

that I reserve on behalf of the Republican majority. And, specifically, for those Members of the Theme Team and any Member of the Republican Conference that has anything to discuss this evening, I invite them to come down to the floor now and join me in the next hour in discussing topics relative to our majority agenda on the House floor.

That agenda, of course, includes an effort to save and secure a retirement security system through Social Security and Medicare. It also involves our efforts to reduce the tax burden on the American people. The third item is to build the strongest national defense in the country, in the world, one that allows for complete security for our Nation and for our children, and the third effort is to try to create the best education system on the planet.

□ 2245

Those are three goals towards which we are working vigorously, and hoping to accomplish and achieve.

I want to start out by talking about a fifth topic, one that is important to my constituents and one that is fresh on my mind just coming back from a weekend of visiting with constituents. The topic back home was the Endangered Species Act.

The Committee on Resources has a special task force that visited Colorado and held a hearing in the town of Greeley. We had a great hearing. One of our colleagues, the gentleman from Colorado (Mr. UDALL), was able to come up to Greeley and join us, as well as one of the members of the Senate, Senator CAMPBELL. Also, the fourth member of that group was the chairman, the gentleman from California (Mr. POMBO).

We had a great hearing. We heard from many, many people involved in agriculture in Colorado, and those who are in the business of wildlife management and the science of trying to preserve and protect endangered species, and prevent certain species from becoming listed on that list.

We also heard from a number of individuals from environmental groups. But the consensus clearly was that the Endangered Species Act is broken and needs to be fixed; that the act needs to be addressed in wholesale fashion and dramatically reformed.

It is very clear that the notion of protecting and preserving endangered species is a good one, and one that ought to be maintained. It is a noble goal, a worthwhile goal. It is a public goal.

The unfortunate consequence, however, of the Endangered Species Act is that the individual who happens to find one of these species on his or her property bears the almost exclusive burden in shouldering the cost of protecting and preserving and achieving this public goal of species recovery. That is the unfortunate part of it. It is the unfair part of the Endangered Species Act.

Once again, I want to suggest that those we heard from in Colorado, from the farming and ranching community, from the homebuilders in Colorado, those who represent municipalities, as well, we heard from a county commissioner, a State legislator, all of these people really and truly believe that we ought to do everything we can to protect and preserve species, and we certainly do not want to see them go extinct as a result of any human activity.

But they also understand the importance of a local perspective in achieving a strategy to secure these public goals of species recovery and protection of species.

We heard from a county commissioner, for example, Kathay Reynolds, the county commissioner in Lambert County, who was disappointed that the Fish and Wildlife Service did not reach out enough to her and her constituency in devising the rules to protect a mouse, a mouse called the Prebles Meadow Jumping Mouse. This is a mouse that looks just like the Western Jumping Mouse that is a more hardy variety in Colorado.

The mouse has been listed. Let me say that the mouse seems to like water. It hangs out around rivers and streams and irrigation ditches, which in the West is critical in a semi-arid region such as ours when it comes to agriculture. So the mouse likes to be around the water and in the tall grass around the water.

If you happen to find a mouse, one of these Prebles Meadow Jumping Mice in and around your property, your life is about to change, because under the proposed rules by the Fish and Wildlife Service, that means that you can no longer maintain your irrigation canals and ditches. It means that, in many cases, you may have to divert your water and use it in a way that is not conducive to sound agricultural practices.

It also means that again, in an area where water rights, where we fight very hard for water rights, that this has the ability to disrupt the allocation of such a scarce resource.

We heard from many other individuals, but the hearing was a very good one, one that is very, very important to the West. We heard about other species, the mountain plover, the blacktailed prairie dog, and other species that are proposed to be listed in Colorado.

I want to thank the Committee on Resources, its leadership under the chairman, the gentleman from Alaska (Mr. YOUNG), as well as the chairman of the task force, the gentleman from California, for coming out to Colorado and focusing so much national attention on a big problem in our part of the country.

Mr. Speaker, I yield to the gentleman from Montana (Mr. HILL).

Mr. HILL of Montana. Mr. Speaker, I thank the gentleman from Colorado for yielding to me.

While he and I both serve on the Committee on Resources, I was unable to join the gentleman in Colorado over the weekends. But there is no question that the Endangered Species Act is having a very dramatic and in some instances, a devastating impact on our rural communities.

Obviously, it impacts rural areas because rural areas is where habitat involving endangered species exists. But what we know now is that it operates in an unfair fashion, particularly with private property owners. But even the impact that it has on the management of public lands, it is unfair, and it is also ineffective.

We know now that has been having an adverse impact on what the objective is, which is of course to protect species, because the incentives in the Endangered Species Act certainly are such that if one discovers a species on one's property, it is best not to do that. So the incentive is for people to change habitat.

Also one of the huge issues associated with the Endangered Species Act is the fact that the States have had responsibility for managing wildlife. That has been the tradition in this country. In the Endangered Species Act, the Federal Government has taken the dominant role, overriding the authority of the States.

What we see happening is that we are managing for a single species, which is having an adverse impact on other species. In other words, the Endangered Species Act focuses all the resources on a single species, and the broad ecology is secondary to the protection of that species.

So there are a number of reforms we need to make. One is to restore the responsibility and authority of the States, to allow for agreements with private property owners in managing their property for broad species protection, and also to make sure that people who lose the use of their property are appropriately compensated for it.

While I missed this meeting, I certainly agree that we need to reform the Endangered Species Act.

Mr. SCHAFFER. Farmers and ranchers are really having a tough go of it right now, not only because of various regulatory policies, the Endangered Species Act, as implemented by the Fish and Wildlife Service, being among them, but several other matters, tax-related policies and trade issues, also.

But the topic of private property ownership in America is so central and essential to our way of life and our culture. It really is rural America, which in, my opinion, is where we find the real soul of America. These are the same folks, the same spirit and mentality and motivation that in fact founded the country and have sustained our great Republic to this time.

The effect of this particular regulatory action, the Endangered Species Act, is one that restricts and constrains to a tremendous degree the ability not only to enjoy property rights and the use of one's private property, but also the production of our food supply, which is something that, of course, is vital to the long-term solvency of our Nation and the success of our Republic, and the strength of emerging economies throughout the rest of the world.

Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. I thank my friend from Colorado and my friend, the gentleman from Montana.

Mr. Speaker, as I listened to their words, I could not help but think of the irony of the current administration, who campaigned in 1992 under a slogan of putting people first. How ironic that is, in the wake of decisions by the administration that would seek to dilute what the Fifth Amendment to the Constitution says in its final clause.

I would ask my colleagues and those who join us to listen closely. The final clause of the Fifth Amendment to our Constitution says, "Nor shall private property be taken for public use without just compensation." And the irony of the assertion that the Clinton-Gore gang plan to put people first is exceeded only by the boastfulness of the current president in the inter regnum between his election and swearing in when he said that he would offer the most ethical administration in history.

The irony fairly drips from those words when today, Mr. Speaker, we came to this floor to debate the trade status of the People's Republic of China, mindful of the fact that Chinese shell corporations, technically with American charters, had given money to the Clinton-Gore campaign in 1996; mindful also of the fact that for those of us from the West, from Colorado, Montana, and Arizona, it has been said that this administration has declared war on the West, on resource-based industries, on small family farms and ranches, on a way of life that is rapidly vanishing, hastened by the bureaucratic decisions of those who would seek to short-circuit this document.

Mr. Speaker, one is reminded of the weak assertion by our current Vice President, the same Vice President who last weekend presided over an unparalleled waste of natural resources in the millions of dollars, in the millions of gallons of water, for what is now being called the new Watergate, for what some cynics call Tipper Canoe; for what other cynics call the new Row vs. Wade; a Vice President of the United States, Mr. Speaker, who had the audacity to stand in front of the assembled press and say to America, through the Press Corps, "My legal counsel informs me that there is no controlling legal authority."

