

Republicans refuse to listen.

So if America wants a real economic recovery with real job and wage growth, then we must add President Bush and the Republican Congress to the growing list of the 2.7 million people who have lost their jobs because of the misguided policies of the Republican party.

Fairness is not stealing from poor children.

Fairness is not overtaxing the middle and working classes.

Fairness is not encouraging millionaires to pay no taxes while we lose 563 American jobs an hour.

Fairness is not what the Republican economic package is about.

It is a shame and Congress, if it had any honor, would work to resolve the stolen benefits of those 8 million children as well as create jobs for those 2.7 million American unemployed adults.

MILLIONAIRE TAX BREAK LEAVES CHILDREN BEHIND

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

Mr. MCDERMOTT. Mr. Speaker, in this business you can tend to talk in big numbers, and you can talk about big issues and a lot of other things; but very often some of the most poignant and powerful things come to you in the mail or in e-mail.

All the Members of the House walk around with these Blackberrys on their waist, and I got an e-mail today from a woman in my district. I really do not know how she got my e-mail. I am sort of surprised by that, but she is pretty creative. But she says: "Our government should stand for basic fairness and justice. That is why I do not understand why families earning between \$10,000 and \$26,000 per year would be excluded from receiving the \$400 per child tax refund that the wealthier families will receive this summer just so millionaires can have bigger tax cuts."

She gets it. She understands that we have taken money away from the people at the bottom and said we are going to give it to the people at the top. The American people understand.

She went on to say: "As a constituent I ask you to please amend President Bush's unfair tax cut plan to include these poor families and their 12 million kids."

She even has the numbers right.

To leave the tax cut as it is brings too much shame upon this great Nation. Then she adds: "I know this firsthand. I have a son trying to support a wife and two children on \$11 an hour."

I sat down and figured out what that amounts to. That is \$22,000 a year in Seattle, which is a very high-cost area to live in, and they are trying to live on less than \$2,000 a month. They pay taxes. They pay the FICA taxes. They pay for their Social Security, and they pay for their Medicare. They pay 7 percent of that \$22,000. So that means every year they pay \$1,400 in taxes. I do not know how much they pay because I

could not get to them. I called them. I could not find out if they paid any income tax or not, but they are paying taxes.

And the President and the group who put this bill together, I cannot understand how you could look at somebody in the eye who is working full time, has a wife and two children, the wife is staying home taking care of the kids, how you could look at them and say, We are not going to give you one thin dime. I mean, that takes a real heart of steel or rock. But we are going to give you who have a million dollars, we are going to give you \$93,000.

Now, think about the unfairness of that. People want to talk that this is class warfare; that that is warfare on working people who are trying hard to get there. Now, the President says we are not going to leave any child behind. He stood right in here and I was moved by that. I thought, as a child psychiatrist, I thought how wonderful to have a President who is not going to leave any child behind. And then I saw his budget. He puts the bill out here, and he told us how much it was going to cost to do this education program, Leave No Child Behind; but they gave \$9 billion less than was necessary.

Now, I do not know how he figures that we could have a program where we are not going to leave anybody behind, but we do not put out the money that we say we need.

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That is this family, this family. These kids need an education.

Tell me, how are their parents going to put any money aside so that they can go to college? They are making \$22,800. What is the likelihood that they are putting money away for those kids to go to college? One does not have to be a rocket scientist to know that they are spending every dime on rent and food, or maybe they are buying their house.

I hope they have got a house, although it is pretty hard to get a loan when a person only has that kind of income. But let us hope they are buying their house and they have got food for their kids and clothes and some gasoline for the automobile, maybe the car payment, and what is left after a person has \$22,800?

People came in here and rammed this bill through. It did not have a hearing in the Committee on Ways and Means. They were not going to let us do that. We had 2 hours of debate and out she goes, and then they send us home and the President signs it and hopes nobody figures out what is in the bill.

This lady figured it out. She is not stupid. Her kids are not stupid, but the Republicans think they are, and they are not going to get away with that. The American people are not going to stand up for this.

TAX CUT WILL NOT BOOST ECONOMY

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART). Under a previous

order of the House, the gentlewoman from Ohio (Mrs. JONES) is recognized for 5 minutes.

