

TELEPHONE EXCISE TAX REPEAL
ACT

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 511, I call up the bill (H.R. 3916) to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communication services, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 511, the bill is considered read for amendment.

The text of H.R. 3916 is as follows:

H.R. 3916

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

SECTION 1. REPEAL OF EXCISE TAX ON TELEPHONE AND OTHER COMMUNICATIONS SERVICES.

(a) IN GENERAL.—Chapter 33 of the Internal Revenue Code of 1986 (relating to facilities and services) is amended by striking subchapter B.

(b) CONFORMING AMENDMENTS.—

(1) Section 4293 of such Code is amended by striking “chapter 32 (other than the taxes imposed by sections 4064 and 4121) and subchapter B of chapter 33,” and inserting “and chapter 32 (other than the taxes imposed by sections 4064 and 4121).”

(2)(A) Paragraph (1) of section 6302(e) of such Code is amended by striking “section 4251 or”.

(B) Paragraph (2) of section 6302(e) of such Code is amended—

(i) by striking “imposed by—” and all that follows through “with respect to” and inserting “imposed by section 4261 or 4271 with respect to”, and

(ii) by striking “bills rendered or”.

(C) The subsection heading for section 6302(e) of such Code is amended by striking “COMMUNICATIONS SERVICES AND”.

(3) Section 6415 of such Code is amended by striking “4251, 4261, or 4271” each place it appears and inserting “4261 or 4271”.

(4) Paragraph (2) of section 7871(a) of such Code is amended by inserting “or” at the end of subparagraph (B), by striking subparagraph (C), and by redesignating subparagraph (D) as subparagraph (C).

(5) The table of subchapters for chapter 33 of such Code is amended by striking the item relating to subchapter B.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid pursuant to bills first rendered more than 90 days after the date of the enactment of this Act.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 3916, as amended, is as follows:

H.R. 3916

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

SECTION 1. REPEAL OF FEDERAL COMMUNICATIONS EXCISE TAX.

(a) IN GENERAL.—Chapter 33 of the Internal Revenue Code of 1986 (relating to facilities and services) is amended by striking subchapter B.

(b) PHASE-OUT OF TAX.—Paragraph (2) of section 4251(b) of such Code (defining applicable percentage) is amended to read as follows:

“(2) APPLICABLE PERCENTAGE.—The term ‘applicable percentage’ means—

“(A) 2 percent with respect to amounts paid pursuant to bills first rendered on or after the 30th day after the date of the enactment of this subparagraph and before October 1, 2001, and

“(B) 1 percent with respect to amounts paid pursuant to bills first rendered after September 30, 2001, and before October 1, 2002.”.

(c) CONFORMING AMENDMENTS.—

(1) Section 4293 of such Code is amended by striking “chapter 32 (other than the taxes imposed by sections 4064 and 4121) and subchapter B of chapter 33,” and inserting “and chapter 32 (other than the taxes imposed by sections 4064 and 4121).”

(2)(A) Paragraph (1) of section 6302(e) of such Code is amended by striking “section 4251 or”.

(B) Paragraph (2) of section 6302(e) of such Code is amended—

(i) by striking “imposed by—” and all that follows through “with respect to” and inserting “imposed by section 4261 or 4271 with respect to”, and

(ii) by striking “bills rendered or”.

(C) The subsection heading for section 6302(e) of such Code is amended by striking “COMMUNICATIONS SERVICES AND”.

(3) Section 6415 of such Code is amended by striking “4251, 4261, or 4271” each place it appears and inserting “4261 or 4271”.

(4) Paragraph (2) of section 7871(a) of such Code is amended by inserting “or” at the end of subparagraph (B), by striking subparagraph (C), and by redesignating subparagraph (D) as subparagraph (C).

(5) The table of subchapters for chapter 33 of such Code is amended by striking the item relating to subchapter B.

(d) EFFECTIVE DATES.—

(1) REPEAL.—The amendments made by subsections (a) and (c) shall apply to amounts paid pursuant to bills first rendered after September 30, 2002.

(2) PHASE-OUT.—The amendment made by subsection (b) shall apply to amounts paid pursuant to bills first rendered on or after the 30th day after the date of the enactment of this Act.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ARCHER) and the gentleman from California (Mr. MATSUI) each will control 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. ARCHER).

GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on H.R. 3916.

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

There was no objection.

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

Mr. Speaker, today Congress will vote to repeal the 102-year-old Federal excise tax on telecommunications services. This is a bipartisan bill introduced by the gentleman from Ohio (Mr. PORTMAN) and the gentleman from California (Mr. MATSUI). It repeals an excise tax which is regressive and hits low-income families and people on fixed incomes like older Americans the hardest and it is a tax that has truly outlived its usefulness. The telephone tax is a showcase example of bad tax policy and its endurance over the century proves again that once the Government gets its hands on the taxpayers' money, it is hard to get it back to the people.

In addition to helping people today, repealing this tax will help avoid a potentially big tax increase in the future.

It used to be that each household had only one phone, and that was it. But today homes have at least one phone line, many have two. Mom and Dad and maybe one of the kids has a cell phone or a pager, and the family might have a computer and use e-mail. So they are paying this tax on a number of telecommunications services, not just on their one telephone anymore.

The point is, as more Americans use more and more telecommunications services, this tax must surely not continue to grow. That is why I am pleased that we are taking this action today to repeal a tax first levied in 1898. As the old saying goes, Better late than never.

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

Mr. MATSUI. Mr. Speaker, I yield myself 3 minutes.

First I would like to thank the gentleman from New York (Mr. RANGEL), the ranking Democrat on the Committee on Ways and Means, for yielding to me and allowing me to manage this bill. I would like to commend the gentleman from Texas (Mr. ARCHER), the chairman of the committee, for bringing this bill up in an expeditious fashion.

Mr. Speaker, as the gentleman from Texas has mentioned, this tax is a tax that should have been repealed years ago. It started in 1898 to actually pay for the Spanish-American war. It had been repealed and reinstated numerous times over those years, but the fact of the matter is this tax is a tax on telephone service communications between Americans.

When it was first instituted in 1898, 102 years ago, there were, believe it or not, 1,356 telephones in America. It was clearly a luxury tax. It was a method that very wealthy people used to communicate with each other probably more as a novelty than as a real source of communication. The fact of the matter is today that 94 percent of the American public of 270 million people now use telephones. Now they pay a 3 percent tax. As we know, this tax hits across everybody, low-income people, moderate-income people, the rich; but everybody pays the same percentage. This is probably one of the most regressive taxes that the Federal Government has. It should be repealed, particularly in a time of surpluses.

I might also mention that there is another aspect of this as well. As we know, we have numerous different modes of communication in America and throughout the world today. We have the Internet, we have cable modems and everything else. At this time the IRS and the Treasury Department is having a very difficult time on how to apply this tax. Some can use the Internet with cable modems to avoid the tax, and others who use the basic telephone service end up paying the tax. As we know, average low-income Americans are the ones that do not have access to the Internet. And so again this tax is even more regressive,

given the fact that many Americans cannot afford the new technology that we have. This tax is currently at approximately over a 5-year period \$20 billion. This is not just a small amount. This is a very large tax on American citizens.

Mr. Speaker, this tax needs to be repealed. I urge my colleagues to vote yes on this repeal effort.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time. I salute my colleague from Ohio and my colleague across the aisle from California for bringing this forward. Credit is also due to a new Member of our institution, the gentleman from California (Mr. GARY MILLER), who brought this to our attention last year.

As the chairman of our committee pointed out, Mr. Speaker, this is an object lesson on tax policy in our constitutional Republic. One is almost tempted, Mr. Speaker, to return to my profession of broadcasting. "This bulletin just in. The Spanish-American war is over. We won. But in the process American consumers lost."

As my colleague from California correctly points out, this has been a stop-start, on-again off-again procedure. Yet it is compelling because it was a tax levied for the most noble of purposes over a century ago; but it has stayed around and, far from a luxury, we know today the telephone is a necessity. We know today that as we live in the information age, as we depend on computers more and more, information so vital to our everyday lives need not be taxed. Especially egregious, these funds from this luxury tax are not even devoted to the telecommunications process. No, they go into the general fund.

And so it is long overdue that we repeal this Spanish-American War telephone tax, this tax on talking; and in much the same way, we need to continue our review and one day reform our overall tax policy because historians note that the current taxation on personal income made possible by the 16th amendment to our Constitution was preconditioned through judicial review on the notion that it is temporary.

Well, today the temporary century-plus telephone tax will be repealed. Again, as we congratulate each other in a bipartisan fashion, Mr. Speaker, the American people ask, What took you so long? We are finally getting the work done for the people.

Mr. MATSUI. Mr. Speaker, I yield 4½ minutes to the gentleman from Wisconsin (Mr. KLECZKA), a member of the Committee on Ways and Means.

Mr. KLECZKA. Mr. Speaker, let me thank the gentleman from California for yielding me this time.

Mr. Speaker, I am really tickled pink to have the opportunity to come down here and talk about this repeal of the

phone tax. As was indicated, this repeal will cost some \$20 billion to the treasury, or putting it another way, Americans will be saving \$20 billion over a 5-year period. To put that into perspective, the President has recommended this Congress pass a drug benefit for the senior citizens on Medicare. The 5-year cost of that is \$40 billion. But my Republican colleagues do not support that so we probably will not do it for the seniors; but this phone repeal could fund one-half of that Medicare drug benefit for seniors, just to put it into perspective.

Now, I guess people are going to ask, what is this worth to me? I have a copy of a phone bill here from the State of Virginia from the Bell Atlantic Phone Company. This is for the other services and charges. If I could direct Members' attention to number seven, it is tax and Federal, the savings to the consumer here, 97 cents. People ask me, where did this idea come from to repeal the tax? Clearly the gentleman from California (Mr. MATSUI) introduced a bill, but we also had an advisory commission established by Congress to look at the Internet tax.

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It was headed up by the governor of the State of Virginia, Governor Gilmore. His colleagues not only wanted to put a moratorium on Internet tax, but they also had this real thing about the Federal phone tax. They pushed and shoved, and part of the recommendation to Congress was to repeal this 97 cent tax here.

As I look at this bill, Governor Gilmore, my eyes dropped to the next line, and that is the State sales tax on your phone bill. That is \$7.00, 700 percent more, and I do not recall the governor saying anything about knocking that down, but he is so gracious to help us out by eliminating this 97 cents on the phone bill.

I just read in the Post today that Governor Gilmore wants the taxpayers of the country to give him another half a billion dollars to rebuild the Wilson Bridge, which is in part Virginia and in part Maryland. I say we could sure help him out if we had this \$20 billion, but we have to give that back. But the point here is the consumers by our action today are going to save 97 cents on this phone bill, but we are not doing anything about the \$7 tax going to Richmond.

