

for farmers who maybe are planting now, but all that money is being spent. We are robbing Peter to pay Paul. This transfer obviously was a stopgap measure, but that has now ceased, so we really have run out of time.

The transfer of these funds also places FSA salaries and expense accounts in a deficit basis. My State, FSA work flow has experienced dramatic increases for a wide range of programs having considerable producer activity. While staff levels have been reduced by 25 percent from the 1993 levels, with the increased responsibility they simply cannot offer the service that our North Carolina farmers expect and deserve.

According to an official count, North Carolina is the most understaffed State in the Nation based on FSA work load criteria. At present we are under staffed by 56 employees. When I spoke with my State director earlier this afternoon, he said he could hire 25 additional people now, had he had the money for the salary. He also told me that his employees cannot go out in the field because there is not extra money for travel. We cannot tolerate that.

As my colleagues know, one has said that silence gives consent. We need to speak out against this. We need to speak to the leadership, that the leadership of this House must act now.

So I call on all my colleagues to call on our leader, for him to call on the appropriate people, to appoint the persons to the conference committee and to make sure that indeed we have an opportunity to move this forward, if not tomorrow, at least by Monday. We need to begin at least working out the differences between the Senate version and the House version.

Finally, as our farmers indeed survive, we will survive; and as rural America is hurting, they are tied to their farmers. Obviously all of us do not farm in rural America, but I can tell you we are tied to the farms' survival. As the farm indeed fails, much of Main Street, and much of infrastructure and school taxes, or rather the ability for the banks to survive also suffer, and this Nation, whether they understand it or not. Maybe only 25 percent of us may live in rural areas, and maybe only 1 percent or 1.1 million farmers farming, but they are undergirding us with the very basic of good food, quality food and fiber, that if they were not existing, we would not have that opportunity for that very basic.

And I thank the gentlewoman from Ohio (Ms. KAPTUR) for her leadership in this role and her persistence, willingness, to come here and to urge our colleagues to do the right thing, and I just want to stay with her and break the silence, that we should not be giving consent that we understand there is a crisis and refuse to do anything about it.

I thank the gentlewoman for allowing me to participate.

Ms. KAPTUR. Mr. Speaker, I want to thank the gentlewoman from North Carolina (Mrs. CLAYTON) for being here late this evening on behalf of America's farmers who need a voice in this Chamber. We must be their voice, we must get the leadership of this institution to move a bill. I wish we could move it this week because it could be done. We can work out these differences.

As the gentlewoman says, you can go up to the Committee on the Budget, they work until 2 a.m., and they get it done. A lot of our farmers are plowing their fields at 2 a.m. in the morning also. It is not a 9 to 5 job.

And as I was listening to the gentlewoman's remarks, I was thinking about the song America the Beautiful, where we talk about the fruited plains, about the amber waves of grain, and how different America would look if we were to lose this tremendous productive capacity that we have. And most Americans probably say, "Well, gosh, we've, you know, had attrition of farmers over the whole century, so what makes this different?" What makes this different is the structure of the industry at the end of the 20th century and that, in fact, the people who are in farming today are what we would call the diehards. They are the ones that have survived downturns in the economy, the current depression in rural America, all kinds of drought, all kinds of disease. These are the best farmers. They have had to survive everything, and now we risk losing them because of the current economy and the inability of this Congress to clear a bill that will keep rural America functioning for the sake of the Nation.

And as the prior gentleman talked about the stock market and the gentlewoman talked about what is happening in the rest of the economy, as one of our former chairmen of our committee used to say, there is a difference between money and wealth. And Wall Street can generate a lot of dollars, but those really are rather representative; they are a mirror of what is happening elsewhere in the economy.

When you talk about rural America and the ability of independent farming to survive, you are talking about the real wealth of America spread among many owners, not a few, and what is really at stake today is the ability of that group of people to survive and prosper, or are they going to be franchisees of large processing firms if they are even allowed to remain in business at all? The situation in America today, at the end of the 20th century, is as serious as it has ever been.

And so I want to thank the gentlewoman for being down here tonight. Along with her, the gentlewoman from North Carolina (Mrs. CLAYTON), the gentleman from North Carolina (Mr.

ETHERIDGE) and also the gentleman from Arkansas (Mr. BERRY). We again make a plea to the leadership of this Chamber that delay is not an option.

The Speaker of this House and the other body, the other body's leadership, are fiddling while rural America burns. America needs our independent farmers, Mr. Speaker, and they need us. They need this Congress.

And so I ask the leadership: Where is the emergency farm bill? Where is the beef?

TAXES, SOCIAL SECURITY AND RETIREMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, first of all, I, of course, have been here to hear the previous remarks.

Let me make a point of clarification because I think it is very important. The previous speaker stated that the Speaker of the House sits idly by, or made some kind of reference in that regards, while the farmers out there suffer.

I am from rural Colorado. The Speaker is from rural Illinois. If the previous speakers would have read the newspaper recently, they would find out the Speaker's wife does not stay in Washington but remains at home in rural Illinois.

The Speaker cares about farmers. I do not know anybody in here who does not care about farmers, and I think it is grossly unfair for a speaker to stand up here, any speaker, and look out here, whether Republican or Democrat, and make the kind of audacious claim that for some reason because you are Republican or Democrat you do not care about farmers in America.

