boomers who are nearing retirement. The problem we face is significant. Only about half of American workers have any kind of pension at all. This would include a 401(k), a traditional defined benefit plan, a profit-sharing plan and so on. About 80 percent of workers who are employed in smaller businesses that cannot afford because of the complexities of the current rules to offer plans do not have a plan, so about 20 percent have a pension plan. Studies show us that baby boomers right now are only saving about 40 percent of what they will need for their retirement needs. Finally, the personal savings rate in our country is at historic lows. In fact, the Commerce Department tells us that last month, the savings rate in the United States was minus 1.2 percent. Historically low. This is all the funds that are being saved in this country for retirement and other needs.

So how can people help themselves? How can people save more for their retirement? We have got a plan to do that. I have introduced a piece of legislation with the gentleman from Maryland (Mr. CARDIN) which increases that third leg of retirement security, which is again the private employer-based pension system, 401(k)s, 457s, 403(b) plans, defined benefit plans, profit-sharing plans and so on. The legislation is comprehensive and it is designed to correct all the deficiencies we see in our current system but, simply put, it lets workers save more for their own retirement. It makes it less costly and burdensome for employers, particularly small employers, to establish new pension plans or to improve their own plans they have already got.

Finally, we modernize the pension laws to make them more in tune with the current mobile workforce of the 21st century. How do we do this? We increase contribution limits. For instance, 401(k) contribution limits are increased from $10,000 per year to $15,000 per year, allowing workers to save more for their own retirement. We have catch-up contributions, allowing any worker age 50 or over to put an additional $5,000 aside for retirement. This will be particularly good for women who have been out of the workforce raising kids and then come back into the workforce and want to build up a nest egg for their retirement. We drastically increase portability, allowing people to roll over their pension savings from job to job, whether they are in the private sector, the government sector or the nonprofit sector. These are long overdue changes that are absolutely necessary again to respond to the much more mobile workforce of the next century. We also lower the vesting requirement for matching employer contributions from 5 years where it is now to 3 years to give more Americans the ability to get involved in pension plans.

Finally, we cut red tape. The increasing complexities of the laws governing pensions, both in the private sector and the nonprofit and public sector have discouraged the growth of pension plans. For small businesses in particular, the costs, the burdens and the liabilities associated with pensions are the main reason that companies are not offering these plans. This legislation takes steps to cut the unnecessary red tape that I think has put a real stranglehold on our pension system.

Who are these changes going to benefit the most? They benefit everybody. That is what is great about them. If we look at this chart, it will show us that at least 70 percent of current pension recipients, those who are retired and receiving pensions, make incomes of $50,000 or less. So this is something that is really going to help the people who need the help the most. The next chart will show us that among those people who are involved in pensions who are getting pension benefits right now, 77 percent are middle and lower income workers. Again, by taking actions today to expand our pension savings, we are going to help the people who need the most help in saving for their retirement.

This is a chance for this Congress to help all Americans do what people want to do, which is to provide for a retirement that is secure, to have increasing independence in retirement, to have more dignity in retirement. Imagine the impact we could have in this country if the 60 million Americans who currently do not have retirement savings through a pension of their own would be able to get that kind of retirement security. Again, Social Security reform is very important. I support preserving the Social Security system. But this is an opportunity this Congress ought to take today and ought to pass this year to enable all Americans to have dignity and independence and security in retirement.

□ 2350

TRIBUTE TO CHANCELLOR MICHAEL HOOKER OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

The SPEAKER pro tempore (Mr. OSE). Under a previous order of the House, the gentleman from North Carolina (Mr. PRICE) is recognized for 5 minutes.

Mr. PRICE of North Carolina. Mr. Speaker, this week the University of North Carolina at Chapel Hill lost a bold leader when its eighth chancellor, Michael Hooker, died from complications of cancer. Memorial services will be held at 11 o'clock tomorrow morning on the UNC Chapel Hill campus.

During a short 4-year tenure Chancellor Hooker brought a great vision to the university, constantly pushing Carolina with the declared goal of making it the greatest public university in the Nation. His legacy will live in the university community and beyond, wherever the impact of his enthusiasm and his leadership were felt.

