to the majority leader of this body. Interestingly enough, the 18th congressional district has had the downtown community, a synergism of communities of interest. Now the 18th district, the historic district that saw Mickey Leland and Barbara Jordan and other great leaders come out of, no longer exists in its historic origins. The downtown is eliminated, Mr. Speaker. It is interesting to find out why a meatcutter was taken to this for personal interest apparently.

So I simply want to thank Stanley Toliver who called all the way from Ohio to applaud us and give us a good idea to again support these great heroes; and I again want to support, Mr. Speaker, as I close, Representatives Thompson, Coleman, Noreiga, Jessica Farrar, Joe Moreno, Kevin Bailey, Scott Hochberg, and all the other 51, 53 that are standing tall. Never give up.

□ 1830

JOBS AND GROWTH TAX PLAN TO PRODUCE JOBS

The SPEAKER pro tempore (Mr. CHOCOLA). Under the Speaker's announced policy of January 7, 2003, the gentleman from Florida (Mr. MARIO DIAZ-BALART) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my Special Order.

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

There was no objection.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, every time that I walk into this Chamber I am awed and I am overwhelmed, when you think of the history that has taken place here in this Chamber, in this hall, and the speeches that have also been proclaimed and stated within these walls.

Tonight, Mr. Speaker, I heard some really eloquent speeches as well, some spectacularly eloquent speeches, some of them criticizing the job proposal that this House has passed, the job proposal plan that the President has proposed.

I also heard, Mr. Speaker, some great examples of not letting the facts get in the way of the rhetoric. I have seen some wonderful examples here as to how to just disregard the facts and let us go forward with the rhetoric and hope that you can confuse people, Mr. Speaker.

But the American people, Mr. Speaker, are not easily confused. The Jobs and Growth Tax Act, which is really based on the jobs and growth plan that we passed last week, is a comprehensive approach to creating jobs. We heard criticism after criticism after criticism of that plan; but what you will notice is that not once, not once, was a proposal spoken about, an alternative proposal, that created jobs. No. They criticized the plan that creates jobs, and, in its stead, proposed absolutely nothing. Again, the American people witnessed that here tonight.

Yet the plan that we passed provides, for example, tax relief to American families and immediately eliminates burdensome and unfair taxes that provided huge obstacles to economic growth and job creation.

The gentleman from Iowa (Mr. NUSSLE) worked awfully hard to get through this House a plan that will create over 1.2 million jobs throughout the entire country by the end of next year. This was a specific proposal, not rhetoric. That is a specific proposal that this House passed. It creates, as a matter of fact, 45,000 new jobs in the State of Florida that I represent; next year, 45,000 jobs. Yet, Mr. Speaker, we heard no other proposal; just criticism, criticism of a plan that creates 1.2 million jobs.

This plan that we passed that our dear friends in the minority love to criticize, and, yet, I repeat, have nothing to show other than criticism, this plan would put $550 billion in economic stimulus and job creation in this country.

Then I heard something that I keep hearing time and time again, and it must be something that the Democratic Party's PR machine has told them to repeat time and time again, again regardless of the facts. They keep saying, oh, the plan that the House passed, the President's plan, cuts taxes on the rich.

Let us again speak of the facts. I know that my dear friends on the Democratic side hate when you bring up the facts. They do not like the facts to be used. They do not want to permit the facts to confuse the rhetoric. But I think it is important to bring up some of those facts.

The rich? Cut taxes on the rich? Twenty-three million small business owners will benefit from tax rate cuts in order to stimulate job growth; 23 million small business owners are going to have their taxes cut. Those are not the rich, those small business owners. Again, the facts, Mr. Speaker.

The tax cut, for example, on dividend income and the capital gains tax cut will provide relief for the 50 percent of Americans who have invested in the stock market and 70 million Americans who own homes. Those are the facts.

Yet what we have heard tonight, all the criticism, all the critiquing of the President's plan, of the plan we passed, with nothing else, no proposal, no alternative proposal, is just criticism based on innuendo, not based on the facts.

Again, the President's job and growth plan, what we passed here in the House, will provide 1.2 million jobs next year. Those are the facts, not the rhetoric.

The energy bill that the gentleman from Georgia (Mr. KINGSTON) spoke of here last week with me on the floor of this House will provide 750,000 new jobs. But yet both those initiatives our friends from the minority party object to; and they object to them but have no decent, good proposal, as opposed to what we have done. This is a good plan, because it does provide jobs.

I was wondering, I see that the gentleman from Minnesota (Mr. KENNEDY) is here; and, Mr. Speaker, I would like to yield to the gentleman. Maybe he can try to shed some light on some of the facts, not on just empty rhetoric, some of the facts: why it is important that we do not just sit idly by and hope the economy gets better; why it is important to incentivize this economy; why it is important to go forward with the President's plan, with what this Congress passed, to make sure the millions of Americans can find good jobs; why it is important to not just sit back and pretend that things are okay, they are going to get better, and the solution is maybe to raise taxes; why it is important that we move forward.

Mr. Speaker, maybe the gentleman can shed some light as to some of the rhetoric that has been heard before here tonight which does not conform with the facts.

Mr. KENNEDY of Minnesota. Mr. Speaker, I thank the gentleman for yielding, and I wholeheartedly agree with what the gentleman is saying. This focus should be on jobs. Our focus as a Congress should be on creating jobs.

A lot of what we have heard earlier today is talk about extending unemployment, and we certainly have. Our hearts go out to those that are unemployed. But if you talk to those that are unemployed, what they really want is a job, and that is what we have to talk about, that is what we have to act on, that is what we have to create.

