MOTION TO INSTRUCT CONFEREES ON H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT OF 2003

Mr. MICHAUD. Mr. Speaker, I offer a motion to instruct.

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

The Clerk read as follows:

Mr. MICHAUD moves that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides immediate payments to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.

4. To the maximum extent possible within the scope of conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the Columbia disaster.

5. The House conferees shall, as soon as practicable after the adoption of this motion, meet in open session with the Senate conferees and the House conferees shall file a conference report consistent with the preceding provisions of this instruction, not later than the second legislative day after adoption of this motion.

The SPEAKER pro tempore. Pursuant to clause 7(b) of rule XXII, the gentleman from Maine (Mr. MICHAUD) and a member of the opposing party each will control 30 minutes.

The Chair recognizes the gentleman from Maine (Mr. MICHAUD).

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

Mr. Speaker, today I am offering a motion to instruct conferees on the child tax credit. I want to thank my good friend, the gentlewoman from Connecticut (Ms. DELAURO), for her leadership in offering the first motion last night.

Mr. Speaker, the recent tax bill neglected 12 million children in America's low-income working families by cutting them out of the child tax credit plan. According to the House Committee on Government Reform and Oversight, in my home district in Maine 21,000 working families were cut out. There were 34,000 children in those families. These are families who work hard, pay taxes, play by the rules and who are still left out in the cold. This is just plain wrong.

It is wrong that the wealthier taxpayers will start getting their checks mailed to them next week, and these families will get nothing. I find it completely ironic that the Congress is going on vacation on the very day that 12 million children will be left behind on this child tax credit. Between the child tax credit and the Head Start bill that the House may consider in the coming weeks, the leadership of the House is delivering a one-two punch to these children and their families, and then they are turning around and skipping town. What a disgrace.

What does the congressional leadership have against working families? Why is it that 34,000 poor children in my district in Maine are not good enough for them? Their tax bill gives $90 billion of tax cuts exclusively to millionaires. It would cost a fraction of that to fix the problem and extend child tax credits, but they cannot seem to find a dime for the people who work and who are poor.

This motion to instruct does a simple few things. It tells the conferees to agree to the Senate language that provides for tax credit checks to be mailed immediately to low-income families. It provides that the tax credit be extended to personnel in combat zones in Iraq, Afghanistan and elsewhere. It provides assistance for the families of those who died in the Columbia shuttle disaster, and it ensures that this minimal cost is fully offset. The conferees could easily accomplish these changes and bring us a final bill within 2 days, which is what this motion calls for.

The right thing for Congress to do is to pass this motion to pass a child tax credit and to give working families the tax relief that they deserve.

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

Mr. BRADY of Texas. Mr. Speaker, I claim the time in opposition to the motion to instruct, and I yield myself such time as I may consume.

Mr. Speaker, Washington, as most Americans know, is simply not the real world. Here in Washington, budget increases are called cuts, $900 toilet seats are considered a bargain and, under this proposal, those who do not pay Federal income taxes will receive Federal income tax relief. That just does not make sense. The House this afternoon agreed, defeating this motion 220 to 206, yet we are back at this discussion again, unfortunately, for partisan political purposes.

Republicans in this House and across the country care very much about children. We care very much about families. But we think it is important to note that the Democrat motion to instruct, the one we are talking about tonight, would reduce the child tax credit for millions of children in America.

The Democrat motion to instruct allows the child credit to drop from $1,000 to $700 after the 2004 election. As a result, millions of low- and middle-income families will receive a smaller child tax credit right after the elections. Now, that sounds like Washington: Promise tax relief, then take it back after the election.

Well, not in this House. Because the Republican House-passed bill ensures the child tax credit remains at the $1,000 level throughout the decade, which is going to make it easier for families with children to make ends meet.

The Democrat motion to instruct does not eliminate the marriage penalty in the child credit until 2010, nearly 6 years from now, and even then it only goes so far to do it for 1 meager year. Under the Democrat motion, millions of children will be denied the child credit simply because their parents are married. Let me repeat that: Under the Democratic motion, millions of children will be denied the child credit simply because their parents are married. Well, the Republican House-passed bill benefits middle-income families by eliminating the child credit immediately.

The House-passed bill does not deny the child credit to military families. We will probably hear that tonight. Military families, including those who are deployed abroad, such as my brother Matt, Master Sergeant Matthew Brady, who serves in Iraq today in the 62nd Medical Brigade, they are already receiving a refundable child credit and will continue to receive a refundable child credit under the Republican House-passed bill.