Mr. Speaker, Michael Hooker had an abiding love for Carolina. When he came to Chapel Hill to serve as Chancellor in 1995, he was returning to his school to which he had first come as a young man from the mountains of southwest Virginia and which he always felt had opened up the wider world to him. He graduated from Carolina in 1969, the first member of his family to graduate from college. He had a degree in philosophy. After earning graduate degrees in philosophy, he taught at Harvard, he held posts at Johns Hopkins University and then served as president of Bennington College in Vermont, the University of Maryland Baltimore County and the five campus University of Massachusetts system.

But Michael Hooker always wanted to return to Carolina. He brought to the job of Chancellor a spirit of innovation, seeking to build on the traditions of America's oldest public university. He believed that education is our greatest engine of opportunity, and he reached out to the entire State to share his belief. His administration's theme was: ''For the people,'' and he crisscrossed North Carolina visiting every county to promote his vision and to renew the university's connection to the State.

When students came to Chapel Hill, they knew they would be taught in a way that prepared them for the challenges of the 21st century. Hooker said, and I am quoting:

In the 21st century the only thing that will secure competitive advantage for our regional, State and national economies is the extent to which we have developed, nutured, fostered, cultivated, and deployed brain power.

Students will remember his active involvement in making their education reflect those values. He emphasized the need for increased access to computers and technology, made this a priority for UNC students, and he recruited and supported teachers who were willing to cross disciplinary boundaries and to innovate in their teaching methods.

North Carolinians who knew Michael Hooker will remember his energy for innovation and for effective teaching, his belief in the promise of a great public university and his passion for leading Carolina into the next century.

My wife and I are sad for the loss suffered by Michael's wife, Carmen, their family and our entire community. I deeply regret that Michael will not be with us to see his bold vision unfold. However, I am comforted in the knowledge that so many people are prepared to carry that vision forward, embracing the traditions that shaped Carolina and its late chancellor and shepherding the spirit of inventiveness and boldness that Michael Hooker embodied.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. GREEN) is recognized for 5 minutes.

(Mr. GREEN of Wisconsin addressed the House. His remarks will appear

hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 5 minutes.

(Mr. PETERSON 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 the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

ENOUGH IS ENOUGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. TANCREDO) is recognized for 5 minutes.

Mr. TANCREDO. Mr. Speaker, we often hear people stand up in front of this microphone and start out by saying, ''It is about,'' when they are going to talk about what it is about. Well, in fact in this body it is about taxes. No matter what else we say, no matter what else we do here, it is about taxes. It is the life blood that drives every other thing we do in this body, and the extent to which we can defend our country and incarcerate criminals and carry out all the other essential functions of government depends upon our ability to extract money from the population and pay for those services.

But when is enough enough? Is it enough, Mr. Speaker, to take 40 percent of the income of the average family in America today for taxes? Is it enough to take 20 percent of the gross domestic product of this country every year now in taxes? Is that enough, Mr. Speaker? I suggest it is not only enough, I suggest it is far too much. That is why today I have introduced the bill that we refer to here as the 10 top terrible tax act. This is a bill to actually eliminate, not just reduce certain taxes, but actually eliminate certain taxes so that they cannot grow back again. We want to pull them up by their roots.

Mr. Speaker, this is the only way that we can actually begin to reduce the size and scope of government. We talk about that here on this floor, and we talk about it in legislative bodies all over this country, reducing the size and scope of government. How many times have we heard that phrase? And yet nothing seems to actually accomplish the task of reducing the size and scope of government. There seems to be a commitment to that philosophy, but it does not work.

Mr. Speaker, one reason it does not work is because we do not put a constraint on the life blood of these legislative bodies, and that life blood, I repeat, are the tax dollars that we extract in the population. Well, this does begin to put that constraint on that life blood flow, and it does begin to reduce the size and scope of government and its intervention into our lives which has grown far too great.

Mr. Speaker, at 40 percent of the income of a family, I repeat 40 percent, and 20 percent of our gross domestic product it is too much. Something has to give, and if we just simply reduce the rate of taxation, it is far too easy to come back within a year or 2 years and simply increase it again. That is easy to do. But it is very difficult to actually come back and replace a tax that has been eliminated.