Mr. Speaker, it is a fair question to ask, how low can an administration go, from the boastful claims of putting people first, from the boastful claims of having the most ethical administration in history, to the reality of taking contributions from Chinese front corporations, to having a Vice President who, in violation of existing Federal law, sought campaign donations from his Executive Office Building location, not from the Democrat National Committee, and still had the audacity to claim that his legal counsel informed him that there is no controlling legal authority.

Mr. Speaker, I will say again for the record, to my colleagues and those who would join us beyond these walls, there is a controlling legal authority. It is called the Constitution of the United States, which provides oversight capacity to the legislative branch of government, but moreover, Mr. Speaker, which provides a remedy every 4 years for the executive branch, every 2 years for those who would serve in the Congress of the United States, where we stand at the bar of public opinion and are accountable to the people who sent us here.

That should give pause to this Vice President, even though the current president apparently has no concerns about it.

Mr. SCHAFFER of Colorado. Mr. Speaker, this topic of corruption in the executive branch of government and in administration is one that the Committee on Resources again had a chance to look into a little further, and the gentleman from Montana (Mr. HILL) was there.

I would like to ask him to comment, if he would, for a moment on the hearing we had just a few days ago.

Mr. HILL of Montana. As my colleague, the gentleman from Colorado, knows, we are considering a number of bills associated with putting perhaps more of the offshore receipts, revenue from offshore oil and gas development, into habitat and providing that money to the State.

So as part of that, the Committee on Resources asked the General Accounting Office to do an examination of the accounting in the use of these funds. We had one of the most startling reports that I think that I have ever read as a Member of Congress. What we have discovered is that at the very top of this administration, there has been a looting of hunters' and fishermen's funds. People who hunt and fish in the United States pay an excise tax into a fund, the Pittman Robertson fund, and a fisheries fund to provide for habitat to help sustain hunting and provide habitat for hunting.

What we have discovered is that the Fish and Wildlife Service has been looting this account.

□ 2300

They set up special secret accounts. Out of these accounts, they paid for ex-

penses that are inappropriate, illegal. There is not adequate accounting for these funds. If I can make this last point, they even pressured one of their employees to approve a funding request by an anti-hunting group, using funds paid in by hunting and fishing men and women, to use those funds to fund an organization fund for the animals in an anti-hunting campaign.

Mr. HAYWORTH. Mr. Speaker, will the gentleman from Montana (Mr. HILL) repeat his assertions, because I think, given the culture of the present day, given the media proclivities here on Capitol Hill and beyond, sometimes, quite often, these stories are missed for whatever reason. Could the gentleman repeat what he has found in the Committee on Resources.

Mr. HILL of Montana. Mr. Speaker, what this general accounting report, and this is a preliminary report, we have asked them to do a more thorough examination, but they have created several administrative accounts, one that the chairman has even labeled a mystery administration account, and used the funds in those accounts to fund projects that would not normally meet the criteria.

They have looted those funds, tried to direct those funds into anti-hunting efforts. In some instances, there is evidence that they used those funds to pay for expenses that are not authorized by Congress. In other instances, they have failed to account for those funds. They have failed to establish any criteria for the approval or the granting of those funds. This is at the very highest levels of the administration.

Now, the person that revealed this information to our committee was fired for failing to go along and has recently entered into a settlement with the Fish and Wildlife Service. But, interestingly, that settlement has a confidential clause, a gag order attached to it. So at our hearing, that employee was unable to give us all the details that he wanted to give us.

Mr. HAYWORTH. Mr. Speaker, if I could ask the gentleman from Montana, is it his impression that this administration was using those different entities, those different people to campaign for a certain point of view, using these people in a way in a campaign that would be unlawful?

Mr. HILL of Montana. Mr. Speaker, this is certainly consistent with the agenda of this administration, which is to restrict the public use of lands. I long suspected that part of that effort is to reduce access by hunters and people who fish and use the public lands for that purpose. This is consistent with that pattern of activity and that agenda.

But in this instance, this is not a small sum of money. This is \$550 million a year that goes into this trust fund, and they were peeling off between 6 and 8 percent of this fund, which is

\$40 million a year for this purpose. What we also discovered is they took money. Understand, this is a trust fund for habitat, and they were taking this money to backfill the other parts of their budget because they were running short of money in different areas. So they took money from this account for that purpose.

So there are extremely serious allegations here. We are going to continue to have more hearings on it. I am advocating for the committee and the Fish and Wildlife Service to find a way to lift the gag order on this former employee so this person can tell us the whole truth. There were questions that I asked at the hearing that this person was unable to answer because of the confidentiality agreement that had been entered into. But these are very serious matters.

But I know it is troubling to the sportsmen and women in Montana who, through the purchase of guns and ammunition and sporting goods and fishing gear, are paying an excise tax into this fund for habitat purpose, to have this administration using that money or trying to use that money, meeting with, conspiring with anti-hunting groups to try to undermine the very people who are paying the tax.

Mr. SCHAFFER. Mr. Speaker, the interesting thing is we probably would not have discovered this scandal were it not for a handful of conscientious employees and others who work with the Interior Department on management of this fund who found the courage to stand up and represent and think about the taxpayers and what is morally proper and risk their jobs and perhaps their future careers as well. They came forward to Congress and explained what was going on, which it allowed us to have the hearing and move forward. This is a scandal of major proportions.

The gentleman touched on a point that I want to move into next, and that is he said that there is a pattern in the administration when it comes to public use of public lands. That is also true of private lands. There is a deeply held belief in this administration that human beings are a problem, that human beings should not be enjoying our national parks, our national wilderness areas, our National Forests, and so on; that these should be off limits for human activity, whether it is hunting or recreation or even when it comes to private property when it comes to responsible land use.

We talked earlier about the Endangered Species Act and the impact that that has on the ability of an individual private property owner to use his or her land as they see fit.

I want to use an example for my colleagues briefly, and that is one of this apple, just to dramatize the importance of these public lands-private lands use issues when it comes to agriculture.

If this apple represents the surface area of the globe, we have to keep in mind that approximately three-fourths of the Earth is covered with water. So if I cut this apple into quarters, we have represented here the available use of land mass that exists on the earth.

Now, keeping in mind that also of this land mass, approximately half is mountains or desert or arctic regions or areas that are too hot. That leaves us with about an eighth of the land mass that could be useful for growing food.

Now, of this one-eighth, we have a certain portion, about a quarter, that is simply too wet or too hot. We have another quarter that is simply not habitable for or not useful for growing agricultural products. The land is just not rich enough. Then we have another quarter that we can cut away because of concrete, because of infrastructure, roads, bridges, and municipalities and so on.

That leaves us with one thirty-second of the land mass on the entire planet that is available for agriculture. Bear in mind that we are just talking about the surface.

So let me show my colleagues what that represents from the whole apple that I started with. Here is how much we are talking about. Whenever the Fish and Wildlife Service, the Federal Government, or any other Federal agency proposes to move farmers and ranchers off of this little piece of land and take that land out of production, that puts the human population at great peril over a long period of time, and it is the reason we need more sensitivity in Congress and in Washington in general in looking out for these rural individuals.

I am proud to say that this Congress just last week reached out to some of the people who worked that tiny patch of land, and we reached out in a way that has powerful impact. Because when the farmers and ranchers who work that land reach retirement age and start contemplating planning their estates and handing that land to their children, they are confronted with a very unfortunate reality; and that is, upon their death, when they hand that farm or ranch over to their children, the Federal Government walks in and demands upwards of 50 percent of the value of that asset before the children can use that farm or ranch to keep it in production.

