SENATE—*Tuesday, July 13, 1999*

(Legislative day of Monday, July 12, 1999)

The Senate met at 9:31 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have shown us that there is no limit to the strength You give when we unite in the cause that You have guided. There is a wonderful sense of oneness when we call on Your help together. You are delighted when Your people work together in harmony to confront problems and discover Your solutions. Help us see that our task is not to defeat each other or simply to defend our points of view, but to discuss issues in a way that all aspects of truth are revealed and the best plan for America is agreed upon. So, together, Democrats and Republicans, we ask You to bless the debate on health care this week. Keep all the Senators united in the common goal of working through the issues until they can agree on what is best for all Americans. Keep them and all who work with them focused on positive solutions. Dear God, give us a win-win week for the good of America and for Your glory. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator BROWNBACK is designated to lead the Senate in the Pledge of Allegiance.

The Honorable SAM BROWNBACK, a Senator from the State of Kansas, led the Pledge of Allegiance, as follows:

I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The acting majority leader is recognized.

SCHEDULE

Mr. BROWNBACK. Mr. President, today the Senate will immediately proceed to a period of morning business until 10 a.m. Following morning business, the Senate will resume consideration of the Patients' Bill of Rights. Debate will resume on the pending second-degree amendment regarding emergency medical care coverage. Further amendments are expected to be offered and debated during today's session, with votes to be scheduled for this afternoon. For the information of all Senators, the Senate will recess from 12:30 to 2:15 p.m. for the weekly party conference meetings. When the Senate reconvenes at 2:15 p.m., Senator SMITH of New Hampshire will be recognized for up to 45 minutes. I thank my colleagues for their attention.

MORNING BUSINESS

Mr. BROWNBACK. Mr. President, if I could go ahead and proceed this morning, Senator JOHN ASHCROFT, Senator KAY BAILEY HUTCHISON, and myself have reserved 20 minutes to discuss Chairman ROTH's tax package and the marriage penalty in particular. So I will begin that initial discussion in morning business.

TAX CUTS

Mr. BROWNBACK. Mr. President, the chairman of the Finance Committee will be coming out with his mark on tax cuts, and this is a critically important issue. It is an important one for the country. It is important, now that we are looking forward to having some surplus, that we say to the American people: You have been overpaying your taxes, and we want to give some of that back to you. This is over and above Social Security, the amount of the payroll tax that is going to Social Security. So we are setting aside the Social Security trust funds—a lockbox is what we call it, a lockbox for the Social Security surplus—and with the remainder talking about tax cuts, serious tax cuts.

One issue we want to discuss this morning is doing away with the marriage penalty. It seems extraordinary to me that we would have a tax policy in this country that actually penalizes people for getting married. With all the problems we have with families in our society, it seems, if anything, we would want to do just the opposite—we would want to give people a benefit for being married rather than taxing them for being married. And yet the way the code has evolved, today 21 million American married couples pay an average of $1,400 more in taxes just for the privilege of being married.

I think that is wrong. The Government should not use the coercive power of the Tax Code to erode one of the foundational units of our society, that of marriage. We should stop the taxation. We should put a stop to the marriage penalty tax. This year we can change that.

I am encouraged that the chairman of the Finance Committee, Senator ROTH, and his committee have put forward efforts to alleviate the marriage penalty. We have a unique opportunity to put that issue behind us.

I want to draw Senators' attention to another issue under the marriage penalty area which has not been talked about that much. That is the earned-income tax credit bias against married couples. A significant share of the marriage penalty occurs to low-income couples. It is caused by the loss of the earned-income tax credit when individuals' incomes are combined.

What happens is, you have two-wage-earner families that, if they were not married, if they were single and filing separately, would qualify for the earned-income tax credit. But if they get married and they earn over this mark, they get penalized again for being married.

Estimates by the CBO indicate that what we can do is double, for two-wage-earner families, the amount of income that can be received and still qualify for the earned-income tax credit. Virtually all the benefits of this adjustment in the earned-income tax credit would go to couples with incomes below $50,000. There are nearly 3.7 million couples in America today that do not receive the earned-income tax credit that would, if we double the amount that they can make, still qualify for the earned-income tax credit.

I point this out because people struggle mightily to raise families, and the notion that we would tax and then tax again low-income families, keeping them from receiving a benefit because they are married, makes absolutely no policy sense at all.

I don't see how on Earth anybody can argue this is a good idea or this is the right thing to do. I am hopeful the chairman of the Finance Committee has focused on this. We can do this. I hope the President will be willing to work with Members of Congress in both the House and the Senate in crafting a tax package we can all agree with, so the American people can stop overpaying their taxes—which they are currently doing.

The CBO is now projecting an onbudget surplus of $14 billion in fiscal year 2000, with the surplus growing to $996 billion over the 10-year period beginning in fiscal year 2000. We have this opportunity to eliminate the marriage penalty tax and to do away with

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.