prevent fund-raising in churches and in temples.

The open rule that we wanted to bring here earlier this evening would have allowed us to vote on an amendment that will demonstrate that controlling legal authority prevents politicians from raising money in government buildings.

The rule also would have allowed an amendment closing a huge loophole in the Shays-Meehan substitute that would allow donations from foreign nationals to State and local campaigns and non-Federal PACs. That rule would have allowed us to fix that gaping hole in the Shays-Meehan bill.

The rule would have also allowed us to deal with the problem of illegal foreign money and illegal foreign voting. In short, this rule would have allowed us to debate a whole host of issues dealing with so-called reform.

Mr. Speaker, Shays-Meehan is not synonymous with reform. It is synonymous with suppression. Now they want a new rule, written on their terms, allowing only them to debate what they want to debate. I do not think this House is going to stand for this kind of inconsistency.

Last week we defeated a constitutional amendment authored by the gentleman from Missouri (Mr. GEPHARDT), the minority leader, that would have allowed Congress to limit spending for the first time. The gentleman from Missouri, the author, told us a constitutional amendment was necessary, because, in his words, ''Neither Congress nor the States have any constitutional authority to limit expenditures, independent issue advocacy or uncoordinated expenditures. The current explosion in third-party spending is simply beyond our reach to legislate.''

Yet Shays-Meehan does just that. It attempts to legislate control of public spending and speech. We should debate

this bill in an open process. We should be able to amend this bill in a manner that the rule allows. We should not let the Democrats cover up the Clinton-Gore scandals. We should support this rule and the previous question that allows Members of this House to do their job, to bring to this floor amendments and substitutes that reflect their position on campaign reform, whether it be the position of the gentleman from Arkansas (Mr. HUTCHINSON), who has taken a very constructive approach in the freshman bill being carried by the gentleman from Arkansas, or any other piece, the substitute of the gentleman from Colorado (Mr. BOB SCHAFFER). We should have open and honest debate. That is what we wanted to do. But now all of a sudden, in the 11th hour, when we were about to start 20 hours of debate, tonight until midnight, tomorrow from 1 in the afternoon until midnight and all day Friday, all of a sudden we cannot pass a rule because it does not fit in somebody's little box. I just think it is really unfortunate that we had an opportunity to start this debate and now we are stymied by it.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Colorado for yielding.

Mr. Speaker, I am pleased the distinguished majority whip from Texas and my friend from Arkansas and others of us are here on the floor.

Mr. Speaker, just to underscore the point, and I think this photograph says it all. Mr. Speaker, there are three words that would bring about genuine campaign finance reform. Mr. Speaker, those three words are these: Obey existing laws.

I marvel at the cynicism of the punditocracy, to coin a new phrase in this town, so intent on changing the subject, so intent on saying, and I really hate to use this analogy, given my affection for cookies, but saying to those with their hands caught in the cookie jar, ''Oh, look over here, there's a broken glass elsewhere in the kitchen.'' Or to say, in case of emergency, break the glass for the standard rhetoric that everybody does it.

Mr. Speaker, nothing could be further from the truth, for everyone does not do it. Most of those who serve in this body attempt to adhere to existing law. But, as has been chronicled by my colleague from Colorado, what is very interesting, a very curious thing happened on the way to campaign finance reform a quarter of a century ago. You have to hand it to the left for being pretty crafty politically.

''Let's ensure,'' said members of the left, ''that organized labor and the Washington bosses are never held accountable.''

I would commend to my colleagues and those, Mr. Speaker, who join us electronically from coast to coast and beyond, a study from Rutgers University, which pointed out that the widely reported figure of $35 million used by Boss Sweeney and others of his ilk to try and influence the congressional elections of 1996 was a grossly underreported number. Indeed, Mr. Speaker, the Rutgers study pointed out that the Washington bosses spent between $300 million and $500 million to try and buy Congress in 1996.

Now, Mr. Speaker, it is fair to ask how on earth could they do that. Two reasons, Mr. Speaker, one alluded to by my colleague from Colorado.

Understand full well, Mr. Speaker and my colleagues, that through compulsory dues, working men and women supply the union bosses here in Washington, D.C. with vast moneys on an annual basis. How much? Well, according to these studies, I have seen anywhere between 8 and $11 billion.

So indeed, Mr. Speaker, one-half billion dollars is pocket change to those who really attempt to buy the Congress. Yet some people, well-meaning in their intent, and others cynically looking for political cover, would have you believe that this most fundamental reform, restoring the constitutional rights of workers and for once making those who claim to be friends of the working man adhere to this basic notion of keeping their dirty hands out of the working man's pocket, to take money from the working man to give to causes with which that working person may fundamentally disagree, sadly those minions of the status quo are given cover to claim campaign finance reform.

□ 2030

Those protesting the loudest are headquartered at the other end of Pennsylvania Avenue. Not only ironically, Mr. Speaker, the Chief Executive of this Nation, but the Vice President of the United States, who has been heard within recent months to offer this buzz phrase when asked about his direct violation of Federal law, and do not take my word for it, Mr. Speaker, take a look at the memo from former White House counsel Judge Abner Mikva who sought to forbid those types of campaign phone calls from the White House.

The Vice President of the United States told the press corps in this town and the American people, and I quote:

''My legal counsel informs me there is no controlling legal authority.''

How cynical, Mr. Speaker. How tragic, and how fundamentally wrong because, Mr. Speaker, I would say to the Vice President and to the American people, yes, there is a controlling legal authority. It is called the Constitution of the United States which gives this body oversight of the executive branch.

And indeed, Mr. Speaker, how much more constructive it would be if we did not have so many colleagues fall for the siren song of the pundits who often find themselves affiliated with the left to throw up this mud and this dust under the guise of reform. How honorable it would be if we moved toward a system that would rid us of these Orwellian definitions of reform that do more to repress the constitutional rights of American citizens than anything dreamt of. How interesting it is, Mr. Speaker, that many on the left would say, if we move to protect the rights of workers through a paycheck protection act, that would mean any type of agreement on campaign finance reform. To use their words, Mr. Speaker, it would be dead on arrival.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I yield to the gentleman from California (Mr. Doolittle) and want to make sure we save time here for the gentleman from Arkansas who is leading the freshman effort on campaign finance reform.

Mr. DOOLITTLE. I just wondered if I can get the gentleman's comment on the Minority Leader's statement as reprinted in Time Magazine last year:

> What we have is two important values in direct conflict, freedom of speech and our desire for healthy campaigns and a healthy democracy. You can't have both.

Is that true? I ask the gentleman from Arizona (Mr. HAYWORTH) does he agree with that?

Mr. HAYWORTH. That is as false as false can be.

The Minority Leader demonstrates in that statement why he will remain the Minority Leader if, in fact, he remains in this Chamber because I believe exactly the opposite is true.

Mr. Speaker, we should trust the American people, and that may shock my colleagues here, Mr. Speaker, having been the No. 1 target of the Washington union bosses, having had $2.1 million pumped into my campaign for my adversary to falsely characterize my record. But you see in America, Mr. Speaker, I believe that people even have the right to disagree with me to the point that they can choose to mischaracterize the record because I believe as Abraham Lincoln said:

The American people, once fully informed, will make the right decision, and fully informing them is up to me in my role as a candidate and as a Member of Congress and as a citizen of the United States.

So what we have here, Mr. Speaker and the gentleman from California, is a cynical, sadly misguided attempt to explain to us how we should abridge constitutional freedoms.

Now I guess it should come as no surprise since we have already seen these supposed champions of the working man thrust their hands into the pockets of working people across the country uninvited to take coercive dues to go to political campaigns with which those working people disagree. I say how sad and how cynical and how important it is, Mr. Speaker, to shine the light of truth on that hypocrisy and that wrongheaded notion which may be popular in the editorial reams of certain liberal eastern dailies but is just plain wrong in the shipyards and the construction yards of America.

Mr. DELAY. If the gentleman from Colorado would yield, I just say everything the gentleman says I totally

agree with, but the problem here is that the corrective action that the gentleman might want to take, and there are other Members of this House who want to take the kinds of corrective actions that the gentleman claims are abuses, we cannot do because the openness of the minority has been thwarted. They are thwarting open rules because they will not allow us to pass a rule that allows the amendments that the gentleman might be able to offer in order to correct these abuses.

Mr. HAYWORTH. To simply respond, it should come as no surprise my two friends in the well preceded those of us here in the Congress of the United States, and we realize for 40 years, and it eventually caught up with the left, the notion of saying one thing and doing another led to the change in this Chamber. And what was the first thing that was passed by a new commonsense conservative Congress on the first day of the 104th Congress? This notion: that Congress people should live under the laws every other American lives under.

So it should come as no surprise that the tired, discredited architects of cynicism on the left would come to this Chamber and under the guise of openness seek to abridge the debate, the debate which should go on in the people's House. It is the ultimate irony, and though we will have the predictable cacophony of support from those allied in the left and the editorial rooms of the major eastern dailies, the American people, Mr. Speaker, will see that for what it is, a crass, cynical attempt to change the subject when again.

And I think it bears repeating, if the American people desire a campaign finance reform, it comes in three simple words:

Obey existing law.

Mr. BOB SCHAFFER of Colorado. With that in mind I yield the floor over here to the gentleman from Arkansas who has led the effort on bringing the base bill on campaign finance to the floor, and hopefully we will have a chance to eventually consider it.

Mr. HUTCHINSON. Mr. Speaker, I thank my friend from Colorado, and I want to express my appreciation to you for your leadership in our class as well as on the issue that you believe in that I have supported which is paycheck protection. And I also want to compliment my good friend from Texas who has really fought hard for an open and fair debate. And as I have gone through this procedure in a short fashion, I guess I have come to appreciate the importance of debate, and my friend and I both had a good debate on the floor of the House earlier this week on campaign finance reform coming from two different standpoints, and as we stand here, my friend from Arizona, we all have different viewpoints on campaign finance reform in how we deal with this important subject, and so we need a fair and open debate.

And I think, as we debate this subject, it is good for the American public and it is good for the Members of Congress that we share our ideas, and ideas will ultimately triumph, and so even though I would like to move this process along, and I am extraordinarily disappointed that we are not here tonight debating this important subject as a full body, I do hope that we can pass this rule, that we can move on to the debate.

And I know that with the disagreement that we have a number of amendments that have been offered to the base bill. This will increase the debate, but we can complete this in regular order if we pass the rule and we move along with it.

And the amendments that have been offered have been from both sides. My friend from Texas offered a number of substantive amendments to the legislation, but the Democrats also on the other side of the aisle have offered 74 amendments, have gone to the Committee on Rules and asked for 74 amendments to be made in order, and you look, from even the gentleman from Massachusetts (Mr. MEEHAN), one of the lead sponsors of a bill has offered 22 amendments to the base text and to the different substitutes that have been offered.

And so I think it is important that we simply pass the rule, let us move the debate. I hope that many of these are withdrawn as time goes on. I think that reason triumphs, and I think it will, but we all need to show the American people that we, as a Congress, can debate it, can make a decision and that we can move on.

As my friend mentioned, I support campaign finance reform, the freshman bill, the Hutchinson-Allen bill that has broad support on both sides of the aisle. I hope that it can ultimately pass because I believe it meets the test of constitutionality. I believe that it is reasonable reform but is significant reform the American public will respond to and still protect the First Amendment which we all believe in.

So I thank the gentleman for yielding, I thank the friend from Texas for his work on this, and I hope that we can pass the rule tomorrow, that we can move on to debate and by Independence Day we will have done something on campaign finance reform that is good for the American public.

Mr. DELAY. Mr. Speaker, if the gentleman would yield, I appreciate the gentleman from Arkansas being here and talking about this because he is being honest and forthright about his position. And I have complimented him in the past even though he and I do not agree on his bill. He has been very honest about the fact that we need to move forward and open up this debate.