That is true for any business owner. It is true for any homeowner who wants to hand their family's assets and wealth over to their children.

We put forward in our tax plan, among the \$792 billion in tax relief over a 10-year period an effort to eliminate the inheritance tax all together. That owner's tax that I just referenced, in 10 years, will be gone if this tax is able to move through the Senate and ultimately be signed by the President.

I know the gentleman from Michigan (Mr. HOEKSTRA), who is joining us here tonight, was very helpful and has long been one who has been pushing this Congress to move toward tax relief.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. HOEKSTRA).

Mr. HOEKSTRA. Mr. Speaker, I thank the gentleman from Colorado for yielding to me, and I am glad that I can join my colleagues here tonight to really talk about some of the issues that they have been talking about earlier, but also to put the tax relief plan in context of what we, as a majority, are driving for in the House of Representatives, an agenda that we identify as enabling us to secure the future for American citizens as we move into the next millennium. I know we are going to focus on the tax relief package tonight. But we need to put it in context of the other elements of our plan.

We are focusing on education. We have passed a number of different education bills in this Congress. The most important, or one of the bills last week, again was the Teacher Empowerment Act focusing on enabling local school districts to make sure that every teacher in the classroom was qualified to teach our children, giving local school districts additional flexibility.

We are also, as we move through the tax plan and the tax relief efforts, ensuring as our first step to set aside in a lockbox all of the FICA taxes that the American taxpayers are paying in each and every week. As part of that, there is a right-to-know provision of the tax relief bill that is going to enable taxpayers, when they get their W-2 form, not only to see the amount of FICA taxes that they pay each and every year, but the matching amount that their employers pay each and every year.

□ 2310

So that they are going to see that it is not 6.5 percent of my income, it is 13 percent of my income that never comes home with me but goes directly to Washington.

Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank my colleagues, the gentleman from Montana (Mr. HILL), the gentleman from Michigan (Mr. HOEKSTRA), and the gentleman from Colorado (Mr. SCHAFFER).

Mr. Speaker, at times Washington tends to operate on what former President Eisenhower called a policy of sophisticated nonsense. That is, we get so caught up in the micro and macro-economic implications of a decision that we allow ourselves to over-intellectualize what, in essence, is a very simple operation. And it is thus with the tax cut, to hear some folks and pundits in this town talk about it.

Mr. Speaker, I would simply ask the American people to think of the surplus that we confront not in terms of

trillions of dollars, but let these three \$1 bills represent the \$3 trillion surplus as calculated by the Congressional Budget Office. Now, it is worth noting that almost \$2 trillion of that surplus we have locked away to save Social Security and Medicare. We have locked \$2 trillion, or close to that, of the surplus away to save Social Security and Medicare. But, Mr. Speaker, that leaves \$1 trillion to consider.

Mr. Speaker, as my colleagues know, it is the intent of the new majority to learn the lessons of history, which are fairly simple and which boil down to this. If we leave this money in the hands of the Washington bureaucrats, it will be spent. Therefore, our mission in this commonsense conservative majority in this 106th Congress is clear: We must return the money to the people to whom it belongs, the American taxpayer.

This money does not belong to the government, Mr. Speaker. It belongs to all of those who work hard and play by the rules and pay their taxes. Therefore, our legislation that provided tax relief, which we passed last week, is intent on returning the money to whom it belongs. Because, Mr. Speaker, the money belongs to the people, not to the Washington bureaucrats.

And whether it is estate planning reform, putting to death the death tax over a 10-year period; whether it is special accounts for education to empower parents to plan not only for a child's college education but also to seek alternatives in the grades K through 12; whether it is reducing the marriage penalty; or whether it is an across-the-board decrease in the rate of taxation, we hold to this simple truth, Mr. Speaker: The money does not belong to the government. It belongs to the American people. Therefore, the American people should hold on to more of their hard-earned money to save, spend and invest as they see fit.

Mr. Speaker, that stands in stark contrast to the vision offered by the President of the United States, who came to this well of the House to deliver a State of the Union message in January and said that it was his intent to save 62 percent of the Social Security surplus for Social Security. Hello. That means he intended to spend the other 38 percent on new programs. And, indeed, as he stood at that podium, he outlined in the span of 77 minutes some 80 new programs that would cost the American taxpayers at least an additional \$100 million in new taxation.

And, indeed, his budget was so reprehensible that not one member of the minority party would bring that budget forward in legislative language to have it voted on. It was up to the majority to bring it forward.

Mr. Speaker, I yield to my good friend, the gentleman from Colorado (Mr. SCHAFFER), who can make the case graphically for us.

Mr. SCHAFFER. Well, I just want to reiterate what the gentleman from Arizona just said.

When the President came and made his State of the Union address, here is what he proposed. Of the \$137 billion estimated surplus in the Social Security Trust Fund and in Social Security income, he proposed keeping 60 percent of it in Social Security and spending another 40 percent of it. In other words, taking it away from the Social Security program and spending it on more bureaucracy, more government, and an increasing the Federal budget.

Well, our Republican plan is very different. We have proposed and have moved forward on our plan to lock up the entire \$137 billion. This graph, this chart, could not be clearer in showing the difference between the Clinton-Gore plan to raid the Social Security funds, spend 40 percent of it on more government, versus the Republican plan to lock up, to effectively put the cash in a locked box and not spend it, to keep it and devote it toward its intended purpose of Social Security.

That is the dramatic difference between the two visions in Washington, D.C. and the dramatic difference that we stand for and propose that is in the interest of America's retirees and those who are planning for retirement.

Mr. HILL of Montana. If the gentleman will continue to yield, when I am at home, I ask my constituents if their bosses came to them and said they were going to give them a raise amounting to \$3,000, what would do with that money. None of them say they would give it to the Federal Government. Most of them say they would put some aside, maybe save some for retirement, or use some of it to pay down their debts, or maybe spend a little of it on their family.

Really, that is what we are talking about doing here, putting some of this money aside for retirement, for Social Security, and to pay down the national debt. And one-third of it, one-third of that money, is going to go to help families decide how they can better spend their money and let them set those spending priorities.

Now, the President says that is reckless. The President said we would give the money back if we could just trust that the American people would spend it the right way. I guess my view is that the people I represent know better how to spend their money better than anybody here in Washington, or anybody in this chamber, including myself. They have a better understanding of how they need to spend that money than I have, and they should have the right and the privilege to make that decision.

Now, if any of them want to give that money back to the U.S. Treasury, I am sure the U.S. Treasury would accept it. But the fact of the matter is, they have needs for their families.

I just want to make one point following up on something the gentleman said about this death tax issue, because I firmly believe this could be the last generation of family farmers and ranchers that we have in America if we do not do something. Our farm economy is in trouble, and we have issues that we need to deal with there, trade and regulatory issues, but the death tax issue is overwhelming.

Most of the farmers and ranchers in my home State are not making any money. They are not generating cash flows. They have no mechanism to finance the death tax. They cannot buy life insurance, they cannot pay the lawyers and the high-priced accountants. They have no way to do it, so they are compelled to sell. Who do they sell to? To movie stars that want to recreate on the land, not farm or ranch it. Or they sell to subdividers.

If we want to have family agriculture and we want to have this green space and these open places, and we want to retain the rural character that we all have roots to, we have to do something now to help folks in agriculture. There are a lot of things we need to do, but one of them is to lift this burden.

The lowest marginal tax rate on the death tax is 38 percent. When they hit the exemption, the threshold, they are paying 38 percent of the value of that estate in taxes. There is no way that a family farmer and a family rancher in my home State today can afford to pay that tax.