Mrs. JONES of Ohio. Mr. Speaker, today we stood here and we debated the amendment that would outlaw burning the flag and everybody stood on the floor or everybody, those on the Republican side of the aisle, stood on the floor and talked about liberty and justice for all as we pledged allegiance to the flag. Clearly, that liberty and justice for all applies sometimes and not at tax time.

I have been fortunate to serve as a new member of the Committee on Ways and Means, and I sat through hearing after hearing after hearing about the tax cut; and in the hearings it was said that the tax cut would boost the economy. Several times we reminded the speakers that were speaking that the 2001 tax cut did not boost the economy, so what makes them think that another tax cut, again in 2003, will boost the economy?

The real unfairness of the situation in some of those debates was the issue about dividend tax cuts as it impacted low-income housing tax credits, and we pushed them on this and we pushed them on this. Oh, I am not sure it is going to have an impact, but all of us understand that right now people are investing in urban communities because of the tax credit they will get, not because that they are such dogooders.

That brings us home to where we are right now, where we have families who make between \$10,500 and \$26,625, and they will not benefit from this tax cut. It is a shame. It is not justice for all, and we need to bring them out. We need to pull the sheet off this mess that we have here. We need to open the doors to daylight. We need to let the American people understand that the working folk that make between \$10,500 and \$26,000, that pay the same \$2 for gasoline, that pay the same \$2 for a loaf of bread, that pay the same \$7 for a pound of meat, that pay all the same things that the millionaires pay, well, maybe the millionaires pay more because they can afford to get more exclusive-type things, but those people are not going to benefit from this tax cut. They are not going to be able to get that \$400 and run out the door and buy their kids some new shoes or clothes, or buy more stuff or put some more food on the table.

This tax cut, as it is presented, will not boost the economy, and surely it is not going to boost the lives of low-income American families, and they will pay.

REALITIES OF THE TAX CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is interesting, as I follow

my colleague, I believe that the comments made by so many are so accurate on the question of what we are doing in this House and the importance of taking care of the people that we have come to be responsible for.

It is really a question of what are the challenges of this body and who do we owe our allegiances and responsibilities to in terms of the American people. Frankly, I believe that all of the American people look to this body to be fair and equitable, and it is interesting that we take the time to allegedly address concerns that we believe that they are interested in, but leave a lot on the table while much goes long-ing for our attention.

I would ask this body to look at the conditions that we are in in 2003 and compare them to conditions over the last almost 15 years or so, from 1989 to 2002. Under President Bush, Sr., we see unemployment skyrocketing above 8 percent. Under President William Jefferson Clinton, in an 8-year term, we can see that the unemployment of this Nation, impacting everyone, went down to a bare minimum of under 4 percent. It means that the economic policies that were generated the last 8 years created jobs.

I am reminded of a very strategic vote in 1993 when we were peaking in unemployment, and lo and behold, there was a very vital, strategic decision by the Democratic Caucus and President Clinton to make a decided vote on behalf of the American people, a budget vote that saw the economy skyrocket to success and unemployment go down. Now we find ourselves in a predicament, skyrocketing deficit, a budget that does not seem to be able to be complied with and unemployment shooting through the roof.

With that backdrop, Mr. Speaker, what did we do before the Memorial Day holiday? No, we did not invest in human resources, hospitals and clinics, health insurance for all Americans. We did not invest in infrastructure, building highways, freeways, roads, enabling our railroads, enabling our various modes of transportation, providing greater access for the working community of America. We did not create jobs by investing in homeland security, even in the backdrop of a Red Alert.

What we did was compress a \$550 billion tax cut, which by the way, Mr. Speaker, I believe will ultimately result in a \$1.6 trillion tax cut which makes the deficit soar deeper and deeper downward. No. We decided to pass a \$350 billion tax cut. That was in name only because, as I said, I believe it is really \$550 billion and ultimately \$1.6 trillion, in light of skyrocketing unemployment.

