

Mr. RUSH. Mr. Speaker, the VA-HUD bill that we are considering today is unacceptable. At a time of unprecedented economic prosperity, the question is: Why is it that we are cutting the supply of affordable housing instead of increasing the supply of affordable housing?

The cuts proposed by the Republicans will be devastating to our Nation's most vulnerable citizens. The majority proposes to cut \$1.6 billion below last year's levels. The VA-HUD bill does not include any of President Clinton's requests for new housing and economic development assistance, such as 100,000 new Section 8 vouchers, APIC, which is America's Private Investment Companies, and other initiatives.

In the City of Chicago, these cuts would deprive 2,530 people of jobs; 1,915 people of affordable housing; and deny assistance to 397 homeless families and persons with AIDS. It is estimated that the City of Chicago will lose \$33,975,000 as a result of the VA-HUD cuts.

My constituents are asking, what is going on here in Washington? Well, I will tell what is going on here.

The proponents of this huge tax cut are looking for ways to pay for their plan for their wealthiest supporters. Unfortunately, they chose to do this on the backs of the poor, our most vulnerable citizens. I urge my Republican colleagues to fully fund VA-HUD. We must expand, not cut, the programs that meet vital housing and economic development needs of our most vulnerable citizens.

TAX RELIEF, IT IS GOOD FOR THE AMERICAN PEOPLE

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

Mr. KINGSTON. Mr. Speaker, I wanted to address tonight the Republican budget and the tax relief package which Americans certainly deserve and is long overdue to them and particularly in respect to the rhetorical terrorism that we seem to hear from the White House.

I guess it is the fall. Everybody is back on the football field. The kids are back in school and the White House hot air machine is in full force spreading the lies which they seem to be so good about. Now here we have a budget which is a three-point budget, Mr. Speaker; and basically what it does, as a triangle, the apex of the triangle does one thing, protects Social Security and Medicare, setting aside \$1.9 trillion for Social Security and Medicare protection. Unlike the President's proposal that he made in January of this year, standing right in front of where the Speaker is, saying let us put aside 62 percent of the Social Security surplus, the Republican plan puts aside 100 percent.

Now, even if someone is a liberal over at the White House, they know that 100 percent is more than 62 percent, and this is good for your grandmother and my grandmother.

So we have the first point, Social Security and Medicare is protected, \$1.9 trillion under the Republican plan.

The second corner of the triangle is to pay down the debt, \$2.2 trillion to pay down the debt. This budget allows us to look one's grandmother in the eye and say we are taking care of them and also look our children in the eye and say we are taking care of their future.

Now we had a \$5 trillion debt. I would love to see us pay all of that off but, Mr. Speaker, unfortunately the votes are not there. The political will is not there. I would love to see the money go to debt reduction, but the math in terms of getting 200 votes in the House, 51 in the Senate and the signature of the White House is just not there. So we do have some debt reduction.

Now, after we have paid that portion of the debt down in installments, it triggers tax relief, not only afterwards. So we have the \$2.2 trillion in debt relief. Then we get \$792 billion in tax relief. The way I look at that, Mr. Speaker, if someone goes to Wal-Mart and they buy a \$7 hammer, and they give the cashier \$10 they expect their change. They do not expect the cashier to load their cart up with more goods and services.

Yet that is what the liberals over at the White House want to do. They say the American people do not deserve their change back for their hard-earned pay, and I think that they do.

This change, this tax relief, is in the form of capital gains tax relief, 20 to 18 percent; if someone is in the lower income bracket, 10 to 7 percent. Income tax relief across the board, 2.9 percent for upper income, 7 percent for lower income. Death tax relief so that if a person dies they can pass their small business or family farm on to their children so that they too can carry on the family enterprise; and then marriage tax relief.

It is ridiculous, Mr. Speaker, that we live in a society that says, if people get married they are going to pay more in taxes than if they are just living together, and yet we out of the other side of our mouth are talking about what a great institution marriage is. These are common sense, across-the-board, middle-class tax reductions, one thing the Democrats have trouble understanding.

They say, yes, but the rich are going to get money out of the tax relief.