We are going to wipe out these family farmers and family ranchers. I do not want to see that happen. I do not want to see the destruction of those rural communities. I do not want to see the unraveling of the culture of agriculture and the importance that is to our history and the heritage of this Nation. So that is why this provision of this bill is so essential, and we have to make sure that we defend it.

□ 2320

Mr. HOEKSTRA. Mr. Speaker, I thank the gentleman for yielding.

When we take a look at what is in the tax cuts, I find it a very interesting discussion to try to identify exactly what part of the Tax Code is the most unfair. I mean, I think we all started out by saying tax relief is essential. When we combine State, local, and Federal taxes and have a tax system that takes 40 percent of the average family income, I think we are united. That is unfair. That is too much.

That means that in a two-wage-earner family, one wage-earner works the entire year to pay the tax bill. We think that is unfair and that puts too much stress on the family. That is why we support an across-the-board tax cut so that every individual in America will benefit from that.

Then we go to the inheritance tax, which clearly we work all of our lives,

we pay taxes all of our lives, and then we want to leave part of that to our children. And Uncle Sam again is one of the first ones in line and makes the dream of passing a family farm or small business on to our children, makes it so much more difficult to realize.

Another part of the Tax Code that is unfair is the marriage penalty. We penalize people for being married. Interesting concept. I think again we are united in saying this is an unfair element of the Tax Code.

For the individual who wants to go out and buy health care, does not receive health care from a corporation or a large buying organization, they have to buy with after-tax dollars. If they work for a large corporation, they get it provided and there is no tax consequences to it. That is unfair for the entrepreneur, for the person who wants to start off their own business. We are trying to remedy that.

For the family that wants to set aside dollars for education, we are putting that in so that again it enables people to invest in their people. We think that that makes this a better Tax Code.

So we all have our own personal problems with the Tax Code, but we recognize that there are a lot of inequities and unfairness in the Tax Code. But it starts with tax relief, and then it moves on to these individual elements.

I think we are all looking forward to the day as this Tax Code starts to address fairness, saying we need to make this Tax Code fairer that we can move on to the next debate after 2000, which is how do we simplify the Tax Code.

Two essential elements I think of our longer term vision of what we want to have, which is a fairer Tax Code and a more simple Tax Code. And as we move in that direction, we will make a lot of progress.

Mr. HAYWORTH. Mr. Speaker, if the gentleman would continue to yield, the way I try to see it as the first Arizonan in history to serve on the Committee on Ways and Means with the authority to deal with this Tax Code, Mr. Speaker and my colleagues, is to say it this way: Tax relief first. Tax reform next.

Because, Mr. Speaker, if there is any lesson we have learned from this current administration, it is that words essentially mean nothing.

That is a shock for those of us who grew up under the notion that we would play by the rules, obey the existing law of the land, and then move forward.

Sadly, what we find with this administration and, Mr. Speaker, I think my colleagues, especially my friend from Michigan, will bear me out since he arrived after the election of 1992, a full term prior to my presence in this Congress, the irony of this fact.

It has been said and is a basic tenet of our civics training that the Presi-

dent proposes and the Congress disposes. And yet, Mr. Speaker, I think my colleagues would be interested, as would others, to hear and to understand that throughout this second term of this administration, indeed since 1993, this administration has not shown the common courtesy of delivering to the Congress of the United States executive branch proposals in legislative language.

The last time that happened, Mr. Speaker, was with a proposal in 1993 to socialize our health care. And so, therefore, Mr. Speaker, all the talk of administration plans for Social Security, of administration plans for tax relief, of administration plans for bolstering our national defense are as the wind; there is nothing to them.

For this administration lacks the courage and the ability to summon candor to actually help us govern. And we see it most egregiously when it comes to the death tax.

My friend from Montana is quite right. And when we represent folks in Arizona, as do I, on family farms and on ranches, in Colorado, Montana or Michigan, the fact is this for many a land holder, they are to use the proverbial term, "land rich, cash poor."

And when the patriarch of a family dies, the one in whose name the family ranch or the family farm belongs, the survivors are asked to pay a tax, that is unfair and that is onerous.

Mr. Speaker, if nothing else, those who hear these words should remember this fact, that our common-sense conservative majority is committed to ending, to putting to death, the death tax over the course of the next decade. Because fundamentally, as my friend from Colorado said so well and it was quoted in the Wall Street Journal well near 2 years ago, when he said there should be no taxation without representation, he understands the unfairness of this tax.

And compounding it, Mr. Speaker, is the fact that with all the sturm und drang, with all the trauma introduced into the lives of the survivors, with all the basic unfairness of taxing the work and the labors of those who have gone to their heavenly reward, still in all, the Federal Treasury only takes from the death tax one percent of the total accrued revenue for the Treasury of the United States.

And yet, Mr. Speaker, 75 percent of that one percent is spent tracking down and harassing survivors, forcing families to sell their farms, forcing families to sell their small businesses, and it shows the inequity of this Tax Code.

But, Mr. Speaker, we are cognizant of realities. A President who would stand in Buffalo, New York, one day after standing at this podium and saying that he wants to save 62 percent of the Social Security surplus for Social Security and, therefore, spend the extra

38 percent, as my friend from Colorado holds up the words, January 20 of this year the President of the United States, in a rare moment of candor, said the following quote: "We could give it," meaning the budget surplus, "we could give it all back to you and hope you spend it right. But . . ."

Mr. Speaker, that embraces the central difference. This current President, despite his obvious failings in terms of personal honor and a knowledge of accountability to the people of the United States and, dare I say, accountability of the executive branch to the legislative branch to help us govern, this President stands by a fundamental tenet of faith that is jaundiced and is misguided.

Because, Mr. Speaker, he believes that the Federal Government can spend the money of the people better than can the people. That is a serious problem.

Mr. HOEKSTRA. Mr. Speaker, if my colleague will leave that statement up, it is exactly how this President thinks, that Washington can spend the money better than the American people.

□ 2330

When this President came into office in 1993, total Federal revenues as a percent of gross domestic product, it was 18.4 percent. And under this President, that has never been enough, because he does not believe that the American family, the American taxpayer, knows how to spend that money better than what Washington can.

Today, or projected for the year 2000, Federal revenue will be 20.6 percent of gross domestic product. So the amount of revenue going into Washington as a percent of our gross domestic product is increasing. And actually as we provide and attempt to provide tax relief, our attempt will not even get us back to the level of 1993, which means that the Federal Government is getting bigger and bigger.

Some people believe that this tax relief package that we are trying to provide, this fairness that we are trying to give back to the American taxpayer, is coming at the expense of the Federal Government. No, what we are trying to do is we are trying to get back to where we were in 1993 and 1994. It is a rightsizing of the Federal Government. It is not a downsizing. It is a rightsizing, of getting back to where we were in 1993 after that tax increase.

Mr. HILL of Montana. I think it is really important for people to understand that \$800 billion is a large sum of money, but the Federal Government over that 10-year period is going to spend \$23 trillion. So it is \$800 billion of \$23 trillion. Your comments about a fairer, simpler tax code, I think it is also important to note that we are making a down payment in this bill on simplifying taxes. We are eliminating the alternative minimum tax, some of

the more onerous provisions and complexities of the tax code.

I asked the Committee on Ways and Means to tell me what this means to the people of my district. In my district, we do not have high incomes. We are about 46th in the Nation in terms of the average income. But in my district over the course of the next 10 years, this is \$2.4 billion that will be left in my economy, in the economy of my State. It comes out to just under \$10,000 for the average family of four in Montana, how much they will save in taxes with the tax package.