Frankly, I have not found anybody in America that does not care about farmers. Now, sure, there are disagreements on what can be done to help save the farming community and so on, but I think you stoop a little too low when you stand up here at this microphone, a speaker, any speaker, and would say or infer that any Republican or Democrat in this body does not care about farmers. Of course, we do.

Now let me go on now. This evening I am going to speak about taxes and a number of other issues.

Ms. KAPTUR. Mr. Speaker, will the gentleman yield?

Mr. MCINNIS. I will not yield to the gentlewoman from Ohio. The previous speaker had an hour and now I would like to have an opportunity to have an hour.

Ms. KAPTUR. Mr. Speaker, can I be recognized since the gentleman acknowledged that we had spoken?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Colorado

has the time. The gentlewoman will suspend.

PARLIAMENTARY INQUIRY

Ms. KAPTUR. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman from Ohio will state her parliamentary inquiry.

Ms. KAPTUR. Mr. Speaker, my inquiry is, did the gentleman not reference a prior speaker and therefore under the rules am I not allowed to respond?

Mr. McINNIS. Mr. Speaker, I control the time.

The SPEAKER pro tempore. The gentleman's remarks are not grounds for recognition.

The gentleman from Colorado may proceed.

Mr. McINNIS. Mr. Speaker, some of the things that we want to talk about this evening, I want to talk about taxes. Of course, tomorrow, April 15, that is the tax day. Before I begin these remarks in-depth, I want to make a couple of thank yous. First of all, I want to thank all of the American taxpayers. I want to thank those taxpayers who are honest. I want to thank those taxpayers who go out every day of the week and they work hard to earn money, and they pay their proportionate share of taxes so that this country can remain great. I want to thank those taxpayers who make sure that they file their tax returns on time.

I want to assure the taxpayers of this country that there are a number of us on both sides of the aisle, there are a number of us who are devoted to making government more efficient and making government work for you. The concept of this government is not the taxpayers working for the government but the government working for the taxpayers.

I am employed and all of my colleagues here on the floor, we are employed by the taxpayers of this country. It is the taxpayers to whom we respond. It is the taxpayers to whom we owe a fiduciary duty to run this government in the most efficient way that we can possibly do it. I can say despite all the rhetoric that we have heard about tax cuts, can you or can you not have them, if we could just on a uniform basis cut the government waste that we see in day to day operation within this government, we could cut the taxes across the board, a permanent tax cut.

Of course, every time we cut waste back here in Washington we are getting into somebody's pocket because that money is not just put into a hole in the ground; it goes to somebody's benefit.

What they tend to do in Washington, D.C. is build a wall to protect that benefit, even though it is a waste of taxpayers' dollars.

I want to say another thank you. That is thank you for the services that

are being rendered, as we speak, by our men and women in uniform, not only in Kosovo and in the region over in the Balkans but throughout the entire world.

When we take a look at what our military people make for pay, we will see why tax day is a tough day on them. It is a tough day on a lot of Americans that make that kind of salary, but these people are dedicated and they are showing their strength and the dedication and the patriotism toward this country not only in Kosovo in the military mission that we are engaged there, but in Korea, in Somalia, throughout the United States and Canada. We have troops throughout the world, and I want to say thank you to them tonight as well.

Along with the thank you to our service people, I also want to come back to the taxpayer and thank you for helping us finance these soldiers, for helping us get them the best and most technologically advanced equipment in the world. Taxpayers, you have a lot to be proud of this evening, and it is now our duty, our continuing duty, and a number have tried to do this but it is our continuing duty, in appreciation to the sacrifices you make by sending this government money to fund it, it is our duty to make sure this government in turn gives you a bang for the buck. You deserve it. It is your money.

You will hear some people say, well, the government spends its money. That is government money back in Washington, D.C.

It is not government money. It is your money. It comes out of your workday every day of the week. It comes every time you go to the cash register, you pay taxes. We will go into a little more of that.

Let us start with the taxpayer and the American worker. We all get a paycheck. I thought we could just kind of break down a typical paycheck. I asked someone in my office if we could use their paycheck stub. We have taken the name off, as can be seen, but let me just point out a couple of things here.

This particular individual has a gross income of \$1,958.33. Deducted from that is a retirement amount for the retirement account of \$195.83. This particular taxpayer is a very responsible taxpayer because they are helping fund their future retirement.

It is a mistake for the workers of this country, for all of us in this country, and most of us are workers in this country, for us to figure out or to depend on the government to provide our retirement for us. I think it is fair for us to depend on the government to provide a partial retirement through Social Security because we fund Social Security, as does this taxpayer, and we will look at Social Security here in a little more depth, but we also have a responsibility. We have personal responsibility to plan for those years in

which we will not be employed, the golden years of our life, when we will not be in the workforce, it may be by choice, and where we are going to have a retirement.

Do not expect the government to do it. We have personal responsibility. Most people I talk to accept that personal responsibility. So does this taxpayer. They put \$195 a month aside for their retirement, and some evening I am going to come over here and visit a little about why I think the government retirement system works pretty efficiently for all government employees and what I think we can do with Social Security to track along the same kind of system that we have for retirement for two or three million Federal employees, and I think we will see the benefits and why that system works.

