

Republican parties who want to increase military spending by well over \$100 billion in the next 6 years. We give, as a Nation, \$125 billion a year in corporate welfare to large corporations who do not need that money. There are people on the floor of this House now who are saying Bill Gates needs a tax break. Billionaires need a tax break.

Mr. Speaker, if we can spend billions on corporate welfare, billions on wasteful military spending, billions on tax breaks for those who do not need it, we can certainly afford \$7.5 billion a year more for the working families of this country so that we can move toward that day when every person in this country, young, middle-aged, old, will be able to get the higher education they need.

This is a smart investment for America. I congratulate the gentleman from Massachusetts and the gentleman from Georgia for their work on this, and I will do my best to see that it passes.

#### SUPPORT THE READY CREDIT

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

Mr. NETHERCUTT. Mr. Speaker, I rise today to address the needs of small businesses who employ America's dedicated Air and Army National Guard Reservists. Mounting numbers of contingency operations have pulled ever greater numbers of reservists out of the private sector and into full-time military service. I have introduced legislation, which is numbered H.R. 803, to cushion the blow of these reserve call-ups on small businesses.

The end strength of our Armed Forces has fallen by more than 1 million personnel since 1988, even as military contingency operations have increased to historically high levels. We have only been able to sustain this operations tempo because of an increasingly heavy reliance on reservists.

Total so-called "man days" contributed by reservists have nearly tripled since 1992, to over 13 million days. Without the services of these citizen soldiers, we would need an additional force of nearly 50,000 soldiers to maintain overseas commitments.

Mr. Speaker, reservists are willing to do their duty and serve when they are called, but increasingly frequent deployments have placed a new strain on reserve-employer relations. Most businesses are fully supportive of the military obligations of their employees, but even the most enthusiastic civilian employers are hard hit when their staff is sent overseas for months at a time, only to have the person return home and be called up again.

Evidence from the National Committee for Employer Support of the Guard and Reserve suggests that the

strain is increasing, resulting in a greater number of inquiries on the rights and responsibilities of employers.

Research by the Air Force Reserve has also demonstrated that the problem is growing. While only 3.5 percent of Air Force reservists indicated "serious" employer support problems, another 31 percent reported some degree of problems with employers. Of these reservists, 10 percent are considering leaving because of employer support problems. But the true magnitude of the problem is likely greatly understated as there is no comprehensive survey that is used to consistently evaluate reserve-employer relationships.

Now, the expense to small businesses of doing without a valued employee, or hiring and training a temporary replacement, is significant and the loss of productivity is equally difficult.

Mr. Speaker, this legislation, H.R. 803, would provide employers with a tax credit to compensate for employee participation in the individual ready reserves. Specifically, the legislation provides a credit equal to 50 percent of the amount of compensation that would have been paid to an employee during the time that that employee participates in contingency operations supporting missions in Bosnia and Southwest Asia.

The total allowable credit for each individual employee may not exceed \$2,000, or a maximum of \$7,500 for all employees. The legislation also extends the credit for self-employed individuals. The credit would offset at least some of the expense that reserve employers face and reduce tensions with employees.

Now, this legislation is only one step towards resolving a complex problem. It does not address the serious needs of public sector employees who can be impacted by contingencies as much as businesses. More important, it does not address the high operations tempo that is exacerbating reserve-employer relations and driving personnel out of the reserves. But I do think this bill is timely for it addresses two of the most pressing issues of the 106th Congress: taxes and military readiness.

Mr. Speaker, as Congress discusses proposals to reduce the tax burden on Americans, we must give serious thought to small businesses who have lost valued employees to overseas military operations. As we discuss pay and benefit packages for the active duty military, we must not forget the citizen soldiers who are the backbone of our Armed Forces and whose service is increasingly putting pressure on their full-time civilian employer.

Mr. Speaker, I encourage my colleagues to join me in making the Ready Credit, which is the name on this bill, a reality by cosponsoring H.R. 803.

#### WHO GETS THE CREDIT FOR THE BUDGET SURPLUS?

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

Mr. SCHAFFER. Mr. Speaker, last year, the Treasury Department announced that the Federal budget was in surplus for the first time since 1969. Only 3 short years ago, the President had submitted a budget with \$200 billion deficits as far as the eye could see, as many will recall.

What happened?

There are a lot of Americans who do not care much who gets the credit for the current fine state of our economy and then tend to take the President at his word when he takes the credit for the budget surplus we have at last achieved. But it is important to understand how we got here so that we may continue to a path of sound economic policy in the future.

When the country was faced with large, chronic deficits in the beginning of the 1990s, Congress faced a choice. To cut the deficit, lawmakers essentially had two choices: cut spending or raise taxes. President Clinton and his liberal allies in the Congress naturally chose to raise taxes. Congress at the time was still under the control of the Democrats, and so President Clinton was able to pass the largest tax increase in our history.

Republicans, on the other hand, wanted to reduce the deficit by cutting spending. Republicans believed government is too big, way too big, and they believe Washington wastes too much of our money. One would think this is an obvious point. After all, even the President himself declared in his 1996 State of the Union address that "the era of Big Government is over." Oh, if that were only true.

Mr. Speaker, we can see now that this declaration was nothing more than hollow words. Big Government is alive and well and bigger than ever. In fact, the Democrats have come back with still more ways to increase the size and power of government every year since, including this year.

And while we can say that government is slightly smaller now than it would be had Republicans not taken control of the Congress in 1995, the truth is that government continues to grow. Any attempts to cut government, no matter how wasteful or counterproductive the program, the liberals immediately attack them as extreme and "mean-spirited."

It has never occurred to them that it is perhaps mean-spirited on the part of the politicians to have so little respect for the working man's labor that Washington takes between one-fourth and one-third out of the middle-class family's paycheck just to pay Uncle Sam.