I think it is very cynical, and I know what is going to happen. You are going to have my friend from Connecticut and others go to the press and say, Oh, my goodness, it's not moving as fast as we think it was. There's so many amendments. We know what they're trying to do. They're trying to bring dilatory amendments to the floor and trying to stretch out the process.

The point here is that the process that they demanded, open and honest debate, forced us, not just us that are against the Shays-Meehan bill, but as the gentleman from Arkansas says, other Democrats and everyone to protect ourselves, making sure that we bring every amendment that we can think of to the floor because the process said you had to put it in the RECORD, your amendment in the RECORD, so that the Committee on Rules could look at it and give you a waiver from a point of order on germaneness.

So of course there are going to be a lot of amendments. No one says that every amendment is going to be offered. But Members will protect their rights to offer amendments by putting them into the RECORD.

So to hide behind this notion that there is 200 amendments, so many, and then they do not want those amendments to be brought to the floor because they want a new process, a whole new rule, they want it their way, is hiding behind the fact that they do not want an open process because they are scared to death about standing up in the light of day. You know, when we called their bluff, their turning tail and running, that is what is happening here. They are running from an open and honest process, a process that they have demanded, and I think it is really sad that we have come to this point in this whole process.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Colorado, and I appreciate the input of my good friend from Arkansas and our friend, the distinguished Majority Whip. But again I think we need to come back to this point again and again so that everyone understands this, Mr. Speaker, so there can be no doubt real campaign reform means obeying existing law.

And, Mr. Speaker, I note with interest an article which appeared in the Washington Post on Tuesday, July 9 of this year. The banner headline: ''Campaign Finance Probe, 94 Who Aren't Talking.''

Count them, Mr. Speaker, 94. Ninety-four individuals have either fled or pled. That is to say they have either left the country or they have claimed their Fifth Amendment rights against self-incrimination. No controlling legal authority indeed. This cynicism, which betrays the rule of law from those who are supposed to be the stewards of our Constitution from those who are charged, Mr. Speaker, with being the chief magistrate or the chief executive or occupying a position of trust secondary only to that position of Chief Executive is absolutely cynical, hypocritical and just plain wrong.

Mr. Speaker, the American people and this great Nation have been endowed with many blessings, but chief

among them I would say this evening in addition to life, liberty and the pursuit of happiness is a good solid dose of common sense, and while there are those who try to fool most of the people most of the time, Mr. Speaker, in this they will not prevail. So even as this Chamber attempts to seek an open rule for a full, fair, complete, comprehensive honest debate on campaign finance reform, so too is it incumbent upon this body to exercise its legitimate rights of oversight.

□ 2045

Because indeed, the ultimate irony, Mr. Speaker and my colleagues, are charges that have appeared in the press in recent days involving the curious timing of transfers of missile defense technologies to the People's Republic of China; the end result, Mr. Speaker, being that over one dozen American cities are now targeted by Chinese nuclear missiles.

This is a disturbing fact which should shake our freedom-loving people to their very core, because, Mr. Speaker, it transcends politics as usual and what Drew Pearson and later Jack Anderson called the Washington merry-go-round.

Mr. Speaker, this is no game. This is no debating competition to win points. This goes to the heart of our national survival providing for the common defense, and I look forward to the day when a select committee will examine these, as Senator SHELBY and others have done in the other body, to get to the bottom of this. Goodness knows, the headlines are as relevant today when the outlaw nation of North Korea attempts to deliver an ultimatum to the United States of America saying that, Mr. Speaker, yeah, we sold missiles to other countries. What are you going to do about it? Oh, and if you want us to stop, we want to extort some money from the American people. How shameful.

But again, Mr. Speaker, sadly, we have seen that the burdens of deliberation and leadership and providing for the common defense rests uneasily upon the collective shoulders of this administration and their apologists in the press, and those who would enter this Chamber. How we need a clear, consistent policy which says extortion, either by foreign governments such as the North Koreans, or by other foreign governments attempting to subvert our political process, will not be tolerated by the United States of America, and this body fulfilling its constitutional responsibilities will stand and deliver in the clear light of day to get to the bottom of this, no matter how incredible the findings may become, no matter how shocking the truth may be.

Let me state for the Record, Mr. Speaker, it is my fervent hope that there is nothing to these allegations, because they are almost unspeakable. And those who would greet these with cynicism or cat calls from the press do this Nation a disservice, for constitutionally it is our responsibility as the citizens of the United States to form a more perfect union and to provide for the common defense that we stand as sentinels at the gates of our constitutional republic, and that we get to the bottom of these disturbing malodorous, troubling allegations.

Yes, we believe, Mr. Speaker, in that unique American notion of jurisprudence and fairness, that all are innocent until guilt is proven, and yet, Mr. Speaker, the headlines scream to us, and mercurial actions of timing compel us to say, what on earth has gone on here? What has transpired with those who are to be the custodians of our national defense? What has happened to the veracity of the act of raising your right hand and taking an oath, whether an oath of office, Mr. Speaker, or an oath before a jury to tell the truth, the whole truth and nothing but the truth.

Forbid it, Mr. Speaker, that in this Nation there are actually those who would suggest that those who perhaps have lied under oath should have the right to do so in civil litigation concerning personal conduct, and, Mr. Speaker, we wonder what transpires in terms of respect of the rule of law. And we wonder why we see troubles in the schools and in the streets and with the breakdown of the family unit.

Mr. Speaker, our constitutional republic offers a representative form of government, and I would suggest that oftentimes this form of government is as a mirror to the citizenry. And if we allow the rule of law to fall into such disrespect, then history will show that on our heads will rest the shame for the unraveling of the rule of law and the pursuit of justice.

We dare not allow that to happen, Mr. Speaker. We must answer these questions, and those who serve the executive branch, Mr. Speaker, would be well served to, quoting now, offer those answers sooner rather than later and recognize the fact that we are entitled to the full story.

Campaign finance reform indeed, Mr. Speaker. The American people and those who would serve the American people in seats of government should obey existing laws.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, is it not interesting that the investigations that are taking place where we have individuals who are refusing to testify unless they are granted immunity are being prevented from telling their story here in Congress by those who know that there is a story to be exposed, that there is something to be shown by exposing the light of truth upon these terrible allegations that the gentleman referred to. And like the gentleman, I am hopeful that there is no foundation to these allegations.

But the gentleman is absolutely right when we see the continual stories that are being uncovered by the press, by the media, that are being admitted to by the White House and other places, that these same individuals who are trying to constrain the rights of individuals in America, free American citizens to speak freely at election time and participate in the election process, are also the same ones who are willing to build a stonewall, to do nothing in the face of the allegations that are very serious that seem to suggest just in terms of the timeliness of waivers being signed on U.S. satellite and targeting technology making its way to the Chinese military government, at the same time as these contributions made their way to the Clinton-Gore campaign, that these allegations should not go investigated.

That is the position of our opponents on the other side, over on the Democrat side. They would love to stall these investigations. They would love to prevent us in the Republican Party and the Republican majority from moving forward on creating laws that would prevent those kinds of occasions to occur, or even the suggestion of those events to occur again. Instead, their answer is to constrain the participation of freedom-loving Americans. It is just appalling.

But that is the debate that is before us. That is what is here for us to win or to lose if we are not tenacious enough to stand our ground and to win this debate and to keep coming back night after night after night and talk about the real scandals that have been alleged over in the White House and the real opportunities before us here on the floor of this Chamber to construct a campaign finance law that really does restore integrity and encourages more full participation in the political process by average rank and file Americans.

Mr. HAYWORTH. Mr. Speaker, I concur wholeheartedly with my colleague from Colorado and again would just note that sadly, there are those who draw the wrong lessons from history, those who believe that somehow, to use the words of my dear friend from Colorado, that by erecting the great Stone Wall of China down Pennsylvania Avenue from the White House to this hallowed Chamber that somehow, by placing partisan concerns over patriotism, somehow the people are well served.

Indeed, cynics from the Watergate era a quarter of a century ago seemed to draw the lesson that if anyone steps forward on the other side of the aisle, if they step forward collectively to adhere to the rule of law, somehow they will suffer losses at the ballot box.

So, Mr. Speaker, tonight I again renew my call. At long last, is there not one, is there not one to step forward from the other side, to say, let us adhere to the rule of law and these allegations are so disturbing that we owe it to the citizenry, not as Republicans or Democrats, but as Americans, to get to the bottom of this. Is there not even one who will stand for this?

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I want to go back to this chart that the gentleman from California who joined us earlier let us in on.

This is a quote from the Democrat leader, the floor leader for the Democrat Party here on the House floor on the notion of campaign finance reform back in February. This was reported in Time Magazine on February 3rd, and the quote is as follows: ''What we have is two important values in direct conflict: Freedom of speech and our desire for healthy campaigns in a healthy democracy. You can't have both.''

What are they talking about? Freedom of speech refers to the desire by the left wing of the United States Congress to impose laws under their sick version of campaign finance, which restricts the ability of free citizens, American citizens, business owners, school teachers, union Members, to speak freely and contribute as much as they want to the political process, whether it is cash or whether it is any other activity. Usually it is cash that they are talking about, those folks who think that we ought to place a cap on what somebody can contribute and participate in the political process, and the second part of this, our desire for healthy campaigns.

Well, we know from the Democrat side of the aisle what constitutes healthy campaigns for them is suppressing the ability of entrepreneurs, of capitalists, of business owners, of hard-working Americans to participate to the fullest extent in the political process and instead, allow for labor union bosses, for political operatives, sometimes from other countries in the case of the previous example from China, to participate to whatever extent they want, and to go unimpeded, to go unimpeded by the Paycheck Protection Act, which guarantees voluntary political contributions, to go unimpeded by a serious level of investigation here in the United States Congress as to whether Chinese campaign contributions have contributed to the signing of waivers that allowed U.S. targeting and satellite technology to make its way into the hands of Chinese Communist military leaders. Those folks have no restrictions under the Democrat ideas. Only freedom-loving Americans, rank and file citizens, taxpaying citizens, those are the individuals that they would propose to constrict the free speech.

Well, those are interesting ideas. They are awful ideas, if someone asks me, but nonetheless they are important to raise here on the House floor because they do draw a distinction in the vast difference, the huge conflicted vision of what freedom and liberty means in America, their vision of repression for American citizens, restriction on the ability to speak freely and our vision of full and honest and open political participation by Americans, by American citizens, by individuals who have earned the right under the status of citizenship to participate fully in the political process, and I am sorry if that does not involve Communist Chinese military leaders, or that does not involve union bosses stealing cash from unsuspecting wage-earners.

Mr. HAYWORTH. Mr. Speaker, indeed, this is a phenomenon where those who would claim to champion the rights of working Americans can do more for those working Americans by getting their uninvited hands out of their pockets. If that is done and if, Mr. Speaker, we as a people and those of us who would serve in public office at both ends of Pennsylvania Avenue would obey existing laws, we would see genuine campaign finance reform.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I thank the gentleman from Arizona for joining me tonight. The others that were here, the gentleman from Texas, the gentleman from Arkansas, and the gentleman from California. Mr. Speaker, thank you for indulging the freshman class. We will be back one week from tonight.

HEALTH CARE REFORM AND THE PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore (Mr. PETERSON of Pennsylvania). Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight, once again, I want to talk about the issue of managed care reform, and particularly the Democrats' proposal called the Patients' Bill of Rights.

Before I do so, though, I would like to mention that my colleague from Texas (Mr. GREEN) is here to join me in this debate about managed care reform or patient protections.

□ 2100

But I would like to yield to the gentleman at this point, because I know he would like to address some of the comments that were made by the previous speakers.