They have not talked a lot earlier in their discussions on the floor about what they are going to do to create jobs. As the gentleman mentioned, they do not have a plan to say here is how we are going to create jobs.

Our plan that we did pass last week will create, according to estimates, 1.2 million jobs. I know a little bit about jobs. I spent 20 years in the business world creating jobs, keeping people employed; and I know what are some of the things that can help encourage that and what are some of the things that can hurt that. So our focus needs to be what can we do as a government to nurture an environment that creates jobs.

The gentleman spoke of the energy bill. That is clearly part of it. The gentleman spoke about many of the provisions in this bill, in this bill we passed for jobs and growth, which will indeed create jobs and growth.

The economy has suffered. We went through a period where we had not only a bust in the telecom bubble, but soon following that, 9/11, which set the economy back, and the threat of terrorism and the concern with our efforts to free

a people from oppression in Afghanistan and do the same thing again in Iraq.

We are now suffering from concern over SARS and other diseases that are threatening our economy and threatening people and threatening lives around the world. All these put a lot of pressure on our economy, put a lot of pressure on the ability to create jobs; and now more than ever, our focus needs to be on the facts and how do we create those jobs.

Mr. MARIO DIAZ-BALART of Florida. Reclaiming my time for a second, as the gentleman knows, I am new in Washington. This is my first year. One of the things that has surprised me a little bit is the ability by some Members, very eloquently, to just espouse things, yet with no facts whatsoever, and sometimes even distorting some facts that are used.

The gentleman mentioned something that is very important. There has to be a proposal. In other words, if we want to create jobs, which is I think the emphasis of this, clearly of the President and the majority of this Congress, we have to put something forward that creates jobs.

One of the ways to create jobs, and that is a bipartisan goal, we have agreed to that, I think, one of the ways you create jobs is by cutting taxes, making sure the people can keep more of their money.

Another way I think we can create jobs is by controlling government spending. Yet, since I have been here, I have never heard one moment where our friends from the other party have ever asked for controlling government spending.

Every time I turn around, they are asking for more government, bigger government; more bureaucracy, more money for that bureaucracy; more taxes from the people for that bureaucracy. That is a common theme I have been hearing in these debates.

I was wondering if the gentleman could shed some light on how does creating a larger government, more bureaucracy, more taxes, how does that help create more jobs for the American people.

Mr. KENNEDY of Minnesota. I think that is a big issue we are dealing with. There are two different world views. There is a world view that says having the government spend more creates jobs, with the idea that somehow we here in Washington know how to do that. As a businessman, I can tell you, this is not where the jobs are created. They are created back home by small businesses.

I would like to go back to the facts, because so often much of the rhetoric on the other side is lambasting the job creators and lambasting any efforts that we have to encourage those job creators to create jobs. That is what this bill does.

If you think about what bonus depreciation does, going from 30 to 50 percent bonus depreciation, the extra ability to expense immediately investments in equipment that drives jobs, that is critical to providing those jobs.

Also the bill that we passed last week will increase the amount that small businesses can deduct from $25,000 to $100,000, the amount they can deduct in the first year. This is so vitally important. As I talk to so many small businesses around the State, they tell me this is something that can get me to go out and buy that piece of equipment that will allow me to add jobs to my business.

Mr. MARIO DIAZ-BALART of Florida. One of the things that I keep hearing, and the gentleman just mentioned small businesses, which is a big part of this economic stimulus-job creation package, it is to provide relief for small businesses. That is where most of the jobs are created, in small businesses.

In the State of Florida it is even more dramatic. The numbers are staggering, the number of jobs created by small business. That is the entire economy of the State of Florida.

But we hear when we want to cut taxes on small business owners to help small businesses do well, to incentivize them to spend more money, to hire more people, to create more jobs, you hear that we are cutting taxes on the rich. Yet, when you look at the proposals from our good friends on the minority party, the Democratic Party, everything that they do seems to be trying to raise taxes on working Americans.

By the way, many of those working Americans are now struggling, which is why it is important to pass this package. But yet their proposals seem to be, and I have them here, seem to be raise taxes on the working people, on the hardworking Americans, who are having a hard time paying the mortgage and rent, who are having a hard time staying employed. Some of them have actually lost their jobs. Yet they want to raise taxes on them.

It seems in many cases just to create larger bureaucracies up here in Washington, DC. I do not think one has to be a brilliant economist to realize when you are further taxing people and you are creating more bureaucracy in DC, that does absolutely nothing to help the economy. What it does, it actually helps stagnate the economy; it hurts the economy. It makes sure that the economy does not grow.

Again, the gentleman has been here longer than me. Is that just a normal theme for them, that they always use these blank statements when we are asking to or suggesting or trying to cut taxes on small business owners, that they say those are the rich?

The small business owners in my district, the district that I represent, it is not my district, that I represent, are not rich. They are struggling. They are struggling to pay their employees, to pay for their health care, to keep that business, those small businesses, alive. To call those people rich people and say that cutting the taxes on those people is cutting the taxes on rich people, and, at the same time what they want to do is raise the taxes on the working people of this country, to create a larger bureaucracy, how is that good for the economy?

Mr. KENNEDY of Minnesota. It is a recurring theme, as the gentleman mentioned, that we somehow here in Washington have all the answers; that we can create jobs in some way by just taxing people more, bringing the government more money. And we are overhead; we are overhead. We are a cost to all those small businesses out there. We are the big ''headquarters in the sky'' that does nothing but send the bill to them and say send more money; we need more money.

We do not need more money, but small businesses do. And it is true that too often we demonize small businesses. Too often we say the answer is to throw more penalties their way.