So this is a great day. We are really going to do something for the consumers. Massive tax relief. Great day.

I have got some bad news. Bell Atlantic, same company, sent out a letter, and they sent out the letter to the phone people, to those who use their telephone, and they say, hey, important notice, folks. Optional wire maintenance price plan increase. What is that? Well, for the phone wire inside your house, these folks are currently paying \$1.25 a month. The phone company is telling them, effective June 17 of this year, we are going to increase

that almost 100 percent to \$2.45, \$1.20 a month.

But, wait a minute. We just saved 97 cents, and the phone company took it away. Before we got the savings, this phone company took it away. So right now, as we stand here, we are 23 cents in the hole, because after we give you this phone tax relief, your bill is going to go up 23 percent anyway.

So now I am thinking, my gosh, how are we going to help the consumer out? Well, I came up with a couple of ideas. It is going to cost some money to change the Tax Code. There will be some administrative costs once this bill is signed into law. I am thinking of producing an amendment today to amend the bill, and instead of sending the 97 cents back to the consumers, send the \$20 billion to the phone company. My friends, they are going to get it anyway.

The other idea is to move the previous question, which means cut off all the debate, because the longer we sit here today and talk about this, the less the consumers are going to save.

Mr. PORTMAN. Mr. Speaker, I yield myself some time as I may consume.

Mr. Speaker, I appreciate that my friend from Wisconsin has pointed out some other potential targets. Unfortunately, the U.S. Congress will not be able to do much about it. Maybe some State legislators from Virginia were watching, maybe some of our regulators downtown were watching from the FCC, and maybe even some members of the Committee on Commerce are here.

But I know that it is very important to most Members of this Chamber that we go ahead and reduce that 97 cents, which is \$6 billion a year on the consumers of this country; and regardless of what States may do or what other regulations may require, I am delighted that this has been, from the start, an effort that has been supported broadly on a bipartisan basis.

I want to point out the gentleman from California (Mr. MATSUI) in particular. He is my partner on this legislation, has been from the start. He makes some very good points every time he speaks on this issue. He just made them previously about the difficulty we are having at the IRS right now even identifying what is a telephone tax and what is not, given the emerging technologies and given the very fast pace of change out there.

The gentleman also has talked, I know, about the history of this legislation. I do not want to go over all of it, but I hope people understand that this was a temporary luxury tax put in place during the Spanish-American War to pay for that war at a time when very few Americans had telephones, only the wealthiest of Americans. This temporary luxury tax, which was put in place at a time when the country was just being introduced to the glamorous young war hero, Teddy Roosevelt, has lived on. It has gone up, it has gone down, it has gone all around.

But it is a classic example of a tax in Washington that just will not die, and in this case a temporary tax on a luxury item that is no longer a luxury item, rather something all of us use every day in our lives and is clearly a catalyst to the economic growth we are all enjoying.

So at a time of prosperity, at a time when we can look out to the future with budget surpluses projected, and have the luxury of looking at our Tax Code, what makes sense and what does not, this should be for this Congress a target for repeal.

It is a 3 percent Federal excise tax; you will see it on your phone bill. Sometimes it is called FET. Look at the bottom of that bill, if you can look past all the other charges and so on that the gentleman from Wisconsin talked about. This is one this Congress can do something about and should do today.

From a tax policy perspective, there are number of reasons why this does not make sense, in addition to the fact that it is no longer necessary, since the Spanish-American War is 102 years ago. One is it is regressive. Lower-income families, of course, pay a higher percentage of their family budget than most Americans do on the telephone use. Everybody has a phone. Ninety-four percent of American families have it. Seniors are particularly hard hit by this on fixed incomes who need the telephone as a lifeline to the outside world.

Second, unlike other Federal excise taxes that go for some specific purpose, this simply goes into general revenues. The gas tax is a Federal excise tax, but it goes to fix our roads and our bridges. We also have Federal excise taxes on sin, being the sin taxes, so-called sin taxes, on alcohol and cigarettes.

But this is something that we should not be discouraging, telephone use. In fact, just the opposite. We should be encouraging it, again, because it is such a fundamental driver in the economic prosperity we now enjoy.

Finally, and perhaps most importantly, this is anti-Internet, having this tax in place, anti-telecommunications, at a time when that ought to be encouraged. Ninety-six percent of Internet goes over phone lines.

So at the very end of the day, all I can say is this is a great example where the Congress gets together, reflects on our Tax Code, what makes sense, what does not, comes together on a bipartisan basis, making it bipartisan from the very start, then brings it to the floor in a bipartisan way, to send a strong message to the United States Senate, which sometimes needs a strong message, and to the President, because I hope it will end up on his desk, hope it will happen in the next month. I hope it will happen before we go out of session certainly this year, so we will be able to give our consumers a little break and help our economy and get rid of this, again, outdated part of our Tax Code. The Spanish-American

War is long over, but in the 21st century, the telecommunications revolution is very much on. We need to assist that.

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

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank my colleague from California, the original Democrat sponsor of this bill, for yielding me time.

As a cosponsor of H.R. 3916, the Telephone Excise Tax Repeal Act, I am proud to not only support it, but also be a cosponsor. It adds \$6 billion annually to our bills and about \$2.00 a month to our constituents' phone bills.

While this tax was created to fund the Spanish-American War and has been reinstated during different conflicts, telephones were a luxury. Well, that is not the case anymore. In fact, it has long since not been a luxury. So this regressive tax should be repealed.

This is a broad tax cut that I think a lot of us can support, and that is why you have a broad number of Members that are cosponsoring it. It covers everyone, but particularly it covers senior citizens in my own district who can see when their bill comes in after this is effective, their Federal tax will be reduced.

I do share with my colleague from Wisconsin the concern about whether their regular phone bill will be increased, but hopefully they will deal with their State legislature and their regulation on that. The only funds that should be collected from the telecommunications device should be the digital divide.

I am also glad we are having a motion to recommit to close the 527 loophole that requires 527s to be able to list who is giving to them and how they are spending their money.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from Pennsylvania (Mr. ENGLISH), my colleague on the Committee on Ways and Means.

Mr. ENGLISH. Mr. Speaker, I thank the gentleman for yielding, and I thank him for his efforts as well as those of the gentleman from California to move forward to repeal this fantastically antiquated tax.

Mr. Speaker, recently I had the opportunity in visiting Egypt for the first time to do something that every archeology buff wants to do, and that is visit the pyramids. As I descended into the bowels of the great pyramid of Cheops, I developed a fresh appreciation for the ancient Egyptian belief in resurrection.

Mr. Speaker, as we move to inter this tax finally, we are looking at a provision in the Tax Code that would reaffirm the beliefs of the Old Kingdom in resurrection. This tax was first introduced in 1898, before income taxes were levied. It was designed as a temporary tax to pay for the Spanish-American War, as the last speaker noted. Since then, this tax has been repeatedly resurrected by Congress to no end.

Mr. Speaker, I rise in strong support of this legislation and urge my colleagues to vote in favor of repealing this outdated tax on our most basic communications. In my home State of Pennsylvania, this would mean \$245 million in tax relief, with \$75 million of that going to families who earn less than \$30,000. The time has long passed to eliminate this regressive tax on the American people and on small business.

For the first time in decades, with the Federal Government running a budget surplus, it is particularly perverse to continue this tax on talking when telecommunications play such a vital role in the information superhighway. The revenues from this tax, as the last speaker noted, are not even earmarked to support telecommunications infrastructure. It goes to the general treasury.

Mr. Speaker, I would urge every one of my colleagues to vote for this bill, and, in doing so, vote for tax fairness, for tax relief, and for easier Internet access. I urge the passage of the legislation.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. LEWIS), a member of the Committee on Ways and Means.

Mr. LEWIS of Georgia. Mr. Speaker, I rise today in support of the motion to be offered by my good friend and colleague on the Committee on Ways and Means, the gentleman from Texas (Mr. DOGGETT), the motion to recommit. It simply says that section 527 political organizations will not get the benefit of the telephone excise tax repeal unless they disclose their donors. It is that simple.

The gentleman from Texas (Mr. DOGGETT) had tried to offer this amendment in the Committee on Ways and Means twice, once today and once during the debate on the Taxpayers' Bill of Rights. Both times, the Republicans have voted it down and blocked it from coming to the floor.

Every person in America realized the importance and necessity of fixing our system of financing elections. The Doggett amendment is an attempt, but an important attempt, a necessary attempt, to bring about campaign finance reform. It will close another loophole in campaign finance disclosure laws. It will clean up the mess created by section 527 political organizations. These organizations can take unlimited money from almost any source, even foreign money, and make expenditures without any disclosure to anyone. It is a sham, it is a shame, and it is a disgrace. The American people deserve better.

The Doggett amendment only requires simple open disclosure by these organizations, these 527 organizations. The American people have a right to know. They have a right to know who is funding political campaigns in our country. They have a right to know who is behind the attack ads. The American people have a right to a free and fair election process.

There is already too much money in the political process. There is no room for secrecy too. We need to fix the mess. I urge my colleagues to support the motion to recommit.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to my slow-talking, fast-thinking friend, the gentleman from Georgia (Mr. COLLINS).

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Mr. COLLINS. Mr. Speaker, I appreciate the gentleman yielding me this time.

Mr. Speaker, when Theodore Roosevelt issued the order to charge, he was referring to the Rough Riders and ordered them towards San Juan Hill. Well, evidently the Congress heard the order of charge at the same time, and they implemented this 3 percent luxury tax on those at that time who had a telephone. Well, that time in Congress and Theodore Roosevelt have passed, the Spanish American War is over, and it is time that we cease charging, charging the American people this ridiculous tax on their telephones.

The charge was to pay for the war. The war had a cost of about \$250 billion. Today, we are collecting better than 20 times the cost of that war each year. This is just another example of excessive taxation, but Congress too is responsible for the excessive taxation because of our excessive spending habits. But it is an excessive cost to families and to business. At a time that we have a savings rate that is negative in this country, at a time that we are trying to encourage investments, and at a time when we are trying to compete in a global market, it is time for us to repeal and/or change tax provisions that will assist families and business.

Mr. Speaker, it is time to end this charge. The war is over. Let us sunset this tax.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. NEAL), a member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, I ask rhetorically one question on this issue: why would anybody not want to repeal this tax? And then I thought about it and I came to the conclusion, with 4 teenage children, maybe I am wrong. Do we really want to encourage them to stay on the phone longer? But even after that, I have come down on the side of repeal, primarily because changing technology, as the gentleman from Ohio (Mr. PORTMAN) has pointed out, will make the collection of this tax more and more difficult and digital technology will continue to blur the lines between audio, video, and tech transmissions. In the coming era, we will ask ourselves what will define telephone service. It is a bad tax, and we have an opportunity to get rid of it.