This evening we are going to continue to stay focused on the taxes. So then go to the adjusted gross. The key down here that I want to take a look at is Social Security, \$149.82. Now I want to talk briefly about Social Security and the kind of challenges that we face in the future about Social Security.

Now why is Social Security in trouble? We have often heard that Social Security is in trouble because the government has borrowed from the Social Security funds to use that money in its general funds. Well, that is true, but let us not focus on that this evening because if the government paid back every penny of every dollar that they borrowed from the Social Security funds, and by the way the government is going to have to, I mean the government on the bottom line is obligated to do this, they are going to have to produce that, but even that said, if they paid it all back, Social Security still faces challenges, financial challenges, in the future.

What brought on these financial challenges? Well, first of all, some good news. The good news is because of the medical technology in the greatest country in the world, our country, the United States of America, people now can expect to live to a later age. When Social Security first came in in 1940, when people retired at age 65 they could expect to live 12½ more years; 12½ more years. That is 77½. That was the average expectation. Today we can expect to live another 17½ years beyond that point in time, by the year 2030. So I think it is very reasonable to expect that my children and my grandchildren, although I do not have my grandchildren but my expected grandchildren at some point, will live well up into their hundreds and probably beyond their hundreds.

So we have good news. Life expectancy has gone up, but Social Security premiums have never really been adjusted to allocate for that. At some point we will have no choice but to raise the retirement age, which by the

way can be done pretty harmlessly over a long period of time, to allocate for this or raise the premiums.

I think, of course, the fairer way to do it is do it kind of on an almost hold harmless, over a period of time raising the age limit.

Let me go on and talk about the other issue that we have got here with Social Security, and that is that Social Security has kind of become a pay-as-you-go. Today, the average couple on Social Security draws out about \$118,000 out of the system more than they have put into the system. We cannot have a system that operates like that for a very long period of time. So we have to figure out what benefits are going out, what money is coming in, what kind of adjustment we need to make for the extended life span.

The other problem, of course, that we have is that when Social Security first came around, I am trying to remember the exact number but I think the ratio of recipients was something like 13 or 15 to 1. In other words, when Social Security came, there were 15 people working for every person retired.

□ 2045

Today that has changed. Today it is 3.4. We have 3½ workers out there for every person retired. In the not too distant future, we are going to have two people working for every person retired. We have to stand up and face the social security.

We have done that in part. The Republicans specifically have put in place a lockbox to lock money for the future of social security. That all said, and talking about the problems of social security, let me say what has gone right about social security. Number one, the checks go out every month.

I cannot believe some of the propaganda that has been going out there to the general public saying, oh, your social security is going to be cut off. You can tell it is political season when we hear statements like that.

I can tell Members today without exception, without condition, that everybody on social security today faces no threat of losing that social security check. Their check will continue to come. In fact, the people in my generation, which is the generation behind the retired folks today, that generation as well, there is money in there to fund that generation. The generation we have to worry about are my children. Those people that are, say, under 20 years old today or under 25 years, that is the generation that we have an obligation to plan for at that point in the future.

However, up to that point in time, do not let politicians or do not let other people try and propagandize that we are going to lose our social security checks. My gosh, our seniors have enough to worry about when they reach that age.

To get that fear, we sell a lot by fear. Take a look at the Y2K program. If people are like me, they get mail every day trying through fear to get us to buy their product, trying to get around Y2K. They do the same thing with social security.

We should not let them throw that fear factor into us. When we see them throwing that fear into senior citizens, saying, you are going to lose your social security, the Republicans do this to social security, it is not going to happen. The money is there today for social security recipients. It is there tomorrow. It is 25 years from now that we have to plan for.

We, frankly, on the Republican side, and I am proud of this, I am not trying to be partisan here, I am trying to say it is a priority. In our Republican conferences, it is good to see us talking about the future, instead of just trying to handle the problems that come in today. We are trying to plan for the future 25 years out, 25 years out.

That is what a lot of people, in fact, the person who has this check is trying to plan their future 25 years out. With this retirement here, this \$195.83, that is positive. Social security is positive. The lockbox is positive.

I think the person with this check right now, with the three-legged approach, one, the retirement that they have, that they put aside with their employment; two, the retirement or investments they plan on their own; and three, social security, I think people will be able to comfortably retire in this country for some time to come.

We are always going to find the exceptions, but in general, I think people can feel pretty good about social security. But that does not mean, that does not mean that we do not need to plan for the financial woes that will occur if we do not adequately address them today about 25 years from now.

Let us go on to the Federal tax, what this person pays in Federal tax, \$231.25. Their health insurance, again, good planning by an employee. Let me step back. It is amazing how many people in this country are offered health insurance by their employer but they opt not to take it.

This particular employee is taking the health insurance. That is a wise investment. That is a smart investment. Regardless of what people think, whether we should have nationalized health, which I strongly oppose, by the way, but regardless of where we think we should be with health care, until that is resolved I think it is pretty smart to take out a health insurance policy. That is what is occurring here.

Here is the Federal tax, \$231.25. I want us all to consider, we have a pretty healthy economy today. When things seem to be going well, people tend to downplay the burden that we, the taxpayers, are actually carrying here. Once again, I think we owe tax-

payers appreciation. They are funding the government. The government is not running as efficiently as it should for them, but I think they are doing more than their share, the honest taxpayers out there, by sending the money this way, by funding this government. So we owe this accountability.

