

of the fire that was sending embers more than 2 miles ahead of the flames and headed right for Highway 60 and the town of Show Low. Rick directed and participated in implementing burnouts, dozier lines, back burns, and other efforts to create a line of defense protecting the towns from what seemed to be the inevitable. He continued these activities even after his first attempt was blown over by the flames. Fortunately for the towns of Show Low, Pinetop, Lakeside, Honda and Whiteriver, this line of defense did in fact stifle and prevent the fire's run through these towns.

"He's not one of those guys who sits on the ridge with binoculars telling you what to do," said Jim Paxon, a Forest Service spokesman during the Rodeo-Chedeski Fire. I personally was in Show Low during Rick's heroic action and he was credited by all present with stopping the fire's progress toward Show Low.

It was his hands-on management approach that nearly took Rick's life last Wednesday. Rick and several others were working on a controlled fire. As Rick walked into a canyon to check the edge of the fire line, a storm front caused the wind to blow up and the fire surrounded Rick, leaving him to face the fire. The winds were so strong that it blew away his emergency shelter.

Without shelter, Rick lay down among the flames waiting for the fire to burn over him, and then walked a half mile out to find help. According to Dr. Daniel Caruso, Rick was burned over 40 percent of his body and is currently in critical condition, being treated for severe burns and damage to his lungs.

A family man, Rick is married to his wife, Evelyn, and is father to three sons, Sean, Daniel and Brent, each of whom plans to become a firefighter.

Mr. Speaker, I commend the courage of this man and his success in saving so many from the destruction of fire.

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

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

POSSIBLE MISUSE OF OFFICE OF HOMELAND SECURITY RESOURCES

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

Mr. EDWARDS. Mr. Speaker, most Americans have never visited the little west Texas community town of Hale Center. It is a good community, a little under 3,000 people, the heart of the west Texas Bible Belt. Having not been there recently, I imagine they probably have a local pharmacy and a great little public school. But according to the U.S. Department of Homeland Security,

Hale Center, Texas, a town of under 3,000 people, must be a terrorist threat to the United States.

Why do I say that? Well, it is the only legitimate reason I can think of as to why last week, while al Qaeda was apparently planning and carrying out murders of citizens in Saudi Arabia, including Americans, and a terrorist attack in Morocco, our U.S. Homeland Security Agency, with the responsibility to protect American citizens from terrorism, was doing what? They were checking a private airplane flight leaving from Hale Center, Texas, that fine little Bible Belt community, a plane that was going to that other, I guess, center of Islamic radical terrorism, Ardmore, Oklahoma.

Now, the truth was that on that airplane was former Speaker and now legislator of the Texas House, Pete Laney, a fine American. Even his worst political enemies would never suggest he is a terrorist. Yet our U.S. Homeland Security Agency, working through the forces and offices in California, spent our tax dollars tracking down Mr. Laney as he flew in his own plane from Hale Center, Texas, to Ardmore.

Now, I will say, they do have on the 4th of July every year in Hale Center, Texas, a county fiddlers' contest. Perhaps Mr. Ridge and our Homeland Security Agency should go visit Hale Center and see if maybe that fiddlers' contest is a front for al Qaeda. Certainly if there is an al Qaeda cell headquartered in Hale City, Texas, Americans ought to know about it.

There is something else Americans have a right to know about. They have a right to know what is on the tape between the Texas Department of Public Safety last week and their phone conversation with the U.S. Homeland Security Agency that led to our using and abusing Federal tax dollars to track down Mr. Laney and his air flight from Hale Center, Texas. There is no justification for that kind of abuse of resources of an agency that ought to be focusing its attention on how to stop terrorism here in the United States.

This issue of the Texas legislators going to Ardmore is no longer just a Texas issue. It is the fundamental question of whether American taxpayers can have faith that our U.S. Homeland Security Agency is going to track down terrorists, rather than track down law-abiding American citizens.