Mr. HOEKSTRA. This goes on top of the tax bill that we did in 1997. This tax relief plan does not have the signature element that we had in our last tax relief package, of the \$400 to \$500 per child tax credit, but the impact will be as big on the American family as what that tax relief package is. So this definitely means more money in a family's pocket at the end of the year.

Mr. HILL of Montana. Certainly in 1997, we said we have to focus on families. We saw the erosion of the value of the exemption for families and so we provided a tax credit. That was the feature, and lowering the capital gains tax for investment. This is a much broader package of tax reductions. Every taxpayer will enjoy reductions in taxes as a consequence of this and there are also some targeted elements. But the important element from my judgment is the average family of four in Montana is going to have \$10,000 they can invest in a house or in their children's education or to buy a car or to buy or build a home, the values that they consider the most important. \$10,000 is a fair amount of money, I think, to any family. So this is significant, it is meaningful tax relief.

But the gentleman is right. We have the highest tax burden today in the peacetime history of the country. Even with this tax reduction, we still are going to have a tax burden in this country that is higher than when President Clinton took office. We still have not unraveled the largest tax increase in history that was passed in 1993 with all Democrat support. The most important element here, though, is that we are dealing with the most unfair provisions of the tax code, we are working to try to simplify it. Of course we want to provide tax relief for the working men and women of this country.

Mr. HAYWORTH. I think it is important to point out because, Mr. Speaker, as I have appeared on different media outlets to hear the predictable cacophony and chorus from the left and indeed, Mr. Speaker, it has become so reflexive, I daresay my colleagues who join me on the floor can offer an answer to filling in the blank.

My friends on the left talk about tax cuts for the rich, which is totally false but apparently alluring to those who

are captured by the politics of envy, to those who would believe that they do not control their own destiny but, Mr. Speaker, it is patently false and as I heard my colleagues talk and thought about what occurred in the State of Arizona, I could not help but think of the President of the United States during our most recent recess coming to the State of Arizona, specifically coming to South Phoenix.

Now, he could have visited a lot of areas, the Navajo nation, the sovereign Navajo nation where there is chronic unemployment, or San Manuel, Arizona, site of the largest underground mine in North America that has been closed thanks in part to the Clinton-Gore-Babbitt War on the West, but this President, Mr. Speaker, chose to go to an area that might be more politically hospitable, to South Phoenix in Arizona, and he proposed what he called the New Market Initiative. Again, Mr. Speaker, this has not been put into legislative language and again like cotton candy, it appears alluring but when you get to it, the details are somewhat sticky and inconvenient, the President of the United States proposes \$100 million in loans for depressed areas but, Mr. Speaker, understand the taxpayers must provide some \$45 million to set up that loan process, the Federal taxpayers must pay two-thirds of the overhead for the so-called New Market Initiative and yet, Mr. Speaker, I look to the plan to help the neediest among us offered in our tax relief and tax fairness legislation, a plan championed by our good friends the gentleman from Missouri (Mr. TALENT), the gentleman from Oklahoma (Mr. WATTS) and the gentleman from Illinois (Mr. DAVIS), a Democrat, that deals with those depressed areas not just in terms of business start-up and not in terms of make-work for Federal bureaucrats but true empowerment that deals with savings, that deals with home ownership, that also deals with business start-ups, and yet the President of the United States has the audacity to come before the American people and claim that this responsible bipartisan plan to help those who need help is somehow irresponsible and reckless.

Mr. Speaker, it simply is something we have seen all too often with this President, an inability to tell the truth and to deal candidly with the American people.

Mr. SCHAFFER. The gentleman really points out the dramatic difference in the approaches that the two parties take in Washington, the party represented by the President, the Democrat Party, and the party that we represent, the Republican Party. Because I believe both parties care about rural and depressed areas, but there is a difference in the sincerity and the tenacity with which we approach real and meaningful help.

What the gentleman would describe as the President's proposal is a typical

one of the liberal agenda in Washington, which is to raise taxes on the American people, send that cash here to Washington, D.C., and have politicians redistribute the wealth to the charities of certain politicians' choices. That does work but it is not fair.

What we had proposed and what we have actually passed through the tax relief effort is not tax provisions for the rich but tax provisions for average Americans and in fact tax provisions that help those who are the poorest among us.

Let me give my colleagues a couple of examples. The commercial revitalization deductions allow for tax relief for those individuals who are making investments in depressed areas around the country. We provided a section that deals with work opportunity tax credits. These are provisions that assist those who hire individuals who live and perform most of their work in these renewal communities, depressed areas that are targeted for economic growth and special assistance and help. We also provided for an effort to encourage employers to hire people off of welfare and put them to work. Now, imagine that. In a country right now that is enjoying very, very low unemployment and has enjoyed phenomenal success in welfare reform, over a 50 percent reduction in the welfare caseload over the last 2 years, we use the tax bill to reduce the burden on Americans so that we can help even more people come off the welfare system, to leave the situation of dependency on the Federal Government and enjoy full economic participation as real Americans, as entrepreneurs, as fully employed, fully engaged citizens. That is a dramatic difference in our efforts to help the very same people that the President suggests he wants to help.

□ 2340

Our method works. Our method has been proven to work, it has met the test of time, it has met the realities of history. Growing the size of government, increasing taxes is a formula for failure, and it is one that the President would like to see us do; it is one that we have a very different direction on, and fortunately, the Congress has ruled, collectively, in our favor, on our side. Less government, lower taxes, more opportunity.

I yield to the gentleman from Michigan.

Mr. HOEKSTRA. Mr. Speaker, I thank the gentleman for yielding. I just really want to reinforce some of the comments that my colleagues from Arizona and Colorado have made.

When we are talking about what we would like to do, we are not talking about an idea or a direction or a hope, we are talking about legislative language that has been introduced, that has been debated, and that has passed.

The National Security authorization bill, passed legislation that is written and has passed. The education bill, whether it is Ed Flex, which gives more flexibility to local school districts and how they deal with the red tape and the mandates from Washington, legislation that has gone through committee and has passed. The Teacher Empowerment Act, legislation that that has been written and has been passed, the Straight A's bill, the legislation is written. The lock box, the legislation is written, is passed, has moved out of the House and we are waiting for the other body to deal with it. The Tax Relief package, the bill is written, has gone through committee, and has passed the House of Representatives.

So it is awfully easy for people on the other side to talk about what they would like to do, and I think my colleague from Arizona has said they have spent a lot of time talking about what they would like to do, but the few times when they have given us legislative language on the budget, not one person voted for their legislative language. So we have met the challenge. We are not only talking about what we would like to do, we are actually here on the floor each and every day passing legislative language that is going to make a difference, that is going to help us secure the future for our kids, for working Americans, and for our retirees. We are making a difference and we are getting the job done.

I yield to my colleague.

Mr. HILL of Montana. Mr. Speaker, I thank the gentleman from Michigan.

One last point I want to make and that is that the disingenuous argument coming from the President that somehow this tax package competes with Social Security or Medicare or paying down the debt, that is not true. This tax package fits together with our plan to lock up every dollar of Social Security taxes for Social Security retirement and to pay down the national debt \$2 trillion. There are funds set aside for us to deal with reforming Medicare, if the President will come to terms with us to be able to reform the pharmacy benefit and also to provide this tax relief for the American people. We can do all of this; it is a unique opportunity to do it.

Mr. Speaker, what this tax relief package does compete with is bigger government. The fact of the matter is what the President is arguing for is to set these dollars aside for new government programs, more wasteful spending. All of the education bills that we have just passed are saying, before we put more dollars in education, and we are prepared to do that, our budget provides for it, we are saying, let us spend the dollars we are spending now smarter and better and more effectively. We are prepared to put more dollars into some of those programs,

but what we want to do is reform them first, and that all can be accommodated with this tax package.