The Democrat motion, on the other hand, would only increase the refundable child credit for some military families by allowing them to take into account tax-free income when they compute their refundable credit. Well, that is not good enough for our military.

Finally, the House-passed bill provides more tax relief to military families because it includes $806 million, $806 million, of military tax benefits. These provisions have passed this Republican House on numerous occasions and are awaiting action.

Mr. Speaker, because there are, I think, a number of Members who want to speak on the other side, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, Mr. Speaker, I yield 4 minutes to the good gentleman from Arkansas (Mr. BERRY) and would just comment that this is not politics. This is the exact same motion that that House passed on June 12.

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

Mr. BERRY. Mr. Speaker, when the economy is falling on its face, unemployment is rampant, and chaos worldwide reigns, it is time for us to return to the bedrock that we built this Nation on, something that I love to read and I love to talk about, the greatest document ever written, with the exception of the holy Bible. It is the Declaration of Independence.

It says in the second paragraph, ''All men are created equal.''

It does not say rich people are better than poor people. It does not say that

Republicans are better than Democrats. It does not say that you are better if you do not have to sweat for a living. It does not say that if you do not have callouses on your hands you should not pay taxes, but, if you do, you should.

It says, ''All men are created equal and endowed by their Creator with certain unalienable rights, and among those are life, liberty and the pursuit of happiness.''

I think it is time that this Congress and this country remind themselves what built this great Nation. It was the blood, sweat and tears from working people, the kind of people we are talking about helping with this bill.

Now, I do not hardly ever vote for a tax cut. I do not like to pay taxes any better than anybody else does, but we cannot afford it. We cut taxes and increased spending five times in this administration in 2 years, more than the Clinton administration did in 8 years, and built up a debt. My grandchildren are sitting right there, and we are dumping debt on them at a rate that they are not going to be able to carry. That is the reason I do not vote for tax cuts.

But, Mr. Speaker, this tax cut is meager; and it is paid for. To deny the working people of this country the ability to have a piddling $3.5 billion tax cut when we have passed trillions of dollars in tax cuts for the richest people in this country is patently ridiculous.

Now, I know my colleague on the other side of the aisle means well and has got a good heart and thinks he is doing the right thing. But this is not about partisan politics. It is about America. It is about giving working people an even break. We are talking about benefiting 12 million of the poorest children in this country.

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How in this wild world can we possibly deny that small benefit to working people? Throughout American history, the greatest industrialists, the richest people in this Nation recognized that working people have to be successful. We cannot all sit back and draw dividends off our stocks. Somebody has to work. That is what has made this country so powerful. Working people were allowed to be successful.

But in the last 2 years, we have seen an assault on working families in this country that is unprecedented, that continues day after day after day on the floor of this House, and it is time to bring it to an end. It is time to be fair. It is time to be honest. It is time to admit to the American people this just simply will not work. Give working people a chance. I urge my colleagues to vote for the child tax credit and do the right thing and stand up and be Americans.

Mr. MICHAUD. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Speaker, let me thank the gentleman from Maine (Mr. MICHAUD) and the gentleman from Arkansas (Mr. BERRY) for their eloquence and the insight they bring to so many Americans who are outside this Chamber tonight, and for being consistent and direct voices for so many people in this country who do not have a voice.

The gentleman from Maine (Mr. MICHAUD) pointed out that 1 week from now a large number of people in this country will receive the first installment on the child tax credit. They will go to their mailboxes as we prepare to go to recess; they will reach in and find a check that they can use in August. But in the Seventh Congressional District of Alabama, a significant number of people will reach into that mailbox and they will not find anything. 40,000 families in my district have heard something about a child tax credit. They do not necessarily know what we are debating about and who is supposed to get it, but they have heard something about a child tax credit. They are going to reach in their mailboxes next week and they will not see it. These 40,000 families in my district and their counterparts all around this country of ours will wonder just why it is that when we are cutting taxes in this country, when we are saying that it is imperative that we cut taxes in this country, they will not understand why they have been left out.

We stand here tonight on behalf of those 40,000 people who live in my district and their counterparts all around this country, and I think we should ask ourselves some very basic questions. When we lose touch with the people who do the work in this country, when we lose touch with the people who use their hands to earn a living, we have changed the kind of America that we are.