Mr. Speaker, that is why we have identified 10 taxes that are legitimate targets for us to attack as being able to be eliminated, gone, erased from the books, not there any more:

The estate tax, estate and gift tax, more commonly and appropriately referred to as the death tax; it is currently as high as 55 percent, and we want to phase that out over a 10 year period and completely repeal it by December 1, 2099. The E-rate universal tax; that is a euphemism, E-rate is a euphemism, for a tax. It is a tax that has been put on phone bills that did not even come through this body as an actual tax bill. It is a special friend, a special sort of tax of the Vice President. It is oftentimes referred to as the Gore tax, and appropriately so.

Next is the excise tax on telephones and other communication services. My friends, this is the 3 percent tax that was put on telephones when they were a luxury item in 1898 in order to fund the Spanish-American war. Let me tell my colleagues it is over, the war is over, and we do not need this tax any more.

The marriage penalty tax discrepancy in the Tax Code that results in a higher tax burden for married couples; let us get rid of it.

The capital gains tax, currently up to 20 percent of gain would be phased out over a 10 year period. Let us get rid of it.

The excise tax on vaccines, on vaccines. Do you hear me? Seventy-five cents per dose imposed on certain vaccines sold in the United States; this should be repealed by January 1, 2000. Why are we taxing vaccines, let me ask.

Excise tax on sport fishing equipment.

The 1993 income tax increase on Social Security benefits.

The double tax on interest and dividends.

The 1993 increase in motor fuels tax.

Mr. Speaker, all these should be gone, and they can be. We can live without it, believe it or not. We can live without this.

I want to enter into the RECORD, if I could, Mr. Speaker, the comments here from the Americans for Tax Reform and other organizations that have supported the bill, and I ask my colleagues to do so. It is enough.

AMERICANS FOR TAX REFORM,
Washington, DC, July 1, 1999.

Hon. TOM TANCREDO,
Washington, DC.

DEAR REPRESENTATIVE TANCREDO: On behalf of its 90,000 members and its 3,000 state and local taxpayer groups across the nation, Americans for Tax Reform strongly supports your ''Top Ten Terrible Tax Act of 1999.''

As you already know, American families already pay on average almost forty percent of their income on taxes, be it federal, state, or local. That is more than food, shelter, and clothing combined.

The Top Ten Terrible Tax Act of 1999 would eliminate excessive taxes and provide every American with tangible tax relief. By uprooting the death and gift taxes, the telephone universal service charge, the 3% telephone excise tax, the marriage penalty tax, the capital gains tax, the excise tax on vaccines, the excise tax on sport fishing equipment, the 1993 income tax increase on social security benefits, the double taxation on interest and dividends, and the 1993 motor fuel tax increase, taxpayers will be able to improve their quality of life and save more for education and retirement.

I thank you for your leadership in taking a step in the right direction to providing fundamental tax reform.

Sincerely,

GROVER G. NORQUIST.

CONGRESS SHOULD REFORM DEATH TAXES

At a Denver Business Journal Family Business conference earlier this year, Coors Brewing President Peter Coors made an interesting point about estate taxes.

These so-called death taxes make it much harder for corporations to pass ownership down from one generation to the next. They speed the demise of local businesses and the rise of cookie-cutter consolidations because the consolidators are able to use stock and cash to buy out family businesses and address the inheritance tax issue.

Congress is likely to take up the inheritance tax issue in the next session. Maybe they should hear from Peter Coors and people like him.

DECLARATION OF INDEPENDENCE FOR THE RECORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 1 minute.

Mr. SCHAFFER. Mr. Speaker, the House will adjourn in approximately 1 minute. In Washington, D.C., the Nation's Capital, 12 o'clock is midnight, is the time for us to finish. It would be, I think the House would be in remiss, if we were not to reflect upon the occasion for our recess over the next week. A remarkable story, 223 years in the making, the founding of our Nation, our Declaration of Independence, the 4th of July, recalls the memory and the scene of those brave individuals in Philadelphia who declared our independence.

I do not know, Mr. Speaker, that the Declaration of Independence has ever