Mr. GREEN. Mr. Speaker, I thank my colleague for yielding, and the gentleman from New Jersey understands, we have waited here for our hour to be able to talk about managed care, and I think that is much more important. But I need to respond after listening to some of the debate.

We are in a long-term debate, I guess, on campaign finance reform. We call it ''death by amendment,'' because the seriousness of the campaign reform issue is so important, and yet our colleagues on the Republican side are the ones that have 300 amendments they want to bring up and they are really delaying it.

In real life out there, Republicans outspend Democrats two, three, four and five to one in campaigns. We need campaign finance reform to get the money out of politics. They are too busy attacking working people and not really talking about campaign finance reform.

But I want to talk about managed care and how important it is to the people that we represent. Maybe they will be serious about managed care reform, because that is something that affects people every day. I will be glad to work with the gentleman from New Jersey for the next 30 minutes or hour to talk about how important health care reform and managed care reform are to our constituents and all Americans.

Mr. PALLONE. Mr. Speaker, let me just say, because I came in at the tail end of the comments by our Republican colleagues, and I am just frustrated, as I know the gentleman from Texas is, because the Republican leadership continues to stall on this issue of campaign finance reform.

There is no doubt in my mind that the Democrats have been appealing to the Republican leadership for months now to simply allow an up-or-down vote on what we consider the most significant campaign finance reform that is likely to come up this session, and that is the Meehan-Shays bill.

I believe very strongly that if the Republican leadership allowed us to bring the Meehan-Shays bill to the floor today or tomorrow, any day, it would overwhelmingly pass, and we would have some significant campaign finance reform. But as the gentleman knows and mentioned, they do not want to do that. They just want to keep bringing up amendments, making it impossible for us to get to the Meehan-Shays bill.

My understanding is that today they were talking about a rule, which I guess ultimately they did not bring up, that would have allowed something like between 200 and 300 amendments, what we call nongermane amendments, to the campaign finance reform. Amendments that were not even relevant to the issue in an effort to try to stall a final vote on the Meehan-Shays bill.

So we are getting from the other side this constant effort by the Republican leadership to stall and stall and bring up amendments, as the gentleman mentioned, ''death by amendment'' on this issue; and I think they are going to try to let the clock run so that we never get to the Meehan-Shays bill and have some real campaign finance reform. We will have to hope that is not the case and keep at it and make it clear that we want this bill to come forward.

Mr. Speaker, the same is true for the issue that I would like to address now, and that is managed care reform. We know that this issue, without question, is one of the most important issues, I would say the most important issue, on the minds of Americans today.

I keep saying that when I have a town meeting or a forum, or when I see my constituents on the street, the most common concern that they have is about the quality of care or the lack of proper care that they may have because they are in an HMO or some kind of managed care system that limits their ability to receive quality care.

We, as Democrats, came up with a proposal, we have had it for some time now, called the Patients' Bill of Rights, H.R. 3605, which provides a number of patient protections to deal with the problem, some of the problems that managed care organizations have presented.

The problem though is that the supporters of managed care reform and the Republican leadership and the insurance industry are basically on a collision course. The Republican leadership, along with the insurance industry, is fighting tooth and nail to undermine the various managed care reform proposals that have been introduced. They basically again are trying to run the clock out, because with so few legislative days left in this Congress, those who support patient protections believe it is increasingly important that everyone come together on a bipartisan basis and allow us, demand even, that the Republican leadership allow us to bring the Patients' Bill of Rights to the floor for a vote.

Mr. Speaker, I would bet again, just like campaign finance reform legislation, that if the Republican leadership allowed this managed care reform or Patients' Bill of Rights to come to the floor, it would pass overwhelmingly. That is why they do not want to let it come to the floor.

There is widespread agreement in Congress for ensuring that medical decisions are made by doctors based on medical need and not by company bureaucrats whose primary concern is the company margin. We are all too familiar with the Republican leadership's preference for shortchanging the American people by cutting comprehensive health care initiatives.

Mr. Speaker, we tried to bring up expanding kids' health insurance and we got opposition from the Republican leadership. Gradually, we got Republican Members to join with the Democrats and eventually we had a majority. The leadership was forced to bring the kids' health care initiative to the floor and it passed overwhelmingly.

We had it with the Kennedy-Kassebaum bill. This was to deal with the problem for people who have health insurance, but have a preexisting medical condition and could not get health insurance or wanted to take their health insurance with them from job to job, the so-called portability issue. These were encompassed in the Kennedy-Kassebaum bill. These were addressed.

We could not get the Republican leadership to bring the bill to the floor. We finally got some Republican colleagues to join with us and it was brought to the floor and it was voted on and it passed.

This same precedent applies here today. What we are trying to do is to get more and more of our Republican colleagues to join with the Democrats to pass the Patients' Bill of Rights.

Let me just, if I could, because I do not want to talk about the Patients' Bill of Rights in an abstract way or managed care reform in an abstract way, I want to give a few concrete examples of the type of patient protections that we are talking about in our Democratic bill, H.R. 3605. Let me run through some of the main points to give an idea of the kind of patient protections that we are talking about.

Access to emergency services. This is very important. Because of the fear of denial of coverage, managed care patients have died in many cases, delayed seeking emergency care or been injured when driving past nearby emergency rooms to more distant network emergency rooms. What happens is a lot of times the managed care organizations require patients not to go to the hospital or emergency room close by, but to another one further away.

Mr. Speaker, what our bill does is to remove these major barriers to emergency care by prohibiting prior authorization for emergency care. Coverage of emergency care, including out-of-network care, is based upon what we call a ''prudent layperson'' standard, which means that a health plan is required to cover emergency visits based on the symptoms rather than the final diagnosis.

This prevents health care plans from being able to deny coverage for an emergency visit for a suspected heart attack that turns out to be severe indigestion. So if the prudent layperson, if the average person would assume that because of the condition they have to go to a local emergency room, if they go, the insurance company has to reimburse for it.

Let me give another example of the types of things, the patient protections that are in our bill. Under the bill, if an employer offers only one health plan and that health plan is a closed panel HMO, that plan is required to offer their employees the opportunity to purchase a point-of-service option in addition to the basic plan offered through the employer. So that means that my employer has to give me the option of having an HMO or a managed care plan that allows me to go to a doctor outside the network and choose any doctor, if I wish, and has to give me that option when I sign up for my health insurance. I may have to pay a little more, but nonetheless I have that choice.

Then I will give a third example with regard to specialty care and then I will yield to my colleague from Texas. This is access to specialty care. The bill establishes certain standards to ensure hassle-free access to appropriate specialty care. A lot of times when people want to see a specialist, they are not allowed to or they have difficulty doing it because of their managed care organization and the way that it sets forth access to specialty care.

But in our bill, women are able to select their OB/GYN as their primary care provider. If the plan does not have an appropriate specialist in network, it must provide a referral to a specialist. For example, if a child needed a pediatric neurologist but the plan only had an adult neurologist, that plan would refer the child to the outside specialist at no extra cost to the family than if the care had been provided in network.

Patients with serious ongoing medical conditions are able to choose a specialist to coordinate their primary and specialty care. So if the insureds have a chronic illness, their specialist can actually be, in effect, their primary care provider.

Mr. Speaker, I do not think we are really talking here about anything outlandish. I think most of these patient protections are very common sense. Most people probably think that they have these kind of protections, but they do not in many cases.

So we are really not asking for much. We are asking basically for a floor, that managed care organizations or HMOs have to provide certain patient protections at a minimum, regardless of the particular type of plan that an individual signs up for.

There is a lot more that we can talk about, but at this point I will yield to my colleague from Texas who has been someone who has really been outspoken on this issue and is very concerned about the need for patient protections and has joined with me and others from our Committee on Commerce, which has jurisdiction over this legislation, to make the case why this bill should be brought to the floor.

Mr. Speaker, I yield to the gentleman from Texas (Mr. GREEN).

Mr. GREEN. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for yielding and I appreciate his request for this special order this evening so we can talk about managed care and bring it to the attention of the American people, although they know about it even better than we do because they are the ones who are being subjected to the harsh decisions being made every day. They brought it to our attention. That is our job as Members of Congress and elected officials, to respond to our constituents' problems.

The gentleman mentioned that we are not doing things that are outlandish or outrageous. There is an article that I would like to show that was in the Wichita Falls Times newspaper in Texas, and it said, ''Texas leads the way as States tackle HMOs.''

Mr. Speaker, our Texas legislature last year passed an HMO reform bill in 1997. They passed the bill in 1995, but the governor at that time vetoed them. But in 1997, he saw the error of his ways, I guess, like we all learn, and he let them become law. But Texas and New Jersey, the gentleman's home State, have passed legislation for HMO reform.

The reason we are having to do it in Washington, because I would love to be able to let the States take care of their own problems and our States are doing that, Texas, New Jersey, 40 States across the country, the reason we have to do something in Congress and why it

is so important is that so many of the insurance policies that are in effect for group insurance are covered by Federal law and not State law.

So no matter what the State law in Texas says or New Jersey says or anywhere else, if it is under ERISA exemptions and under Federal law, no amount of protections in State law will help them. We have to have those protections on a national scale to be able to supplement what the States are already doing.

So we are not talking about earthshaking legislation here. We are just talking about reforms that the States have done over the last few years. We have learned from both the success and also some of the errors in the States to be able to come up with the bills that are being considered. I know the Democratic Task Force, that the gentleman from New Jersey is a leader in, has legislation that we have worked on.

Mr. Speaker, I am concerned about this issue because the quality of medical care that our citizens are receiving has declined considerably. Some patients are not getting the best medical care that they have become accustomed to in our country. Medical decisions are being made by insurance company bureaucrats as opposed to their medical providers.

If we are badly injured or seriously ill, we should not have to worry about our insurance coverage. Our first concern should be our health care or, particularly if it is for a parent or a child, our first concern should be to get them to the health care that they need. These are just two of the examples of problems that patients are facing when they need medical care.

We owe it in our responsibility as elected officials to respond to the American people to give them access to top quality medical care. They should be able to obtain quality health care, whether or not they are required preauthorization for emergency room treatment.

One of the other problems, and I have used the example before and we have heard it, if I right tonight begin having chest pains, how do I know it is not a heart attack? It might be the pizza we had this evening waiting for our special order, but I cannot diagnose myself. I need to go to an emergency room. And yet we have had cases where the HMO has said, ''No, you had indigestion and not a heart attack. You should have called in first.''

□ 2115

Health care delayed can also be health care denied. So that is the worry that we have that is affecting all of our constituents. As a member of the Democratic Health Care Task Force, I have worked with the gentleman and a lot of Members on trying to establish guidelines and direction to improve managed care.

I currently cosponsor three proposals. One of them is the Patient's Access To Responsible Care Act, the Patient's Bill of Rights that the Democratic Task Force has put together, and also the Patient's Choice and Access to Quality Health Care.

These bills are all bipartisan bills. They are cosponsored by Republicans and Democrats, although predominantly Democrats on some of them, but we do have Republican Members who are leading in trying to get these bills passed, members of our Committee on Commerce on both sides of the aisle.

Each of these bills provides varying degrees of access to specialists, improved quality, and accountability of managed care and timely internal and external appeals process when a consumer feels a claim was denied inappropriately.

The focus of these bills, and we have developed five key concepts, that whatever bill we pass, it does not have to have GENE GREEN's name on it. I would be glad to have my colleagues on the Republican side have these concepts in their bill, and I will speak for it and vote for it. So there is no pride of authorship in needing to have these bills passed and the President sign it.

One is the antigag rule which would allow physicians to discuss with their patients the most appropriate course of treatment even if it is not covered by that HMO. A doctor or provider ought to be able to have a two-way conversation with their patients. That is just right.

Mr. PALLONE. Mr. Speaker, if I can just interrupt the gentleman, the gag rule to me, and what you pointed out was such an excellent example of the kind of common sense approach that I think most Americans would believe they already have.