Mr. Speaker, let me shift gears for a second to stand in support of the gentleman from Texas (Mr. DOGGETT) who is going to speak in a few minutes. In

the late 1960s and the early 1970s after Watergate, the American people recoiled in their anger at the idea that in the basement of the White House there were suitcases full of cash, unacknowledged by the donors, and we are headed down the road to that same practice unless we do something about the idea of disclosing who gives what.

The gentleman from Texas (Mr. DOGGETT) is right on target, and to my friends on the Republican side and my colleagues on the Democratic side, these groups are bipartisan political assassins. We should know where their money comes from. The idea of disclosure was that it would be a disinfectant to campaign money. People would have an opportunity to examine where the money originated, for what purpose it was given, and then they would cast their decision.

Well, we know now that there are independent expenditures that are made against many Members of this Congress, not only on issues, but just as importantly, directed at the candidates. The public should know who gives the money.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois (Mr. WELLER), a distinguished member of the Committee on Ways and Means.

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

Mr. WELLER. Mr. Speaker, let me begin by saluting the gentleman from Ohio (Mr. PORTMAN) and the gentleman from California (Mr. MATSUI), my friends, for offering this legislation, legislation that is so important. Let me begin by just sharing a couple of statistics that illustrate why it is so important.

Today, there are 100 million U.S. adults using the Internet. There are seven new Internet users every second. Think about that, seven new Internet users every second, more millions of families in America. Of course, school kids at home use the Internet as a way of doing their homework, accessing the Library of Congress.

Today, we are responding to a pretty important question and that question is, do we want the information superhighway to be a toll way or a freeway. I believe, of course, that we want it to be a freeway. Today we are voting to remove one of those toll booths on the information superhighway by voting to repeal the telephone excise tax.

Mr. Speaker, when we think about and look at who has Internet access at home, the higher their income, the more likely they have it. Families with incomes of \$75,000 or more are 20 times more likely to have Internet access. If we ask those with low or moderate means why they do not have Internet access, they tell us it is because of the cost, that the cost is the barrier which denies their children the opportunity to use the Internet for school work. Today, we are eliminating one of those barriers.

I think it is important to note that 96 percent of those who access the Internet use their telephone line, so by lowering the cost of telephone use, we are increasing digital opportunity for millions of Americans.

I am proud of the leadership this House has shown in creating more digital opportunity and eliminating that so-called digital divide. Just a few weeks ago, we passed a 5-year extension of the Internet tax moratorium that specifically prohibited new fees and taxes on Internet access at the State and local level. Just 2 weeks ago, we passed legislation which cut off at the pass the FCC's authority to impose new fees and taxes by the FCC; and I am proud to say that today, we are going to eliminate the telephone excise tax, one of those toll booths. So we are removing three toll booths on the information superhighway with this legislation.

Mr. Speaker, I say to my colleagues, let us remove those toll booths on the information superhighway. Let us do the right thing. This bill has bipartisan support. Let us send it with a strong vote to the Senate. Let us create digital opportunity by lowering cost to access the Internet. By eliminating the telephone excise tax, we lower the cost, we remove a toll booth, we increase digital opportunity, and we are going to help millions of Americans gain the opportunity to join the information superhighway.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I rise in support of this legislation that will repeal the 3 percent telephone Federal excise tax. The tax should be repealed, it has outlived its use, it passed originally, as has been stated by several colleagues as a luxury tax. Virtually every home in America now has a telephone, even those that can afford very few luxuries.

Indeed, the tax was first passed a century ago when the telephone was a new and simple device. Today, at the dawn of another century, telecommunications has changed so much that it is impossible to apply the tax even fairly. If consumers use a telephone line to access the Internet, they will pay this tax. If they use a cable modem, they will not. Furthermore, how does this tax apply to new delivery systems? Will people who use delivery systems like DSL be taxed when they use DSL for telephoning, but not be taxed when they use the Internet?

I think our responsibilities include repealing old, outmoded laws and also make it possible for our constituents to enjoy new advancements in technology. This legislation does both.

In the recommittal, I urge my colleagues to vote for disclosure. The American people deserve it, they deserve the right to know. None of us can brag that this campaign finance system is something that is good for the country. Vote for disclosure.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. COX), the chairman of the Republican Policy Committee.

Mr. COX. Mr. Speaker, I thank my colleague, the gentleman from Ohio (Mr. PORTMAN) for the extraordinary work that he has done in a bipartisan fashion to bring this legislation to the floor. I am pleased to join with him and the rest of my Republican and Democratic colleagues today in support of this legislation to repeal the Spanish American war tax. It is no longer a luxury tax. It is not fair; it is extremely regressive. The reason for its enactment, to fund the war with Spain, no longer exists.

In preparing for this debate, I did some research into the genesis of this tax. I went to the report issued on April 26, 1898, 102 years ago, in the Committee on Ways and Means, and I found that the author of this bill, a Representative Dingley, not DINGELL from Michigan, not my good friend and colleague who is the dean of the House, because even he has not been here anywhere near that long, but a Representative Dingley who said about his bill which was entitled, Revenue to Meet War Expenditures, "All of these additional taxes are war taxes which would naturally be repealed or modified when the necessities of war and the payment of war expenses have ceased."

Well, I think we can all agree today that that time has come, 102 years later. This tax was created over a century ago to pay for a war in which the father of General Douglas MacArthur, a commander of note in his own right, capped his career. Some years later, a half century ago, his son stood here in this chamber and told us in one of the most memorable addresses ever given in this Chamber, that old soldiers never die, they just fade away. But this old tax will neither die nor fade away. So today, more than a century after Spain and the United States signed a treaty of peace in Paris, we need to invoke the memory of those rough riders who charged up San Juan Hill and mount a charge on this unnecessary and unfair confiscation, run a bayonet through it, and kill it.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Mrs. CAPPs).

Mrs. CAPPs. Mr. Speaker, I am a co-sponsor of the act to repeal the telephone excise tax, but I am rising now in support of the motion of the gentleman from Texas (Mr. DOGGETT) to recommit, because we need to make the public aware of section 527.

So-called 527 groups are tax-exempt, political organizations that try to influence elections. They can spend millions of dollars on negative ads, direct-mail campaigns, and phone banks. Not too long ago, I had never even heard of section 527s of the IRS code. Now, our constituents face the possibility of a negative ad campaign streaming into their homes paid for by undisclosed, far-off donors, distorting their elections.

Mr. Speaker, 527s pose a great threat to our current democratic process. Unfortunately, the House leadership will not give us a vote on this important issue, so voters do not know who is behind the 30 second TV ads trashing their candidates.

Mr. Speaker, I urge my colleagues to support this motion to recommit so that we can make the public aware of section 527s and the damage that they are doing to our current political system.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maine (Mr. ALLEN).

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

Mr. Speaker, I rise in support of this bill. It is time we repealed this outmoded and regressive tax. I hope we will make another change to the Tax Code through the motion to recommit. Section 527 organizations simply should disclose their contributors.

One of those organizations is called Citizens for Better Medicare, though it is not really made up of citizens. It is funded with vast, but undisclosed, sums from the pharmaceutical industry; and they run ads to persuade Americans or try to persuade Americans that it is okay to price prescription drugs at twice the level that they charge HMOs, big hospitals, the Federal Government, Canadians, Mexicans, and the rest of the world. Citizens for Better Medicare is a political organization, it runs political ads that urges people to call your Congressman. It has secret funds, and it spends some of its money attacking the Canadian health care system.

Well, last year, the gentleman from Texas (Mr. DELAY), during the debate on campaign reform said what reform can restore accountability more than an open book? It is incredible and baffling that we will not support this motion to recommit today.

□ 1415

We have a chance to require disclosure, to open the books and to let the sunshine in on big money and politics.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Wisconsin (Mr. KIND).

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

Mr. KIND. Mr. Speaker, I thank my friend, the gentleman from California (Mr. MATSUI), for yielding me this time.

Mr. Speaker, I rise in support of the telephone excise tax repeal, but I also rise to speak in favor of the motion to recommit.

It is really a sad day here when we have to bring up our only serious discussion about campaign finance reform this way in this manner as a motion to recommit. It is because of the latest abomination that has crept into our political process, the so-called 527 corporations that can accept unlimited

contributions and spend it for political purposes without disclosing at all where the money is coming from. For too long opponents of campaign finance reform have claimed that the only thing we need to do to reform campaign finances is to require full disclosure. Well, here is their opportunity.

What is it going to take to enact long overdue campaign finance reform in this Congress, illegalities of the magnitude not seen since the Nixon administration, when the last wave of campaign finance reform measures were finally enacted. I hope not.

Support the motion to recommit and let us shut down the 527 loophole, as we are the excise tax today.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Indiana (Mr. HILL).

(Mr. HILL of Indiana asked and was given permission to revise and extend his remarks.)

Mr. HILL of Indiana. Mr. Speaker, I thank the gentleman from California (Mr. MATSUI) for yielding me this time.

Mr. Speaker, I rise today in support of repealing the telephone excise tax as well. This legislation will make telephone bills cheaper and easier to understand. People in my district in southern Indiana have told me they do not understand their telephone bills, the confusing fees and surcharges on their phone bills. They do not know why their bills are so high even when they make few or sometimes no long distance calls.

I petitioned the Federal Communications Commission last fall to make phone bills more fair. The laundry list of flat fees and taxes drive up phone bill costs and confuses consumers. Today we, as Members of Congress, have an opportunity to take an immediate step to lighten the burden on consumers by supporting this bill. Eliminating this unnecessary tax will be just the first step toward making phone fees more fair and easy to understand.

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

Mr. Speaker, I would just make the point again that this is a great example of bipartisan legislation that has been so from the start that has come to the floor after extensive discussion and hearings. We have a broad-based coalition that is involved in this effort. It includes the Hispanic business community. It includes the African American business community. It includes, of course, consumer groups. It includes telephone companies that now pay the administrative costs to impose this tax.

It includes people who have been trying for years to get the Congress to focus on this outdated tax that is actually a barrier to Internet access and to the telecommunications revolution that this Congress is trying to encourage rather than discourage. I would just hope that maybe we could keep this discussion focused on that.