Mr. SCHAFFER. Mr. Speaker, I yield a minute to the gentleman from Arizona.

Mr. HAYWORTH. It is very simple, Mr. Speaker and my colleagues. Who do you trust? Those who say one thing and do another? Those who believe that money, power and influence should be concentrated in the hands of the Washington bureaucrats? Those who believe, as evidenced by their statements in Buffalo, New York, and from this podium behind me here, that you should not be trusted with your own money to save, spend and invest as you see it? Or, should you embrace the philosophy of the common sense conservative majority that believes it is our mission to transfer money, power and influence out of the hands of the Washington bureaucrats and back home to people living on the front lines, who understand their lives better, who understand that the money belongs not to the Federal Government and to the Washington bureaucrats, but to the people.

Mr. Speaker, on that stand we make our case, and with that, I yield to my friend from Colorado.

Mr. SCHAFFER. Mr. Speaker, I would like to continue on this topic for a few moments, but first, a little earlier I mentioned the field hearing that was conducted in Colorado on the Endangered Species Act, and I have a brief summary of that which I would like to submit for the RECORD.

Secondly, I want to move a little deeper into the discussion on tax relief. But we have spoken a lot tonight about rural areas.

Mr. Speaker, at this time I include for the RECORD the documents previously referred to.

On Saturday, July 24, 1999, Congress came to Greeley, Colorado, to hear about the impacts of the federal Endangered Species Act on Colorado. Along with ESA Chairman RICHARD POMBO and Senator BEN NIGHTHORSE-CAMPBELL, I heard expert and first-hand testimony about the far-reaching and frequently-devastating effects of the Act on farmers, ranchers, landowners and water-users. These people represent some of the best and brightest Colorado has to offer in its defense, and all can personally attest to the onerous, confusing, costly, contradictory and dictatorial burden the federal ESA regulations impose. I would like to share some of their insightful testimony so the experiences of Colorado can be better understood and can help encourage the improvement of the ESA for the benefit of all forms of life in this great country.

Bennet Raley, water-rights advocate: "If I had a choice, I believe that the existing law should be repealed and Congress should start over and develop a program that achieves national interests in the protection of endangered species without encroaching on private property and the prerogatives of states. Federal agencies simply take water from irrigated agriculture or municipalities in the west because the Endangered Species Act is so powerful."

Alan Foutz, CO Farm Bureau VP: "Farmers' water rights evaporate as federal regulators attempt to protect fish. Ranchers fear loss of livestock as predators are introduced and protected. Producers throughout the nation are forbidden from performing such basic activities as clearing brush from fence rows. In the current act, private property rights are laid aside when recovery plans stop agricultural practices without compensation. An endangered species must be protected at all costs under the current law.

"The act serves as a disincentive for landowners to protect an endangered or threatened species because major constraints are placed on agricultural practices when a species is found.

"Seventy-eight percent of the species listed reside on private lands. The public will need to spend more resources if they want full protection of endangered species.

"A single individual can petition the U.S. Fish and Wildlife Service, The USFWS must perform an initial investigation and taxpayers must pay for all the research, even on bogus petitions.

"Accurate population numbers are not available, therefore, goals for recovery cannot be defined."

Mark Hillman, CO State Senator: "The U.S. Fish and Wildlife Service threatened to fine a Utah man \$15,000 for farming his own land and allegedly posing a risk to a protected species of prairie dog, even though no prairie dogs could be found there.

"Restoration and preservation of prairie dog habitat as it may have existed 100 years ago would mean shutting down some of the most prolific wheat producing land in the nation. Sam Hamilton, former U.S. Fish and Wildlife administrator has said: 'The incentives are wrong. If a rare medal is on my property, the value of my land goes up. But if a rare bird is on my property, the value of my property goes down.'

"It is patently absurd to proffer a policy based on the asserting that Washington lawmakers—much less Washington bureaucrats—care more about environmental quality in Colorado, or any other state, than do the residents who live there precisely because of our priceless environment."

Don Ament, CO Commissioner of Agriculture: "In its current form, it serves the needs of neither the endangered species nor the taxpayers who provide the funds to support the program. Western farmers and ranchers view the ESA as a law that grants a federal agency the ability to unilaterally determine how their land is farmed or ranched and which could decide the economic future of their enterprise; the ESA grants too much authority to a ruthless bureaucracy."

Ralph Morgenweck, USFWS Mountain-Prairie Regional Director: "The Service is fully committed to finding this balance between economic development and endangered species protection. To continue making progress in implementing the ESA, an increase in funding for our endangered species program is necessary.

As of May 1, 1999, there were 1,181 domestic species on the List of Endangered and Threatened Species; this represents a 30 percent increase in just 5 years."

Larry Bourrett, WY Farm Bureau VP: "At this time there are no listings in Washington, D.C., therefore it is imperative that Congress come to the areas where problems exist to get a real flavor of what is happening daily to some of the nation's citizens.

The Act is benign for those who do not have to suffer the consequences of having a listed species on their private property. However, for those private property owners who happen to be within the identified range of, historic range of, habitat of or potential habitat of a listed species, it is an entirely different story. It is a story of frustration and fear."

Jack Finnery, WY cattle rancher: "It seems to me that just as the rancher and farmer must strike a balance that allows him or her to make a living from the land today while preserving habitat and natural resources for generations to come, the endangered species requirements must be changed to work in harmony with the many other programs that dictate how land should be managed. The ESA requires landowners to leave the land around irrigation ditches in a natural state to protect the Preble's meadow jumping mouse, but ranchers who fail to maintain those ditches may be faced with the loss of their water rights.

Under the Conservation Reserve Program, landowners contract with the federal government to protect land from erosion and curtail the resultant deterioration of water quality. However, the ESA may call for these lands to be opened up to overgrazing to create habitat for prairie dogs and mountain plovers.

The Clean Water Act calls for the protection of water quality in streams, but this mandate contradicts ESA requirements that call for the overgrazing of land to develop habitat for the plover and prairie dog.

A FWS biologist told me, 'I feel sorry for you landowners. As a result of being good stewards of the land, you now have to pay the price.'

What is that price landowners have to pay? Well, that price can be a crushing blow for an agricultural industry already wracked with some of the lowest commodity prices in recent memory and the continued decline in the number of full-time farmers and ranchers who are struggling to make ends meet in what is already a highly regulated industry."

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

CONTINUED REPUBLICAN AGENDA

The SPEAKER pro tempore (Mr. TANCREDO). Upon the designation of the Majority Leader, the gentleman from Michigan may proceed, but not beyond midnight.

Mr. HOEKSTRA. I thank the Speaker and I invite my colleagues to stay with me until midnight so that we can continue this dialogue on our agenda for securing America's future, and I will yield to my friend from Colorado.

Mr. SCHAFFER. Mr. Speaker, I was about to say that when it comes to the inheritance taxes, we wonder why, as the gentleman from Arizona pointed out that the inheritance tax only generates a little less than 1 percent of the revenue to the Federal Government. It

is relative inconsequential when you factor in the fact that the majority of the Federal revenue received by the Federal Government is squandered and wasted as a result of bureaucracy and other waste.

However, there is also deep-seated resentment in many corners of Washington when it comes to rural America. That was exhibited by the head of the Democrat Congressional Campaign Committee, the chairman, who recently said right outside here that the Democrats have written off, and I quote, "written off the rural areas," and that quote was one that has been discussed repeatedly on the House Floor.

I have written some remarks on that subject, and I would ask that they be inserted at this point into the RECORD.