I mean, I do not think most people could imagine that their doctor is not allowed to tell them something about their medical condition or possible treatment. It seems to go against the First Amendment, which it probably does if it ever went to court or ever traveled to the Supreme Court for an opinion on it.

To imagine that HMOs now are allowed to gag the doctors into telling their patients what they should know, it is inconceivable to me. That is the kind of common sense approach that we are talking about that the gentleman brings up.

Mr. GREEN. Mr. Speaker, that is so important just to open the lines of communication. Again, HMOs have cut the cost of medical care, and they have done a great job. But we can have some guidelines for them to where we can have better quality care and still have the cost controls that are there.

Another one of the five concepts is the internal and external appeals process. A lot of the HMOs already provide this. But that would be a reasonably timed appeals process, reasonably timed so you do not have to, again, have medical care delayed is medical care denied, both internal and external appeals process; the opportunities for the employee choice which would provide employees with the opportunity to get health care coverage outside their managed care system for an additional cost.

The gentleman and I know that the reason managed care is popular with a lot of our companies who pay for the insurance is that they have also placed cost controls on it. But if an employee in a company says, okay, the company says I can pay X amount of dollars per month, and that will buy you this HMO, a lot of employees, both government employees and private employees, private employers will do that.

But there ought to be a requirement that a health care provider would offer a little better plan. So that employee could say, yeah, the HMO is great, but I would really like to have a little better plan, and I will pay $10, $20, $30, $50 a month more to make sure that I can have more flexibility in my plan, a requirement that gives that choice to the patient and to the employee.

We are not asking for businesses to pay more money, we are just asking for insurance companies to be able to say, hey, I can sell you a better Ford and actually maybe make more money.

One of the other important parts of it is access to specialty care which guaranties the patient's right to see a specialist who can diagnosis and treat a patient's specific medical needs.

Again, I have some great examples of medical care delayed and denied in my own district and with my own family. They went to a doctor in February; that doctor, for example, in this one case drained the knee. There was a knee injury. Drained the knee and shot cortisone in it, did not request an MRI under a managed care plan until finally this constituent actually went back to the doctor at the end of May and had to wait 2 weeks for an appointment because there were only two doctors on the plan that were orthopedic, and finally got an MRI that said we need to have surgery.

So that constituent is having surgery this Friday morning to be able to correct that torn cartilage in the knee that could have been done in February if they would have taken the time and been able to have to go to a specialist.

The fifth important decision I think, and this is one that is very controversial, but, again, States have already done it, and particularly Texas, decision-maker responsibility. Make managed care plans that authorizes or fail to authorize medical procedures accountable as much as the health care providers.

So if my doctor or my provider is subject to a lawsuit because they do something wrong, then if a health care insurance company or an HMO denies coverage, then they ought to also be subject to the same responsibility that that health care provider is.

Again, this is not something that is a major change. The State of Texas, again, in 1997 passed that as part of the bill. Liability legislation is made. They

call it in this article the Doomsday Weapon because it makes the responsibility go with the person who is ultimately responsible. If someone says no to a procedure, then they may have to answer in a court of law just like a health care provider would have to.

Mr. PALLONE. Mr. Speaker, if the gentleman would yield, what we do in our bill is to basically leave that up to the States. So it would be up to the State.

If the State decides that they think that the HMO or the managed care organization should be liable in the circumstance, then they can. So we are not actually dictating to the States what they do in that respect, but we are leaving it up to States to make that decision. Right now, there is no liability under Federal law.

Mr. GREEN. Mr. Speaker, I think that is ironic, because the gentleman and I know, as Democratic Members of Congress, oftentimes we have been accused of not trusting the States and local control.

I bring to Congress 20 years of service in the Texas legislature, and I know that these halls do not have infinite wisdom, although there is not infinite wisdom in the halls of the legislature either, but I also like the idea of 50 States being able to make that decision on lots of things and particularly in this area.

Let us let the State liability law provide for the people that are covered by ERISA. Doctors and health care providers should be in charge of medical care decisions. When patients need immediate care, doctors need to be able to provide that quality health care.

I believe that these basic protections are fundamental to maintain a high quality medical care in our country. I do not believe that managed care is inherently bad. In fact, I think it has reduced a cost increase, as we have seen over the last few years, but I believe that, like any other system, you have to provide some protections, patient protections, so managed care does not just throw out the baby with the bath water, so to speak; that we have the benefits of managed care with the cost containment, but we also have the benefits of quality health care and physician and health care provider contact with their patients.

Let me give another example, and sometimes I know we are accused of passing legislation by analogy. But, again, as a Member of Congress or any elected official, you try and solve problems. That is our job is to solve problems.

We have a constituent like earlier, the knee problem, we have our constituents write us letters. I have a Houston police officer who, again, is under a managed care system, and let me just read his letter.

I want to thank you for your concern over the managed care issue, to many of us, the term NYL–Care, if it is appropriate. I worked for the City of Houston for over 30 years as a police officer and walked in harm's way more than once and I have not missed a day of work due to illness for over 20 years. I never worried about health care.

When the city took away any choice of doctors, I was concerned, but not too alarmed. Last August, my worst fears became a reality. I went for a routine screening, was told by a doctor at Baylor that I needed additional tests for cancer.

At this point, I found out what my HMO was really about. My very first attempt in getting medical help was a fiasco. My primary care doctor was out of town. My very first visit to a specialist was rejected because the referral was not the correct color.

I did get to see the doctor after several buck-passing phone calls and more trips to the primary doctor. I found that the toughest battle was not with the disease, but with the HMO. As I am writing this letter, I have been trying for 2 weeks to see another specialist. The mental strain is tremendous.

I offer you my experience and will testify and write letters to anyone that support your legislation.

That is by a 30-year Houston police officer. We can come up with lots of examples of how people are being denied health care today. A Houston police officer, a teacher at the Houston independent school district, these are people who are serving our children and making our community safer. Yet, he needed that specialist for cancer care.

The gentleman and I know that when you are diagnosed with cancer, you need to see that specialist immediately because the quicker the better. You need the treatment, but you do not need to wait another week or 2 weeks or 6 weeks or a month to be able to see that specialist or quality specialist.

That is why it is imperative that this Congress pass managed care reform, and it is imperative that my Republican colleagues quit denying that there is a need out there, the majority of them, because we have a great many of them who are really working and trying to pass legislation, but we need a majority of them to say, if we have to, let us take the discharge petition, let us get a bill here on the floor and pass it before this Congress leaves in early October, because it is so important for this Houston police officer and it is important for all our constituents who are being denied care right now.

Mr. PALLONE. Mr. Speaker, I agree with the gentleman. I am glad he brought up this issue of the discharge petition, because I think that that, in fact, is what we may have to resort to.

Our colleagues, of course, are aware of it, but the American people may not be aware of the fact that the way the House works, the Speaker and the majority, which is the Republicans, have the right to decide whether or not a bill comes up for a vote in committee and whether it comes to the floor.

What we are seeing with the managed care reform and our Patient's Bill of Rights is that we are not even being given the opportunity of a hearing in the committee let alone having it come up for a vote in the committee and come to the floor.

So our only recourse at this point is the discharge petition, where a majority of us sign this petition, and the bill is brought to the floor in effect by getting around the Republican leadership. I think we may be forced to that over the next few days, because time is running out in this Congress.

Following up on what my colleague from Texas said, I think it is important that we give examples. Over time I get up lately and do a special order like this. I try to give some examples of how the patient protections that we have in our bill would correct the situation.

I just wanted to give a few this evening if I could about some of the patient protections that I mentioned and what my colleague has mentioned.

With regard to access to a specialist, this is a good example that was in the New York Post in September of 1995 where a 12-year-old girl had to wait a half a year for a back operation to correct severe scoliosis.

The reason was that the HMO rejected the parents' bid to have a specialist perform the procedure, insisting instead on an in-network surgeon. After taking 6 months to determine that no one in its own network was capable, the HMO eventually relented and let her go to the specialist outside the network.

Of course, when we were talking before about the Patient's Bill of Rights, H.R. 3605, one of the provisions says that, if there is no specialist within the network, then the outside referral is mandated. So we would address the problem that this particular 12-year-old girl had to face a few years ago.

The other example, I think, with regard to emergency care, we have a couple of examples of that, and here is one example. This is from the Los Angeles Times on August 30, 1995.

A pregnant woman was rushed to a hospital emergency room in the throes of a miscarriage and bleeding profusely. After a quick exam, the ER staff put in an urgent call to her HMO with the question, ''How do you want us to treat her?'' It took nearly 3 hours for the HMO to call back and say it wouldn't cover the care because none of its doctors were available to treat the woman. After 6 hours of arguing, the HMO eventually relented.

Again, under the prudent layperson patient protection in our bill, that would not happen because if the average person would expect that when you go to the emergency room with a miscarriage and bleeding, profuse bleeding, that you would immediately receive care, you would receive it, and you would not have to give prior authorization or have the HMO approve it.

I mean, some of these cases that I have are really horrific cases. Here is another emergency room case, a New York man. This is from Long Island

Newsday, February of 1996. A New York man slipped as he was getting out of a taxi, falling and cracking his skull. The taxi driver called 911, and the victim was rushed to an emergency room where he was given stitches, had a fracture set, and received treatment for a possible concussion. The episode was not a preauthorized emergency, so the patient's HMO refused to pay the bill. Incredible.

□ 2130

This is another one from Long Island News Day, actually the same day. A 5-year-old boy, who fell from a balcony and hit his head on the concrete, was brought to an emergency room on a backboard. As hospital workers rushed to give him a spinal x-ray and CAT scan, the HMO requested he be put in a taxi and driven to its own medical center. In that case the emergency doctors ignored the request. Thank God they ignored the request.

So the cases go on and on. But, again, sometimes I think that when I read these patient protections they sound so simplistic that people say, well, of course, we have that right. But we do not, and that is why I think it is important to raise these examples. Because people are dying. People are being seriously injured. And it is not a common sense approach that the HMOs or the managed care organizations in many cases are making. They are not looking at things rationally from a common sense point of view.

Mr. GREEN. Let me give the gentleman another example. One of the concerns I have as to why we need to put these into law is oftentimes, as a Member of Congress, we have constituents call us and explain to us situations, and we treat them like constituent work and the staff calls the hospital or the HMO, and oftentimes we can get that decision changed. But we represent 600,000 people, and not everyone is going to call their Member of Congress to get it corrected. That is why these reforms needs to be in place for everyone.

I have an example of an elderly gentleman who was in a hospital in Pasadena, Texas, part of my district, and the doctor came around that the family did not know, and the patient was terminally ill with cancer. And the doctor said, you will have to be checked out and you cannot come back to this hospital. So the family checked with the other medical staff there and they called this person the HMO doctor.

And so the family called our office and I talked with them and I said, well, we will check and see. And this was within 2 days, and he was not out of the hospital yet. And in working through the bureaucracy, that HMO said, sure, that is not a problem; that they wanted him to go to a different facility but they actually worked out an agreement to where the facilities were the same cost. And that ''HMO doctor'' came in and apologized 3 days later.

This gentleman has since passed away. But to put a family through that, who already has a terminally ill father, or husband, and to say, no, you have to be checked out of here and go somewhere else, it is just inhuman. And not everyone will think to call their Member of Congress, and that is why these reforms are so important, so we can put a human face on managed care and make some rational decisions instead of what we are seeing out there in the marketplace now.

So that is why I would hope that this session of Congress that we would not only be able to vote this bill out of the House but also the Senate and be able to have it signed by the President so we can put these reforms into place for the benefit of the people we represent and people all across the country. This is one of the most important bills that we can consider this year.

And I want it to be a strong piece of legislation, too. I worry that because of the 80 percent support that the polls are showing for this, we might just see lip service paid to it and pass one or two. Let us make sure we do the job thoroughly and not just a partial job.