There will be a motion to recommit. I understand it is going to try to connect some new issues to this that have

to do with campaign finance reform. We have heard a lot of the speakers address that, and I appreciate the fact that they are supporting this repeal which is long overdue; but I would also hope that when we do bring a piece of bipartisan legislation to the floor, as the gentleman from California (Mr. MATSUI) and I have today, that we might as a Congress respond to those very people on both sides of the aisle who say, gee, we are so partisan around here, we can never get anything done together, we can never move forward to do something for the American people that is in their interest, I would hope some of my friends on the other side of the aisle would listen to some of their own words and perhaps respond accordingly, and that we could move together without the kind of confusion and potentially partisan acrimony that seems to be building with regard to this motion to recommit and send something over to the Senate with a very strong bipartisan signal that we feel strongly about this issue; we want to get it done this year. We believe this is something we can do for all of our constituents.

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

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Speaker, we could all be here on this bipartisan motion today, this bipartisan bill, and actually pass it on a suspension. I do not see a great deal of controversy about what is going on with the subject matter of this bill. The fact that I would like to hear discussed in a bipartisan way is the motion to recommit.

I would ask the gentleman from Ohio why is it we do not hear anybody in a bipartisan way from that side of the aisle talking about the recommitment to have that go into effect and have that be bipartisan? We need disclosure. 527s are, in fact, a blight on our election system. We have heard Members on that side of the aisle talk for a long time about how they want disclosure. The majority whip tells us he wants disclosure. I would hope he would come to the floor and say that he supports this in a bipartisan way.

The head of the conference has said that he supports disclosure. He intends to raise a lot of money under 527s. Let us hear him come to the floor and talk about how he wants to be bipartisan on this bill, and then we can pass the subject bill which is virtually a no-brainer with its regressive nature. At this point in time, we are spending an awful lot of time reaching around slapping ourselves on the back. Let us do something really heroic for the American people. Let us do something that really gets to the serious part of business. Let us do something for campaign finance reform and get rid of these 527s.

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

Mr. Speaker, since the gentleman would not yield to me, I will just make a couple quick points. One is, if the

gentleman is so interested in disclosure, it would be awfully nice if in the context of this telephone tax repeal, which is what we are talking about today, that many of us have worked for months on, that the motion to recommit would be disclosed to us.

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

Mr. PORTMAN. I have not seen it.

No. Let me just make my own points, if I might.

Mr. DOGGETT. I would be glad to disclose it.

Mr. PORTMAN. Since no one yielded to me on the gentleman's side, I will let the gentleman take his own time.

Second, I would make the point that if campaign finance reform is going to be connected to every issue that comes up on the floor that is bipartisan, that is constructive, that is something that is moving America forward, then I think it is very easy for people who are watching out there and other Members to think, gee, perhaps the folks on that side of the aisle are trying to obstruct what goes on in this Congress, are trying to make everything that is bipartisan into a partisan issue, are trying to keep this Congress from getting its work done and in fact helping the American people.

That is what this is all about today. This is an effort again that the gentleman from California (Mr. MATSUI) and I, and the gentleman from California (Mr. BECERRA) and I, the gentleman from Texas (Mr. BENTSEN) and I, and many other Members of this conference and the conference of the other side have worked on; and we are happy to proceed with a debate on the telephone tax because we think it is the right thing to do for the American people.

We are also eager to see the motion to recommit since the gentleman is so concerned about disclosure, and it would be interesting to see how it is tied in.

What I heard from the speaker earlier, although we do not have the motion to recommit so we cannot see it, is that the gentleman was interested in saying that he could tie this to, again, this constructive effort to repeal an outdated tax by saying that if folks do not disclose who are in certain kinds of organizations then they would have to continue to pay the 3 percent telephone tax, which is an interesting way to tie it in; and I must commend the gentleman from Texas (Mr. DOGGETT) for his creativity. But I will say that I do not think that does a whole lot; I do not think that is much of an enforcement mechanism.

So if the gentleman is really trying to get something done, maybe he ought to back up and go to his own Treasury Department in the Clinton administration and say where is the report on political activities and the appropriate tax structure of political activity that was due under the 1998 IRS Restructuring Reform Act that we are still waiting for? Where is that report?

Maybe the Treasury Department could help us because they are the experts in this.

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

Mr. PORTMAN. They could give us some perspective on this. Is a 527 any different than a 501(c)(4) that is also doing advertising without any proper disclosure?

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

Mr. PORTMAN. Is a 527 different than a 501(c)(5)?

The SPEAKER pro tempore (Mr. LATOURETTE). The time is controlled by the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, again I am happy to let the gentleman talk on his own time. He did not yield to our side, and there is plenty of time on the gentleman's side.

I would just say that it would be nice if in one day in this Congress we could come together, join arms as Republicans and as Democrats, and do something that is good for all of our constituents, which we have done up to this point on this legislation, both in terms of the subcommittee hearings, in terms of the committee hearings, the committee markup, in terms of working with outside groups to come together and bring people together, rather than making it a partisan issue, rather than again raising issues that are going to confuse and muddy the waters as we try to send a strong bipartisan signal to the U.S. Senate and to the President that this phone tax is one we want to repeal and we want to get it done this year.

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

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from the State of Washington (Mr. INSLEE).

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

Mr. INSLEE. Mr. Speaker, I must say that I am greatly disappointed that our friends across the aisle are not joining Senator JOHN MCCAIN, who has shown great leadership in an attempt to close this loophole, and are not joining us on this side of the aisle who want to close this loophole.

Now here is why we should do this together: it is a fundamental tenet of Americans' values that we like a fair fight. Americans like a fair fight, and these 527 organizations are nothing more than secret assassins. They are secret character assassins, and they assassinate people on both sides of the aisle on a bipartisan basis.

With all due respect to the last speaker, we do not need any experts from the Department of Treasury to tell us this. Look at 527. I have it right here, that defines these terms. It says, the term exempt function means the function of influencing or attempting to influence the selection, nomination, election or appointment of any individual for these offices.

These are born and bred to try to assassinate candidates, and yet the public does not know who is doing the assassination. We have a bipartisan interest in a fair fight. We ought to have a bipartisan effort. The other side ought to join us in closing this loophole. Americans are entitled to know where this money is coming from for these back-handed secret assassinations.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Speaker, I rise to speak in favor of the motion to recommit from my friend, the gentleman from Texas (Mr. DOGGETT). What we are trying to do here is condition tax relief that is in this bill for 527 organizations on their making simple disclosure as to where money comes from.

Now I understand that there are some people that think we should not be doing this in this bill; we should have a campaign finance reform bill to deal with 527s. We did, and we passed the bill and abuses have continued.

Let me remind the Members how we got a vote on campaign finance reform this year and in the last session. We walked over here, and we signed discharge petitions, and we got attention from all over the country from public interest groups. That is how we move campaign finance reform on the floor.

Now what we are attempting to do here is look at how the Internal Revenue Code defines a 527. It is an organization that accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the selection, nomination, election or appointment of an individual to any Federal, State or local public office.

By definition, these self-527s exist to influence elections, and yet somehow opponents of reform insist that these ads funneled by these organizations, that mention candidates' names, that criticize their voting records, that are aired on the very heels of elections are not subject to disclosure laws.

Now many of us debated campaign finance reform on the floor of this House and many of the opponents of reform, I recall the gentleman from California (Mr. DOOLITTLE) articulately coming down to this floor and saying disclosure is what we need; any ads that are meant to influence election, we should simply have disclosure.

What have we seen happen across the country over the last several months? We have seen an explosion of these stealth 527s spending literally millions of dollars; and we do not know, the public does not know, where the money comes from.

This is not a partisan issue. Just look at what happened to Senator MCCAIN when his campaign started taking off across the country because people wanted reform, because people wanted change. What happened? Well, just as his campaign took off, these ads popped up questioning his environmental

record, precisely at the time when he faces key primaries in New York and elsewhere. Was it just a coincidence that an issue discussion on his environmental record seemed to take off exactly when his candidacy was taking off? No, it was not a coincidence.

This is an abuse, an abuse of the campaign finance laws. If we do not want to be partisan about it, we do not have to. Let us, both sides, agree to disclose any of these 527s, disclose where the money comes from.

□ 1430

The problem is, under the law, they are not being disclosed. This is an abuse of the system. The time for action is now. At a minimum, and this motion to recommit by the gentleman from Texas (Mr. DOGGETT) is a bare minimum, we should deny tax relief to 527s that do not disclose. It is as simple as that. Let us deny the tax relief to those who will not disclose.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. BILBRAY).

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

Mr. BILBRAY. Mr. Speaker, on June 1, I am going to be having a town hall meeting in my district with Senator MCCAIN. As my colleagues know, I was one of the few that was willing to sign a discharge petition and was right there from the beginning in the creation of our campaign finance reform.

My support for campaign finance reform is based on a lot of reasons. One, this issue is near and dear to me. I have been a victim of these very unfair and hideous attacks that so-called independent groups can do.

But my support for campaign finance reform is to bring back some integrity to the electoral process. But sadly here today the issue of bringing back integrity to the electoral process is being brought in as a way to stop us or restrict us from bringing back integrity about this Congress and about this government when it comes to taxation law.

Now, I have also been the original co-sponsor of repealing this quite unfair law, the law that said, oh, just let us tax a few rich people in 1898 for a little bit to pay for the Spanish American War and, and do not worry, we will not tax the working class, and we will repeal it after the war.

Mr. Speaker, my colleagues have got a choice tonight. We can play partisan politics and try to take advantage of this issue of a bipartisan bill. Democrats and Republicans have come together and said this tax is wrong and it is immoral and the credibility of Congress is being called in on this and that we need to set an example to the American people that, when it comes to the laws of this Congress, that when we say we are going to raise taxes for one purpose and for that purpose, that when the purpose is over, eventually even if it is 100 years later, we will come back and eliminate that tax.

Mr. Speaker, I think that what we are saying today is that both of us, both Democrats and Republicans, agree it is a credibility of our taxation system that we repeal this tax.

I want to say something about this tax because I think that we hear on the floor again and again the issue of class warfare. I think that this tax is an example of the failed concept of trying to tell and promise the American people that, do not worry, we are going to tax the other guy. We are going to get them, but it will not get you.

Now, I come from a working-class community, and I have heard again and again on this floor that, do not worry, we are only going to tax the rich, as if the middle class is so stupid that they do not know what goes around comes around; that the middle class always bears the brunt and the burden of taxation. This tax is an example. In 1898, it was focused only to the very wealthy; now it has gone around.

I am asking us, let us stop the partisan fighting. Quit trying to take political advantage. We have a bill that both sides agree on. There is no excuse except partisan advantage not to repeal this tax at this time.

Mr. MATSUI. Mr. Speaker, may I inquire of the Chair how much time each side has remaining.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from California (Mr. MATSUI) has 8 minutes remaining. The gentleman from Ohio (Mr. PORTMAN) has 5½ minutes remaining.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Kansas (Mr. MOORE).