Whether Members fully understand it or not, and I think most do, this is a country that was built on the sweat and tears of people who do not have a lot of resources and who have needs. I will tell Members that so many economists agree that the recovery that we hope for, if it is to happen, will be built on the backs of the people who use their hands. They are the ones that we advocate for tonight.

A lot of people as they come home listen to these debates and listen to these arguments; and, frankly, they do not understand a lot of the technical terms that we use. They do not know what a motion to recommit is or what a suspension is, but they do understand what it means to be ignored. They understand what it means to be left out.

We believe on this side of the aisle, just as those Members on the other side of the aisle believe, in this democracy of ours; and we believe that this is a very special, God-blessed experiment that we have built in this country, but we will not be all that we can be when we leave out some of our people.

Sometimes back in my district I quote someone whose name is not very well-remembered now, an Italian poet called Dante, and he said something that I think speaks as well as anything I have ever heard as to what separates this side of the aisle from the other side: ''The Lord does not weigh the sins of the kind and the cruel-hearted on the same scale. I would rather have the occasional errors of a government acting in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference.''

It may very well be that this tax cut that we seek, if it is passed, will give somebody somewhere who does not deserve this credit some money. It may very well be. It may very well be that some person who is not a hard-working person will benefit from this credit; but I will tell Members that I, and so many other Americans, would rather do a little too much if we have to than be indifferent towards people who face a lot of indifference in their lives.

I know from the gentleman from Maine's background, as much as anyone in this Chamber, that he knows what it means to work for a living. I come from, as do you, the wrong side of the tracks. I was literally born next to the railroad tracks in Montgomery, Alabama. So many people who come from the neighborhoods that we lived in are the ones who would benefit from this credit. They are the ones who feel that we are turning a deaf ear to them when they see us sit here day after day dealing with this obscure issue and that obscure issue, but they cannot see us coming to grips with the real problems in their lives.

So as I prepare to close tonight, I hope that this whole Chamber will appreciate that when you leave out a significant chunk of the people in your country, when Members turn a deaf ear to them, we cannot expect them to fully believe in the American Dream. I am troubled when a significant number of people in this country are told that the American Dream is not there for them. We would do well to remember the impact of what we do. We would do well to recognize that when we leave people out, we tell them, in effect, that they do not matter; you tell them, in effect, that they do not have value. That is not the kind of democracy that we have built. It is not the kind of country that we have built, and we ought to rise up in a bipartisan way and pass this motion. We should do what the Senate has done, do what the President says we ought to do, and give relief to the families that need it.

Mr. BRADY of Texas. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, working families in America matter, so much so that this Congress has repeatedly not only provided tax relief to help them balance their budget and to help them make ends meet, to help them raise their children and plan for their retirement and help them take care of their elderly parents and grandparents. I think the best thing we can do for working

families is to make sure that they continue to work, and for those who have been laid off, to get them back into the type of job that they can raise a family on.

I think that is what is so important about President Bush and this recent tax relief; we are boosting this economy and putting more than a million Americans back to work within the next few years. We are encouraging our businesses to invest more right now to hire summer workers, to hire new people into their small businesses.

For me, I understand when you are not working, you are not paying Social Security, Federal income tax, or paying into Medicare. The best way we can balance the budget and start paying down our debt is to get this economy moving. That is what the President's tax relief and job bill is all about.

In Texas, for example, because of this tax relief for working families, we have the equivalent of new jobs that will be created, enough that we could build two new Pentagons each year in Texas and fill every office with a new Texas worker. That is real jobs for working families, and that is what tax relief is all about.

Members have heard tonight that the President's bill deprives millions of low-income families of a tax break for children. Nothing could be further from the truth. The only ways in which these families could be denied tax relief is if they had an income tax liability in the first place, and they do not. On the contrary, low-income families, those who are working hard not only do not have an income tax liability, but they receive generous checks from their neighbors through the government as a result of the refundable portion of the child credit and the earned income tax credit.

While most Americans think of a refund as getting money back because you overpaid your taxes, in this case refundability means you get a check back even though you did not pay taxes into the Federal Government. Here is an example. For a single mom with two children under the current child tax credit, this mom works, makes $25,000 a year, her tax liability before the credit is pretty small, $800. We provide today a child tax credit of almost $600. We send her a refundable earned income tax credit, a check from her neighbors, from their taxes, of almost $1,700. So we send her $2,282 not only to pay her part of the Federal Government, but to pay her part of payroll taxes as well, the ones that go to Social Security and Medicare, perhaps unemployment, all of which she and her family will use in her lifetime.