So I would hope that my colleagues on the Republican side would cosign some of the bills and ultimately make the decision, if we have to, to sign that discharge petition to bring that bill here to the floor. I do not like to do that, because I believe in the committee process. But we have seen time after time during this session of Congress bills coming immediately to the floor without the committee hearings anyway, brought by the leadership. So let us do something right for the American people and pass this legislation. It is a strong piece of legislation.

Mr. PALLONE. I appreciate my colleague's comments, and I would just like to say one more thing, too, before we close today, and that is that I believe, as the gentleman stated, that the support for these patient protections, this managed care reform, is overwhelming with the American people. And it does not matter whether you are a Democrat, a Republican, an independent, or whether you are from Texas or New Jersey or what part of the country. I know from talking to our colleagues that everyone is hearing from their constituents that we need to pass this patient bill of rights, or something like this bill we have been talking about this evening.

My fear is what we may see from the Republican leadership, which so far has been stalwart in its opposition to this and its refusal to bring this up, primarily because of the insurance companies and because of the special interest money that comes from the insurance companies that is backing the Republican leadership, what I am fearful of is that as the Republican leadership keeps hearing how much support there is for this legislation, that they will try to come up with what I call a cosmetic fix; that they will try to come up with a very watered down version of our patient's bill of rights that really does not address most of the concerns that we have raised this evening. I think we have to be very careful of that.

As the gentleman knows, the Republican leadership set up a task force, a Republican task force, to look into this issue. And some of our Republican colleagues who support our patient bill of rights, and have even cosponsored our patient bill of rights, are on that task force. And they were about ready, before the Memorial Day recess, to come forward with a proposal that included many of the patient protections we talked about tonight and that are in the Democratic bill. And what the Speaker did was basically pull the rug and say, no, no, go back to the drawing board and look at this some more.

So, now, the second or third week has passed since that time, and still this Republican task force has not come forward with a bill. And what we are hearing is that the Speaker and the Republican leadership are putting pressure on them either to not put forward a bill or to put something forward that is basically a very watered down version of what we are talking about, a sort of cosmetic fix that does not really accomplish the goals that we set out to accomplish.

So I think the worst thing that could happen, in many ways, is with all this impetus for a real managed care reform bill, if they were to just try on the other side of the aisle to bring something forward that looks like managed care reform but really is not. We have to be wary of that as well because we want to take this opportunity to pass something that really makes a difference for the average American; that really ensures quality health care. Nothing less will do.

I know the gentleman shares my concern about that and my view on that. So we are going to continue to be here on a regular basis doing these special orders, constantly bringing this issue up, giving more examples, getting more of our colleagues to join with us, because we demand and we will insist that Speaker GINGRICH and the Republican leadership bring the patient bill of rights up for a vote before this session ends.

I want to thank my colleague again for joining me this evening.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HASTINGS of Florida (at the request of Mr. GEPHARDT) for Tuesday, June 16, through the balance of the week, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FRANK of Massachusetts) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, for 5 minutes, today.

Mr. ABERCROMBIE, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. MCHUGH) to revise and extend their remarks and include extraneous material:)

Ms. ROS-LEHTINEN, for 5 minutes, on June 24.

Mr. GOSS, for 5 minutes, on June 19.

Mr. WHITFIELD, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. SHAYS, for 5 minutes, today.

Mr. DELAHUNT, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. SCARBOROUGH, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FRANK of Massachusetts) and to include extraneous matter:)

Mr. KIND.

Mr. CARDIN.

Ms. JACKSON-LEE of Texas.

Mr. DOYLE.

Mr. VENTO.

Mr. STOKES.

Mr. HAMILTON.

Mr. KUCINICH.

Mr. TOWNS.

Mr. GREEN.

Mr. ACKERMAN.

Mr. GORDON.

Mr. GUTIERREZ.

Mr. BLUMENAUER.

Mr. POSHARD.

Mr. HILLIARD.

Mr. MURTHA.

Mr. VISCLOSKY.

(The following Members (at the request of Mr. MCHUGH) and to include extraneous matter:)

Mr. SMITH of New Jersey.

Mr. GILMAN.

Mr. SPENCE.

Mr. MCHUGH.

Mr. PAUL.

Mr. FRELINGHUYSEN.

(The following Members (at the request of Mr. PALLONE) and to include extraneous material:)

Mr. REYES.

Ms. WOOLSEY.

Mr. BOB SCHAFFER of Colorado.

Mr. TIAHRT.

Mr. BALLENGER.

Mr. CONYERS.

Mr. STUPAK.

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. 1847. An act to improve the criminal law relating to fraud against consumers.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1900. An act to establish a commission to examine issues pertaining to the disposition of Holocaust-era assets in the United States before, during, and after World War II, and to make recommendations to the President on further action, and for other purposes.

ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Thursday, June 18, 1998, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

9661. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Deparmtent of Agriculture, transmitting the Department's final rule—EIA; Handling Reactors at Livestock Markets [Docket No. 97–099–2] received June 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9662. A letter from the Under Secretary for Acquistion and Technology, Department of Defense, transmitting a schedule for implementing, over the next 3 years, best commercial inventory practices for the acquisition and distribution of certain supplies and equipment consistent with military requirements; to the Committee on National Security.

9663. A letter from the Secretary of Defense, transmitting a report entitled ''Response to Recommendations Concerning Improvements to Department of Defense Joint Manpower Process,'' pursuant to Public Law 104—201, section 509; to the Committee on National Security.

9664. A letter from the Deputy Director for Policy and Programs, Department of the Treasury, transmitting the Department's final rule— Community Development Financial Institutions Fund—received May 22, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

9665. A letter from the Director, Office of Rulemaking Coordination, Department of Energy, transmitting the Department's final rule—Small Entity Compliance Guidance and Civil Penalty Reduction and Waiver Pursuant to the Small Business Regulatory Enforcement Fairness Act of 1996; Statement of Policy—May 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9666. A letter from the AMD-PERM, Federal Communications Commission, transmitting the Department's final rule—Amendment of Part 90 of the Commission's Rules to Provide for the Use of the 220–222 MHz Band by the Private Land Mobile Radio Service [PR Docket No. 89–552] Implementation of Sections 3(n) and 332 of the Communications Act [GN Docket No. 93–252] Regulatory Treatment of Mobile Services Implementation of Section 309(j) of the Communications Act—Competitive Bidding [PP Docket No. 93–253] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9667. A letter from the Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, transmitting the Office's final rule—Municipal Securities Dealers [Docket No. 98–08] (RIN: 1557–AB62) received May 22, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9668. A letter from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting the Department's final rule—Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Specially Designated Narcotics Traffickers, and Blocked Vessels: Addition of Sudanese Government Designations, Removal of Two Individuals, and Unblocking of a Vessel [31 CFR Chapter V] received May 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

9669. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Review Of The Federal Motor Carrier Safety Regulations; Regulatory Removals and Substantive Amendments [FHWA Docket No. FHWA–97–2328; MC–97–3] (RIN: 2125–AD72) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9670. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Savannah River, Savannah, GA [COTP Savannah 98–010] (RIN: 2115–AA97) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9671. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Severn River, College Creek, and Weems Creek, Annapolis, Maryland [CGD 05–98–039] (RIN: 2115–AE46) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9672. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Anchorage Regulation; San Francisco Bay, California [CGD11–97–002] (RIN: 2115–AA98) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9673. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulation: Newport-Bermuda Regatta, Narragansett Bay, Newport, RI [CGD01–98–045] (RIN: 2115–AE46) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9674. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Patapsco River, Baltimore [CGD 05–98–040] (RIN: 2115–AE46) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9675. A letter from the Chief, Regulations Branch, United States Customs Service, transmitting the Service's final rule—Recordkeeping Requirments [T.D. 98–56] (RIN: 1515–AB77) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9676. A letter from the Chief, Regulations Branch, United States Customs Service,

transmitting the Service's final rule—Automated Clearinghouse Credit [T.D. 98–51] (RIN: 1515–AC26) received May 22, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9677. A letter from the Chief, Regulations Branch, United States Customs Service, transmitting the Service's final rule—Prior Disclosure [T.D. 98–49] (RIN: 1515–AB98) received May 22, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9678. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the required determination to waive certain restrictions on the maintenance of a Palestine Liberation Organization (PLO) Office and on PLO-origin funds through November 26, 1998, pursuant to Public Law 105—118; jointly to the Committees on International Relations and Appropriations.

9679. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Medicare and Medicaid Programs; Surety BOND Requirements for Home Health Agencies [HCFA–1152–1–F] (RIN: 0938–AI86) received May 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

351. The SPEAKER presented a memorial of the House of Representatives of the State of Oklahoma, relative to House Bill No. 2828 relating to public health and safety; enacting the Whitney Starks Act; to the Committee on Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules. House Resolution 476. Resolution providing for consideration of the resolution (H. Res. 463) to establish the Select Committee on U.S. National Security and Military/Commercial Concerns With the People's Republic of China (Rept. 105–583). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CAMP (for himself, Mr. EHLERS, Mr. BONIOR, Mr. UPTON, Mr. DINGELL, Mr. KNOLLENBERG, Ms. STABENOW, Mr. KILDEE, Mr. HOEKSTRA, Mr. STUPAK, Mr. BARCIA of Michigan, Ms. RIVERS, Ms. KILPATRICK, and Mr. CONYERS):

H.R. 4069. A bill to amend the Internal Revenue Code of 1986 to provide that certain bonds issued by local governments in connection with delinquent real property taxes may be treated as tax exempt; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts:

H.R. 4070. A bill to restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century; to the Committee on Veterans' Affairs, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HINCHEY (for himself, Mr. WATKINS, Mr. COSTELLO, Mr. GUTIERREZ, Mr. WISE, Ms. FURSE, Mr. FROST, Mr. SCHUMER, Mr. FALEOMAVAEGA, Mr. JACKSON, Mr. BOUCHER, Mr. BALDACCI, Mr. SANDERS, Mr. FARR of California, Mr. ALLEN, Mr. RAHALL, Mr. THOMPSON, Ms. CHRISTIAN-GREEN, Ms. WOOLSEY, Mr. PASTOR, Mr. MASCARA, Mr. MINGE, Mrs. THURMAN, Mr. TOWNS, Mr. PETERSON of Pennsylvania, Mr. MOLLOHAN, and Mr. ROMERO-BARCELO):

H.R. 4071. A bill to authorize the Secretary of Agriculture to make grants to establish 33 additional rural enterprise communities, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Agriculture, 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. MALONEY of Connecticut:

H.R. 4072. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for post-secondary tuition and related expenses in lieu of the Hope and Lifetime Learning credits; to the Committee on Ways and Means.

By Mrs. MCCARTHY of New York (for herself, Mrs. ROUKEMA, Mr. PORTER, Mr. BOEHLERT, Mrs. LOWEY, Mr. MORAN of Virginia, Mr. SHAYS, Mrs. MORELLA, Mr. CASTLE, Mr. DAVIS of Virginia, Mrs. KENNELLY of Connecticut, Mr. ACKERMAN, Mr. SCHUMER, Mr. PASCRELL, Mr. ENGEL, Mr. MANTON, Mr. DELAHUNT, Ms. CARSON, Mr. LIPINSKI, Ms. ESHOO, Mr. MARKEY, Ms. JACKSON-LEE, Ms. HARMAN, Ms. PELOSI, Mr. KLECZKA, Ms. KILPATRICK, Mrs. TAUSCHER, Mr. WEXLER, Mr. KENNEDY of Rhode Island, Mr. MOAKLEY, Mrs. CAPPS, Mrs. MALONEY of New York, Mr. BLUMENAUER, Mr. ROTHMAN, Mr. MATSUI, Mr. TIERNEY, Mr. MCGOVERN, Mr. MCDERMOTT, and Ms. LOFGREN):

H.R. 4073. A bill to protect children from firearms violence; to the Committee on the Judiciary, and in addition to the Committees on Commerce, and Education and the Workforce, 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. NEUMANN (for himself and Mr. SESSIONS):

H.R. 4074. A bill to hold Federal agencies accountable for the tax dollars spent by such agencies in accordance with the provisions in the Government Management Reform Act of 1994, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. PETERSON of Pennsylvania (for himself and Mr. MINGE):

H.R. 4075. A bill to amend title XVIII of the Social Security Act to require the Secretary of Health and Human Services to respond to requests of skilled nursing facilities for private accreditation under the Medicare Program in the same manner as for other providers of services; to the Committee on Ways and Means.