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

Mr. MOORE. Mr. Speaker, I thank the gentleman from California (Mr. MATSUI) for yielding me this time.

Mr. Speaker, I rise in support of the bill to repeal the tax. This is truly bipartisan and should be bipartisan. But at the same time, I rise in support of what should again be a bipartisan effort to support the motion to recommitment. 527s would not get the benefit of the tax repeal unless they disclose under the language of the recommittal motion.

Mr. Speaker, the gentleman from Texas (Mr. DOGGETT) and I, and the gentleman from Texas (Mr. DOGGETT) is the person who proposed this 527 recommittal language, we are on each other's bills, have similar bills.

Earlier this week, the gentleman from Virginia (Mr. DAVIS) of the NRCC signed on my bill. Just yesterday, he removed his name from the bill. I was overjoyed when he signed on, because I thought this at last is an effort, an attempt, to move on a bipartisan basis, by Republicans and Democrats, on what should be a nonpartisan issue, and that is full disclosure.

I can understand, I can understand truly people having honest differences of opinion about limitations on contributions. But I have heard from my

colleagues on both sides of the aisle over and over, we may have differences about limitations, but everybody agrees with full disclosure.

Well, now we have a chance for full disclosure, and now is the time to put one's vote where one's mouth is. It is that important to the American people, because, frankly, secrecy threatens democracy. Secrecy in government threatens our system of government and electoral process. We can overcome this secrecy by opening up these records, by full disclosure, and telling the people in this country who is trying to influence Federal elections.

At the very bottom line, the people of this country deserve to know who is trying to influence their votes, so when they make an informed decision, when they make a decision to vote, they can make an informed decision and cast an informed vote.

I think it is that vital that we act on a nonpartisan basis, and I invite my colleagues on both sides of the aisle and the gentleman from Virginia (Mr. DAVIS) to support this motion to recommit for full disclosure.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida (Mr. DAVIS).

(Mr. DAVIS of Florida asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Florida. Mr. Speaker, I just want to highlight what the gentleman from Kansas (Mr. MOORE) was referring to by the 527. A lot of times, when an issue comes before Congress, we need to spend a tremendous amount of time collecting information, conducting a hearing, and then acting. But there are those issues that are so compelling and fundamental, we need to act immediately. This is one of them. It is the incredible loophole that is being exploited.

I think a lot of criticism has been directed at Republicans, but I think the Democrats could easily succumb to this temptation one of these days, too. So this is a problem that affects every American. It should not have to be characterized as a Democrat or Republican issue. The point is we should have disclosure.

I have sat in meetings where groups that attempt to influence this process, which is their constitutional right to do so, said, do not tell us to put our name on a political ad we want to advertise because we will not run the kind of ads we want to run if our name has to be put on them.

That is exactly the point. If one is not willing to stand up and associate oneself publicly with a message one is sending to the citizens of this country, one does not deserve the right to put information out there. Because it is clear one is trying to distort and mislead.

So what we are offering in our motion to recommit is a very simple proposition. If one is going to engage in this type of political advertising, there ought to be disclosure of where the

money came from. There ought to be disclosure for the good of the citizenry.

Mr. PORTMAN. Mr. Speaker, how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from Ohio (Mr. PORTMAN) has 5½ minutes remaining. The gentleman from California (Mr. MATSUI) has 4½ minutes remaining.

Mr. PORTMAN. Mr. Speaker, we have the ability to close, so the gentleman from California (Mr. MATSUI) may proceed, then I will close.

Mr. MATSUI. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would just like to thank the gentleman from Ohio (Mr. PORTMAN) for his bipartisanship on the issue of the Federal excise tax repeal. I certainly appreciate his leadership and his effort. Of course, the majority and minority have worked very well on the issue of the excise tax repeal, and I appreciate that.

Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I thank the gentleman from California for yielding me this time.

Mr. Speaker, over 200 Members of this House of Representatives have called for full disclosure by the new political superweapon of this political season, the 527. The 527 is not some new type of aircraft, but it is a super-weapon designed to undermine the election process in this election year.

Today is our only opportunity, not because we wanted an opportunity like this today to be the vehicle for doing this, but because every other opportunity has been denied.

Our colleagues say that they are surprised and that they did not know about this. Well, they were not surprised when I asked every one of them, even the gentleman from Texas (Mr. DELAY) to join as a cosponsor with over 200 other Members in support of the Underground Campaign Disclosure Act. This legislation would require these groups to open their records, disclose their donors, and engage in a fair fight like everyone else.

Last year, they stood here on the floor of this Congress after they tried for months to block the efforts of the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS). They stood here, and they fought those efforts by saying that it is unconstitutional. They said the only thing that would be constitutional was disclosure. Now, I read from the chairman of the Republican Campaign Committee in this morning's newspaper he thinks disclosure is unconstitutional.

What they think is that anything that would be a genuine reform of the corrupt campaign finance system that we have today in America is unconstitutional or any other excuse that they can come up with.

We have pled with our Republican colleagues to join with us in a bipartisan effort. We have offered other op-

portunities for them to participate, such as the Taxpayer Bill of Rights, to give the taxpayers the right to know what is happening with this subsidized activity.

But they have reached the conclusion that they cannot keep their power in this Congress, and their power over the American people, if they operate in the open. It is essential to them that they begin—and they have already begun—a program of political character assassination where the gun for the political assassination is pointed and the bullets are paid for, but we do not know who paid for them.

That is the whole idea. One can take corporate money, one can take Iraqi money, one can take Cuban money, one can take any brand of money one wants and no one will ever find out.

The reason they will not engage us in debate today is they have nothing to engage us with. They know they are wrong. They are afraid. That is why they have previously blocked us from coming to this floor after telling us we would have an open opportunity to debate the issue. They are afraid to debate the issue of why they have to rely on secret money. They know it is wrong. They absolutely know it is wrong to pollute the political process of America with hidden money. They are a big standard barrier for reform.

A great man from Arizona has said this is the latest indication of the corruption of the American political system. He has joined in a bipartisan effort with Members in the other body to reform this system. We cannot even get a fair vote on the floor of this House.

So we must rely on a motion to recommit to deny these 527 organizations the opportunity to get the telephone tax cut that is being proposed here today.

Let me make it clear to my colleague from California who talks about bipartisanship. This motion to recommit is not going to delay the approval of this telephone tax repeal by one second. As soon as this motion to recommit is approved, it will join my amendment with this bill, we will repeal the tax, and, at the same time, we will get a little equity for the people of America and a little openness in our democracy.

The SPEAKER pro tempore. The gentleman from California (Mr. MATSUI) still has 30 seconds remaining.

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

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

Mr. Speaker, I would like to start by returning the compliment to the gentleman from California (Mr. MATSUI). It has been a pleasure to work with him. I also want to commend him for his efforts yesterday, not so much the victory of normalizing trade relations with China, the world's most populous country, but rather the way in which he went about it. It was a bipartisan vote. I think it was a good and informed debate, profound debate on the floor of this House yesterday.

I have got to say today's debate has been disappointing, because it has not been about the topic at hand, which is tax policy, which is specifically this Congress finally, after 102 years, coming to grips with the telephone excise tax that was put in place as a temporary luxury tax to fund the Spanish American War that has continued to burden our consumers, and today is actually a burden and a barrier to telecommunications, which is the point of the debate today.

I want to tell my colleague that I was informed by the staff some time ago during this debate that the parliamentarians had informed them that I could raise a point of order to say that the speakers on this debate would have to keep their comments within the subject matter, which is the telephone tax, and not campaign finance reform. I chose not to do that, because I did not want to close down debate unnecessarily. We did try on our side.

We beseeched our colleagues on this side to try to keep it on the issue, because this is a great issue in the sense that Republicans and Democrats came together to try to solve a very real problem to move our country forward, in this case, to repeal an outdated telephone tax that is a burden on our economy and it particularly burdens low-income families.

□ 1445

We hear a lot from the other side of the aisle about how various Republican tax proposals are not properly distributed across the economy so that they really impact the poorest among us. Ninety-four percent of America's families have telephones. So we are talking about getting rid of a tax every one of those families pay every month on their phone bill. It is a disproportionate burden on the budgets of the lowest-income families in our country. It is a disproportionate burden on our seniors in this country who rely on telephones. It really is a lifeline for their everyday communication with the outside world.

As the gentleman from California (Mr. MATSUI) has pointed out a number of times, this is also a tax that, frankly, is very difficult to impose now because of new technology, because of the difficulty of deciding what in fact is appropriate to have the telephone tax attached to in the new world of modern telecommunications.

So I am sorry we did not have a better debate today on the issue before us. With regard to the comments of my colleague from Texas on the Committee on Ways and Means, I am sorry he had to put a partisan spin on the debate before us. I disagree with what he said. I do not think we can draw a line through this Chamber through the middle and say, gee, all Republicans are against this, all Democrats are for that. I do not think we can castigate Republicans for being against reform. We are for reform. I myself put in a campaign finance reform bill every session I have been here.

I believe in disclosure, as do my colleagues. We also believe in doing it the right way, and not a telephone tax bill; not with regard to one narrow piece of legislation; not without the proper information, as I said earlier from the Treasury Department of the Clinton administration, which is way overdue on its report to us on this very topic.

Let us do this in a smart way. Let us do it in a way that is comprehensive, so that whether we are called a 527 or a 501(c)4 or 5, or whatever number is attached to a candidate, they are treated the same way, with the same principle, which is that that candidate should have to disclose the sources of their donations. I applaud my colleague from Massachusetts because he has done that in a comprehensive way in his campaign reform proposal.

But today is a cynical partisan attempt. Again, it is disappointing to me, because I thought in this case we had something we could come together with as Republicans and Democrats and do for our constituents in a positive way. At the end of the day, we will. We will. We will be able, I think today, by sending such a strong message from this House on a bipartisan basis to move forward a repeal of a tax that probably should have been repealed 101 years ago, a tax on everybody's telephone use.

I would just make one final comment, and that is that when we talk about civility in this Chamber, when we talk about how to work in a bipartisan way, when we talk about how we can move legislation forward that all of our constituents care about, I think it is important we begin to cultivate certain kinds of approaches and certain kinds of Members and a certain approach to issues. And I would ask my colleagues on the other side of the aisle, and on both sides of the aisle, to look into their hearts and say is this the way we want to proceed? Is this what is going to encourage civility and encourage moving us ahead as a country in this Congress? Even in an election year, colleagues, we should be able to get together and do the right thing for other constituents.

I think we will do that today. I strongly encourage my colleagues on both sides of the aisle to join us in finally repealing this tax, joining the telecommunications revolution of this century and repealing a tax from the end of the 19th century.