America cares about working families, so much so that we take from our own paychecks to help people who do not have enough to make ends meet. One thing we do not hear tonight is that the most recent tax relief increased the number of people who do not have to pay at all by almost 4 million people.

Since 2002, nearly 10 million tax filers have been taken off the tax rolls, working families who no longer have to pay any Federal income tax whatsoever, and now in America nearly 30 percent of all our taxpayers pay no Federal income taxes whatsoever. The remaining 70 percent pay their share for them and then their share of government. We care so much about working families who have high Federal income tax rates that we want to provide relief to shoulder that burden.

Mr. MICHAUD. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee (Mr. DAVIS).

Mr. DAVIS of Tennessee. Mr. Speaker, I rise in support of the motion for the child tax credit plan. I made a promise to the people when I was campaigning that I would be their voice in Washington and I would listen to them. I told them I would take my marching orders from them. I would be listening and I would be the voice for them here. Whether I am here in Washington or whether I am back in my district, people are telling me to address the child tax credit issue. They say, What is wrong with the folks in Washington? Why are they not addressing that issue? That is what we sent you there for.

Mr. Speaker, that is why I came here today, that is why I am speaking tonight. This House has passed tax cut after tax cut for the wealthiest people in America, but we simply refuse to look at the lowest-income individuals who live in our country. I will talk about some of those in a few minutes. I am here today to stand up for them, to talk for them.

Let me say, originally I voted for the tax credit that was passed. A few Democrats voted for it. I did for a reason. I represent a district that has 58 percent of the people living in households that earn less than $40,000 a year. I am in their homes many times because many of them are my neighbors in the small farming community of Pall Mall where I live. I see them and I talk to them. They do not understand why this Congress would be willing to give the tax cuts that we have given and ignore them.

Members say they really have not paid any tax. Yes, they do. We pay 15.3 percent. The employer pays half of that, the employee pays the other half. So a family earning $40,000 a year pays roughly $3,000 a year in withholding tax, in payroll tax. It is a retirement system, but we are borrowing from that; and when they get ready to retire, the money probably will not be there.

But in my State, it is a 9¾ percent sales tax. They spend every penny they earn buying groceries, clothing, and used tires, in many cases, for their automobiles.

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They certainly have a used automobile, not a new one, and it is certainly not a Mercedes or a Rolls Royce. It is probably a pickup truck where they can use it both to go to church on Sunday and to haul farm products from their farm.

So do not tell me that these folks are not paying taxes. Because the studies that we showed in Tennessee, the ones who earn less than $40,000 a year spend all of it virtually on taxable items, which means they are spending almost another $3,000 or better in sales tax. That is $6,000 of the $40,000 that they are paying before we take anything else out.

I do not like it being heard from this Chamber that these folks are paying no taxes, because they certainly are; and they are a major part, the backbone of our country. They are the ones that get minimum wage at their jobs that they are working at. They are the ones who get laid off first, who get an employment check with no insurance benefits. But we are not willing to give them an earned income tax credit.

Let me give Members an example of one, a family that I know. In my district, there are 109,000 people who meet the criteria of earning between $12,000 and $25,000 a year. Thirty-three thousand of those families, some 50,000 children, receive no tax credit at all. These folks own a home. They drive a used automobile. They buy clothing for their children. They go to church on Sunday. They go to work on Monday morning. In many cases an older child takes care of the child care in that family because we are stripping away in many cases the opportunity for them to have child care at home so we can give a tax break to the wealthiest.

A family I know, the father, the mother both have a college education. Both of them were teachers 8 years ago until their young son came along. They decided that the mother should stay home and raise a family as we all feel family values are extremely important. You can say we are God-fearing, flag-waving, freedom-loving Americans. This young family decided that the mother ought to stay home, and she did. They now have three children.

The father, to earn extra money, drives a school bus, earning a few thousand dollars. He takes extra time, an extra supplement because he coaches, which keeps him away from his family. Every time there is a bus trip, he volunteers to drive the bus for the extra $40 or $50 that he gets so he can again take care of his family.

They have an 8-year-old son, will be soon, 6-year-old daughter, will be soon, and soon a 2-year-old son. I know the family exceptionally well. This father works hard to be sure that those children have a home to live in, because he has a mortgage to pay, he has a car payment to pay, he has tires to put on that automobile, insurance to pay for the family and take care of their health care as well as taking care of their food that they may have.

