

to three-quarters of them are employed. Our plan for financial assistance and tax cuts and tax credits will allow millions and millions of Americans who work at minimum or low wage or small employers who are the largest employers, and most of those people who do not have health insurance are not covered but they do work, we are providing in this tax relief package a responsible package. It is reckless in my opinion not to provide those working men and women with at least a minimal chance of getting some health coverage.

So somehow we have a difficulty between determining what is reckless and what is responsible. I think what the Republicans, the majority and myself, have done is a responsible action. I think we have a history of a President and a party who has dealt in recklessness. I think the examples are clear and the financial statements speak for themselves.

TAKE A CLOSE LOOK AT TAX CUT PROPOSALS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Massachusetts (Mr. OLVER) is recognized during morning hour debates for 5 minutes.

Mr. OLVER. Mr. Speaker, it is sort of irony that I should be following the gentleman who just spoke because I am going to be speaking about the same thing. That was not specifically planned, but I am glad that it comes out that way.

Mr. Speaker, we are told this week that the main business of the Congress is proposals which have now passed both the House and the Senate to provide for an \$800 billion tax cut. Any time the Congress is thinking about tax cuts, it behooves everyone in America to hang on to their wallet, to sit up and take notice, to pay very close attention to who is being given tax breaks and why. But also how that differs from who the proponents are saying is going to get the tax breaks.

This week is no exception at all. The Republican leadership says that their tax cut is for the middle-class. For the middle-class in America, working Americans. For the middle-class. Well, that is clearly not true if we look at what has passed the House and the Senate. The House passed its bill 2 weeks ago. And starting at the wealthiest end of Americans, at Bill Gates, at the wealthiest end and come down to an annual income of \$300,000 a year, that 1 percent, just over a million Americans who have incomes between \$300,000 a year and Bill Gates, that richest 1 percent is on average going to get \$54,000 of tax breaks. It turns out to be 45 percent of the total of all the tax reduction being proposed goes to the 1 percent of the wealthiest Americans.

If we take 6 million Americans, 5 percent starting at the top of the scale down to an income of \$125,000 a year, I think it might be instructive to remember that every single Member of the Congress, every Member of the House and every Member of the Senate has income greater than \$125,000 a year, that 5 percent will average \$15,000 a year in tax cuts and gets 61 percent of the total reduction.

Mr. Speaker, if we start at the other end and come all the way up, all the way up from the lowest income American to people making under \$125,000 a year, all 95 percent of them, all 120 million taxpayers, they will receive less than the 1 percent whose income is over \$300,000 per year. It turns out that those people, who include the broad middle-class, income from \$25,000 a year to \$65,000 a year under the House-passed bill, would get less than half as much in total tax reduction as the 1 percent richest portion of the population.

Let me put that in slightly different terms. If we were to take 100 people that we know, one person whose income is over \$300,000 a year and the rest whose income comes down from that point, and we have \$100 to give out in tax reduction, 100 people and \$100 in tax reduction, that one wealthiest person, that single one is going to get \$45. Forty-five of the dollars that it is possible to give out under the circumstances. Ninety-five people, the 95 starting from the lowest income up to incomes that covers the broad middle-class, they are going to get a total of \$39 divided among them.

If we look at it in terms of families, a family making \$30,000 a year would get less than \$1 a day in tax reduction. A family making \$50,000 a year, two people working, second jobs whatever it happens to be but under \$50,000 a year, at \$50,000 a year they would get less than \$2 a day in income. Yet the person who is making \$1 million a year, that person would get \$70,000 in that year. \$200 a day in tax breaks.

The Senate-passed plan is a little bit different. The wealthiest 5 percent in the Senate plan gets almost the same amount as the 95 percent, the 120 million people whose income is less than \$125,000 a year. And, again, I would urge my colleagues to remember that the portion of the population that is getting most of the tax break includes every Member of the House and the Senate of the United States. I have to ask, does anyone think that that is a fair way to distribute tax reduction in this country?

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 58 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. STEARNS) at 2 p.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Let us pray. We are grateful, O God, that the scriptures remind us that You are always with us and that Your love and forgiveness and strength will never depart from us. Whatever our concern or whatever our adversity, You restore our souls; and You lead us in the paths of righteousness. So it is with gratitude that we know we are never alone and we are never apart from Your strong arm. Your rod and Your staff they comfort us. Surely goodness and mercy shall follow us all the days of our lives and we will dwell in Your house forever.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio (Mr. CHABOT) come forward and lead the House in the Pledge of Allegiance.