Mr. TERRY. Mr. Speaker, I rise today in support of H.R. 3916, "The Telephone Excise Repeal Act". I am proud to be an original co-sponsor of this overdue piece of legislation. The Spanish-American War is over and so should this tax which was imposed on talking to fund the 1898 war. This tax is a "tax on talking." It has been extended, lowered, increased and temporarily repealed but yet it continues to exist today. This 102-year-old tax affects telephone service, cellular phone service and access to the Internet.

Americans work very hard in this country. It is unfair to impose an additional burden on these hard working Americans by requiring

them to pay a tax that was implemented to fund a war that has been over for at least a century.

H.R. 3916 will eventually eliminate the 3-percent Federal excise tax on telecommunications services. A 1-percent reduction will occur each year for the next 3 years, allowing the telephone excise tax to be fully repealed by October 1, 2002.

H.R. 3916 repeals an antiquated tax that hurts many American families and small businesses. This unsubstantiated telephone excise tax clearly violates our economic principles. When it was implemented in 1898, it was considered a luxury tax. I guess access to a telephone in 1898 was considered a luxury. Today, access to a telephone is a necessity. The repeal will encourage growth in telecommunications services and will give all Americans a tax break on their phone bill. This excise tax does absolutely nothing to promote the use of phone service. It merely goes into the government's general revenue account to be spent on anything the government desires. There is absolutely no economic or social justification for this outdated tax.

When I was elected to represent the second district of Nebraska, I maintained two priorities: one, was to fight any and all attempts by the Federal Government to take more money away from Nebraskans; and two, let Nebraskans keep more of their hard-earned dollars in their paychecks. Nearly 40 percent of the average American family's income goes toward taxes. We need to give Americans a tax break. Now is the time to eliminate the telephone excise tax. I urge my colleagues to support this bill.

Mr. GILMAN. Mr. President, I rise to take this opportunity to thank the gentleman from Ohio, Mr. PORTMAN, and the chairman of the Ways and Means Committee, Mr. ARCHER, for bringing H.R. 3916, the Telephone Excise Tax Repeal Act, to the floor today.

On February 16, 1898, the Federal Government enacted a temporary excise tax on telephone service to fund the Spanish American War. Although the war lasted just under 6 months, the Federal excise tax created to fund it, is still in effect over 100 years later, forcing consumers to continue to pay this tax on all their telephone services.

The Federal excise tax on phone service has long outlived its purpose and relevance. It is a regressive tax that is inappropriate in today's world where the telephone is not a luxury but a practical necessity. The Federal excise tax is a tax that discourages communications in a world that is becoming more and more dependent upon technology and communications. It disproportionately hurts the indigent, particularly those households on either fixed or limited incomes, and rural customers, because they have higher phone bills on average, due to comparatively more long distance calling. The Federal excise tax is essentially a tax that discourages communications.

H.R. 3916, the Telephone Excise Tax Repeal Act, would eliminate the 3-percent Federal excise tax on telecommunications services phasing in a complete repeal of the tax over the next 3 years. A 1-percent reduction will occur each year for the next 3 years, allowing the tax to be fully repealed by October 1, 2002.

The removal of the Federal excise tax on consumers phone bills will immediately lower consumer phone bills, saving American consumers over \$5 billion a year. Accordingly, I

urge our colleagues to join us in repealing this antiquated "tax on talking," by supporting H.R. 3916, the Telephone Excise Tax Repeal Act.

Mr. HORN. Mr. Speaker, I commend my colleagues, Mr. PORTMAN and Mr. MATSUI, and support H.R. 3916, the Phone Tax Repeal Act. In 1898, Congress approved a "temporary" tax of one cent on long distance phone calls, as a way of funding the Spanish-American War. When this tax was implemented, there were only about 1,300 phones in America. Today, more than 94 percent of American households have at least one phone, not to mention multiple phone lines or cellular phones.

The Spanish-American War ended that same year, but the "temporary" tax still exists. Currently, anyone who makes a phone call or uses a phone line to dial up to the Internet pays a 3-percent Federal excise tax on that call. Low-income families, senior citizens, and anyone else on a fixed income are especially burdened by this tax. They should not have to spend their hard-earned money on a useless and outdated tax.

Telephones, and other telecommunication technologies, have become a necessity in today's world. They are no longer a luxury enjoyed only by a privileged few. To tax necessities such as these, especially when we have a surplus, is unfair, repressive, and senseless.

This legislation would have a real and beneficial effect. Families would see an immediate reduction in their phone bill once the tax is repealed, giving them more money to spend as they, and not the Federal Government, see fit.

I urge my colleagues to support this legislation. Americans have put up with this outdated tax for too long. It is time to permanently repeal this not-so-temporary tax.

Mr. WELDON of Florida. Mr. Speaker, today, I rise in strong support of repealing the grossly outdated Spanish-American War phone tax. The 3-percent Federal excise tax on phone calls that was created in 1898 to pay for the Spanish-American War. At that time, it was called a "temporary" tax.

Parents have to pay the tax every time their child calls home collect from college; grandparents pay it when they call their grandchildren; and sons and daughters pay it every time they call their mom on Mother's Day.

This "tax on talking," is a regressive tax, that unfairly adds to the tax burden of hard-working Americans.

It also demonstrates how hard it is for the government to end a tax. Even though the Spanish-American War has been over for a century, and I have been assured that the Spanish threat has ended, the Federal Government has continued to collect this tax.

President Ronald Reagan said, "Government does not tax to get the money it needs; government always finds a need for the money it gets."

It has taken a Republican Congress to find the courage to curb the growth of spending, balance the budget, and to continue to reduce the tax-bite on hard working American families. The Republican House is poised to repeal this unfair, regressive tax, but the latest reports from the Clinton-Gore administration indicate that they want to continue to make Americans pay it.

Reagan was right, "government always finds a need for the money it gets."

Vote "yes" on this bill. The Spanish-American War is over.

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

The SPEAKER pro tempore (Mr. LATOURETTE). All time for debate has expired.

Pursuant to House Resolution 511, the previous question is ordered on the bill, as amended.

The question is on 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

Mr. DOGGETT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DOGGETT. I am, Mr. Speaker, in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DOGGETT moves to recommit the bill H.R. 3916 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Page 6, after line 11 (at the end of section 1(d)), add the following new paragraph:

(3) The provisions of this Act shall not apply to bills rendered to an organization described in section 527 of the Internal Revenue Code of 1986 unless that organization elects to make the disclosures within the reporting requirements in the Internal Revenue Code contemplated by the bill H.R. 4168 of the 106th Congress.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. DOGGETT) is recognized for 5 minutes in support of his motion.

Mr. DOGGETT. Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from Texas (Mr. STENHOLM), who has been a part of the effort to get a discharge petition so that we can take up, through regular order but has thus far been blocked, this whole issue of the 527 stealth PACs.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding me this time, and as I have been listening to the debate, I have found it interesting that people would be talking about why are we mucking up this bill with this unrelated issue. There is a pretty simple answer to that question.

If we only allowed the regular legislative process to work, we would not have to do this. But remember, when we had the Shays-Meehan bill on the floor, opponent after opponent after opponent of the bill came forward and said, all we really need to do is to have disclosure. That is what this is all about.

I would hope that the majority would finally agree to allow a simple disclosure bill, the bill of the gentleman from Kansas (Mr. MOORE). All we are trying to say is, the 527s should not promote secrecy. Money is going to be spent in politics. What we are saying is it should not be spent in secrecy. We ought to shine the good sunshine and let the people know who is spending how much money in political races.

This being our only opportunity, I commend the gentleman from Austin for coming up with a very innovative amendment today. This will give us a clear up or down vote on whether we are for it or whether we are against it.

Mr. DOGGETT. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MEEHAN), who has led this House in the effort to get campaign finance reform through a number of sessions, and who I am pleased to have support this motion to recommit.

Mr. MEEHAN. Mr. Speaker, I thank the gentleman from Texas (Mr. DOGGETT) not only for his motion to recommit, but his commitment to this issue, as well as the gentleman from Kansas (Mr. MOORE), who has done great work on this.

What we are trying to do here is to get Members from both sides of the aisle to come together and at least say we are not going to give this tax break to those 527s.

Now, I do not know why anyone would be confused or puzzled or nonplussed as to why we would use any opportunity in the rules to bring this to the attention of the Members. We cannot get a vote up or down on this. This is an abuse of the campaign finance law that we are seeing every day abused. This is our opportunity to do something about it.

It is not good enough for Members to say we are all for disclosure. Talking the talk is not good enough. Walking the walk is what is required. In this instance, there are 527s that will not disclose where the money comes from, and it is our responsibility to make sure that they do, and that is why we need to pass this law and pass it now.

Mr. DOGGETT. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore. The gentleman from Texas (Mr. DOGGETT) has 3 minutes remaining.

Mr. DOGGETT. Mr. Speaker, I yield 30 seconds to the gentleman from Maine (Mr. ALLEN), who has been already a victim of these 527 stealth PAC attacks.

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

The gentleman from Ohio was saying earlier this is a partisan effort. Well, there is no reason why this should be a partisan effort. It is our democracy that is at stake. Republicans and Democrats have a stake in restoring some credibility to this system, and we cannot have that credibility, we will not gain that respect unless we have full disclosures for these stealth organizations, these section 527 organizations, that are out there raising unlimited amounts of money with no accountability, no disclosure.

If it is a fundamental principle on the other side that they want disclosure, this motion to recommit will give it.

Mr. DOGGETT. Mr. Speaker, I yield 1 minute to the gentleman from Kansas (Mr. MOORE), who is a large man in stature but gentle in personality; and I

am convinced that contrary to today's Roll Call, he did not jump anyone on the floor, the gentleman from Virginia (Mr. DAVIS), or anyone else concerning this bill.

Mr. MOORE. Mr. Speaker, I just want to say today that this is not a Democratic idea, this is not a Republican idea, this is an idea that is good for the American people, and this should be the law in our country, and that is full disclosure.

As the gentleman from Massachusetts (Mr. MEEHAN) pointed out, we are not here to try to abuse anybody; we are just asking for an opportunity for an up or down vote on this proposition of full disclosure.

The people in this country are cynical about our form of government, about our electoral laws, because they see scandal after scandal about campaign finance fund raising. We can get people enthused about our government again, we can get people excited about the opportunity to participate in our democracy if we will only go with this proposition of full disclosure and tell the people in this country who is trying to influence their votes so, again, they can make an informed decision when they cast their ballot.

Mr. DOGGETT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this motion to recommit is not only linked to this telephone tax; it is linked to everything that is happening in this building and throughout this country.

The gentleman challenged me to look into my heart, and I will do that. I look into my heart, and I think of the seniors who are out there who are forced to choose between getting a prescription and buying food. I see a pharmaceutical company that can dump unlimited amounts—millions of dollars—into attack ads, as they have done against the gentleman from Maine (Mr. ALLEN) and other Members of this body.