So when we say that these folks, and I heard the other side stand up and say, it is nothing but welfare, it is a handout. I resent those statements being

made on this House floor. It is not a handout to the hard-working families who make the tough choices, who either the mother or the father one will stay home and raise and nurture that child in the values that they have been taught.

So when we say that we are handing welfare to the 58 percent of the people who live in my district by giving them a child tax credit because they are working and earning less than the wealthiest in this country and we are willing to give $88,000 per year for the people who earn a million dollars a year or more, we have a conscience problem. I would ask that our heart be our conscience and that it give wisdom to our head to where we will make the right decisions.

My hopes are that we will pass the child tax credit bill now so that families who need it most can get it. We need to stop the political games and help those hard-working families who deserve the tax credits we can give them, the families who live in my district and in your district. They deserve it.

Mr. MICHAUD. Mr. Speaker, I yield 6 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise this evening on behalf of 13,000 families that I represent in North Dakota representing 25,000 children in those families. It is my plea this evening that we would pass the motion to recommit, get the House in line with the Senate and put in place the necessary statutory changes we must make so that those households earning $10,000 to $26,000, the working poor of this country, the working modest-income families of this country, that they and their children will be able to receive the same kind of support for their children that we will be mailing to households in the $26,000 to $110,000 income ranges just in the weeks ahead.

It is important we pass this motion so that this might be done immediately. Otherwise, we will have made a terrible and embarrassing mistake.

This Congress will leave town in a little more than a week. The Members of this Chamber will scatter to their districts all across the country. Many will board airplanes for fancy congressional trips to the far reaches of the world.

We do not want to be taking this departure from our duties here in Washington without responding to the need of this group, again in my State 25,000 children that ought to be getting the same kind of support that families in the $26,000 to $110,000 income range will be getting.

To suggest, as has been suggested on the other side, that these families do not pay taxes is flat-out wrong. Every dollar of this modest-income group is subject to those payroll taxes. Every month when they look at that pay stub that does not cover what they hoped it was covering, they will see the painful withholding for the payroll tax. We can help them with a check amounting to $400 per child, just like those other families are going to be getting.

And you do not think that is meaningful to this group? This could make all the difference in the world. This could be food and shelter, maybe something a little more frivolous, maybe a new bicycle. Maybe some of these children would actually be able to get new school clothes for the coming school year.

So we do not want to be flying out of town across the country and across the world leaving these families without the opportunity to get this kind of help. We have to take this action.

The Senate in realizing or having exposed, one way or the other, that we passed this massive tax cut, massive tax cut, on top of an earlier massive tax cut amounting to nearly $2 trillion worth of tax cuts, they realized that it just was untenable to not take this $3.5 billion and add it for these working poor families. So with a vote that had but two dissenting votes on the floor of the Senate, they passed a measure to fix this problem.

The House needs to take the same action. The House passed a different version. We put some other stuff in that cost $80 billion. I believe that we needed to fast track and vote there for the Senate bill. The House did not do that. It went to conference committee.

What has happened in the weeks since? Nothing. Nothing has happened. And nothing will happen before we leave town. That is why we need to revisit this issue. We need to pass the version that aligns perfectly with what the Senate passed so we get this bill to the President where he has said he will sign it and get these working families the relief they need with this child tax credit.

There is one other group we desperately need to attend to, and I do not think any of us could look our constituents in the eye if we do not attend to this one. This is another aspect of the problem that I really want to talk about. It involves the combatants on our behalf in harm's way tonight in Iraq and other combat zones in the country.

Believe it or not, the way this works is that combat pay, pay in a combat zone, is not subject to tax. By virtue of that, all enlisted people in Iraq getting shot at this afternoon are not going to qualify because their incomes are going to fall in this $10,000 to $26,000 category. Can you imagine that?

I looked at this week's Newsweek, and right across the top of the story line on what is going on in Iraq is picture after picture of a beautiful young American person killed since peace was declared, since the war was successfully concluded in Iraq. This is a very dangerous place, and our people are serving in harm's way, thousands of miles from their families, on our behalf today.

Are we, as Members of Congress, comfortable in this air-conditioned Chamber, prepared to look them in the eye and say, you don't get the child tax credit because the House of Representatives was too balled up in partisan nonsense to pass what the Senate passed almost unanimously, fixing this problem so your children can qualify for the tax credit? This would be a disgrace on this Chamber and a shame on every Member in it if we do not respond to the families of the combatants on our behalf in Iraq today.