By Mr. PETRI:

H.R. 4076. A bill to provide for the establishment and maintenance of personal Social Security investment accounts under the Social Security system; to the Committee on Ways and Means.

By Mr. NUSSLE (for himself, Mr. WATKINS, and Mr. TALENT):

H.J. Res. 123. A joint resolution to disapprove the rule submitted by the Health Care Financing Administration, Department of Health and Human Services, on June 1, 1998, relating to surety bond requirements for home health agencies under the Medicare and Medicaid Programs; to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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. LUTHER (for himself and Mr. FOX of Pennsylvania):

H. Res. 475. A resolution recognizing the importance of achieving the goal of the 1997 Microcredit Summit to provide access to microcredit to 100,000,000 of the world's poorest families; to the Committee on International Relations, and in addition to the Committee on Banking and Financial Services, 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.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

351. The SPEAKER presented a memorial of the House of Representatives of the State of Oklahoma, relative to House Bill No. 2828 relating to public health and safety; enacting the Whitney Starks Act; to the Committee on Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 371: Mr. MCGOVERN.

H.R. 630: Mr. BECERRA.

H.R. 859: Mr. SCARBOROUGH.

H.R. 900: Mrs. CAPPS.

H.R. 1126: Mr. FOSSELLA, Mr. FOLEY, Ms. CHRISTIAN-GREEN, and Mr. FRANKS of New Jersey.

H.R. 1134: Mr. PETERSON of Pennsylvania.

H.R. 1215: Mr. QUINN.

H.R. 1231: Mr. JOHN.

H.R. 1375: Mr. HILLEARY.

H.R. 1401: Mr. FROST, Mr. POMEROY, and Mr. DAVIS of Florida.

H.R. 1531: Mr. MATSUI.

H.R. 1762: Mr. CARDIN.

H.R. 2009: Mr. JOHN and Mr. SPRATT.

H.R. 2090: Ms. LOFGREN.

H.R. 2124: Mr. BACHUS.

H.R. 2305: Mr. WOLF and Mr. MALONEY of Connecticut.

H.R. 2509: Mr. DEUTSCH.

H.R. 2549: Mr. TOWNS and Mr. GOODE.

H.R. 2560: Mr. FARR of California, Mr. DIAZ-BALART, Mr. GEJDENSON, Mr. LIPINSKI, and Mr. POMEROY.

H.R. 2733: Mr. SCARBOROUGH, Mrs. MINK of Hawaii, Mr. FAZIO of California, Mr. CALVERT, Mrs. CUBIN, Mr. THOMPSON, Mr. LAMPSON, and Mrs. MORELLA.

H.R. 2804: Mrs. MINK of Hawaii, and Mr. MATSUI.

H.R. 2923: Mr. THOMPSON, Ms. HOOLEY of Oregon, and Mrs. KENNELLY of Connecticut.

H.R. 2955: Mr. PICKETT and Mr. PETERSON of Pennsylvania.

H.R. 2990: Mr. BERMAN, Ms. SANCHEZ, Mr. LAMPSON, Mr. CAMP, Mr. KNOLLENBERG, Mr. GREEN, Mr. BRYANT, Mr. JEFFERSON, and Mr. QUINN.

H.R. 3007: Ms. CHRISTIAN-GREEN.

H.R. 3143: Mr. ACKERMAN.

H.R. 3205: Mr. COMBEST and Mr. MATSUI.

H.R. 3240: Ms. JACKSON-LEE, Mr. OBERSTAR, and Mr. POSHARD.

H.R. 3248: Mr. HASTERT and Mr. SALMON.

H.R. 3259: Mr. NADLER, Mr. DEFAZIO, and Mr. VENTO.

H.R. 3267: Ms. PRYCE of Ohio, Mr. BOEHNER, Mr. TAUZIN, Mr. EHRLICH, Mr. POMBO, and Mr. BURTON of Indiana.

H.R. 3304: Mr. CHABOT.

H.R. 3331: Mr. REDMOND.

H.R. 3396: Mr. JOHN, Mr. CLEMENT, Mr. BENTSEN, Mr. PICKERING, Mr. KIM, Mr. HEFLEY, Mr. BRADY of Pennsylvania, Mr. LUTHER, and Mr. HASTINGS of Florida.

H.R. 3435: Mr. GOODE, Mr. DUNCAN, Mr. CHAMBLISS, and Mr. ACKERMAN.

H.R. 3445: Mr. SHAW.

H.R. 3470: Mr. SANDERS.

H.R. 3503: Mr. SHAYS and Mr. SNYDER.

H.R. 3551: Mr. SANDLIN, Mrs. THURMAN, Mr. MANTON, Ms. STABENOW, and Ms. DANNER.

H.R. 3566: Mr. FOX of Pennsylvania.

H.R. 3567: Mr. SNOWBARGER.

H.R. 3608: Mr. LAMPSON, Mr. ADERHOLT, Mrs. KELLY, Mr. FROST, and Ms. LOFGREN.

H.R. 3629: Mr. MCCOLLUM, Mr. BACHUS, and Mr. SHADEGG.

H.R. 3645: Mr. WATTS of Oklahoma.

H.R. 3650: Mr. EVANS, Mr. SHIMKUS, Mr. WELDON of Florida, and Mr. REDMOND.

H.R. 3666: Ms. CARSON and Mr. SANDERS.

H.R. 3745: Mr. BUYER and Mr. WEXLER.

H.R. 3766: Mr. CONDIT, Mr. ETHERIDGE, and Mr. LAHOOD.

H.R. 3792: Mr. FOSSELLA.

H.R. 3795: Mr. GILMAN.

H.R. 3807: Mr. BACHUS, Mr. BOUCHER, Mr. BUNNING of Kentucky, Mr. CALVERT, Mr. GOODLATTE, and Mr. HOLDEN.

H.R. 3813: Mr. WYNN, Ms. CARSON, Ms. KILPATRICK, Mr. MILLER of California, Ms. VELAZQUEZ, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. NORTON, Mr. FILNER, Ms. SLAUGHTER, Mr. POSHARD, Mr. DINGELL, Ms. CHRISTIAN-GREEN, and Mr. STOKES.

H.R. 3855: Mr. SHAYS, Mr. FRANK of Massachusetts, Mr. DELAHUNT, Mr. OBERSTAR, Mr. FILNER, and Mr. OLVER.

H.R. 3861: Mr. PORTER.

H.R. 3862: Mr. DIAZ-BALART and Mr. BLAGOJEVICH.

H.R. 3865: Mr. SISISKY, Mr. BALLENGER, Mr. FORD, Mr. BLUNT, Mr. CANADY of Florida, Mr. CHAMBLISS, Mr. CHRISTENSEN, Mr. CUNNINGHAM, Mr. BARTLETT of Maryland, Mr. GILCHREST, Mr. GOODLING, Mr. HASTERT, Mr. HAYWORTH, Mr. HERGER, Mr. HILL, Mr. HORN, Mr. HYDE, Mr. KLUG, Mr. KOLBE, Mr. LATHAM, Mr. LAZIO of New York, Mr. LINDER, Mr. LUCAS of Oklahoma, Mr. MCHUGH, Mr. MCKEON, Mr. METCALF, Mr. NETHERCUTT, Mr. BAKER, Mr. NEY, Mr. PICKERING, Mr. POMBO, Ms. PRYCE of Ohio, Mr. REDMOND, Mr. ROHRABACHER, Ms. ROS-LEHTINEN, Mr. SPENCE, Mr. SUNUNU, Mr. TAUZIN, Mr. THOMPSON, Mr. TIAHRT, Mr. WELDON of Florida, and Mr. WALSH.

H.R. 3876: Mr. FROST, Mrs. CLAYTON, Mr. WEYGAND, Mr. FILNER, Mr. DAVIS of Illinois, Ms. JACKSON-LEE, Mr. TIERNEY, Mr. POSHARD, Ms. LEE, Mr. DINGELL, and Mr. BROWN of Ohio.

H.R. 3880: Mr. FALEOMAVAEGA and Mr. SANDERS.

H.R. 3980: Mr. COOKSEY and Mr. ALLEN.

H.R. 3981: Mr. BLAGOJEVICH, Mr. BLILEY, Mr. BOUCHER, Mr. FROST, Mr. GILMAN, Mr. GOODE, Mr. GREENWOOD, Mr. MORAN of Virginia, and Mr. SISISKY.

H.R. 4007: Ms. WOOLSEY.

H.R. 4018: Mr. WEYGAND, Mr. HINCHEY, Mr. ABERCROMBIE, Mr. ETHERIDGE, Mr. VENTO, Mr. KIND of Wisconsin, Mr. BENTSEN, Mr. LAFALCE, and Mr. SANDLIN.

H.R. 4033: Mr. THOMPSON.

H.R. 4046: Mr. MCCOLLUM and Mr. SAWYER.

H.R. 4065: Mr. SANFORD, Mr. RYUN, Mr. LARGENT, Mr. SHADEGG, Mr. SESSIONS, Mr. SAXTON, Mr. HOEKSTRA, Mr. SPENCE, Mr. HUNTER, Mr. DELAY, Mr. SAM JOHNSON, Mr. SOLOMON, Mr. RADANOVICH, and Mr. BARTLETT of Maryland.

H.J. Res. 113: Mr. FORD.

H. Con. Res. 154: Mrs. MALONEY of New York and Mr. SHAYS.

H. Con. Res. 203: Mr. WAXMAN and Mr. CONYERS.

H. Con. Res. 287: Mr. UNDERWOOD, Ms. FURSE, Mr. NEAL of Massachusetts, Ms. HOOLEY of Oregon, Ms. LOFGREN, Mr. CLEMENT, Mr. RAMSTAD, and Mr. MCGOVERN.

H. Con. Res. 288: Mr. BARRETT of Nebraska.

H. Con. Res. 290: Mr. EVANS, Mr. BISHOP, Mr. PICKERING, Mr. HOSTETTLER, and Mr. EWING.

H. Res. 363: Mr. BOUCHER.

H. Res. 387: Mrs. THURMAN.

H. Res. 467: Mr. BILBRAY.

H. Res. 468: Mr. BILBRAY.

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. 1891: Mr. HOLDEN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2183

OFFERED BY: MR. GEJDENSON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 118: Insert after title V the following new title (and redesignate the succeeding provisions and conform the table of contents accordingly):

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this title as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint 3 members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than 4 members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least 9 members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. ADMINISTRATIVE PROVISIONS.

(a) PAY AND TRAVEL EXPENSES OF MEMBERS.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) STAFF DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) STAFF OF COMMISSION; SERVICES.—

(1) IN GENERAL.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 605. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Fifth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which 9 or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 606. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 605.