Let us take a look at the tax burden on Americans. I have been reading a lot of editorials, especially this week. April 15th, tomorrow, is taxpayer day. That is the day we have to drive to the postal system and drop it in the mailbox. I have heard a lot of people say, hey, the taxes are not so bad. It is because times are good, but we should not let it sneak up on us.

In World War II was when we had our highest tax, in 1944, pretty understandable in a war, 20.9 percent. Then, in 1945, it actually dropped to 20.4 percent. But compared to what it is today, in the year 2000, under the Clinton budget it would be 20.7 percent. So it goes right in since 1944, it would be the second highest tax rate, total tax rate, that we would have. I do not think the taxpayer should be paying that much in taxes. I think we have a lot of efficiencies out there in government that can be realized.

Let me say, I think that philosophy is shared, by the way, by Members on both sides of the aisle. Unlike some people who come to this podium just to attack, attack the other party, I think there are people in both parties trying to get some accountability, trying to get a more efficient government.

But I am not a keen supporter, I can tell the Members right now, of this budget right here that would put us in at about 20.7 percent. After we pay those taxes that we showed in the previous poster, we need to take a look at what else we pay taxes on.

First, as we saw, this particular taxpayer had the deduction taken out of their check, so that is what goes to the Federal Government. They also had, and I did not show it on the tax stub, they also had in there a deduction for State income tax.

Let us take a look at the average day. When we wake up in the morning, generally we sleep in an apartment or a house and we have property taxes we pay for, so so far we have Federal taxes, State taxes, now we have property taxes.

If we turn on the lights in the house when we get up in the morning we have utility taxes, so now we have Federal taxes, State taxes, property taxes, and utility taxes. Then we go to get something to eat, we pull a bowl out of the cabinet, we pull a coffee cup out of the cabinet, and we have sales taxes. We have paid sales taxes.

It is interesting, I have a lot of young people that come to my office. I take great delight, and by the way, this generation, this new generation we have, these kids are terrific. They are bright,

they are capable. When I talk to them in my office, I say, do you pay taxes? It is surprising, a lot of them say, no, not yet, not like our parents. But we probably will when we go to work. I say, no, you pay taxes every time you go to the store. No matter how old you are, you pay a sales tax.

So now what we have, we have Federal income tax, we have State income tax, we have property tax, we have utility tax, and now we have sales tax.

On top of the sales tax, of course, then we drive our cars to work. Take a look at our gasoline tax. I know in Colorado, in Colorado I think it is 22 cents; not think, I know, the State is 22 cents and the Federal Government charges 18 cents. That is 40 cents per gallon.

It was not very long ago, it was not very long ago, that gasoline in Greenwood Springs or in Colorado was about, I don't know, a dollar a gallon. I called my friend today, Al Stroobants over on the western slope, and I called Bill Vollbraught, my friend in Denver, and asked him, what is the price of gas? It has gone up a little.

For the sake of easy calculations, let's talk about a dollar per gallon. When we stop at the gas station, for every dollar we pay the attendant, here is a dollar for my gas bill, we get 60 cents worth of gas. We pay 40 cents in taxes. Take that out. For every \$10 we pay the gas attendant for the \$10 bill on the gas pump, for that \$10 we get \$6 of gasoline and \$4 of taxes.

So where are we so far? We have Federal taxes, State taxes, property taxes, utility taxes, sales taxes, gasoline taxes. Then what we do, we go and have a friend, let's say, that comes to visit us, or take a flight from the airport, go out to the airport. Then there are passenger taxes and other fees. We have fees to do this, fees for a rent-a-car, taxes to get on the airplane.

Then, if you decide when you fly to your destination you want to stay in your hotel, you have a hotel tax that is put on top of that. Then finally if you get a little depressed about the whole thing and you decide to, without driving, by the way, without driving, you decide to have a beer, you are going to pay a tax on alcohol, and take a look at what the percentage of that is.

Then, if you are unfortunate and you happen to pass away with too much property, then the government is going to put a death tax on you. No matter what level of property that you have, they still tax certain items in funeral preparations and other things like that involved with your death.

There are lots and lots of taxes in our society. That is where we get to that overall tax burden, which is among the highest in our country's history. Do not let it creep up on you. Do not let these increased taxes creep up on you when the economy is good. That is when people seem to pay the least

amount of attention to their taxes. That is when the economy is good. It creeps up on them.

Take a look at special districts. Special districts have a special use in our country. We need them, especially in rural America, but a lot of people never see what their special district taxes are because those are paid by the mortgage banker. You send one check in a month, just like my wife and I do, we send our check in once a month to the mortgage company, and the mortgage company then turns around and pays the school tax, the cemetery district tax, the library district tax, the recreation district tax, et cetera, et cetera, so those are even more taxes.

I am not up here bashing the fact we pay taxes. We cannot have a government if we do not pay taxes. What I am saying, as this tax level begins to creep up and up, you as the taxpayers, you are our employers. We work for you. You have every right to demand efficiency and productivity from your government because you are paying those taxes. You are paying them at every level.