Let me just give you the particulars. An E–5 or E–6 sergeant, 6 years of service, two children, paid $29,000 a year. If he does not serve in combat, both of his children qualify for the credit, get the $1,000 credit. If he is in combat for 6 months, his credit would drop to $450, and the Senate bill helps these people.

This is a terrible problem. We have got to fix it. The Senate bill fixes it. The House bill does not. For these families I represent and for the families of our combatants, pass the motion to recommit, fix this problem, and go home with our heads up for the August recess, not our heads down in shame.

Mr. BRADY of Texas. Mr. Speaker, I yield myself 1 minute just to make the point that I think it is shameful to use our Armed Forces, our men and women over in Iraq today, which includes my little brother who is in harm's way each day. I think it is shameful to use them for petty partisan politics, especially when the House bill that passed provided $806 million of relief for our military that our colleagues across the aisle cheerfully voted against.

What bothers me is that this Republican House has worked so hard to increase the pay, the housing, the readiness of our military men and women, including my little brother, and as he told me the other day in an e-mail from Iraq, he and his colleagues find it very disturbing that they are used for these petty partisan politics when in fact we should be providing them the relief that we can.

I should point out as well that under this Democrat motion to instruct not only does this child tax credit end quickly but we dangle it in front of our military for 2 years and then yank it out right after the elections, which definitely qualifies for petty partisan politics at a time this country cannot afford.

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

Mr. BRADY of Texas. I yield to the gentleman from North Dakota.

Mr. POMBO. I thank the gentleman for yielding.

The simple fact of the matter is the military tax fairness bill is held at the desk. We are ready to vote on it. It is being held up. I do not know why.

Secondly, this bill, if we pass a motion to recommit, will get the families of these soldiers qualification for the child tax credit. Failure to take this action does not get them that relief.

Mr. BRADY of Texas. Reclaiming my time, I would make the point that not

only this afternoon did this House vote down this motion to instruct, but we had ample opportunity to pass tax breaks for our military. In fact, we as Republicans in the House did in the President's tax relief and our Democratic colleagues, and I know they have good hearts and the fact of the matter is they are patriotic, they care about our military, but they voted almost unanimously to deny this help for our military.

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

Mr. MICHAUD. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. PALLONE), who is a proven fighter for working families and has been a leader in the whole health care area as well.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Maine for those comments and also mention the fact that he is here this evening bringing this motion up, and I commend him for that. I know that the hour is getting late around here and a lot of us have left, but it is great that he is doing this.

I have to say, it just upsets me so much that we are once again this evening talking about the exclusion of these 12 million children from the child tax credit. The partisanship, and I know the gentleman from Texas talked about pettiness. I do not think it is petty.

I am a father of three. I have a daughter who is 9, a son who just turned 8, and another little daughter who is 5. Obviously, with our salary, there is no problem taking care of them. But I watch the people in my district, and there are many even in New Jersey which tends to be higher income, higher cost of living as well, there are many families that are impacted by this and that would benefit if you were willing to adopt this motion to instruct and go to conference and include this child tax credit for these 12 million children.

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And it really pains me because I know how difficult it is. Times are tough. A lot of people are unemployed. A lot of people are not making what they used to make. Talk about taxes, in my home State property taxes are so high. These people pay payroll tax. They pay high property tax. The suggestion that somehow they are not paying taxes is absurd. When the average person goes home at night, they do not worry about whether it is an income tax to the Federal Government or a tax to the State or property tax to local government. They are paying taxes, and they deserve a break, particularly in these tough economic times; and what I understand is that the conference has not even met. There was supposedly going to be a conference on this to try to include these 12 million kids, and the conference has not even met.

So what I am hearing from the other side of the aisle, from the Republicans, is they just do not care. They are not going to address this at all. I know that it may sound petty to some on the Republican side to hear us talk about this impacts the military, but the fact of the matter is that if I was in Iraq and I was worried about my kids back at home and how much they have and whether they are going to make ends meet, I would be looking for some break like this; and I would like to see those kids included and the parents of those kids who happen to be in combat in Iraq or in other places around the world as part of the active military. They should be included. I know the gentleman talked about this military tax fairness bill. My understanding is it is right here at the desk. You are in the majority. The Republicans are the leaders, in the majority around here. Take up the bill. Do not look at us to blame us about whether or not this bill has passed. You can take it up tonight or tomorrow at any time. But the bottom line is there is absolutely no justification, I have not heard a single justification for not including these kids and this child tax credit.