I look into my heart, and I see the problems of public health; and yet I know the tobacco companies are dumping millions of dollars of undisclosed money to assassinate the character of those who would do something about it.

I look into my heart, and I think about those who are getting managed right out of their health care and cannot get the health care they need, and I know the managed care companies are dumping millions of dollars into these campaigns to be sure this Congress does nothing about that or any of the other issues I have mentioned.

And perhaps even more importantly, I think of the schoolchildren of this country. They cannot even get their agenda up in the Congress because they do not have a 527. That is what I see when I look into my heart.

Mr. Speaker, I would just say this: I am tired of people coming to this Congress and being hammered into giving money to secret stealth organizations and then having their cohorts come out

and say, we will duck, dodge, twist, and turn, but just do not make us do anything about it this year. Wait until we have left the House. Then, maybe 100 years from now, like this tax we are repealing, we will get around to doing something about it.

The American people demand reform now and this is our one opportunity. I challenge my Republican colleagues to buck their leadership. They know we are right; that is why they have not been out here speaking against it. They know the American people deserve full disclosure for a complete democracy. Mr. Speaker, I move adoption of the motion.

The SPEAKER pro tempore. Does the gentleman from New York (Mr. HOUGHTON) oppose the motion to recommit?

Mr. HOUGHTON. Yes, Mr. Speaker. I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from New York (Mr. HOUGHTON) is recognized for 5 minutes.

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

Mr. Speaker, I would like to crank this thing down to a little lower level of intensity. I do not know why we are having this discussion, anyway. We all want illumination. We do not want to have people hiding behind 527s or 501(c)3s, or 4s or 5s or 6s. No one wants that. It is just the process we are going through. And we want to do it right, so it is right by not only us but also the American people.

Two years ago in the IRS reform bill we directed the Joint Committee on Taxation and also the Treasury Department to report to the Congress by January. The joint committee report was completed on time, the treasury report was not. At the request of my boss, the gentleman from Texas (Mr. ARCHER), I have been working for several weeks to develop a meaningful, sound and responsive package of proposals to expand the disclosure by tax exempt organizations, and work on that package is well underway.

□ 1500

I hope we will complete it relatively soon. We have been working all day on this thing. We worked yesterday. We will be working tomorrow on into next week. I would like to feel that when this is completed it will satisfy many of the things which the gentleman from Texas (Mr. DOGGETT) is interested in.

But the point is we are still hearing, and we are waiting to hear from the Treasury Department. Earlier today, the Treasury passed on the opportunity to tell the Committee on Ways and Means when we are going to hear from them. It is really unfortunate that the gentleman from Texas (Mr. DOGGETT) continues to insist on consideration of the limited aspect of political activities by tax exempt without insisting on guidance of from the administration.

Let me be clear. The administration's report was mandated by law. We

do not have it. We are waiting for it. We do not have it. My friend accuses us of stalling, and I wonder whether this is not the pyromaniac posing as the firefighter.

Today we are considering repeal of the telephone tax, which was enacted even before I was born, which is a long time ago. That proposal has broad bipartisan support and has been fully considered. The same cannot be said, I am afraid, of the proposal of the gentleman from Texas (Mr. DOGGETT).

Today I have got to say in my heart, he talks about his heart, I will talk about my heart, is not the time and not the place for this debate. I wish to assure my colleagues on the other side and on this side that there will be an opportunity for full consideration of the important issues raised by my colleague from Texas. We are getting at it. We are trying to do it. We are trying to get that report out of the Treasury. And as soon as it comes, maybe even before it comes, we are going to have a suggestion here.

Mr. Speaker, I yield to my friend, the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I thank the gentleman from New York (Mr. HOUGHTON), the chairman of the Subcommittee on Oversight, for yielding me the time; and I appreciate his words as to his commitment to doing a thorough investigation of the issue of disclosure, not just 527s but all of the tax-related committees, including the 501s.

I do have a copy of the motion to recommit now. I appreciate, with all the talk about disclosure, that it was disclosed to us several minutes ago. I have looked at it. I would just make two very simple points.

One is, it has nothing to do with the bill before us, which is repeal of a 102-year-old telephone excise tax. That is what is before this Congress.

Again, I want to applaud my friends on the other side of the aisle for working with us together in a bipartisan fashion to finally put an end to this Spanish-American War tax as we go into the 21st century and which is a barrier to telecommunications and an unfair tax that should have been repealed a long time ago. It was put in as a temporary tax and a temporary luxury tax at that. Finally we are getting rid of it.

Second, I will say, having looked at this, it is a very interesting motion to recommit. It, basically, says that 527 corporations could continue not to disclose anything so long as they agree to continue paying a 3 percent Federal excise tax. So it is a clever way to attach it to the legislation at hand in order to avoid, I suppose, the germaneness problems that the parliamentarian would otherwise raise or we would raise and he would confirm. But it is not a very strong enforcement mechanism.

I would say, if the gentleman is serious about it, he ought to go back to the drawing board, work with the gentleman from New York (Mr. HOUGHTON), work with others who want to put

this together in a strong bipartisan way to come up with legislation that makes sense in a comprehensive way to deal with this real problem in a real comprehensive way.

So I would urge my colleagues on both sides of the aisle, if they want to get something done for the American people, vote for the repeal of the telephone tax. If they want to do it in a clean way that sends a strong message that does not involve partisan political politics with what should be a very straight forward and a very important constructive step by this Congress, vote "no" on the motion to recommit.

The SPEAKER pro tempore (Mr. LATOURETTE). 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. DOGGETT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

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

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

The vote was taken by electronic device, and there were—yeas 208, nays 214, not voting 13, as follows:

[Roll No. 232]

YEAS—208

Abercrombie	Crowley	Hinojosa
Ackerman	Cummings	Hoefel
Allen	Danner	Holden
Andrews	Davis (IL)	Holt
Baca	DeFazio	Hooley
Baird	DeGette	Horn
Baldacci	Delahunt	Hoyer
Baldwin	DeLauro	Inslee
Barcia	Deutsch	Jackson (IL)
Barrett (WI)	Dicks	Jackson-Lee
Becerra	Dingell	(TX)
Bentsen	Dixon	Jefferson
Berkley	Doggett	John
Berman	Dooley	Johnson, E. B.
Berry	Doyle	Jones (OH)
Bilbray	Edwards	Kanjorski
Bishop	Engel	Kaptur
Blagojevich	Eshoo	Kildee
Blumenauer	Etheridge	Kilpatrick
Bonior	Evans	Kind (WI)
Borski	Farr	Klecza
Boswell	Fattah	Klink
Boucher	Filner	Kucinich
Boyd	Forbes	LaFalce
Brady (PA)	Ford	Lampson
Brown (FL)	Frank (MA)	Lantos
Brown (OH)	Frost	Larson
Capps	Ganske	Leach
Capuano	Gedjenson	Lee
Cardin	Gephardt	Levin
Carson	Gonzalez	Lewis (GA)
Clayton	Gordon	Lipinski
Clement	Green (TX)	Lofgren
Clyburn	Gutierrez	Lowe
Condit	Hall (OH)	Lucas (KY)
Conyers	Hastings (FL)	Luther
Costello	Hill (IN)	Maloney (CT)
Coyne	Hilliard	Maloney (NY)
Cramer	Hinche	Markey

Mascara	Pascrell	Smith (WA)
Matsui	Pastor	Snyder
McCarthy (MO)	Payne	Spratt
McCarthy (NY)	Pelosi	Stabenow
McDermott	Peterson (MN)	Stark
McGovern	Phelps	Stenholm
McIntyre	Pickett	Strickland
McKinney	Pomeroy	Stupak
McNulty	Price (NC)	Tanner
Meehan	Rahall	Tauscher
Meeks (NY)	Rangel	Taylor (MS)
Menendez	Reyes	Thompson (CA)
Millender-McDonald	Rivers	Thompson (MS)
Miller, George	Rodriguez	Thurman
Mink	Roemer	Tierney
Moakley	Rothman	Towns
Moore	Roybal-Allard	Turner
Moran (VA)	Rush	Udall (CO)
Morella	Sabo	Udall (NM)
Murtha	Sanchez	Velazquez
Nadler	Sanders	Vento
Napolitano	Sandlin	Visclosky
Neal	Sawyer	Waters
Nethercutt	Schakowsky	Watt (NC)
Oberstar	Scott	Waxman
Obey	Serrano	Wexler
Olver	Sherman	Weygand
Ortiz	Shows	Wise
Owens	Sisisky	Woolsey
Pallone	Skelton	Wu
	Slaughter	Wynn

NAYS—214

Aderholt	Gallegly	Miller, Gary
Archer	Gekas	Moran (KS)
Armey	Gibbons	Myrick
Bachus	Gilchrest	Ney
Baker	Gillmor	Northup
Ballenger	Gilman	Norwood
Barr	Goode	Nussle
Barrett (NE)	Goodlatte	Ose
Bartlett	Goodling	Oxley
Barton	Goss	Packard
Bass	Graham	Paul
Bereuter	Granger	Pease
Biggert	Green (WI)	Peterson (PA)
Bilirakis	Greenwood	Petri
Bliley	Gutknecht	Pickering
Blunt	Hall (TX)	Pitts
Boehlert	Hansen	Pombo
Boehner	Hastert	Porter
Bonilla	Hastings (WA)	Portman
Bono	Hayes	Pryce (OH)
Brady (TX)	Hayworth	Quinn
Bryant	Hefley	Radanovich
Burr	Hergert	Ramstad
Burton	Hill (MT)	Regula
Buyer	Hilleary	Reynolds
Callahan	Hobson	Riley
Calvert	Hoekstra	Rogan
Camp	Hostettler	Rogers
Campbell	Houghton	Rohrabacher
Canady	Hulshof	Roukema
Cannon	Hunter	Royce
Castle	Hutchinson	Ryan (WI)
Chabot	Hyde	Ryun (KS)
Chambliss	Isakson	Salmon
Chenoweth-Hage	Istook	Sanford
Coble	Jenkins	Saxton
Collins	Johnson (CT)	Schaffer
Combest	Johnson, Sam	Sensenbrenner
Cook	Jones (NC)	Sessions
Cooksey	Kasich	Shadegg
Cox	Kelly	Shaw
Crane	King (NY)	Shays
Cubin	Kingston	Sherwood
Cunningham	Knollenberg	Shimkus
Davis (VA)	Kolbe	Shuster
Deal	Kuykendall	Simpson
DeLay	LaHood	Skeen
DeMint	Largent	Smith (MI)
Diaz-Balart	Latham	Smith (NJ)
Dickey	LaTourette	Smith (TX)
Doolittle	Lazio	Souder
Dreier	Lewis (CA)	Stearns
Duncan	Lewis (KY)	Stump
Dunn	Linder	Sununu
Ehlers	LoBiondo	Sweeney
Ehrlich	Lucas (OK)	Talent
Emerson	Manzullo	Tancredo
English	Martinez	Tauzin
Everett	McCollum	Taylor (NC)
Ewing	McCrery	Terry
Fletcher	McHugh	Thomas
Foley	McIntosh	Thornberry
Fossella	McKeon	Thune
Fowler	Metcalf	Tiahrt
Franks (NJ)	Mica	Toomey
Frelinghuysen	Miller (FL)	Trafficant

Upton	Watts (OK)	Wilson
Vitter	Weldon (FL)	Wolf
Walden	Weldon (PA)	Young (AK)
Walsh	Weller	Young (FL)
Wamp	Whitfield	
Watkins	Wicker	

NOT VOTING—13

Bateman	McInnis	Scarborough
Clay	Meek (FL)	Spence
Coburn	Minge	Weiner
Davis (FL)	Mollohan	
Kennedy	Ros-Lehtinen	

□ 1522

Messrs. METCALF, EVERETT, TANCREDO, LAZIO and SIMPSON changed their vote from "yea" to "nay."