DON'T WRITE OFF RURAL AMERICA

(By: U.S. Congressman Bob Schaffer)

Rural America is hurting these days and the rest of the country should take notice. The current period of relative economic prosperity has abandoned most sectors of the agriculture economy, often because of deliberate decisions made at the White House.

For example, U.S. trade policy presently favors manufactured products, high tech equipment, and medical supplies in exchange for easy access to American markets for foreign farmers. Nor are trade policies fair for our farmers and ranchers. Foreign growers enjoy far easier access to our markets than we do to theirs.

Westerners tend to be closely tied to agriculture. That's why so many of my rural constituents find it hard to believe there are actually people in Washington, D.C. who harbor hostility toward them.

Just last month, after his party voted against several rural issues, the Democratic Congressional Campaign Committee chairman told reporters Democrats have "written off the rural areas." The DCCC Chairman Rep. Patrick Kennedy (R.I.) later admitted he shouldn't have said it. I agree, but he did, and in doing so illustrated the disdain with which some in Congress view rural America.

Coloradans understand America must count on rural areas, not dismiss them. Statistics confirm the importance of rural settings. Agriculture is still America's number one employer providing more jobs, more business transactions, more entrepreneurial opportunities, and more paychecks than any other sector of the economy.

In Colorado alone, agriculture accounts for over 86,000 jobs, resulting in over \$12 billion of commerce. Clearly, agriculture is integral to our economy and should not be ignored or "written off."

Colorado produces an impressive variety of commodities in addition to cattle, wheat, corn, potatoes, sugar beets and dairy products. Growers also raise pinto beans, carrots, mushrooms, barley, sunflowers, watermelon, oats, sorghum, quinoa and wine grapes. Our ranchers' expertise raising cattle, sheep, lambs, poultry and hogs, is expanding to include specialty livestock—bison, elk, emus, ostriches, and fish.

Agriculture products extend beyond food. Colorado is well-known for its production of fresh-cut flowers, sod and turf grass, and hay. Colorado's agricultural-based inputs also contribute vital components to the manufacturing of soaps, plastics, bandages, x-ray film, linoleum, shoes, crayons, paper, shaving cream, tires, and beer.

As consumers, rural Americans provide markets for goods and services, injecting much-needed capital into the marketplace. Rural purchases of trucks, tractors, houses, implements, fuel, computers, and other items have an enormous impact on the economy providing jobs and income for salespeople, waitresses, homebuilders, real estate agents, feed dealers, mechanics, and bank tellers, just to name a few.

Still there are other reasons rural America matters. Colorado boasts over 24,000 farms and ranches, accounting for over half of our state's 66 million acres. People who live on the land are the best environmental stewards. Landowners work actively with soil conservation districts to protect water resources, manage wind erosion, reduce pollution, and control water runoff. In fact, Colorado's farmers are credited with saving an additional 51 million tons of topsoil annually for the past 10 years. They have also seeded 1.9 million acres of private land to permanent grassland under the Conservation Reserve Program, thereby producing thriving wildlife habitat.

Most of all, America's soul is found in its rural communities. A nation launched by planters and preachers, America's founding strength was mustered and sustained by the moral character of rural people. Their values of hard work, honesty, integrity, self-reliance and faith in God thrive in abundance today.

It is truly unfortunate anyone finds such attributes offensive. These are the very values our country needs if the new Millennium is to be as prosperous as the present.

Clearly, rural America is the bedrock of our culture and the salvation of our Republic. Before more of Washington's elite determine otherwise, they would do well to check their facts, consider the farmer, and possibly even say a word of thanks before supper.

Mr. HOEKSTRA. Mr. Speaker, I yield to my colleague from Arizona.

Mr. HAYWORTH. Mr. Speaker, we stand at an epic juncture in American history, because despite the protestations from those who would belong to a third party movement, there is no clearer difference that exists in American political life than what exists in this Chamber. Because my friends on the left, so trusting of the powers of the Federal Government, powers that have grown excessive, that have grown overreaching, that have grown abusive throughout this century; so abusive, Mr. Speaker, to the point that the power of the Federal Government reaches into the pocket of every law-abiding American, my friends on the left place their faith in that burgeoning bureaucracy. Mr. Speaker, the contrast could not be clearer, because those of us in the common sense conservative majority take literally the first 3 words of this document, the Constitution of the United States.

Mr. Speaker, I would note, and not without some irony, especially given the tenor of the rhetoric from the White House and from the Vice President and from our friends on the left, the first 3 words of this document are not they, the bureaucrats. No, Mr. Speaker, the first 3 words of this document read, "We, the people." And despite the fact that a Fox News Opinion

Dynamics Poll taken in the space of the last 10 days of 500 Americans at large, when asked, where does the Federal Government get its money? Despite the fact, Mr. Speaker, that some 50 percent of those respondents replied, oh, the Federal Government has its own special supply of money, and 39 percent answered correctly that the money with which the Federal Government operates comes from the people, the taxpayers, Mr. Speaker, we understand our mission loudly and clearly. As Abraham Lincoln said, Mr. Speaker, the American people, once fully informed, will make the right decisions.

Mr. Speaker, I stand here tonight to reaffirm this basic truth. The money does not belong to Washington bureaucrats.

□ 2350

It does not belong to them, the bureaucrats. It belongs to we, the people.

Mr. HOEKSTRA. Mr. Speaker, it is not only what the Constitution says, although it drives who we are and what we should do, but the lessons as to why the Framers of the Constitution were so brilliant, we only have to go back to when we reformed welfare.

When welfare decisions were being made by bureaucrats in Washington, we were not moving people out of welfare. When we debated here on the floor of the House, and we took the examples of like the State of Wisconsin, that the State legislature, the Governor, they came up with a program to move people off of welfare into the work force, and the bureaucrats here in Washington said, no, you cannot do that; or even worse than that, they did not give them any answer at all.

I think it went on for over 300 days, when we had to stay unified, Democrats and Republicans saying this is what we want to do to help our people in Wisconsin, and the bureaucrats did not even have the courtesy of sending them a reply.

But when we took the welfare program and gave it back to the States, we have seen phenomenal results. It is the same model that we want to put on one of our priority projects, education. We do not want more bureaucrats here in Washington telling people who know our kids' names what they need to do in the classroom. Let the people at the local level do it. Let us empower people at the local level.

It is why we are having a tax relief package that says, let people, let families, let moms and dads, decide what to do with an 800 or 1,000 or 1,500 hours a year. Let them decide how they want to allocate that among the priorities that they have, whether it is a car, whether it is education, or whether it is health care. But let us not let a bureaucrat or politician in Washington make that decision for them.

The same thing with retirement. Let us make sure that we secure the future

for our seniors by setting aside 100 percent of the FICA taxes over the next 10 years. Let us set that aside to save social security and to save Medicare, to remove that stress from them.

I yield to the gentleman from Colorado (Mr. TANCREDO), and I thank the gentleman for joining us.

Mr. TANCREDO. Mr. Speaker, I thank the gentleman for recognizing me, to allow me to discuss the subject. Something has been bothering me ever since the debate on the bill that we had on the floor of the House on the issue of the tax reduction.

I was observing the debate. It was heated. It was, I think for the most part, articulate and to the point. But one member of the opposition, a very prominent Democrat, stood at the well and said that he had been in this body for a number of years and he could remember, he said, that in 1981 we in fact put through a tax reduction package. It was actually I think in 1983.

He was talking about the fact that at that point in time, he was suggesting we were watching the same phenomenon, that we were going to put through a tax reduction package again and that we would see something similar occur.