□ 1845

Things like this $100,000, being able to deduct it immediately is thought of as a tax cut for the rich, but let us think about what that means. That means rather than having to expense over 4 or 5 or 7 or 9 or 25 years, it can be deducted immediately. As a finance guy who worked in business and who has gone through the calculations, I can tell my colleagues, that will change businesses' decisions as to what they invest in.

And what could that be used for? I just started to go through my own history. My first job was picking strawberries, and if we think about our agricultural businesses, what they could do with $100,000. There is the harvesting equipment. That allows them to produce more product, to feed more people, to increase our economy.

After I had the opportunity to pick strawberries, I graduated to the local bakery in town, Meisner's Bakery in Pequot Lakes. With that $100,000, you could buy a new oven or a new steamer or a new area to increase your production of doughnuts or whatever. And that is going to add production, it is going to add jobs to a community.

After I got finished at the bakery, I had the opportunity to rent boats at a boat marina. Somebody who is doing that can add boats to their fleet so they can be renting more.

After that I had the opportunity to be at a gas station and pump gas, but they also had a little retail store there with fish and bait and all that stuff. A retail store like that could add fixtures, could expand space and, therefore, grow its sales and add jobs.

I can go on and on and on through the jobs that I have been in, and one can visually picture what could happen with that extra ability to deduct that $100,000 right away rather than over a long period of time, how that could motivate businesses to invest and how that investment could increase jobs. Sometimes we do not hear about that

from the other side. We just hear about lambasting of those business people that are taking the risks, that are investing in something that does not have a certain future, but it is that entrepreneurial risk-taking that creates jobs in this country, and that is what we need to encourage.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, I think one of the things that we have to note as well is that we keep hearing that government can give these small businesses, is going to give them something. It is not the government's to give. That is the people's money. What we are talking about is allowing hard-working people to keep a little bit more of their money; in other words, for the government to take less of their money. But when we talk about that, we hear that, oh, it is horrible, because it is going to cost government. We are going to be giving away these things. Excuse me? Giving away?

I think that is part of where we have a huge ideological difference, a philosophical difference. It is not government's money to give away. What we are saying is that government is going to take less money of the small businessperson, of the small business. He is going to take a little bit less money, just a little bit less money, take a little bit less so that that person, that small business, can reinvest it in their business.

The gentleman mentioned some great examples to create more jobs. I know that for some people, that is a theory. That is a theory. Why do we have to create more jobs? Let us just criticize the President. They have done that from day one about every issue; whether it is the war to liberate Iraq, they criticize the President. They do not criticize him that much anymore, but they sure were criticizing because it is the thing to do, just criticize the President.

Now they criticize this job creation plan, and they say that, well, we are going to give these people, these small businesses, money. No. What we are saying and what the President is saying is it is the people's money, it is not government's money. The government should allow those small businesses, those individuals, to keep some more of their money so that they can use it back home, in Florida, in Minnesota, and in Texas, in Wyoming. And they tend to do it much better than we do, than government does, because we tend to waste a lot of money. Allow them to keep some of their money, and that will create 1.2 million jobs in 1 year.

But some people say, well, it is only $100,000. It is only $100,000 that we are going to cut, it is only $10,000, it is only $1,000 that businesses are going to be able to reinvest. I guess that think that they have better plans for that money in D.C. But I am, frankly, a little shocked.

I have been doing a little research about some of the waste up here. Our dear friends on the Democratic side hate when we talk about waste and fraud and abuse. But I have been doing just a little research. I have not spent a lot of time on it because the gentleman knows I just got here recently, but I found some very interesting things.

Just one issue, for example. Government purchase cards and travel cards wasted approximately $97 million annually. But let me tell my colleagues what some of those really bright things are that we should take more of the people's money for. This is the kind of thing that we need to tax people more for, to spend it on some of these things. This is $97 million worth of escort services, jewelry, clothing from Victoria's Secret, Macy's, Nordstrom, Calvin Klein; taxpayer money to buy a dog for an individual. Taxpayers' money was spent on pornography for some employees, on expensive luggage. There was one incident of one dinner for $2,100 at Treasure Island Hotel and Casino.

That is why we need to raise more taxes. Take it away from the hard-working American men and women, bring it up here to D.C. so we can spend it and waste it on some really good things such as this: designer leather goods from a prestigious store, Lego toys, expensive sunglasses, beer, wine, and cigars.

There is also, do we remember the travel cards? That is a separate issue altogether. That was used for, well, for interesting places I do not really want to mention. Some of these things I really would rather not talk about, including some gentlemen's clubs, some plastic surgery, down payments on a home. So that is why we have to tax the American people more, because Washington knows how to spend the people's money better; oh, yes, on a down payment for a home for a member of the bureaucracy. That is why we have to take more of their money, on cruises. No, no, no, no. Wait a second.

The reason that some of us, the gentleman from Minnesota and others, have been speaking about waste, fraud and abuse, because it is not a laughing matter, because this is hard-earned money. This is money that government takes from the American people and then misspends it. Government does some really good things with taxpayers' money as well, but we throw a lot of it away. And for anybody to say that government is so efficient, so well run, so lean and mean that we have to take more of the hard-working American people's money, people that are having a hard time because the economy is not as good as we would like it to be; for us to take more of their money to spend it up here as opposed to what we want to do, which is allow them to keep more of their money so that they can spend it on some of the issues that the gentleman mentioned, on their families, on creating wealth within their businesses, of creating more jobs within small businesses, I think is absolutely ludicrous.