Think about the fact that the House and Senate Republicans who took less than a week to reconcile differences between two giant $500 billion tax bills that are now causing this huge deficit cannot seem to come to an agreement on a much smaller bill to expand the child tax credit to the children's parents earning between $10,000 and $26,000 a year. You were able to do it for the big tax bill, but the conference cannot meet on this much smaller bill. I do not know what the holdup is.

I think our colleagues are just content to leave Washington this week without correcting the situation. And I am particularly upset with President Bush who last month advised House Republicans to pass this child tax credit legislation and send it to him so he could sign it, big brouhaha, send it to me, I will sign it. Now he sits silently as the congressional Republicans do nothing. I think that silence is an indication of the President's true intentions. Otherwise, I do not know where he is. He disappeared. He does not seem to care about it anymore.

I do not hear anybody on the Republican side talking about this anymore. A couple of them were talking about it a few weeks ago, but now nobody talks about it.

How many times do we have to, as Democrats, come to the floor and point out the unfair treatment that these hard-working American families receive with the passage of the Republican tax bill and yet they do not want to do anything for them? This is simply a question of fairness. How can Republicans say it is fair to give a millionaire a tax break of more than $90,000 while giving nothing to millions of working families. We should not leave here today, this week, or certainly next week until this injustice is corrected. And I see that one of my colleagues is here.

Mr. BRADY of Texas. Mr. Speaker, I yield myself 15 seconds.

I make the point again this House has already provided record tax relief for our military families including those deployed abroad. There is not a need to pick up another tax relief bill for the military. We have done so, and our Democratic colleagues voted strongly against it.

Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE), a man who stands very strongly for working families and for tax relief.

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

I did not plan to come here and speak tonight on this subject. I wanted to speak a little later, but I could not let this pass. I want to commend the gentleman from Texas for standing up to this tonight.

To hear the rhetoric from the other side of the aisle, it is just surreal. We are talking here and I keep hearing tax credit. Tax credit, tax credit, tax credit. Tax credit to me, and I think to most Americans, implies some sort of tax liability. If an individual does not have that amount of tax liability, how could it be a tax credit? I understand we may want to have a debate around here about ways to aid families who are in need. If we are going to have that debate, let us have it on the right terms. Let us call it something different. Let us not call it a tax credit if there is no tax liability there. Let us call it whatever, something else. But let us take it for what it is. It is a redistribution of income from some people to other people. Let us not call it a tax credit.

And as for the claim that individuals do pay other taxes, property taxes, sales taxes, surely they do. Surely they do. But this is the Federal Government, and we are stewards of money that comes here to the Federal Government, and we should not try to distribute money based on what individuals pay in their home States. If we did that, then we would be in a world of hurt here. We are stewards of money that comes to the Federal Government, and we ought to give tax credit where it is due and where it is deserved, and that is for those who pay taxes. I think that is a principle that we should not violate. There are other programs, and we have talked about them and debated them; but let us have that debate on the right terms and call it something different than a tax credit.

And again I commend the gentleman from Texas for saying what he has said and for doing it so articulately.

Mr. MICHAUD. Mr. Speaker, parliamentary inquiry. Who gets to close?

The SPEAKER pro tempore (Mr. GINGREY). The gentleman from Maine (Mr. MICHAUD) has the right to close and has 1 minute remaining.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Let me close our portion of this. And I appreciate the gentleman from

Maine's direction on this issue. While we may disagree and the parties may disagree on the policy issues, let me tell the Members I think we both have a love for this country, both are trying to do the right thing. We may have different approaches to it, but I know he has a good heart; and I appreciate his service here in Congress.

Let me point out that we care very much about working families and their children, so much so that in the last few years we have taken nearly 4 million families on the lower-income level and completely absolved them from the Federal income taxes, just said they do not have to pay Federal income taxes at all; so much so that now almost 30 percent of Americans fall into that category, which is a record high for those who do not have and do not owe Federal income tax. And in the tax relief plan for families that do pay Federal income taxes, we gave them a credit, helped them pay for raising children because things are so expensive. We reduced the marriage penalty because it simply was wrong to tax people more simply because they were married. This has been a great help for working families with children.