Mr. CHABOT 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.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 107. Concurrent resolution expressing the sense of Congress rejecting the conclusions of a recent article published in the Psychological Bulletin, a journal of the American Psychological Association, that suggests that sexual relationships between adults and children might be positive for children.

H. Con. Res. 168. Concurrent resolution waiving the requirement in section 132 of the

Legislative Reorganization Act of 1946 that the Congress adjourn sine die not later than July 31, 1999.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2488. An act to provide for reconciliation pursuant to sections 105 and 211 of the concurrent resolution on the budget for fiscal year 2000.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2488) "An Act to provide for reconciliation pursuant to sections 105 and 211 of the concurrent resolution on the budget for fiscal year 2000," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROTH, Mr. LOTT, and Mr. MOYNIHAN, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1467. An act to extend the funding levels for aviation programs for 60 days.

S. 1468. An act to authorize the minting and issuance of Capitol Visitor Center Commemorative coins, and for other purposes.

The message also announced that pursuant to Public Law 100-458, the Chair, on behalf of the Majority Leader, appoints the Senator from Virginia (Mr. WARNER) to the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, for a term ending October 11, 2004.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The Speaker pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, July 30, 1999.

Hon. J. DENNIS HASTERT,
Speaker of the House,
House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to Section 591(a)(2) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1999 (112 STAT. 2681-210), I hereby appoint to the National Commission on Terrorism:

Ms. Juliette N. Kayyem of Cambridge, Massachusetts.

Yours Very Truly,

RICHARD A. GEPHARDT.

THE REAL COST OF TAXING MINING INTERESTS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today I rise to address the claim of some of my

colleagues that gold mines get a free ride because they do not pay their fair share of Federal royalties. Well, when considering a Federal tax increase on the mining industry, we must always remind my tax and spend colleagues to take into account the adverse effect of such a tax increase on state and local tax revenues as well.

There is a direct correlation between increasing mining royalties or taxes and the reduction in mining activities. The unintended consequence is that State and local governments suffer great tax losses by these resulting decreases in mining activities. Federal royalties are deductible from the income base on which many of these State taxes are levied. This results in an even less tax dollar amount for State and local governments. Even a recent economic analysis shows that an 8 percent gross royalty would cost State and local governments hundreds of millions in tax revenues every year.

Mr. Speaker, it becomes very clear that when a Federal royalty is not in the best economic interests of this country or the mining industry, we should avoid it.

Abraham Lincoln had the great foresight when he said, "Tell the miners for me that I shall promote their interests to the utmost of my ability, because their prosperity is the prosperity of the Nation, and we shall prove in a very few short years that we are indeed the treasury of the world."

NORTH KOREA ACCUSED OF DRUG DEALING

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, needing cash to run their government, the government of North Korea has been accused of selling heroin and cocaine. I am not kidding you. Reports say that North Korean agents were arrested by international police possessing 80 pounds of cocaine and \$100 million worth of methamphetamines that was sponsored for sale officially by their government.

Now, if that is not enough to trigger your overdose, on or about the same time, the White House announced they are asking Congress for another \$55 million in foreign aid for North Korea.

Unbelievable. North Korea is selling dope, and Uncle Sam is fronting the buy money. Beam me up, Mr. Speaker. So help me.

I yield back further the fact that North Korea is building missiles that are being aimed in the future at America.

DEFINING A TARGETED TAX CUT

(Mr. CHABOT asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, when I hear some of my liberal friends on the other side of the aisle, not the gentleman who just spoke, I might add, talk about targeted tax cuts, I know exactly what they mean. It means you will not be getting one.

Republicans, I should add, also are putting forth a targeted tax cut, but there is a very big difference. If you are a taxpayer, you get one.

That is right, our targeted tax cuts target all taxpayers, a concept that really sticks in the craw of many of my liberal friends on the other side of the aisle.

Many politicians in Washington have a hard time coming to grips with the fact that the budget surplus, a tax overpayment, really, does not belong to them. That money, every penny of it, belongs to the taxpayers.

Washington is taking more than it needs out of the pockets of those who work all over this country and pay their taxes.

The bottom line is the American people are overtaxed, and the real issue is, who should decide how the money gets spent: The bureaucrats up here in Washington, or the taxpayers all over this country.

I will cast my lot with the people of this Nation. Let us cut the taxes on the American people, and let us do it now.

REPORT ON REVISED DEFERRAL OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106-109)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one revised deferral of budget authority, now totaling \$173 million.

The deferral affects programs of the Department of State.

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 2, 1999.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.