When we go to the airport and pay a passenger tax, we are entitled to have an airport that is efficient. When we go and drive on a State highway or Federal highway, we have a right to expect a highway that is safe, a highway that is well-engineered, and a highway that is built with construction dollars that are done in such a way that it is competitive.

As I mentioned earlier, I think we can be very, very pleased about the efficiency and the dollars that are being spent on our soldiers over in Kosovo. I think they are doing a darned good job, not just because of the fact that they are putting their lives on the line, which of course is the most critical issue that we have facing us today, but by gosh, we are getting good delivery. We have got very efficient forces over there.

In fact, I know a family, I will intercede this here, Steve and Janet Westhof, I want to say hello if I get an opportunity to in the next couple of days, but they have six kids, six kids, and five of them are in our military. We can be assured that our taxpayer dollars, we are getting our worth out of those five Westhof kids that are serving out of Colorado in the military.

Let us go on and talk a little more about some of the tax breaks and things that I think are important. How we calculate taxes, it is just like when we are paying for some kind of service. If you are paying for lawn service, you are starting your lawn service this summer and you are paying for somebody to come mow your lawn, you adjust that every year. One year you may decide to have bushes trimmed in addition to the lawn mowed, so it is going to adjust what you pay. The next year if you decide to trim the bushes your-

self, then you should expect you are going to pay less to mow the lawn. If you do not pay less but you are getting less services, something is wrong with that formula. You need to calculate what is going on.

Right now in our government there are some efficiencies that we have realized. There are some tax credits that are very significant. Once again as a Republican I take a great deal of pride in the fact, one, we are going to have a budget tomorrow; number two, we have delivered significant tax cuts in the last couple of years.

I do not know how many of my colleagues out here, and I assume most of them, own their homes, but take a look at this, and again, I am proud of it. I am proud to be a Republican. I think we have done some very positive things, not partisan, positive things for the taxpayer out there.

What have we done? The house. If any Members have sold a house this last year, they need to go see their tax accountant, make sure they have given that information to their tax accountant before those taxes are filed tomorrow, because they may be entitled to one of the largest tax breaks they have received during their entire working career.

What do I mean by that? First of all, let us talk about the old rule, if you sold your house for a net profit. Now remember, on a house, if you bought a house for \$100 and if you were to sell the house, it is only worth \$100, but you have been paying on it for several years, so you now only owe \$50 on it. So you sell the house for \$100 but you have been paying \$50, you only owe \$50 on it, you have \$50 in your pocket after you sell the house. That is not net income, that is net equity. Net income would be if you bought the house for \$100, you paid down \$50, so you now have \$50 that you owe on it, but you sell the house for \$150. You have \$50 of equity and \$50 of net income.

In the past the government has gone to that \$50 of net income and they have taxed you on that. There was one exception to it. If you were 62 years of age or older, you got a once-in-a-lifetime tax exemption that one time of up to \$120,000.

The Republicans changed that last year. It was a Republican-led plus. This had bipartisan support, some Democrats voted for it, but it is an important one. What does it do? Let us take a look at before this tax bill, before the Republican tax bill. Let us take a look at what an individual, and now, most homes are owned by couples, so let us look at the couple column, which is right here where the red light is.

□ 2100

You buy the House, this is before we changed the tax law, you bought the House for \$200,000. You sold the House for \$700,000. So you have obviously recognized a large net profit. Your profit

is \$500,000. The income that would be taxed under the old law for a couple would be \$500,000. What did we do? We gave you an exemption that is good every 2 years, not when you are 62, but you get it renewed every 2 years on your primary residence.

Here is what the status is with the same house after the tax credit bill that we put in place last year. A couple again, they buy the house for \$200,000. They sell the house for \$700,000. Again just like over here, before the tax break, they make \$500,000. So they make \$500,000 under either circumstance.

But look what the difference is. Here is the column. The income that will be taxed is zero. Zero. Here the income that would be taxed was \$500,000. That is significant.

It will apply to every homeowner in this country whether you live in Missouri or New York or Colorado or California or Alaska. Every homeowner in this country that sells their home for a net profit will get a tax benefit, thanks to the hard work of the Congress.

The hard work, again I want to come back, the hardest work is by the taxpayer, which funds the Congress. But we are the managers of that money. Through the management of that money, we have determined that those of you who own homes, and that is most of America, deserve a break today when you sell your home for a net profit. That is significant.

Here is another tax break that I think is worthy of us looking at, because this means millions of families across this country will have more dollars to spend, more dollars coming back to you.

Let us go again through the system of how the taxes work. The money the government has is not created in Washington, D.C. It is created by your hard work, by your contribution to capital, by your sweat, by working and showing up and working those 8 or 10 or 12 or 14 hours every day. That is how money gets to government.

As you know, it comes up through several different layers of government. It means there are a lot of middlemen in the government that take a little here, take a little there. We need to make sure that we are operating in an efficient manner. If we have excess cash, we ought to give it back to you.

Now excess cash is excess cash after we have planned for Social Security, after we have planned for Medicare and after we have planned to reduce the national debt.

Remember, it was not very many years ago we used to be mocked. The Republicans were laughed at when we stood up and told the American people, we were not laughed at by the American people, some maybe, but we were laughed at by some of our political opponents who said we will never get rid of the annual deficit. This government

is always going to operate with a deficit. We thought we could accomplish it by 2004. We actually accomplished it in 1999. That is pretty significant.