So, Mr. Speaker, that still leaves us with the question, how did we go from

\$200 billion deficits as far as the eye can see 2½ years ago to the budget surplus that we now enjoy?

It is true that there have been some reductions in spending, but almost all of them have come out of the one place it should not have come: from the Pentagon. Defense spending is dangerously low, and our military forces are not what they should be. But liberals, in their boundless faith in human nature, ignore history and simply do not believe in the fundamental precept of "peace through strength."

As for other spending, Republicans did manage to limit the number of new spending initiatives of President Clinton and the Democrats over the past few years. But the primary reason that the budget is in surplus today is that revenues are way, way up.

Liberals will point to the President's 1993 tax increase as to the reason why revenues are up, hoping that we will not examine the budget tables to see if, in fact, it is true. Revenues are up primarily from the number of people who are taking advantage of low tax rates on capital gains, the part of the economy that is the lifeblood of our dynamic and growing economy.

President Reagan cut the tax on capital gains, and the Republicans cut it again last year. Savers, investors, entrepreneurs and other job creators are taking advantage of such liberty. The economy is benefitting from that, jobs are being created, and revenues have soared. That is the primary reason the budget is now in surplus, when it was deep in the red just a few years ago.

I would invite any of my Democratic colleagues who dispute these findings to come forward and show me otherwise. Perhaps the liberals have access to another set of government documents with different statistics. But if they use the same Treasury figures that I do, they will have to admit that the Reagan tax cuts and the Republican tax cuts are the most significant reason behind our current economic boom.

With all due credit to Alan Greenspan, chairman of the Federal Reserve, for his outstanding stewardship of monetary policy, we should mostly thank President Reagan for turning around an economy that was in the ditch. We are still benefitting from his decision to make the United States a low-tax, low-regulation economy and thus able to compete in the world better than any other.

The Republicans forced President Clinton to renounce his own budget with \$200 billion deficits as far as the eye can see. We are grateful that he has at last accepted the need for government to balance the budget and put its financial house in order. We would like to encourage him to continue on this path, especially if he accepts the view that Washington can still afford to cut spending, cut taxes, and make

good on his promise that the "end of Big Government is over."

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#### RULES OF THE COMMITTEE ON INTERNATIONAL RELATIONS FOR THE 106TH CONGRESS

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

Mr. GILMAN. Mr. Speaker, in accordance with clause 2(a) of Rule XI of the Rules of the House of Representatives, I submit for printing in the CONGRESSIONAL RECORD the Rules of the Committee on International Relations for the 106th Congress.

#### RULES OF THE COMMITTEE ON INTERNATIONAL RELATIONS, 106TH CONGRESS

(Adopted January 19, 1999)

##### RULE 1. GENERAL PROVISIONS

The Rules of the House of Representatives, and in particular, the committee rules enumerated in clause 2 of Rule XI, are the rules of the Committee on International Relations (hereafter referred to as the "Committee"), to the extent applicable. A motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, is a privileged non-debatable motion in Committee.

The Chairman of the Committee on International Relations (hereinafter referred to as the "Chairman") shall consult the Ranking Minority Member to the extent possible with respect to the business of the Committee. Each subcommittee of the Committee is a part of the Committee and is subject to the authority and direction of the Committee, and to its rules to the extent applicable.

##### RULE 2. DATE OF MEETING

The regular meeting date of the Committee shall be the first Tuesday of every month when the House of Representatives is in session pursuant to clause 2(b) of Rule XI of the House of Representatives. Additional meetings may be called by the Chairman as he may deem necessary or at the request of a majority of the Members of the Committee in accordance with clause 2(c) of Rule XI of the House of Representatives.

The determination of the business to be considered at each meeting shall be made by the Chairman subject to clause 2(c) of Rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if, in the judgment of the Chairman, there is no business to be considered.

##### RULE 3. QUORUM

For purposes of taking testimony and receiving evidence, two Members shall constitute a quorum.

One-third of the Members of the Committee shall constitute a quorum for taking any action, except: (1) reporting a measure or recommendation, (2) closing Committee meetings and hearings to the public, (3) authorizing the issuance of subpoenas, and (4) any other action for which an actual majority quorum is required by any rule of the House of Representatives or by law.

No measure or recommendation shall be reported to the House of Representatives unless a majority of the Committee is actually present.

A record vote may be demanded by one-fifth of the Members present or, in the appar-

ent absence of a quorum, by any one Member.

#### RULE 4. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

##### (a) Meetings

Each meeting for the transaction of business, including the markup of legislation, of the Committee or a subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of the meeting on that day shall be closed to the public, because disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade or incriminate any person or otherwise violate any law or rule of the House of Representatives. No person other than Members of the Committee and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This subsection does not apply to open Committee hearings which are provided for by subsection (b) of this rule.

##### (b) Hearings

(1) Each hearing conducted by the Committee or a subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of that hearing on that day should be closed to the public because disclosure of testimony, evidence or other matters to be considered would endanger the national security, would compromise sensitive law enforcement information, or otherwise would violate any law or rule of the House of Representatives. Notwithstanding the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony—

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, would compromise sensitive law enforcement information, or violate paragraph (2) of this subsection; or

(B) may vote to close the hearing, as provided in paragraph (2) of this subsection.

(2) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person

(A) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of paragraph (1) of this subsection, if by a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committee or subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the Committee or subcommittee shall proceed to receive such testimony in open session only if the Committee, a majority being present, determines that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

(3) No Member of the House of Representatives may be excluded from nonparticipatory attendance at any hearing of the Committee or a subcommittee unless the House of Representatives has by majority vote authorized the Committee or subcommittee, for purposes of a particular series of hearings, on a