For those who pay income taxes, we said we want less of them to pay these taxes. So we expanded the 10 percent, the very lowest tax rate so more and more people would pay less of their Federal income taxes. And then for all the other working families, we said, look, Washington takes too much their money to pay for those $900 toilet seats and those $300 hammers and for those hundreds of programs that duplicate each other. We think the best way to get this economy going is to leave the money in their pockets, the best way to help small business hire new workers and keep them on is to put more money back into those small businesses. We knew that the best way to pay off this debt and get this budget balanced again is to get people back to work again by giving them the power of their own paycheck. So this Republican House and this President have bent over backward in record ways to make sure that working families with children can make ends meet better.

But make no mistake about our policy and principle. Our principle is income tax relief should go to those who pay income taxes. So the child tax credit is targeted to those who owe Federal income taxes. So much do we provide relief that for those who do not owe any Federal income taxes whatsoever, we already provide them tax credits, help, checks from their neighbors, from their paycheck to help them. We call it the earned income tax credit. We even provide some refundability, some more checks from their neighbors to help them with their children. So not only for those working families do we say they do not owe Federal income taxes but other neighbors say we will pay their payroll taxes, we will pay their share of Social Security, we will pay their share of Medicare, we will pay their share of unemployment, we will pay for reduced and free school lunches because their kids do need to eat. We will pay for free health care. We think it is important that their children are healthy. We will pay for free public transportation because we want their children to have opportunities.

This is a very caring America. We care for families who are low income, but we care for working families who make a little more than that. For the cafeteria worker who provides the free school lunch, we care about their taxes. For the bus driver who helps provide the free public transportation, we care about their tax burden. For the nurse who provides the free health care, we care about their tax burden as well. So this child tax credit is for those who pay Federal income taxes.

This Democratic motion to instruct yanks that child tax credit, that steps away from these working families as soon as the next election is over. That is flat wrong. And on behalf of this Republican conference, we oppose this Democratic motion to instruct. It would reduce the child tax credit for millions of children, and that is not right.

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

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

As I mentioned earlier, the right thing for Congress to do is to pass this motion, to pass the child tax credit, and to give the working families a tax relief that they deserve. A lot of people out there are hurting. There are certain areas actually in the State of Maine, labor market areas, where the unemployment rate is over 38 percent. When we look at other labor market areas, they are in double-digit numbers. Working families do need this tax relief. So I hope this body would support the motion.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Maine (Mr. MICHAUD).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MICHAUD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

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SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GINGREY). Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ENHANCING THE WAR ON TERRORISM BY REDUCING ILLEGAL IMMIGRATION

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

Mr. FLAKE. Mr. Speaker, I rise today to continue a series of discussions I am having on the unforeseen and undesirable effects resulting from our Nation's current immigration policies.

There has been much talk in recent years about ''holding the line'' against the flood of illegal immigrants flowing across our Nation's borders. Unfortunately, as I mentioned in my comments last week, our recent attempts to control the border have not been a resounding success. I certainly do not believe that our Nation's borders should be left wide open. Especially today, in light of terrorist threats, we must know who is entering the country and leaving the country.

Unfortunately, Mr. Speaker, we currently have very little idea who is entering the country outside of the legal ports of entry on the border. Some have estimated that 700,000 illegal immigrants breach our borders every year.

We can try to tighten our border enforcement even more than we already have, but as long as the U.S. offers Mexicans more opportunity for work than Mexico does, for example, people risk their lives to cross the border.

According to Steven Camarota of the Center for Immigration Studies, ''A real effort to control the border with Mexico would require perhaps 20,000 agents and the development of a system of formidable fences and other barriers along the parts of the borders used for illegal crossings.''

I believe the wisdom of embarking on such a project is questionable, at best. Rather, I would submit that a program that allows these workers to enter the country legally is a smarter national security strategy.

Regularizing the flow of workers across the U.S.-Mexico border will give the Federal Government the opportunity to get a handle on who is present in the United States. It will also free up resources for border security and the war on terrorism.

While there are border crossers who have malicious intentions, locating them among the throngs of illegal immigrants is akin to finding a needle in a haystack. By drastically reducing the number of illegal immigrants crossing the U.S.-Mexico border, we can shrink that haystack and more easily target those entering the U.S. who wish to do us harm.

We in Arizona recently saw an example of the troubling violence that can occur when criminal aliens are not apprehended. A United States Park Ranger at Organ Pipe Cactus National