But these examples are not new. We have been hearing about waste, fraud and abuse for a long time. So again, I am having a hard time. I know that the gentleman, like me, believes that we need to incentivize this economy, but since the gentleman has been here longer, maybe the gentleman has heard some of the words of wisdom from the other side stating how raising taxes on hard-working Americans, particularly when they are having a hard time, helps create jobs. I do not buy it.

Mr. KENNEDY of Minnesota. And I do not buy it either. And I agree with the gentleman as it relates to the people out there creating jobs. Hard-working families know a whole lot better how to spend money to create jobs and to provide for their families than we ever will here in Washington, and the gentleman's many examples just proved the point.

Mr. Speaker, amongst the wisest words I have heard here was during my freshman year we had a speaker come in, a George Will, who some of my colleagues may have had the opportunity to read his columns, and he tried to make things understandable for us, because sometimes it is hard to understand some of the verbiage that we hear. He said, you will find that on most issues, that the battle of ideas is between freedom on one side and people telling you that you need them here in Washington to keep bringing the gravy train to you, or, said another way, dependency, we are going to cultivate dependency. And if my colleagues listened tonight, they heard that.

We have heard the other side say, you need us here, because without us here, we will not be able to keep you dependent on unemployment rolls; whereas I think what our statement is saying, yes, we will take care of unemployment, and yes, we have extended, and we both voted for that, and we both will again when that need is there. But that is not our main focus. When we get up in the morning, our focus is how can we give the economy more freedom, small businesses more freedom, families and small businesses more of their hard-earned dollars in their pockets so they can take that freedom and they can go out and create jobs and create a more prosperous America for all of us.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, by the way, I have been very impressed with the quality of the speeches. Sometimes the rhetoric is really, really good. I mean, there is some great eloquence on the floor of the House. We heard some great eloquence today bashing the plan to create more jobs. We heard that tonight. We have heard eloquent speeches bashing the President's plan to create more jobs. We have heard eloquent speeches bashing and bashing and bashing. We also heard, the gentleman will recall, very eloquent speeches from our friends on the Democratic side bashing when we were talking about trying to cut wasteful spending. They just hate that. They hate when we talk about that.

I mentioned some examples, but I want to make sure that nobody thinks that, well, because when we add that up, it is only $100 million. Some people say that. We have heard that here, it is only $100 million.

Mr. KENNEDY of Minnesota. Only $100 million.

Mr. MARIO DIAZ-BALART of Florida. Only $100 million. Ask the American people if that is just only $100 million on some pretty sad things. But it gets worse than that. And when we talk about these things, we get bashed by the Democrats. When we talk about, for example, we were mentioning facts before, and it is important to not just spew rhetoric, but bring in some facts to the discussion.

Mr. Speaker, the Federal Government cannot account for, and we need to listen to this, the Federal Government cannot account for $17.3 billion it spent in the year 2001; $17 billion unaccounted for. Yet some criticize us when we talk about let us have some accountability. Let us not misspend. Let us look at ways that we can save some of this money. Mr. Speaker, $17 billion is not peanuts. That is a lot of money unaccounted for.

The Federal Government made $20 billion in overpayments in the year 2001; $20 billion in overpayments, on people that were not qualified or things that should not have been funded. The Department of Housing and Urban Development made $3.3 billion, and I repeat, billion, with a B, billion dollars in overpayments in 2001, accounting for 10 percent of the Department's budget; 10 percent in overpayments, in waste. Yet some will tell us that there is not enough money up here; that we need to raise taxes on hard-working Americans; that we should not incentivize the economy by letting more hard-working Americans keep some of their money, no, because there is not enough money in D.C. Oh, of course not, when we misspend 10 percent of the Department's budget.

But some will tell us the answer is, no problem. Do not worry about that. Let us just squeeze the American taxpayer a little bit more, a little bit harder, because you know something? It is okay, they will not mind, or they cannot yell loud enough, so let us squeeze them a little bit louder, a little bit tighter.

No, no. It is time that we do not squeeze them anymore, so that we allow them to keep more of their money so that they can spend it and they can create jobs.

If the gentleman will allow me, I would like to mention a couple of other examples. The Department of Agriculture was unable to account for $5 billion in receipts and expenditures; $5 billion. Medicare overpayments, overpayments totaled $12 billion in 2001; $12 billion.

Mr. Speaker, the Republican majority has passed a Medicare prescription drug plan without raising taxes. We have done it. Actually, the House did it last year as well, but the other body refused to do so, but now we have done it again, and we are going to pass it again. Well, do we want to find where some of the money can come from? There is $12 billion in overpayments. That is money that is not going for the elderly that need it, that is not going for the elderly that deserve it, that is not going for the elderly who have paid into it.

□ 1900

No, that is just waste. That is just waste. And that is unacceptable. That is immoral. Totally immoral. So, yes, we are going to do it.

There has been a lot of rhetoric for 40 years; the other party has been talking about it. It took the Republican majority to pass it, and we have passed it again in the House, and we are going to do that; but we need to make sure that this kind of waste stops, stops, because that is our hardworking Americans who are paying for it. The food stamp program pays approximately $1.3 billion in overpayments each year. What can we do with that $1.3 billion for health care, for education, for defense, to incentivize our economy? A lot.

And yet when we talk about these things, our friends on the Democratic party get upset. They say you cannot do that; you have to tax the American people more. Do not look at fraud, waste and abuse. Just tax the American people more. More than $8 billion is lost in erroneous earned income tax payments each year and again the list goes on and on and on, and we are not talking small amounts of money. If we were speaking about small amounts of money, that would be no excuse. We still have to stop it, because it is not government's money. It is the people's money, but what is even worse is we are talking about billions of dollars in misspent, misused, lost money. And some want to tax the American workers, tax the American family more to do more of this? I do not understand it.