I voted to create that agency. I voted to fund that agency. But if this agency is going to abuse tax dollars and undermine our ability to fight terrorists by tracking down in frivolous efforts a State legislator who is a great, respected law-abiding citizen of Texas, then something is wrong, something is amiss; and we need to make some changes at the Department of Homeland Security.

Now, the question I think American citizens, Mr. Speaker, have a right to ask Mr. Ridge and the Homeland Security Agency is, what are you afraid of?

Why are you unwilling to let the American people hear what is on that telephone conversation? In fact, that tape was made with U.S. public tax dollars. Why not let the public, the citizens who paid for that tape, listen to what is on it? Are they afraid it might implicate our Federal agencies and leaders who made the decision to abuse Federal tax resources to track down a law-abiding citizen involved in a Texas political dispute? Are they afraid that perhaps maybe the Speaker of the Texas House, Mr. Craddick, or even the House Majority Leader, the gentleman from Texas (Mr. DELAY), were involved in asking the Federal agency to get involved in this inappropriate way?

Frankly, no one will know the answer to those questions until the Department of Homeland Security lets the public fulfill its right to listen to what is on that tape. If it exonerates these State and Federal officials, why has Mr. Ridge not already divulged the tape to the public? If it implicates Federal officials and State officials, perhaps that is the explanation as to why they have denied us the right to listen to that tape.

Mr. Speaker, this is a serious issue. The Texas legislators are back at work in Austin. But this issue will not go away, for one simple reason: the American public and American taxpayers have a right to know whether their tax dollars have been used unethically and perhaps illegally. They have a right to know whether Texas State public officials were involved in asking the Federal agency to put aside its efforts for a moment in their fight against terrorists who might attack our homeland and focus on an internal Texas political dispute where no State or Federal law was broken.

When will we know what is on that tape, who is implicated in that tape? We have a right to know the answer to those questions, and the public and press will not stop until our U.S. Homeland Security Agency provides those answers.

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

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

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

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

TEXAS AND TAXES

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

Mr. SHERMAN. Mr. Speaker, I came down here to talk about taxes, but first

let me talk about Texas. All Americans must unite against terrorism, and we did that. We passed the PATRIOT Act. We provided resources for the Department of Homeland Security. But now we discover the war on terrorism is a war on Democrats. This will divide America, and that is good for the terrorists.

How many Americans will lose their lives because we in this House cannot empower the Department of Homeland Security because that Department now seems bent on a coverup of its use of its great powers to pervert American democracy? Only a release of the tapes can reunite America behind the Department of Homeland Security. A failure to release those tapes breaks up American unity, impairs our security, and raises questions about what is there to cover up, questions like what did they know and when did they know it?

Let us unite America behind the war against terrorism. Let us release the tapes.

Now let us talk about taxes. The Bush recession continues. Republicans continue to use their political power to adopt job-killer policies, which means the Bush recession will continue to continue. The most obvious job-killer policy is the dividend exclusion provision included in the bill passed by the Senate.

Now, every major tax provision has both positive and negative effects on our economy, and Republican after Republican has come down to this floor to talk about the rather modest economic benefits of excluding dividends from taxation.

We Democrats have been distracted. We have been so incensed that this dividend exclusion provision gives almost all its benefits to the wealthiest that we forgot to point out it is also a job killer.

Yes, this is a provision that provides 50 percent of its benefits to the richest 1 percent of Americans and provides 1 percent of its benefits to the 50 percent of Americans at the bottom and in the middle. It represents class warfare against working families. It seems to be inspired to allow the wealthiest in our country to buy this new automobile from Mercedes Benz, the Maybach. It is only \$350,000, or roughly the benefit to those with an income of \$1 million over a 3½-year period from this provision.

So we got so distracted by how incensed we were that we forgot to mention it is a job-killer provision.