Mr. HORN changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SHIMKUS). 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. ARCHER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 420, noes 2, not voting 13, as follows:

[Roll No. 233]

AYES—420

Abercrombie	Bryant	Deutsch
Ackerman	Burr	Diaz-Balart
Aderholt	Burton	Dickey
Allen	Buyer	Dicks
Andrews	Callahan	Dingell
Archer	Calvert	Dixon
Armey	Camp	Doggett
Baca	Campbell	Dooley
Bachus	Canady	Doolittle
Baird	Cannon	Doyle
Baker	Capps	Dreier
Baldacci	Capuano	Duncan
Baldwin	Cardin	Dunn
Ballenger	Carson	Edwards
Barcia	Castle	Ehlers
Barr	Chabot	Ehrlich
Barrett (NE)	Chambliss	Emerson
Barrett (WI)	Chenoweth-Hage	Engel
Bartlett	Clayton	English
Barton	Clement	Eshoo
Bass	Clyburn	Etheridge
Becerra	Coble	Evans
Bentsen	Collins	Everett
Bereuter	Combest	Ewing
Berkley	Condit	Farr
Berman	Conyers	Fattah
Berry	Cook	Filner
Biggert	Cooksey	Fletcher
Bilbray	Costello	Foley
Bilirakis	Cox	Forbes
Bishop	Coyne	Ford
Blagojevich	Cramer	Fossella
Bliley	Crane	Fowler
Blumenauer	Crowley	Frank (MA)
Blunt	Cubin	Franks (NJ)
Boehlert	Cummings	Frelinghuysen
Boehner	Cunningham	Frost
Bonilla	Danner	Gallegly
Bonior	Davis (FL)	Ganske
Bono	Davis (IL)	Gedjenson
Borski	Davis (VA)	Gekas
Boswell	Deal	Gephardt
Boucher	DeFazio	Gibbons
Boyd	DeGette	Gilchrest
Brady (PA)	Delahunt	Gillmor
Brady (TX)	DeLauro	Gilman
Brown (FL)	DeLay	Gonzalez
Brown (OH)	DeMint	Goode

Goodlatte	Maloney (CT)	Ryun (KS)
Goodling	Maloney (NY)	Sabo
Gordon	Manzullo	Salmon
Goss	Markey	Sanchez
Graham	Martinez	Sanders
Granger	Mascara	Sandlin
Green (TX)	Matsui	Sanford
Green (WI)	McCarthy (MO)	Sawyer
Greenwood	McCarthy (NY)	Saxton
Gutierrez	McCollum	Schaffer
Gutknecht	McCrery	Schakowsky
Hall (OH)	McDermott	Scott
Hall (TX)	McGovern	Sensenbrenner
Hansen	McHugh	Serrano
Hastert	McIntosh	Sessions
Hastings (FL)	McIntyre	Shadegg
Hastings (WA)	McKeon	Shaw
Hayes	McKinney	Shays
Hayworth	McNulty	Sherman
Hefley	Meehan	Sherwood
Henger	Meeks (NY)	Shimkus
Hill (IN)	Menendez	Shows
Hill (MT)	Metcalf	Shuster
Hilleary	Mica	Simpson
Hilliard	Millender-	Sisisky
Hinchey	McDonald	Skeen
Hinojosa	Miller (FL)	Skelton
Hobson	Miller, Gary	Slaughter
Hoefel	Miller, George	Smith (MI)
Hoekstra	Mink	Smith (NJ)
Holden	Moakley	Smith (TX)
Holt	Mollohan	Smith (WA)
Hooley	Moore	Snyder
Horn	Moran (KS)	Souder
Hostettler	Moran (VA)	Spratt
Houghton	Morella	Stabenow
Hoyer	Myrick	Stearns
Hulshof	Nadler	Stenholm
Hunter	Napolitano	Strickland
Hutchinson	Neal	Stump
Hyde	Nethercutt	Stupak
Inslee	Ney	Sununu
Isakson	Northup	Sweeney
Istook	Norwood	Talent
Jackson (IL)	Nussle	Tancredo
Jackson-Lee	Oberstar	Tanner
(TX)	Obey	Tauscher
Jefferson	Olver	Tauzin
Jenkins	Ose	Taylor (MS)
John	Owens	Taylor (NC)
Johnson (CT)	Oxley	Terry
Johnson, E.B.	Packard	Thomas
Johnson, Sam	Pallone	Thompson (CA)
Jones (NC)	Pascrell	Thompson (MS)
Jones (OH)	Pastor	Thornberry
Kanjorski	Paul	Thune
Kaptur	Payne	Thurman
Kasich	Pease	Tiahrt
Kelly	Pelosi	Tierney
Kildee	Peterson (MN)	Toomey
Kilpatrick	Peterson (PA)	Towns
Kind (WI)	Petri	Trafficant
King (NY)	Phelps	Turner
Kingston	Pickering	Udall (CO)
Klecza	Pickett	Udall (NM)
Klink	Pitts	Upton
Knollenberg	Pombo	Velazquez
Kolbe	Pomeroy	Visclosky
Kucinich	Porter	Vitter
Kuykendall	Portman	Walden
LaFalce	Price (NC)	Walsh
LaHood	Pryce (OH)	Wamp
Lampson	Quinn	Waters
Lantos	Radanovich	Watt (NC)
Largent	Rahall	Watts (OK)
Larson	Ramstad	Waxman
Latham	Rangel	Weldon (FL)
LaTourette	Regula	Weldon (PA)
Lazio	Reyes	Weller
Leach	Reynolds	Wexler
Lee	Riley	Weygand
Levin	Rivers	Whitfield
Lewis (CA)	Rodriguez	Wicker
Lewis (GA)	Roemer	Wilson
Lewis (KY)	Rogan	Wise
Linder	Rogers	Wolf
Lipinski	Rohrabacher	Woolsey
LoBiondo	Rothman	Wu
Lofgren	Roukema	Wynn
Lowe	Roybal-Allard	Young (AK)
Lucas (KY)	Royce	Young (FL)
Lucas (OK)	Rush	
Luther	Ryan (WI)	

NOES—2

Murtha

Stark

NOT VOTING—13

Bateman	Meek (FL)	Spence
Clay	Minge	Vento
Coburn	Ortiz	Weiner
Kennedy	Ros-Lehtinen	
McInnis	Scarborough	

□ 1534

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MCINNIS. Mr. Speaker, due to family commitments in Colorado, I was unable to vote on final passage of the following bill, H.R. 3916. Had I been able to vote, I would have voted "aye."

Ms. ROS-LEHTINEN. Mr. Speaker, on rollcall No. 233, I was unavoidably detained. If present, I would have voted "aye" on rollcall No. 233.

PERSONAL EXPLANATION

Mr. KENNEDY of Rhode Island. Mr. Speaker, on May 25, 2000, I was accompanying President Clinton to a funeral in the First District of Rhode Island and consequently I missed five votes.

Had I been here I would have voted: "No" on Ordering the Previous Question, H. Res. 511; "yes" on Agreeing to the Resolution, H. Res. 511; "yes" on Agreeing to the Resolution, H. Res. 331; "yes" on Motion to Recommit, H.R. 3916; and "yes" on Final Passage, H.R. 3916.

PERSONAL EXPLANATION

Mr. MINGE. Mr. Speaker, due to illness, I was unable to be in the House Chamber for today's debate on H.R. 2559. Had I been here I would have spoken and voted in support of H.R. 2559. On rollcall vote 229, I would have voted "nay." On rollcall votes 230, 231, 232, and 233, I would have voted "yea."

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JUNE 7, 2000

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, June 7, 2000.

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

There was no objection.

AUTHORIZING THE SPEAKER, MAJORITY LEADER, AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND TO MAKE APPOINTMENTS AUTHORIZED BY LAW OR THE HOUSE, NOTWITHSTANDING ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Tuesday, June 6, 2000, the Speaker, majority leader, and minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

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

There was no objection.

APPOINTMENT OF HON. FRANK R. WOLF TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH JUNE 6, 2000.

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

WASHINGTON, DC,

May 25, 2000.

I hereby appoint the Honorable FRANK R. WOLF to act as Speaker pro tempore to sign enrolled bills and joint resolutions through June 6, 2000.

J. DENNIS HASTERT,

Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is agreed to.

There was no objection.

HUMAN GENOME PROJECT

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

Mr. CALVERT. Mr. Speaker, as I rise today, we are perhaps days away from an announcement of the completion of a draft map of the entire human genome. This is a major milestone in biological science, an achievement that some have likened to the Moon landing and the invention of movable type.

My subcommittee has held two hearings on the status of the human genome project involving both the public and private sector. Three themes have emerged from these hearings:

First, the medical breakthroughs stemming from this research will be immense;

Second, the competition and cooperation between the public and private sector has brought us to this moment and will deliver results for us all;

Third, Congress' duties in areas such as ethical, legal, and social implications of genetics research, as well as the need to fund gene-based disease therapies, will require us to think wisely and legislate prudently.

I commend the public and private sector researchers for achieving this scientific milestone. Truly, a bright future beckons.

NATIONAL MISSING CHILDREN'S DAY

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

Mr. LAMPSON. Mr. Speaker, I rise today to commend today as National Missing Children's Day. Mr. Speaker, you and I this morning attended a breakfast that was put on by the National Center for Missing and Exploited Children to commemorate all of the missing children across this country.