Mr. KENNEDY of Minnesota. I do not understand it either. And the waste, fraud and abuse cries out for a razor-sharp focus on what can we do to scale away those costs that are burdening our economy. And we can get back to a sound fiscal picture only by sparking this economy with the kind of tax-relief jobs proposal that we passed and by controlling that spending with a razor-sharp focus, as they say, on waste, fraud and abuse.

They know how to spend money better back home in Florida and back home in Minnesota than we do in Washington. They do not put up with that. They will drill to the bottom of those issues and find out what was causing it and uncover the waste, fraud and abuse, and get it out of the system.

But what could they do, for example, with the dividend and capital gains reductions that we have passed? When I studied economics, they told me it was investments that drive jobs. It is when you invest in the economy, that is when you drive jobs. Where do those investments come from? Those investments come from savings. And this bill encourages savings by reducing the double taxation on dividends, and they are excessively high compared to many other countries' tax that we have on investment income. We should be taxing income at its source, but when we discourage investment and have the very low investment rate that we have here in America, we are hurting our economy. And who is receiving most of those dividends? I think it is important to point out it is primarily seniors that are receiving those dividends. And they have paid taxes on that in the business. They have paid taxes all their lives. Why are we charging them this double investment?

We have a concern here with having good fiscal responsibility. One of the big benefits of the dividend and capital gains proposal we have talked about is that by encouraging more businesses to be giving their dividends back to shareholders, you will be having less cash stockpiled in the company. That will be better for us keeping track and holding our businesses accountable. It is also going to make the balance between debt and equity less tilted towards debt. Right now we have such higher tax benefits for fully deductible debt on interest on debt; and yet on dividends coming out of a business, we are taxing them twice unfairly. By getting that balance more in line, you are going to really have a stronger, sounder capital structure, more equity in our businesses so they can withstand downfalls without having to lay off employees.

Again, our focus here is what can we do to create jobs. How can we run our ship more efficiently here by scaling back on waste, fraud and abuse so that we have to take less out of the pockets of small businesses and hardworking families and let them get on with the business of America, the business of creating jobs, expanding the economy and taking care of our families.

Mr. MARIO DIAZ-BALART of Florida. Absolutely. You mention a specific issue that, by the way, is in the bill that we passed which would create jobs. Another thing that would create jobs that is also in the bill that we passed, and by the way, it would also save, it would provide relief for 92 million Americans, 92 million Americans, an average of $1,083 in the year 2003, allowing them to keep more of their money. That would put more than a hundred million dollars into the economy of our country over the next 12 months, creating jobs, turning over that economic engine.

You mentioned a little while ago that the way to get out of the deficit, by the way, to pay for the essential service that we all want to pay for, including what the Republican majority is doing with, for example, the prescription drug coverage under Medicare, is to expand the economy. That is not to raise taxes to the point where

people cannot pay them and you destroy business. It is to grow the economy. One way to grow the economy is, again, by allowing the 2 million Americans, now I know, I know, some of our friends on the Democratic side will say, those are rich folk.

You are going to cut $1,083 in the year 2003 on 92 million Americans. Those are rich folks. I wish, by the way, there were 92 million rich people in the United States. Those are not the facts. But that will allow Americans to keep more of their money, to spend more of their money, to invest more of their money, to put it into their businesses; and that alone is a hundred million dollars into the economy that right now is being sucked in, this huge sucking sound that goes from every single city, town, village in our country of money coming up here to D.C. to do with it as we know the government does with it, including some of the things that we mentioned.

The plan that we passed also would see the tax burden eliminated entirely on 3 million moderate-income families. Three million moderate-income families would pay zippo, zilch, nada, zero. Those are rich people? No. Those are working families. Those are working families.

How about the child tax credit that will be raised from $600 to $1,000? Tell me that is not something that has to happen. Tell me that is not something that the American people deserve. Tell me that is not something that the American people can do better with their money than us in D.C., with the bureaucracies, and the size of this government, again, 23 million small businesses would, again, in H.R. 2, the bill that we passed, House Resolution 2, by having more capital to expand on their businesses. That is what this country needs. And I know that some are content to think, no, we should not do anything. We should just kind of pretend that things are okay. They will complain here on the floor, but they will not propose anything that creates any jobs.

I am so proud to have been able to support this package that actually will create, just create so many jobs for the hardworking people of this country. I do not know about the area that the gentleman represents, but in the State of Florida, the area that I represent, people are concerned. People want jobs. People want to work. People want to have good high-paying jobs. And they are looking for government to do something to incentivize this economy, not to just sit back and pretend that things are okay. I am pretty sure it has got to be the same where you are.

Mr. KENNEDY of Minnesota. It is the same in Minnesota. And you were right, the jobs proposal that we have passed, as we have spoken of, focuses that help to our job providers on encouraging investment. That is what creates jobs. And as it relates to helping out and providing more money in the pockets of hardworking families, it focuses that in a very appropriate way.

The gentleman spoke of the per child tax credit, and I would also add the marriage penalty. As someone who has 23 years-plus of marriage under his belt and four teenagers to help pay for, I want to make sure there are not disincentives to keep you from enjoying both of those treasures of life, marriage penalty is something we have to get rid of, and getting rid of it now as this bill does is critical. We charge people when they walk down the wedding aisle more for getting married. We tax marriage. They get a little extra gift from Uncle Sam saying, Here is your bill. On average before we passed our tax relief in 2001, $1,400 more on average just for being married.