We have argued, of course, that this will generate into some mode of opportunities for all Americans, but let me share with my colleagues the word of Warren Buffett on that tax cut, as he pointed out that the tax cut by the administration, the Bush administration, suggesting that it would create jobs,

remember I mentioned to my colleagues that we have got a skyrocketing unemployment rate, Mr. Buffett, who is the richest or second richest in the Nation, he says that the administration's tax plan was like a manager saying we are going to grow our earnings 20 percent a year. They do not have the faintest idea, in my view, of how many jobs this is going to create. How could they? Economics is not precise.

So when Democrats had a tax plan that directly invested in infrastructure, health care and homeland security, we knew what kind of jobs we would create. We have got a pie-in-the-sky plan. So what do we do, Mr. Speaker? We come together. Democrats stand on the floor of the House into the wee hours of the morning on Friday preceding the Memorial Day holiday, begging for reality, begging for sense to be made and saying that the least of those have been left out.

Of course, we were demagogued, castigated and suggested that this was not the time. Well, Mr. Speaker, let me tell my colleagues who we have left out, as I mention to my colleagues these numbers very quickly: 11.9 million children, 6.5 million working couples who qualify for the earned income tax and 8.1 million taxpayers.

Mr. Speaker, we should pass the Rangel-DeLauro-Davis bill that provides a minimal child tax credit for these left out souls, and we should take away this tax bill that does nothing for a great number of Americans who work every day for us.

INJUSTICES OF THE TAX BILL

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

Mr. ALLEN. Mr. Speaker, I rise today to speak again about the injustice of President Bush's latest tax cut bill. It is really amazing what he has done to families with children earning between \$10,000 and \$26,625. They are not treated like American families who earn larger sums than that.

I want to quote from the editorial today in the Bangor Daily News in my State of Maine. The editorial reads, "On the day President Bush signed his latest tax cut bill, astute observers noticed that the increase from \$600 to \$1,000 in the package's child tax credit would not apply to children of the working poor. Families with incomes under \$26,625 will remain at \$600. By leaving those children at the lower level, did the tax cut crafters really mean to imply they were worth only three-fifths of richer kids? Did someone have an awful sense of symbolism or are they trying to tell the public something?"

Three-fifths. If families earned between \$10,000 and \$26,600 a year, they get three-fifths of the tax cut, the child tax credit earned by people earning over \$26,000 a year.

Now, just coincidentally perhaps, that is the way slaves were counted in the Constitution. When the Constitution was written, slaves were to be counted as three-fifths of a person, and today, under the Bush tax cut, children and families earning between \$10,000 and \$26,000 a year count for three-fifths of what children and families earning over \$26,000 a year.

It is an embarrassment. It is shameful. It is yet one more example, if any were needed, that this administration is on a relentless quest to treat the very wealthy in this country differently, in fact, to transfer as much money as they can from middle-income America to the richest people in the country.

It would have been easy to correct this problem, very, very easy. Let me give my colleagues one example.

The cost of the deleted low-income child tax provision is \$3.5 billion. It is 1 percent of the official cost of \$350 billion for the final bill, and it could have been easily made up by reducing the top income rate by 0.1 percent for 3 years, because for each 0.1 percentage rate that the top rate is reduced, the cost is \$1.3 billion. That is all it would take, 0.1 percent less to the top rate. This is all it would have taken, and people with incomes over \$1 million a year on average would get, instead of a tax cut of \$93,500 a year, they would get an average tax cut of \$88,000.

In other words, for a reduction in their tax cut of \$5,500, we could have reached 12 million children. We could have reached all of those children in families between \$10,000 and \$26,000 and given them just the same tax cut that go to families earning more.

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It is unbelievable, it is appalling that once again the administration has taken this approach.

I would just say that it is obvious from this example and others that this is not a tax cut designed to increase economic growth. Its primary purpose, given the huge deficits, given the fact that every dollar of the tax cut is borrowed, borrowed from our children and grandchildren, it is obvious once again the whole motive here is to drain the Federal Government of revenues so that we will not have the funds to fund education the way we have in the past, so that we will cut veterans benefits, as reflected in the President's budget, and so there will not be sufficient funds to maintain Social Security and Medicare in the way in which they have been funded in the past.

This administration and the Republicans in Congress are engaged in a determined effort to reduce the size of the Federal Government at the same time that they are increasing the wealth of the wealthiest people in this country. It is embarrassing, it is shameful, it should stop.

TAX CUT

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida). Under