Now we have got to take on the national debt. But in doing that, we have got to be fair to the people that pay the bill; and that is you, the taxpayers.

Here is one of the things that we have done. It is tough today, economically, to bring up a family, even a family of four, with the kind of needs that you have. My gosh, it is wonderful in America that we have the kind of opportunities that we do. America is a darn good place to live. I am proud to not only be a citizen of the United States, to be here in America, but I am proud to be a representative of the citizens of America.

But our families, we want to allow our families to have as many things as they can have. Frankly, even some of the families in worst shape, are in the lower end of our standard of living here, are still better off than a lot of the other countries in the world.

But the point is, how do we get to the average family? How do we get some dollars back to the average family so they have a little better opportunity at educating their young children, at making sure their young children have the best or at least some good opportunities or good clothes, good food, good transportation, a good home with good heat, with good air conditioning, those kinds of things? What are some of the things that we could do?

We took a look at the tax credit that we gave for the sale of a home. The beauty of that tax credit is most people use that to buy another home.

Here we have what we call the child care credit. A family of four under this tax credit, if they have two children under age 17, they have \$45,000 a year annual income; and, by the way, there are a lot of people out there, especially if both husband and the wife work outside the home, \$45,000 between the two of them is not unusual. In 1998, we allowed a \$400 per child credit that is a direct credit, \$400 per child in 1999. That will increase to \$500 per child, \$500 per child.

The tax credit here before the Republican tax credit went into place, this couple that earned \$45,000, family of four, two children under 17 could expect on that income to pay approximately \$5,134. After that tax credit, they now pay \$4,334, or \$800 less.

To some people \$800 is not a lot of money. To me it is. To most American families it is a lot of money. One of the problems in government is if the people that work for you in government begin to become somewhat callous towards the value of money.

I have talked to people in government who say, well, what is \$800 out there? Hey, get out there and try and earn 800 bucks. That is a lot of money. It means a lot to a family, and it

means a lot to a family of four, and it means a lot to a family with young children or to a family that is retired. Eight hundred dollars are big bucks, and that is why these tax credits mean something.

I know in campaign season they always say, well, the Republicans, they give tax breaks to the rich. Rich? Is that what you call rich, those people? Not all homeowners in this country are rich.

Most families in this country are rich with love, family love. We have lots of love. We need more. I am not getting into the social issue here. But the fact is most of the families that own homes in this country are not rich, and that is who that tax credit goes to help. Most people in this country are not rich by those standards, certainly by \$45,000 a year standards. That tax credit of \$800 goes to help them.

These are not insignificant numbers. The taxpayer is entitled, if the circumstances warrant, and which by the way, a good economy has allowed that to occur, a break today. Let us give them a break today.

Let us go to our employers and say, what you have been paying me is great, but we think we have found some management efficiencies whereunder we can manage Social Security and make sure everybody continues to get their check and we are confident we can.

Medicare will be secure. We have a lock box. We lock the money away. We will be able to take down the national debt. We are still going to have a little left for you, a little left for you, the very person that goes out there and works every day of the week or 5 days a week or whatever your work pattern is to make it possible so we have the money to run this government, by the way, run this government on your behalf.

Let me once again mention Kosovo and the situation we have got over there. We have to come back to the American taxpayer. We are not going to have to raise your taxes, by the way, to fund Kosovo. But this is a very, very expensive operation.

I do not know one Democrat and I do not know one Republican that wants to cut our soldiers or our people in uniform, regardless of where they are, or our manufacturers that are supplying these products as long as they supply them on a fair value. I do not know anybody on either side of the aisle that wants to short our military.

We may have disagreements on Kosovo, and I think they are significant disagreements on Kosovo and the policy in the Balkans and so on, but policy is separate than the issue of support for our soldiers.

We will afford, we will pay for, and we can pay for every weapon that our military soldiers need, every meal, every uniform, every paycheck. We can meet the needs of the American military.

But that money means that we have to do some more financial planning back here in Washington, D.C. It means that we will not be able to reduce the national debt at the same rate that we thought we could reduce it just a month ago. It means that we have an emergency spending number in front of us.

What we have to consider is how far into the future that emergency spending dollar goes. I am one of those people that happens to think that this operation will not stop today at \$3 billion.

I am one of those people that thinks that this operation costs us about \$100 million a day and that we have many, many, many more days into the future to fund this operation. This will be a significant cost item for you the taxpayer. Let us not clown around.

It is like having a meeting with your bosses. We need to report it up front. We have a very expensive item on the radar. It is on the agenda right now. It is Kosovo. It may not end when the bombing stops, by the way, because the United States, one, we have a strong sense of humanitarian belief to take care of the sick people, to go in and assist where we can. That is expensive.

Number two, if we maintain a peacekeeping force through the auspices of NATO, by the way the United States carries the biggest burden there, and the United States usually carries the big burden. I am proud of that on one hand, and on the other hand, it is kind of like going camping and having everybody gather firewood. If you have got people that is capable or closest capable to you that is gathering firewood, they ought to be out there gathering firewood if they want to sit by the fire. But we have to constantly make sure everybody carries their fair burden.