SEC. 607. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

H.R. 2183

OFFERED BY: MR. GEKAS

AMENDMENT NO. 119: Insert after title III the following new title (and redesignate the succeeding provisions accordingly):

TITLE IV—TREATMENT OF REFUNDED DONATIONS

SEC. 401. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 324. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 324, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 324.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 324 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Campbell)

AMENDMENT NO. 120: Insert after title III the following new title (and redesignate the succeeding provisions accordingly):

TITLE IV—TREATMENT OF REFUNDED DONATIONS

SEC. 401. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 301, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 324. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 324, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 324.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 324 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Hutchinson or Mr. Allen)

AMENDMENT NO. 121: Insert after title III the following new title (and redesignate the succeeding provisions accordingly):

TITLE IV—TREATMENT OF REFUNDED DONATIONS

SEC. 401. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 324. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of

the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 324, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 324.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 324 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Doolittle)

AMENDMENT NO. 122: Add at the end the following new section:

SEC. 7. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 323. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 323, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 323.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 323 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By Mr. Snowbarger)

AMENDMENT NO. 123: Add at the end the following new section:

SEC. 9. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 6, is amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 324. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 324, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 324.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 324 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Bass)

AMENDMENT NO. 124: Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 326. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by sections 201(b) and 307(b), is further amended by adding at the end the following:

''(22) DONATION.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 125: Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 326. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by sections 201(b) and 307(b), is further amended by adding at the end the following:

''(22) DONATION.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Obey)

AMENDMENT NO. 126: Insert after title V the following new title (and redesignate the succeeding provisions accordingly):

TITLE VI—TREATMENT OF REFUNDED DONATIONS

SEC. 601. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 301 and 402, is amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 325. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 325, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 325.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 325 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Tierney)

AMENDMENT NO. 127: Insert after title V the following new title (and redesignate the succeeding provisions and conform the table of contents accordingly):

TITLE VI—TREATMENT OF REFUNDED DONATIONS

SEC. 601. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 401 and 402(d), is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 326. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 402(c), is further amended by adding at the end the following:

''(22) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GEKAS

(To the Amendment Offered By: Mr. Farr)

AMENDMENT NO. 128: Add at the end of title VII the following new section (and conform the table of contents accordingly):

SEC. 704. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 305(a), is amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 325. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 325, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by sections 133 and 301(b), is further amended by adding at the end the following:

''(32) The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 325.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 325 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 2183

OFFERED BY: MR. GOODLATTE

(To the Amendments Offered By: Mr. Shays)

AMENDMENT NO. 129: Add at the end the following new title:

TITLE ___—VOTER REGISTRATION REFORM

SEC. ___01. REPEAL OF REQUIREMENT FOR STATES TO PROVIDE FOR VOTER REGISTRATION BY MAIL.

(a) IN GENERAL.—Section 4(a) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–2) is amended—

(1) in paragraph (1), by adding ''and'' at the end;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) CONFORMING AMENDMENTS RELATING TO UNIFORM MAIL VOTER REGISTRATION FORM.—(1) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.) is amended by striking section 9.

(2) Section 7(a)(6)(A) of such Act (42 U.S.C. 1973gg–5(a)(6)(A)) is amended by striking ''assistance—'' and all that follows and inserting the following: ''assistance a voter registration application form which meets the requirements described in section 5(c)(2) (other than subparagraph (A)), unless the applicant, in writing, declines to register to vote;''.

(c) OTHER CONFORMING AMENDMENTS.—(1) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.) is amended by striking section 6.

(2) Section 8(a)(5) of such Act (42 U.S.C. 1973gg–6(a)(5)) is amended by striking ''5, 6, and 7'' and inserting ''5 and 7''.

SEC. ___02. REQUIRING APPLICANTS REGISTERING TO VOTE TO PROVIDE CERTAIN ADDITIONAL INFORMATION.

(a) SOCIAL SECURITY NUMBER.—

(1) IN GENERAL.—Section 5(c)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–3(c)(2)) is amended—

(A) by striking ''and'' at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting ''; and''; and

(C) by adding at the end the following new subparagraph:

''(F) shall require the applicant to provide the applicant's Social Security number.''.

(2) CONFORMING AMENDMENT.—Section 5(c)(2)(A) of such Act (42 U.S.C. 1973gg–3(c)(2)(A)) is amended by inserting after ''subparagraph (C)'' the following: '', or the information described in subparagraph (F)''.

(3) EFFECTIVE DATE.—The amendments made by this section shall take effect January 1, 1999, and shall apply with respect to applicants registering to vote in elections for Federal office on or after such date.

(b) ACTUAL PROOF OF CITIZENSHIP.—

(1) REGISTRATION WITH APPLICATION FOR DRIVER'S LICENSE.—Section 5(c) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–3(c)) is amended by adding at the end the following new paragraph:

''(3) The voter registration portion of an application for a State motor vehicle driver's license shall not be considered to be completed unless the applicant provides to the appropriate State motor vehicle authority proof that the applicant is a citizen of the United States.''.

(2) REGISTRATION WITH VOTER REGISTRATION AGENCIES.—Section 7(a) of such Act (42 U.S.C. 1973gg–5(a)) is amended by adding at the end the following new paragraph:

''(8) A voter registration application received by a voter registration agency shall not be considered to be completed unless the applicant provides to the agency proof that the applicant is a citizen of the United States.''.

(3) CONFORMING AMENDMENT.—Section 8(a)(5)(A) of such Act (42 U.S.C. 1973gg–6(a)(5)(A)) is amended by striking the semicolon and inserting the following: '', including the requirement that the applicant provide proof of citizenship;''.

(4) NO EFFECT ON ABSENT UNIFORMED SERVICES AND OVERSEAS VOTERS.—Nothing in the National Voter Registration Act of 1993 (as amended by this subsection) may be construed to require any absent uniformed services voter or overseas voter under the Uniformed and Overseas Citizens Absentee Voting Act to provide any evidence of citizenship in order to register to vote (other than any evidence which may otherwise be required under such Act).

SEC. ___03. REMOVAL OF CERTAIN REGISTRANTS FROM OFFICIAL LIST OF ELIGIBLE VOTERS.

(a) IN GENERAL.—Section 8(d) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6(d)) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

''(3)(A) At the option of the State, a State may remove the name of a registrant from

the official list of eligible voters in elections for Federal office on the ground that the registrant has changed residence if—

''(i) the registrant has not voted or appeared to vote (and, if necessary, correct the registrar's record of the registrant's address) in an election during the period beginning on the day after the date of the second previous general election for Federal office held prior to the date the confirmation notice described in subparagraph (B) is sent and ending on the date of such notice;

''(ii) the registrant has not voted or appeared to vote (and, if necessary, correct the registrar's record of the registrant's address) in any of the first two general elections for Federal office held after the confirmation notice described in subparagraph (B) is sent; and

''(iii) during the period beginning on the date the confirmation notice described in subparagraph (B) is sent and ending on the date of the second general election for Federal office held after the date such notice is sent, the registrant has failed to notify the State in response to the notice that the registrant did not change his or her residence, or changed residence but remained in the registrar's jurisdiction.

''(B) A confirmation notice described in this subparagraph is a postage prepaid and pre-addressed return card, sent by forwardable mail, on which a registrant may state his or her current address, together with information concerning how the registrant can continue to be eligible to vote if the registrant has changed residence to a place outside the registrar's jurisdiction and a statement that the registrant may be removed from the official list of eligible voters if the registrant does not respond to the notice (during the period described in subparagraph (A)(iii)) by stating that the registrant did not change his or her residence, or changed residence but remained in the registrar's jurisdiction.''.

(b) CONFORMING AMENDMENT.—Section 8(i)(2) of such Act (42 U.S.C. 1973gg–6(d)) is amended by inserting ''or subsection (d)(3)'' after ''subsection (d)(2)''.

SEC. ___04. PERMITTING STATE TO REQUIRE VOTERS TO PRODUCE ADDITIONAL INFORMATION PRIOR TO VOTING.

(a) PHOTOGRAPHIC IDENTIFICATION.—Section 8 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

''(j) PERMITTING STATES TO REQUIRE VOTERS TO PRODUCE PHOTO IDENTIFICATION.—A State may require an individual to produce a valid photographic identification before receiving a ballot (other than an absentee ballot) for voting in an election for Federal office.''.

(b) SIGNATURE.—Section 8 of such Act (42 U.S.C. 1973gg–6), as amended by subsection (a), is further amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection:

''(k) PERMITTING STATES TO REQUIRE VOTERS TO PROVIDE SIGNATURE.—A State may require an individual to provide the individual's signature (in the presence of an election official at the polling place) before receiving a ballot for voting in an election for Federal office, other than an individual who is unable to provide a signature because of illiteracy or disability.''.

SEC. ___05. REPEAL OF REQUIREMENT THAT STATES PERMIT REGISTRANTS CHANGING RESIDENCE TO VOTE AT POLLING PLACE FOR FORMER ADDRESS.

Section 8(e)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6(e)(2)) is amended—

(1) by striking ''(2)(A)'' and inserting ''(2)''; and

(2) by striking ''election, at the option of the registrant—'' and all that follows and inserting the following: ''election shall be permitted to correct the voting records for purposes of voting in future elections at the appropriate polling place for the current address and, if permitted by State law, shall be permitted to vote in the present election, upon confirmation by the registrant of the new address by such means as are required by law.''.

SEC. ___06. EFFECTIVE DATE.

The amendments made by this title shall apply with respect to elections for Federal office occurring after December 1999.

H.R. 2183

OFFERED BY: MR. PAUL

(To the Amendments Offered By: Mr. Bass, Mr. Campbell, Mr. Farr, Mr. Obey (#4), Mr. Shays, Mr. Meehan, and Mr. Tierney)

AMENDMENT NO. 130: Add at the end the following new title:

TITLE ___—BALLOT ACCESS RIGHTS

SEC. ___01. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) Voting participation in the United States is lower than in any other advanced industrialized democracy.

(2) The rights of eligible citizens to seek election to office, vote for candidates of their choice and associate for the purpose of taking part in elections, including the right to create and develop new political parties, are fundamental in a democracy. The rights of citizens to participate in the election process, provided in and derived from the first and fourteenth amendments to the Constitution, have consistently been promoted and protected by the Federal Government. These rights include the right to cast an effective vote and the right to associate for the advancement of political beliefs, which includes the ''constitutional right . . . to create and develop new political parties.'' Norman v. Reed, 502 U.S. 279, 112 S.Ct. 699 (1992). It is the duty of the Federal Government to see that these rights are not impaired in elections for Federal office.

(3) Certain restrictions on access to the ballot impair the ability of citizens to exercise these rights and have a direct and damaging effect on citizens' participation in the electoral process.

(4) Many States unduly restrict access to the ballot by nonmajor party candidates and nonmajor political parties by means of such devices as excessive petition signature requirements, insufficient petitioning periods, unconstitutionally early petition filing deadlines, petition signature distribution criteria, and limitations on eligibility to circulate and sign petitions.

(5) Many States require political parties to poll an unduly high number of votes or to register an unduly high number of voters as a precondition for remaining on the ballot.

(6) In 1983, the Supreme Court ruled unconstitutional an Ohio law requiring a nonmajor party candidate for President to qualify for the general election ballot earlier than major party candidates. This Supreme Court decision, Anderson v. Celebrezze, 460 U.S. 780 (1983) has been followed by many lower courts in challenges by nonmajor parties and candidates to early petition filing deadlines. See, e.g., Stoddard v. Quinn, 593 F. Supp. 300 (D.Me. 1984); Cripps v. Seneca County Board of Elections, 629 F. Supp. 1335 (N.D.Oh. 1985); Libertarian Party of Nevada v. Swackhamer, 638 F. Supp. 565 (D. Nev. 1986); Cromer v. State of South Carolina, 917 F.2d 819 (4th Cir. 1990); New Alliance Party of Alabama v. Hand, 933 F. 2d 1568 (11th Cir. 1991).

(7) In 1996, 34 States required nonmajor party candidates for President to qualify for the ballot before the second major party national convention (Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, and Wyoming). Twenty-six of these States required nonmajor party candidates to qualify before the first major party national convention (Arizona, California, Colorado, Connecticut Florida, Georgia, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, North Carolina, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, Washington, and West Virginia).