Families are the foundation of our society, the foundation of our economy. Why we do that is beyond me. And accelerating this marriage penalty relief so that it is eliminated today is something that is very powerful in this bill. The per child tax credit, those that have children know how expensive they are to raise; how we put a lot of blood, sweat, and tears into them. Yes, and we need to, and there is nothing more rewarding. But we also have to put a few dollars out for their education, for their food, for their clothing; and we benefit greatly as a country from the youth having this increase in the per child tax credit from $600 to $1,000. Now, that is something that is very important to do and a very important part of this tax relief jobs bill that we just passed.

Mr. MARIO DIAZ-BALART of Florida. You also get taxed when you die. When you die you get taxed again on money you have already paid taxes on, by the way, to the government. So it is one tax after another tax after another tax. It seems some people are never satisfied. There is never enough that we can take away from the American people; and that has to stop, that attitude, that philosophy, that approach, that culture. We have to change the culture from a culture of just grabbing as much money as we can from the taxpayer and spending it whichever way we can, regardless of the waste, of the fraud and abuse, to a culture of responsibility, a culture of real responsibility.

Again, we misspend so much money. It is not only we misspend money but it is the bureaucracy we create that forces the American people to spend a ton of money. For example, the IRS, which by the way spent $8.9 billion administering the Tax Code.

Mr. KENNEDY of Minnesota. That is just the IRS, not all the expense that businesses have had and families have had in order to fill out some of the most complicated tax forms in the world.

Mr. MARIO DIAZ-BALART of Florida. The numbers are astounding. Americans, hardworking Americans spent $135 billion complying with the Tax Code. And yet the other side insists on raising taxes. And, again, let me bring up some facts because I want to make sure we bring up the facts. I have got three proposals that the other side had. I sit on the Committee on the Budget, and we discussed these at length in the Committee on the Budget. We also discussed them at length, some of them, on the floor. One of them, the CBC/Progressive Caucus tax substitute, that is the substitute to what we are doing which is a plan to incentivize the economy by allowing Americans to keep more of their money so they can spend it, invest it, creating more jobs. This plan raised taxes, increased taxes by $44 billion in 2004, by then $420 billion over 5 years and $875 billion over 10 years. And, by the way, it also cuts defense spending at the same time. So they raise taxes, but they cannot fund or did not want to fund defense; and we know how important that is.

This was, of course, the Blue Dog budget proposal that was discussed here on the floor. And I was here for that debate which basically has no support to increase, to get the economy going; but it balanced the budget by raising taxes.

What a concept. Think about it. The economy is not doing too well so you raise taxes to balance the budget. This proposal would have raised taxes by $124 billion in 2006 to 2011. These are their proposals. Here they are. And then, of course, you had another one which raised taxes by $128 billion over 10 years and had much more in government spending as well. Let us just spend more. Let us spend more money, send more money to the bureaucracy in D.C. But then they will say when we say, no, we have to look at fraud and cut fraud, abuse and misspending of money, they say, oh, but you are cutting essential services. We have heard about the cuts in, for example, Medicare. I have heard that on the floor of this House many, many times. We heard it tonight. We will probably hear it later on tonight and the day after and the day after.

□ 1915

In fact, when we look at the facts, what is in the bill, in Medicare, it is a 7.2 percent increase in Medicare. There is no cut. It is an increase. It is a rather substantial increase in Medicare.

Then Medicaid cuts, I have had people talk to me about Medicaid cuts. I have gotten e-mails, how come we are cutting Medicaid, we are so nasty and rude, how come we are cutting Medicaid. Let us look at those cuts of Medicaid in our budget. It is a 9 percent increase in Medicaid. There is not a cut there. It is a 9 percent increase. Washington is the only place in the world where a 9 percent increase is said to be a cut. Nine percent increase is a 9 percent increase. The facts are the facts. Here it is. Yet we have heard that before, I am sure, accused of cutting Medicaid.

Then, of course, we are cutting education. That is why we have to raise taxes, because we are cutting education. If we do not raise taxes, we

have to cut education. Oh, really? Except that it is a 6 percent increase in our budget in education spending, a 6 percent increase.

Oh, one that I have heard time and time again, and this one is annoying because of trying to use veterans, saying that we are cutting veterans, funding for veterans. That is just not true. It is a 10.7 percent increase for 2003. It is a 10.7 percent increase. That is not a cut.

They do not exist. It is not there. It is not true, but again, some will say, do not let the facts confuse the rhetoric. Do not let the facts confuse the issue.

The facts are that the plan that we passed, the plan that is very similar to the President's plan, provides for jobs, creates jobs, keeps more money, allows the American people to keep more of their money. It is not a gift from government. It allows the American people to keep more of their money, provides increases in spending for the essential services like Medicaid, Medicare, education, veterans services. It does so in a responsible fashion, and those are the facts.

Again, I assume, though, that my colleague would probably tell me that that is nothing new, right, saying that a 10.7 percent increase is a cut. That is something that I guess the other side is used to saying quite a bit.

Mr. KENNEDY of Minnesota. We hear it all the time, and the gentleman mentioned that the facts often get distorted, and they get distorted to try to say and try to convince us in all cases that we need to spend more on X, Y or Z, and we have the benefit of many of our constituents coming in and speaking with us, and if they represent a category of spending, it needs to go higher. If they represent a business, we need to do something for their business, I have to tell my colleague, to increase the activity in that business.