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Well, as my colleagues know. Hello? Who pays taxes? If you pay taxes, you are going to get tax relief; I am sorry, there is no way around it. But that seems to be the concept wasted over there at the White House.

So, Mr. Speaker, this is a budget that takes care of Social Security and Medicare first, debt relief second, and after that and only after that, tax relief for the hard-working middle-class Americans. It is a good budget.

The President says he wants a budget that takes care of Social Security, Medicare, and debt relief. This is the budget for him to sign. I wish that he would sign it because do my colleagues know what, Mr. Speaker? We do not really have to be here. If the President would go ahead and say: You know what, this is a common sense budget; and I agree with my Democrat comrade and friend, Senator Bob KERREY, the liberal senator who said this is reasonable, and I am going to support it. And if he could, we would go home, and we would not be passing a whole bunch of other new laws and regulations that are crippling American industry, American education, and school systems and hurting middle-class Americans.

And that would be the greatest part. We could all go home, and I do not think there is anybody outside of Washington, D.C., who would regret Congress adjourning early.

So, Mr. Speaker, with that let me just say I urge the President to get off the rhetoric, I urge the President to get into reality, and I urge him to sign this bill. But if he does not, at least sit down in good faith, and let us try to work out something because the American taxpayers deserve it.

CHUMP CHANGE

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

Mr. DEFAZIO. Mr. Speaker, the gentleman who preceded me in the well said it very well. He said he talked about American people getting change back, and that, in fact, is what the Republican tax bill would provide for the vast majority of Americans. He then went on to say:

Hello? Should not the wealthy people get back more? They pay more.

But guess what? They have already gotten their tax cuts.

A study that was just published yesterday and is coming to the attention of the Congress and the American people shows that because of the tax cuts back in the 1970s and the 1980s the wealthiest 1 percent of the American people have already realized an average tax cut of \$40,000 a year from their 1977 tax rate, \$40,000 a year. That is more than two-thirds of the American people earn for an entire year let alone pay in taxes, and he is saying: Of course those people should get more tax relief.

Why should they get more tax relief? Their average tax bill is already greatly reduced from the tax bill that was assessed against those same incomes in this country 20 years ago.

But in order to provide that tax relief, guess what? Programs that most American families value whether it is the Veterans Administration which we are debating today on the floor of the House, today and again tomorrow, which, yes, they have made it whole in terms of last year's budget, but guess what? There is not enough money there to cover the aging World War II vets and the care they need and my generation, the Vietnam vets. There is not enough money in that budget. But that money will not be appropriated.

They are actually cutting housing. Is America well housed? Does the average young family who wants to have an opportunity to get into what is record-priced housing in the western United States, in my district and elsewhere? Are they getting a little bit of help from the government that they could use to get into that first house? Are other families over housed or well housed in the middle third or so of the incomes in this country? Those programs are being cut.

Medicare is being cut. The home health program is a disgrace; the cuts that were put into place 2 years ago, which I voted against, but a majority here and, sadly, a large number of Democrats voted for and the President signed is still going to be dramatically underfunded, and home health care benefits will not be extended to millions of seniors who need them in order to give a tax cut to the wealthiest 1 percent of the American people who have already gotten a very generous tax cut over the last 20 years.

Mr. Speaker, the result of all this is that we are seeing an unprecedented concentration of wealth in that 1 percent. More than 40 percent of the wealth in this country, levels not seen since the great depression are owned by 1 percent of the people, and the response of the gentleman from Georgia is: Hello? They should get their taxes cut more so they can accumulate an even bigger portion of the pie while middle-income families have both parents working and still cannot afford to send their kids to college without the kid incurring a huge mountain of debt, while seniors are not able to pay for their prescription drugs and cannot get the home health care they need, while our veterans go unserved. All those things will be reduced so that those people, hello, that top 1 percent who are suffering horribly, and, you know, they are paying only 20 percent less taxes than they paid 20 years ago in this country who are accumulating unprecedented amounts of wealth so they can see yet another tax cut.

This is change, chump change for average American workers. For the vast majority of people in this country the Republican tax bill delivers, as the gentleman said, change, chump change, 116 bucks a year for two-thirds of the American workers on average, many of

them getting nothing, but \$116 on average per year for people earning less than \$34,000 a year. But yet, if you earn over \$350,000 a year, you will get a \$31,800 tax cut, more than most of those other families earn altogether.