(8) Under present law, in 1996, nonmajor party candidates for President were required to obtain at least 701,089 petition signatures to be listed on the ballots of all 50 States and the District of Columbia—28 times more signatures than the 25,500 required of Democratic Party candidates and 13 times more signatures than the 54,250 required of Republican Party candidates. To be listed on the ballot in all 50 States and the District of Columbia with a party label, nonmajor party candidates for President were required to obtain approximately 651,475 petition signatures and 89,186 registrants. Thirty-two of the 41 States that hold Presidential primaries required no signatures of major party candidates for President (Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin). Only three States required no signatures of nonmajor party candidates for President (Arkansas, Colorado, and Louisiana; Colorado and Louisiana, however, required a $500 filing fee).

(9) Under present law, the number of petition signatures required by the States to list a major party candidate for Senate on the ballot in 1996 ranged from zero to 15,000. The number of petition signatures required to list a nonmajor party candidate for Senate ranged from zero to 196,788. Thirty-one States required no signatures of major party candidates for Senate (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Senate, provided they were willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required, and to run with a party label, a candidate was required to register 111,121 voters into his or her party).

(10) Under present law, the number of petition signatures required by the States to list a major party candidate for Congress on the

ballot in 1996 ranged from zero to 2,000. The number of petition signatures required to list a nonmajor party candidate for Congress ranged from zero to 13,653. Thirty-one States required no signatures of major party candidates for Congress (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Congress, provided they are willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required).

(11) Under present law, in 1996, eight States required additional signatures to list a nonmajor party candidate for President on the ballot with a party label (Alabama, Arizona, Idaho, Kansas, Nebraska, North Dakota, Ohio, Tennessee). Thirteen States required additional signatures to list a nonmajor party candidate for Senate or Congress on the ballot with a party label (Alabama, Arizona, Arkansas, California, Idaho, Hawaii, Kansas, Louisiana, North Dakota, Nebraska, Ohio, Oregon, Tennessee). Two of these States (Ohio and Tennessee) required 5,000 signatures and 25 signatures, respectively, to list a nonmajor party candidate for President or Senate on the ballot in 1996, but required 33,463 signatures and 37,179 signatures, respectively, to list the candidate on the ballot with her or his party label. One State (California) required a nonmajor party to have 89,006 registrants in order to have its candidate for President listed on the ballot with a party label.

(12) Under present law, in 1996 one State (California) required nonmajor party candidates for President or Senate to obtain 147,238 signatures in 105 days, but required major party candidates for Senate to obtain only 65 signatures in 105 days, and required no signatures of major party candidates for President. Another State (Texas) required nonmajor party candidates for President or Senate to obtain 43,963 signatures in 75 days, and required no signatures of major party candidates for President or Senate.

(13) Under present law, in 1996, seven States required nonmajor party candidates for President or Senate to collect a certain number or percentage of their petition signatures in each congressional district or in a specified number of congressional districts (Michigan, Missouri, Nebraska, New Hampshire, New York, North Carolina, Virginia). Only three of these States impose a like requirement on major party candidates for President or Senate (Michigan, New York, Virginia).

(14) Under present law, in 1996, 20 States restricted the circulation of petitions for nonmajor party candidates to residents of those States (California, Colorado, Connecticut, District of Columbia, Idaho, Illinois, Kansas, Michigan, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, Pennsylvania, South Dakota, Texas, Virginia, West Virginia, Wisconsin). Two States restricted the circulation of petitions for nonmajor party candidates to the county or congressional district where the circulator lives (Kansas and Virginia).

(15) Under present law, in 1996, three States prohibited people who voted in a primary election from signing petitions for nonmajor party candidates (Nebraska, New York, Texas, West Virginia). Twelve States restricted the signing of petitions to people who indicate intent to support or vote for the candidate or party (California, Delaware, Hawaii, Illinois, Indiana, Maryland, New Jersey, New York, North Carolina, Ohio, Oregon, Utah). Five of these 12 States required no petitions of major party candidates (Delaware, Maryland, North Carolina, Oregon, Utah), and only one of the six remaining States restricted the signing of petitions for major party candidates to people who indicate intent to support or vote for the candidate or party (New Jersey).

(16) In two States (Louisiana and Maryland), no nonmajor party candidate for Senate has qualified for the ballot since those States' ballot access laws have been in effect.

(17) In two States (Georgia and Louisiana), no nonmajor party candidate for the United States House of Representatives has qualified for the ballot since those States' ballot access laws have been in effect.

(18) Restrictions on the ability of citizens to exercise the rights identified in this subsection have disproportionately impaired participation in the electoral process by various groups, including racial minorities.

(19) The establishment of fair and uniform national standards for access to the ballot in elections for Federal office would remove barriers to the participation of citizens in the electoral process and thereby facilitate such participation and maximize the rights identified in this subsection.

(20) The Congress has authority, under the provisions of the Constitution of the United States in sections 4 and 8 of article I, section 1 of article II, article VI, the thirteenth, fourteenth, and fifteenth amendments, and other provisions of the Constitution of the United States, to protect and promote the exercise of the rights identified in this subsection.

(b) PURPOSES.—The purposes of this title are—

(1) to establish fair and uniform standards regulating access to the ballot by eligible citizens who desire to seek election to Federal office and political parties, bodies, and groups which desire to take part in elections for Federal office; and

(2) to maximize the participation of eligible citizens in elections for Federal office.

SEC. ___02. BALLOT ACCESS RIGHTS.

(a) IN GENERAL.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, if—

(1) such individual presents a petition stating in substance that its signers desire such individual's name and political party, body or group affiliation, if any, to be placed on the ballot or other similar voting materials to be used in the Federal election with respect to which such rights are to be exercised;

(2) with respect to a Federal election for the office of President, Vice President, or Senator, such petition has a number of signatures of persons qualified to vote for such office equal to one-tenth of one percent of the number of persons who voted in the most recent previous Federal election for such office in the State, or 1,000 signatures, whichever is greater;

(3) with respect to a Federal election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, such petition has a number of signatures of persons qualified to vote for such office equal to one-half of one percent of the number of persons who voted in the most recent previous Federal election for such office, or, if there was no previous Federal election for such office, 1,000 signatures;

(4) with respect to a Federal election the date of which was fixed 345 or more days in advance, such petition was circulated during a period beginning on the 345th day and ending on the 75th day before the date of the election; and

(5) with respect to a Federal election the date of which was fixed less than 345 days in advance, such petition was circulated during a period established by the State holding the election, or, if no such period was established, during a period beginning on the day after the date the election was scheduled and ending on the tenth day before the date of the election, provided, however, that the number of signatures required under paragraph (2) or (3) shall be reduced by 1/270 for each day less than 270 in such period.

(b) SPECIAL RULE.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, without having to satisfy any requirement relating to a petition under subsection (a), if that or another individual, as a candidate of that political party, body, or group, received one percent of the votes cast in the most recent general Federal election for President or Senator in the State.

(c) SAVINGS PROVISION.—Subsections (a) and (b) shall not apply with respect to any State that provides by law for greater ballot access rights than the ballot access rights provided for under such subsections.

SEC. ___03. RULEMAKING.

The Attorney General shall make rules to carry out this title.

SEC. ___04. GENERAL DEFINITIONS.

As used in this title—

(1) the term ''Federal election'' means a general or special election for the office of—

(A) President or Vice President;

(B) Senator; or

(C) Representative in, or Delegate or Resident Commissioner to, the Congress;

(2) the term ''State'' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States;

(3) the term ''individual'' means an individual who has the qualifications required by law of a person who holds the office for which such individual seeks to be a candidate;

(4) the term ''petition'' includes a petition which conforms to section ___02(a)(1) and upon which signers' addresses and/or printed names are required to be placed;

(5) the term ''signer'' means a person whose signature appears on a petition and who can be identified as a person qualified to vote for an individual for whom the petition is circulated, and includes a person who requests another to sign a petition on his or her behalf at the time when, and at the place where, the request is made;

(6) the term ''signature'' includes the incomplete name of a signer, the name of a signer containing abbreviations such as first or middle initial, and the name of a signer preceded or followed by titles such as ''Mr.'', ''Ms.'', ''Dr.'', ''Jr.'', or ''III''; and

(7) the term ''address'' means the address which a signer uses for purposes of registration and voting.

H.R. 2183

OFFERED BY: MR. PAUL

(To the Amendments Offered By: Mr. Campbell)

AMENDMENT NO. 131: Add at the end the following new title:

TITLE ___—DEBATE REQUIREMENTS FOR PRESIDENTIAL CANDIDATES

SEC. ___01. REQUIREMENT THAT CANDIDATES WHO RECEIVE CAMPAIGN FINANCING FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND AGREE NOT TO PARTICIPATE IN MULTICANDIDATE FORUMS THAT EXCLUDE CANDIDATES WITH BROAD-BASED PUBLIC SUPPORT.

(a) IN GENERAL.—In addition to the requirements under subtitle H of the Internal Revenue Code of 1986, in order to be eligible to receive payments from the Presidential Election Campaign Fund, a candidate shall agree in writing not to appear in any multicandidate forum with respect to the election involved unless the following individuals are invited to participate in the multicandidate forum:

(1) Each other eligible candidate under such subtitle.

(2) Each individual who is qualified in at least 40 States for the ballot for the office involved.

(b) ENFORCEMENT.—If the Federal Election Commission determines that a candidate—

(1) has received payments from the Presidential Election Campaign Fund; and

(2) has violated the agreement referred to in subsection (a);

the candidate shall pay to the Treasury an amount equal to the amount of the payments so made.

(c) DEFINITION.—As used in this title, the term ''multicandidate forum'' means a meeting—

(1) consisting of a moderated reciprocal discussion of issues among candidates for the same office; and

(2) to which any other person has access in person or through an electronic medium.

H.R. 2183

OFFERED BY: MR. THOMAS

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 132: Amend section 601 to read as follows (and conform the table of contents accordingly):

SEC. 601. NONSEVERABILITY OF PROVISIONS.

If any provision of this Act or any amendment made by this Act, or the application thereof to any person or circumstance, is held invalid, the remaining provisions of this Act or any amendment made by this Act shall be treated as invalid.

In the heading for title VI, strike ''**SEVERABILITY**'' and insert ''**NONSEVERABILITY**'' (and conform the table of contents accordingly).

H.R. 2183

OFFERED BY: MR. WHITFIELD

(To the Amendments Offered By: Mr. Shays, or Mr. Meehan)

AMENDMENT NO. 133: Add at the end the following new title:

TITLE ___—EXPEDITED COURT REVIEW

SEC. ___01. EXPEDITED COURT REVIEW.

(a) RIGHT TO BRING ACTION.—The Federal Election Commission, a political committee under title III of the Federal Election Campaign Act of 1971, or any individual eligible to vote in any election for the office of President of the United States may institute an action in an appropriate district court of the United States (including an action for declaratory judgment) as may be appropriate to construe the constitutionality of any provision of this Act or any amendment made by this Act.

(b) HEARING BY THREE-JUDGE COURT.—Upon the institution of an action described in subsection (a), a district court of three judges shall immediately be convened to decide the action pursuant to section 2284 of title 28, United States Code. Such action shall be advanced on the docket and expedited to the greatest extent possible.

(c) APPEAL OF INITIAL DECISION TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by the court of 3 judges convened pursuant to subsection (b) in an action described in subsection (a). Such appeal shall be brought not later than 20 days after the issuance by the court of the judgment, decree, or order.

(d) EXPEDITED REVIEW BY SUPREME COURT.—The Supreme Court shall accept jurisdiction over, advance on the docket, and expedite to the greatest extent possible an appeal taken pursuant to subsection (c).