He said what happened after we reduced taxes, essentially after the Reagan tax cuts, he said we saw an explosion of debt, and that the national debt increased dramatically. He was concerned, he said, because he believed the same thing was going to happen here.

I wanted to, at the time, come to the floor just to have the opportunity, and that is why I appreciate this moment now, to remind the gentleman that in fact what he said was accurate, we did have a tax rates reduction and we did have an explosion in debt, but it was not because we gave the people back their money, it was because there was such an increase in revenue to the Federal Government that it was, of course, spent by the Congress.

It was not a problem with the reduction of taxes, it was a problem in the increase in spending that caused the explosion in that debt.

That is exactly what we are trying to avoid with this tax cut proposal, because there is not a soul out there, Mr. Speaker, I do not care which side of the aisle Members are on, and I do not care where Members are on the political spectrum, Members cannot believe, with history as our judge, Members cannot believe that this Congress, whether it was controlled by the Republicans or Democrats, would be given another \$800 billion in the till, and we cannot believe that it would be used to "pay down the national debt." It would be spent.

That is why this Congress, this majority, is hoping against hope that we can give that money back before it gets spent, or the gentleman from the other

side who was talking the other night will be right, it will, of course, increase the national debt, because we will spend every dime of it if it is left here.

Mr. HOEKSTRA. I yield to the gentleman from Colorado (Mr. SCHAFER).

Mr. SCHAFER. I thank the gentleman. That is precisely right. The remarkable thing that this Congress needs to remember, that history shows us, and particularly the opponents who tried to stop us last week when we passed tax relief, is the lesson of President Kennedy, President Reagan, and in fact the lesson, unwillingly, the unwilling lesson learned by the present occupant of the White House. That is, cutting tax rates increases tax revenues to the Federal Government.

That is what President Kennedy discovered when he reduced tax rates. The economy grew, revenues poured into the Federal Government, people in Washington had all the money they needed to accomplish the things that they wanted to accomplish, and that is indisputable.

President Reagan reduced tax rates. Overall revenues to the Federal Government grew. The gentleman is right, at that time there was a different Congress in charge. They spent. What President Clinton discovered when the Republicans took control of the Congress was that when we reduced tax rates, the economy grows, and the Federal Government now has a surplus estimated to be to be at \$800 billion over the next 10 years.

We voted last week to give it back to the American taxpayers.

Mr. HAYWORTH. If the gentleman will continue to yield, again, it bears repeating, because, Mr. Speaker, there are those in this town, principally those at the other end of Pennsylvania Avenue but also those who occupy the left side of this Chamber, who would earnestly yearn for a type of collective amnesia to embrace the American people.

The President of the United States has engaged in incredible revisionist history where he calls the largest tax increase in American history noble and justified; when he fails to recognize the contributions of this new commonsense conservative majority, which came in and reined in excessive spending, which led to this surplus; but also with his comments in January of this year, when again he stood at this podium and said, and Mr. Speaker, it bears repeating, that it was his intent to save 62 percent of the social security surplus for social security, which meant, of course, that he intended to spend the other 38 percent; and how that stands in stark contrast, Mr. Speaker, with our lockbox to lock away 100 percent of the social security surplus for social security.

Mr. Speaker, it bears repeating, consider these three \$1 bills again to represent \$3 trillion. Take away the zeros.

This is what our commonsense conservative majority maintains should happen. Let us take two of those dollar bills, lock them away to save social security and Medicare, and Mr. Speaker, we are left with this dollar bill, representing roughly \$1 trillion of additional surplus.

We have a choice, Mr. Speaker. If we leave it in Washington, given the proclivities of our president and the temptations which he cannot withstand, that money will be spent. We believe, as the commonsense conservative majority, that the money belongs to the people who sent it here. It should go back to those people.

For my friends on the left to claim these are tax breaks for the wealthy, it is an interesting definition of wealthy. Apparently they think folks who make \$40,000 a year are wealthy because those folks pay almost four times as much in taxes as the folks who earn \$20,000 a year.

Mr. HOEKSTRA. Mr. Speaker, I thank my colleague, and I thank my colleagues for joining me this evening.

Just on a final note, the problem here in Washington is not revenue. In 1999 we will collect \$1,821,000,000,000. By 2009 that will have increased by 50 percent; that government revenues, if we do not provide tax relief, will have increased to \$2,725,000,000,000.

The problem in Washington is not revenue, the problem is we are collecting too much. We need to give tax relief and we need to control spending. We are not cutting spending, we are just slowing the growth, so Federal programs can continue. We just need to control our appetites here in Washington and secure America's future by giving American families and American individuals some of their money back.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. FOWLER (at the request of Mr. ARMEY) until 1 p.m. today on account of official business at the Pentagon.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. EDDIE BERNICE JOHNSON of Texas) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.
Mr. FILNER, for 5 minutes, today.
Mr. HILLIARD, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Ms. JACKSON LEE of Texas, for 5 minutes, today.
Mr. CUMMINGS, for 5 minutes, today.

Mr. COYNE, for 5 minutes, today.

(The following Members (at the request of Mr. SMITH of Michigan) to revise and extend their remarks and include extraneous material:)

Mr. TOOMEY, for 5 minutes, today.
Mr. BURTON of Indiana, for 5 minutes, August 3.
Mr. BILIRAKIS, for 5 minutes, today.
Mrs. MORELLA, for 5 minutes, today.
Mr. KUYKENDALL, for 5 minutes, today.
Mr. SMITH of Michigan, for 5 minutes, today.
Mr. SMITH of Michigan for 5 minutes, July 30.
Mr. DAVIS of Virginia, for 5 minutes, July 28.
Mr. UPTON, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 296. An act to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes; to the Committee on Science.

S. 1402. An act to amend title 38, United States Code, to enhance programs providing education benefits for veterans, and for other purposes; to the Committee on Veterans' Affairs in addition to the Committee on Armed Services for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 604. An act to direct the Secretary of Agriculture to complete a land exchange with Georgia Power Company.

S. 1258. An act to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes.

S. 1259. An act to amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes.

S. 1260. An act to make technical corrections in title 17, United States Code, and for other purposes.

ADJOURNMENT

Mr. HOEKSTRA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at midnight), under its previous order the House adjourned until Thursday, July 29, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3233. A letter from the Administrator, Farm Service Agency, Department of Agri-

culture, transmitting the Department's final rule—Implementation of Preferred Lender Program and Streamlining of Guaranteed Farm Loan Programs Loan Regulations; Correction (RIN: 0560-AF38) received July 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3234. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Mexican Fruit Fly Regulations; Removal of Regulated Area [Docket No. 98-082-5] received July 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3235. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Hospital/Medical/ Infectious Waste Incinerator State Plan For Designated Facilities and Pollutants: Illinois [IL188-1a; FRL-6371-5] received June 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3236. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Texas; Revised Format for Materials Being Incorporated by Reference [TX-92-1-7368; FRL-6342-9] received June 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3237. A letter from the Acting Chief, Enforcement Division, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Policies and Rules Concerning Operator Service Providers and Call Aggregators [CC Docket No. 94-158] received July 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3238. A letter from the Special Assistant Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations, (Indian Springs, Nevada, Mountain Pass, California, Kingman, Arizona, and St. George, Utah) [MM Docket No. 96-171 RM-8846 RM-9145] received July 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3239. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations, (Lufkin, Texas) [MM Docket No. 98-125] (RM-9301) received July 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3240. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations, (Genoa, Mt. Morris, and Oregon, Illinois) [MM Docket No. 99-64] (RM-9485) received July 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3241. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations, (Llano, Texas) [MM Docket No. 99-131 RM-9333] received July 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3242. A letter from the Assistant Secretary for Legislative Affairs, Department of State,