Let me illustrate that. Let us say there was a proposal to drop \$25 billion from helicopters. There would be a positive effect. Those who supported the programs from the other side of the aisle could come down here and say, hey, it is going to stimulate the economy, putting money in the hands of somebody. But it would be obvious that

25 or \$50 billion dropped from helicopters would also hurt our economy, because it would drive up interest rates, drive up the deficit and deprive this House of the opportunity to help our States keep teachers and law enforcement officers employed. They are being laid off in so many States.

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So dropping money from a helicopter is ultimately a job-killer proposal.

The dividend exclusion has a smaller positive economic benefit and a larger economic harm than dropping money from helicopters, because at least the people who would catch money from helicopters would spend the money in America on the necessities of life, whereas the dividend exclusion tends to go to those who would spend money chiefly on luxury imports like the Maybach from Mercedes Benz, only \$350,000.

The dividend exclusion was justified under the idea that we are going to put money in corporate treasuries because people were going to buy stock, so the first effect of this dividend exclusion is that more dividends are paid. That takes money out of treasuries and deprives corporations of the opportunity to buy plants and equipment. But at least it provided some reason, perhaps, for people to buy stock, to put money into corporate treasuries and they go out and buy plants and equipment.

But now the Senate has changed it. Now the new provision provides a half exclusion for dividends paid in 2003, a full exclusion for dividends paid in 2004, 2005, and 2006, and back to full taxation in 2007.

What does that mean? First, it means 8 months of an economic freeze. For 8 months, the corporations will not pay any dividends, they are going to be half taxable, when they can wait until January of next year. They cannot invest this cash because they are going to need it to pay the big dividend in January. They cannot distribute it because it is subject to half taxation. It is locked up, hurting our economy tremendously by freezing the very cash that we need to put into the economy.

Then what happens after that? In 2004, 2005, 2006, huge dividends and no investment in the economy. But why would anybody buy stock because of a provision that is going to exempt dividends for a few years? Would Members buy a municipal bond that was tax-free for a few years and then was going to be subject to full tax?

This means no new investment except in Germany, where they will need a new line to build more copies of the Maybach. That will be the only investment caused by this provision. The Bush recession continues, and job-killer policies like the dividend provision in the Senate bill ensure that the Bush recession will continue to continue.

STATUS REPORT ON CURRENT SPENDING LEVELS OF ON-BUDGET SPENDING AND REVENUES FOR FY 2004 AND THE 5-YEAR PERIOD FY 2004 THROUGH FY 2008

Mr. NUSSLE. Mr. Speaker, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 2004 and for the five-year period of fiscal years 2004 through 2008. This report is necessary to facilitate the application of sections 302 and 311 of the Congressional Budget Act and section 501 of the conference report on the concurrent resolution on the budget fiscal year 2004 (H. Con. Res. 95). This status report is current through May 19, 2003.

The term "current level" refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature.

The first table compares the current levels of total budget authority, outlays, and revenues with the aggregate levels set forth by H. Con. Res. 95. This comparison is needed to enforce section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for fiscal years 2004 through 2008, because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority and outlays for discretionary action by each authorizing committee with the "section 302(a)" allocations made under H. Con. Res. 95 for fiscal year 2004 and fiscal years 2004 through 2008. "Discretionary action" refers to legislation enacted after the adoption of the budget resolution. A separate allocation for the Medicare program, as established under section 401(a)(3) of the budget resolution, is shown for fiscal year 2004 and fiscal years 2004 through 2013. This comparison is needed to enforce section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 302(a) discretionary action allocation of new budget authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 2004 with the "section" 302(b)" suballocations of discretionary budget authority and outlays among Appropriations subcommittees. The comparison is needed to enforce section 302(f) of the Budget Act because the point of order under that section equally applies to measures that would breach the applicable section 302(b) suballocation.

The last table gives the current level for 2005 of accounts identified for advance appropriations under section 501 of H. Con. Res. 95. This list is needed to enforce section 501 of the budget resolution, which creates a point of order against appropriation bills that contain advance appropriations that are: (i) not identified in the statement of managers or (ii) would cause the aggregate amount of such appropriations to exceed the level specified in the resolution.