But this Kosovo situation can get expensive. It is expensive right now. We will fund it. We have got the money to fund it. But you need to be patient. We all need to be patient and understand that our reduction of the national debt, which is critical for the Republican Party and I think critical for many of my colleagues on the Democratic Party, that the preservation of Social Security, which is critical for all of us, that the preservation of Medicare, which is critical for all of us, that we are going to have to make some adjustments.

It does not mean they are going to be in trouble or that we are not going to be able to do what we had originally committed to do. We are. But it does mean we have an emergency expenditure out there, and it is called Kosovo.

Let me talk about another tax that I think is very unfair, the marriage penalty. Let me talk about a couple other taxes that are very unfair. They are inherently unfair. To me, there is no justification for these types of taxes.

These are taxes that the taxpayer should not be paying because it is unfair to the taxpayer. Not that it is a heavy burden on the taxpayer, it is, but that it is an unjustified tax. It is not right to tax people like we are going to tax them, like the government has been taxing them.

One of them is the marriage penalty. My gosh, folks, this is the United States of America. This is a country where we think family is of the highest priority. We encourage marriage in this country. We encourage people to stay married in this country. We know, the statistics prove, I do not care whether you are a conservative clear to the right or whether you are a liberal clear to the left, the fact is, the bottom line is we know that a married couple has a lot better chance of success at raising their young than does a single person. It is just reality out there.

But yet the government, despite the fact that we encourage marriage, despite the fact that we know that married couples have much better odds of raising children and much less dropout rate, et cetera, et cetera, et cetera, despite the fact that we know all of this, the government still continues to impose a marriage penalty when it comes time to pay your taxes tomorrow.

So those of you who pay your taxes tomorrow, which most of the people that we are talking about, most of my colleagues here, if you are married, you pay an additional tax penalty because of the simple fact that you are married. That does not make any sense. It does not make sense to me, and it does not make sense to you. But we have a lot of people out there who are not even aware of the fact that we have a marriage tax penalty.

One of the big priorities of the Republican conference this year is get rid of that marriage tax penalty. We may be delayed if we spend a lot of money in emergency dollars. Those emergency dollars are justified, and I want to make sure we get a good bargain on them. But we know that a lot of those dollars are justified. So it may delay it.

But as soon as we can afford to do it, we need to get rid of that tax. We need to get rid of the tax not just when we can afford it but because it is an unfair tax. It goes contrary to the type of society we want to pursue. We want a type of society where marriage is encouraged, not where marriage is penalized.

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It does not make sense.

What is the other tax that is unfair? It is the death tax. The death tax. We are taxed when we die. Now, granted, there are exceptions to that. We do not have to pay taxes if we have an estate up to \$650,000, and that is moving up. But take a look first of all at those people who do.

I do not care whether an individual is rich, I do not care whether an indi-

vidual is poor, I do not care whether an individual is middle class, no one should ever have to pay a tax that is unfair. And if someone is paying a tax that is unfair, even if it just affects the poor people, the middle class and the wealthy people ought to be just as aggressive at getting rid of that tax that unfairly taxes the poor people with a lower standard of living.

And, likewise, the poorer income should be just as aggressive about taking away a tax that is unfair to the middle income and so on up the line. If it is an unfair tax, it is an unfair tax whether an individual makes minimum wage or whether an individual a million a year. It is an unfair tax, and that is what the death tax is all about.

Now, with the death tax, are we taxing property that somehow has escaped taxation during the life of the person who earned that? No, not at all. In fact, we are taxing once again property that on many occasions has been taxed not only once, not only twice but sometimes three and four times.

So what creates the death tax is simply the fact that a person has died. And the reason it creates it is the government says, "Hey, old Scott's gone, so let's just go ahead and go after it." That is a good legitimate reason to take money from our citizens; they are dead, they are not going to complain any more. But, my gosh, realize what the ramifications are of this death tax.

Take a look at the State that I am from. I am from the State of Colorado. My district is the Third Congressional District. Most Americans have been in my district. If you have ever skied, you have been in the Third Congressional District. If you love beautiful mountains, you have been in the Third Congressional District. It is a beautiful area. But it has a very heavy dependency on two things. Well, on several things but two I want to talk about. One, small business and, two, agriculture.

Now, what do I mean by small business and agriculture? With the values today, as rapidly as they have increased in our healthy economy, we find out that the best way to lose a small business is to die. We cannot pass it on to the next generation because of the punitive taxes that they put on us, despite the fact that we may have bought our business and grew our business with after-tax dollars. In other words, we have already paid the taxes at least once, twice or three times.

We have a country that we should encourage people to be married, we should not penalize them for being married. We have a country that we should encourage one generation to pass on the small business to the next generation. We should not discourage them. We should not tax them out of it. The government is not getting cheated. The government is not getting cheated because people get married.

They are not getting cheated out of any taxes. And the government is not getting cheated because somebody dies, on property that the dead person, when they were alive, owned. They are not getting cheated. It is just another opportunity to grab more money out of our pockets.

What is the impact? Well, first of all, as I mentioned, you cannot pass a business from generation to generation. It is very difficult to do it. Now, if you have a lot of money, maybe you can buy the life insurance that is necessary to pay off the government. Pay them off and get the government off your back steps. That is what it is, it is a payoff to the government, but a lot of small business people simply cannot afford that.