I have to tell my colleague, one of the strongest confirmations that I have for his earlier statements about the complexity of the Tax Code and the burden of that Tax Code upon our economy, on our families, is that the one group that sort of stands out from all the rest is when I speak with my fellow certified public accountants. A certified public accountant that helps in preparing those tax returns one might think would want the Tax Code to be more complex so they can have more business, but they are all to a person telling me, whether I am visiting them in their one- or two- or three-person firm in a small town in Minnesota or otherwise, they are saying we have got to reduce the complexity of this Tax Code.

This Tax Code reduces the trust that people have in their government. It takes away far too many of our resources to devote to something that does not do anything for our competitiveness as a country.

One of the areas that they often single out as being just really out of control is the alternative minimum tax, and the alternative minimum tax was put in many, many years ago with the intent of making sure that we all paid taxes, and was targeting those at the very top, but they never changed the dollar amount, and the years and the decades have passed, and now it is being not just a burden of an additional cost to people where it is being unfairly applied, but the complexity of it in having to pool so many moderate to middle-income to lower-middle-income families into it is astoundingly burdensome.

So I am also pleased that part of what we did in the relief that we passed last week was to increase the AMT exemption so that the other provisions were not causing more people to be dumped into this quagmire of a mess with AMT.

We do need to invest in our priorities, and we are in our budget, as the gentleman so eloquently pointed out, but we also need to reduce the burdensome elements of our taxes and our tax preparation and get a simplified form, which this AMT relief is moving us in that direction.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, I want to thank the gentleman, and I know that we do not have a lot of time left, and I would like to see if I could ask my colleague to give us a bit of an update, because one of the bills that I am really excited about is one that he has sponsored dealing with health care.

Health care is such a crucial issue, the cost of health care. The cost of health insurance is really getting to the point where it is unobtainable to many American families, and we cannot survive without health insurance. And we hear a lot of people cannot afford health insurance, and we have what I think is a model piece of legislation. And I know we do not have a lot of time, but if the gentleman could just briefly let us know about that bill that my colleague has been so generous to allow me to cosponsor and work with him. I think I would like to hear a little bit about that.

Mr. KENNEDY of Minnesota. Mr. Speaker, I am very pleased that my colleague has helped me cosponsor my fair care legislation to help with addressing the uninsured, and he is absolutely right. When we go out there and talk to small businesses and employees, the availability of insurance is critical.

What are we doing with insurance right now? We have a growing number of uninsured that are being provided for through the emergency rooms of our hospital, the most expensive way we can treat them. Federal law requires that emergency rooms need to treat everybody, including the uninsured. Where does that cost come from? That cost comes to us from higher Federal, State and local subsidies, but also higher insurance premiums, which drive up the uninsured pool even further, and we get in a vicious cycle.

I am pleased the gentleman has been so supportive of our fair care bill that gives the uninsured the same tax benefits that we that are employed have. When one is employed, they get help from their employer. That help that they give for their health insurance does not come to them as taxable income. They are getting a tax benefit.

My bill would, which my colleague has nicely helped cosponsor, gives $1,000 per child tax credit per person, $500 per dependent, up to $3,000 per family, and this is the way where we can help that uninsured in a way that will give them more choices and really benefit us all through lower insurance premiums and more accessibility. But we have done so much more for helping with that vital thing that is constraining jobs.

The medical malpractice reform that we both supported and passed earlier this year in the House will take away those excessive settlements that have been driving medical professionals out of the business and again driving up the costs of health care. We have many other provisions to help, but this prescription drug bill that, as the gentleman mentioned earlier, we passed in this body twice would take away an expense that has just been so burdensome in a way that is affordable to us, and we can do it in our budget, and it keeps seniors from having to spend their lifetime savings for life-saving prescriptions. But that is, again, another way that we can help keep the costs of insurance from being driven up.

The energy bill we passed earlier and, as my colleague knows, I have spoken on earlier is so critical to this economy because nothing hurts or helps the economy more than the cost of energy and making sure that we have affordable energy, that we are not dependent on foreign sources, that we can grow more alternative sources here as well as encouraging efficiency and conservation are provided there. That is a critical bill, and I know I am working very hard as we are on the roads in the transportations bills.

We met earlier today on an airport improvement plan and making sure we are investing in that infrastructure that is so very critical to our economy. And I am also pushing another proposal on fast lanes to free up the ability of local and State governments and maybe private enterprises to move forward and help put extra lanes in our interstates that without we are congesting traffic and closing down our economy.

There is so much that we are doing, and we do have a razor-sharp focus on jobs. What do we need to do to create jobs? That is our focus. It is not to complain. It is not to talk about the problems in America. It is to say America has always risen above those problems, and we have risen above those problems and succeeded and gotten to a point of leadership in the world not because we have taxed more and brought more dollars to the Federal Government, but because we have relied upon and trusted and given more

freedoms to hard-working entrepreneurs that are taking risks, that are creating jobs, and letting families keep more of their hard-earned money because they know best how to take care of themselves.

I appreciate the gentleman bringing these very important issues before the Chamber and our fellow colleagues and look forward to working with him to continue the type of policies that we have already been able to successfully achieve so far in this Congress and hopefully will have more to come.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, I want to thank the gentleman from Minnesota for coming here today and shedding some light on the facts; not showering with us rhetoric, but getting to the facts, speaking about the facts. He is absolutely right. We did pass legislation to create jobs, and so we are not complaining. We are not just spewing rhetoric. We have results here, and that is a huge difference between, I think, the two sides.

And I again thank the gentleman for his work on health care. I thank him for his work on the budget and transportation. And yes, I think we have to be very proud that we are not going to sit back and just let things happen. We are going to do everything in our power to incentivize this economy so more Americans can have more high-paying jobs, because that is what really it is all about.