Do those people, are they suffering? Are they struggling to make ends meet on \$350,000 a year? Do they really need that tax cut? Do we have to reduce those programs in order to deliver that tax cut? Do we need such an unfair tax cut? If you want to have a tax cut that is fair, let us reduce the burden of the FICA tax, the Social Security tax. You could do that. You could actually do that and still safeguard Social Security. That would provide tax relief to 96 percent of wage-earning Americans in a bill I have proposed.

But guess what? It does not help out those people in the top 1 percent, those earning over \$350,000 a year who are paying almost 80 percent of the level of taxes that they paid 20 years ago. They need more tax relief. That is the bottom line in the Republican bill. It is delivering to the people who fund their campaigns, it is delivering to the people who run the corporations that fund their campaigns, and it is delivering, as the gentleman said, chump change to average Americans.

Mr. Speaker, we need to reject the Republican tax bill, I am certain the President will veto it, and let us get back to reality here in Washington, get back to our work, fund the veterans programs, fund the housing programs, set up fair priorities and give tax relief to average families who could use a tax break because they are not even keeping up with inflation.

CURIOUS, COARSE, CALLOUS POLITICAL CALCULATIONS AT THE OTHER END OF PENNSYLVANIA AVENUE

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

Mr. HAYWORTH. Mr. Speaker, I think the preceding two speeches offer a classic contrast where we come as a free people to debate ideas because my friend from Oregon who precedes me is caught up in the politics of envy. Mr. Speaker, I would suggest that as Americans, Republicans and Democrats, liberals and conservatives, we would do well to set aside the politics of envy and embrace the policies of opportunity.

Mr. Speaker, as all of my colleagues had the opportunity on recess to spend time with their families, I also spent a good bit of time with my constituents in the Sixth Congressional District of Arizona, a district in square mileage almost the size of the Commonwealth of Pennsylvania, and in 13 town halls held across the width and breadth of the Sixth District I found that con-

stituents were consistently rejecting the politics of envy for the policies of opportunity as enunciated by our common-sense majority in the Congress as we pledged during this 106th Congress, number one, to save and secure Social Security and Medicare not only for today's seniors, but for tomorrow's, as we also move to save and strengthen and rebuild our national defenses and our national security, as we work to improve education by empowering leaders at the local level, locally elected school boards; but, more importantly, teachers in the classroom and parents in the home because we know that teachers in the classroom and parents at home can deal far better with the educational challenges of their youngsters than any Washington, D.C. bureaucrats.

And finally what my good friend from Georgia mentioned, tax relief and tax fairness for all Americans. My friend from Oregon had one glaring omission in his diatribe against letting the American people hold onto more of their hard-earned money. He failed to cite the fact that the top 5 percent income earners in this country pay well over 60 percent of the taxes taken in by the Federal Government.

But be that as it may, tax relief for everyone is encapsulated and included in death penalty relief, easing the penalty of the death tax on the American people, reducing the marriage tax penalty, reducing capital gains taxes so that you are not punished for succeeding or investing wisely and offering to small business 100 percent deductibility for health care insurance instantly if the President will sign the bill even as we lock away over \$2 trillion to save Social Security and Medicare and pay down the national debt.

These are the opportunities that confront us, and, Mr. Speaker, I would be remiss if I did not mention one other topic that has come to the fore in town hall meetings and has been part of our electronic town hall in talk radio and in discussions on television, and that is the unbelievable actions of our Chief Executive to grant clemency to Puerto Rican terrorists. I am sure, Mr. Speaker, that Osama Bin Ladin and others who embrace terrorism are watching with great interest.

The power to pardon, to grant clemency is given to our Chief Executive by the Constitution. How curious that our President, having issued clemency only three times, would grant it in blanket fashion to over a dozen Puerto Rican terrorists who waged a campaign of terror for well over a decade if they would only promise to renounce violence.

Mr. Speaker, when will it end; the pilfering of 900 FBI files of political opponents, the curious and tragic actions at Waco, putting the Lincoln bedroom up for sale to the highest bidder in terms of political donations, and, Mr.