TEXAS REDISTRICTING

The SPEAKER pro tempore (Mr. CHOCOLA). Under the Speaker's announced policy of January 7, 2003, the gentleman from Texas (Mr. SANDLIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. SANDLIN. Mr. Speaker, President Carter once said that we must adjust to changing times, but maintain unchanging principles. Today, in Texas, we have 53 brave and principled men and women, Texas legislators, all who are doing exactly that. They are adjusting to changing times. They are maintaining unchanging principles.

The issue of Texas redistricting has certainly gotten much media attention in the last couple of days due to the principled and brave actions of 53 Texas patriots. I particularly want to thank east Texas Representatives Barry Telford, Mark Homer, Chuck Hopson, Jim McReynolds and Dan Ellis for their leadership; also Representatives Dunnam, Deshotel and others who have been at the forefront of this battle along with many other members of the Texas House.

The issue of Texas redistricting has been a long road for us, and each step of the way paved by the gentleman from Texas (Mr. DELAY) has been difficult and detrimental to rural Texans and particularly to my constituents in east Texas. Right out of the starting block, TOM DELAY's race to redistrict has been an absolute sham. We know it, the Republicans know it, TOM DELAY knows it. The media in Texas knows it. Everybody in this House knows it. It is nothing but a sham.

From the get-go, the Texas House Republicans refused to unveil a real map to the public, refused to have open field hearings, refused to have notices in the Spanish language, refused to discuss the issue in the light of day, refused to give our voters a choice, and refused to consider doing anything other than what TOM DELAY just told them to do.

Mr. Speaker, I am sure my colleagues have seen the bobblehead dolls whose heads bounce in agreement to their owner's demands. The leadership of the Texas House comes to mind.

Let me point out that there is no need to redistrict. Two years ago the State legislature could not come to an agreement on a redistricting plan, so the courts approved a fair and constitutional congressional map for Texas after a full and complete hearing with evidence presented by both Democrats and Republicans, with experts, with people from communities, with maps, a complete trial before a three-judge panel. The plan was agreed upon and voters elected who they felt would best represent them in the United States Congress, either Republicans or Democrats. It was their choice.

TOM DELAY's plan seeks to change all that. He wants to choose our congressional Representatives for us rather than the voters choosing their own Representatives. That is not how we operate in Texas. That is not how we operate in this country, and the leader should be ashamed of himself.

On May 7, 2003, the Associated Press attributed the following quote to Mr. DELAY: ''I am the majority leader, and we want more seats.''

□ 1930

That single statement, in all of its arrogance, pretty well sums up the consideration, the thought that has gone into the Texas redistricting process. We want more seats, and traditions, communities of interest, minorities, constituencies be damned. We want more seats, and we do not care who you are or who you represent. We want more seats, and you cannot do anything about it.

Well, apparently, they can, and they have. When Barry Telford, Mark Homer, Chuck Hobson, and some 50 other Democrats broke the House quorum, they used the only option available to halt DELAY's partisan assault on Texas. And this option is completely within the rules. It is anticipated by the rules of the House. It is a tool available.

Let us see what some Republicans said, not TOM DELAY's lackeys in Washington; but let us see what Republicans in the House in Texas have said about this. Representative Charlie Geren, Fort Worth, Republican, said, ''The Democrats were doing what they believed they needed to do in order to represent their constituents. I understand what they are doing. It's just really the only tool in their toolbox,'' Geren said. ''They are passionate about the map that is in front of us not being good for their constituents.'' Representative Pat Haggerty, a Republican from El Paso, ''It's the smartest move they could have made,'' Haggerty said. ''Under the circumstances, it was the only alternative they had. It has been done before. It's in the rules, and they are playing by the rules.''

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

Mr. SANDLIN. I yield to my friend and colleague from Austin.

Mr. DOGGETT. In addition to those very persuasive statements from Republican leaders in Texas, is the gentleman aware of where President Bush, after he had been declared the President-elect by the Supreme Court, where he had his initial speech to introduce himself to the Nation as our President-elect?

Mr. SANDLIN. Well, Mr. Speaker, reclaiming my time, I believe I am. And as the gentleman well knows, the President had his speech on the floor of the House.

Mr. DOGGETT. In other words, the very same room, the very chamber of the Texas capital that is under lockdown tonight is where President Bush chose, on his own, to go and introduce himself to the Nation.

Is the gentleman aware of the individual that he asked to introduce himself to the American people as our President-elect?

Mr. SANDLIN. Reclaiming my time once again, as the gentleman knows, Speaker of the House, Democrat Pete Laney, was chosen to introduce the new Republican President from Texas.

Mr. DOGGETT. And I believe the President was complimentary of Mr. Laney and of the Texas House of Representatives and its members. And where is Mr. Laney tonight?

Mr. SANDLIN. Apparently, Mr. Laney is along with the other Texas heroes. He is in Oklahoma, standing up for Texas voters, standing up for the people of Texas and our Constitution after having been trailed there by Federal investigators and Federal people that tracked him down using Federal funds, for political purposes, to make sure they knew where he went.

Mr. DOGGETT. Well, if the gentleman would yield to me for just a couple of minutes on both those points.

Mr. SANDLIN. Surely.

Mr. DOGGETT. First, I would say that it is really important to the future of our democracy that we permit diverse points of view to be heard. I believe that our country is stronger when we respect and show tolerance for opposing points of view. And the idea that everyone in Washington and in Austin has to follow lockstep behind TOM DELAY and his extreme point of view, and I believe his point of view needs to be represented here, but I do not think all the rest of us have to agree to it. And that is really what this is about.