The other thing that Colorado is heavily dependent on is agriculture. We are very selfish with our land, so to speak, in Colorado. We want to preserve the land. Open space has become more and more critical to the citizens of Colorado. It is important for us to preserve our beauty.

We have to work a lot more in balance than perhaps was worked 20 or 30 years ago. What we find ourselves in is a predicament. Land values have gone up in Colorado. They have gone up significantly. Well, if you have a small family farm or a ranch, and your land values have gone up, it is highly likely, highly probable that your ranch, upon your death, will not be able to be passed on to your son or your daughter but will have to be sold at the auction block to pay Uncle Sam.

I will give you an example. I know a family, I will not tell you the exact location, but it is in the Third Congressional District of the State of Colorado. This fellow was a very hard-working man. He came to Colorado when he was about 18 years old. He started as a bookkeeper in a construction company. He worked his way up. Pretty soon he worked from being a bookkeeper into helping supervise construction. He dug ditches, but he soon was driving a truck and he had the books. Pretty soon he built that construction, he and a partner, into a successful construction company in a small town in Colorado.

Along the way, this man and his partner found out that they were having trouble getting financing for their construction company. So they decided, well, let us start a little bank. A small bank. This is not Nation's First or some other big bank. Let us start a little bank in our little community. So they started this little bank in their community.

Well, that was probably 50 years ago. About 8 years ago my friend decided to sell the bank. And by then, of course, the bank had become a very strong small business. It had grown. They put a lot of sweat, a lot of their own human capital into it and it has prospered.

So they decided to sell the bank, and they sold the bank. Unfortunately, within a very short period of time, literally weeks after the bank was sold, my good friend discovered he had terminal cancer. Then, unfortunately, he lost his wife. Three or four months later, my friend passed away from terminal cancer.

What happened? Well, he still had the stock in the construction company. They sold the bank and they hit him with a capital gains taxation. Do you know what the effective rate of taxation was on that estate? When you put capital gains tax, which is complicated, but a lot of you out there understand what I am speaking about, and you put the death tax on top of it, they went into this family, to that man who had worked over 50 years with sweat and toil and put human capital into this investment, the government went in there, and the property that had already been taxed at least once, probably twice or three times, and imposed a 72 percent tax on the property.

Now, when I spoke with the family, I asked them, I said, "So all you had left in the estate was 28 percent because the government took 72 percent?" No, they said, we did not get 28 percent because the government came to us and said here is the tax, 72 percent, and, by the way, it is due within this period of time.

The only way that the family could come up with that money to pay off the government on property that had already been taxed but was now being taxed simply because their father had died, the only way they could pay that off was to sell at a fire sale their assets, their property, selling it as quickly as they could. Otherwise, they were going to be penalized by the government.

So the 28 percent did not really work out to 28 percent because they had to sell it under panic prices. They told me they estimated they cleared about 13 percent of that estate. Thirteen percent of what that man had worked for. That man and wife, by the way. The mother was a homemaker, but she deserves as much credit here. The money that couple had worked for for over 50 some years, the little company they had built up, the little bank they had built up, the farmland that they had was all taken in one sweep by the government.

Is that fair? It is not a fair tax. The death tax is not a fair tax. And the death tax, while it may apply to people that only have assets of \$600,000 or more, it impacts all of society. And you cannot under any circumstances, in my opinion, justify going to a family that has already paid their taxes and force them to pay a punitive tax on top of that.

Now, has it impacted Colorado? Sure. What happens to the ranches? If you have a ranch that has to be sold, what

is the highest and best use for ranch land in Colorado? Well, unfortunately, for a lot of land in Colorado, especially in my district, the Third Congressional District, the beauty of it, if it is no longer a ranch or a farm, you can put condominiums on it, build huge homes on it, put it into five-acre estates. That is where the highest value of that land is. Move the water off the land. I could talk 2 hours on water. Move the water off the land. Change the historical nature of that property.

And I think in most cases it changes for the worst. It takes away our open space. It threatens our open space. It threatens generations of families being able to stay and raise their young in the mountains of Colorado, because of a tax imposed by the government that is unfair to start with.

Well, I think Americans right now are paying a lot of taxes, and I think that tomorrow, on April 15, there are a few things we should consider, and let me summarize.

Number one, everybody that works in the government ought to be thanking every taxpayer out there for funding it. Mr. Taxpayer, Mrs. Taxpayer, young taxpayer, old taxpayer, you hear it right now. Thank you. Thank you for your hard work. Thank you for being willing to be, one, honest on your taxes; two, to pay your taxes; and, three, to allow your government to work for you.

The second point I want to make to you, we have an obligation back to you, working as the government. We have an obligation as elected officials, as appointed people working for the government, as employees of the government, no matter how you classify it, we work for you and we have an obligation to deliver the most efficient product we can on behalf of the government that works for you.

Number three, we have an obligation, and the Republicans are taking charge, this is a priority for them, to eliminate unfair taxation, and we should start with the marriage penalty. The marriage penalty, no matter how we cut it, no matter whether we are a Democrat or a Republican, no matter what level we are, the marriage penalty is an unfair tax and it has costs in society, costs that are negative. It is not a positive thing to look at. Marriage penalty taxes are unfair and they should be eliminated.

Number four, do not just let people dismiss death taxes as taxes for the rich. It has an impact. It has a ripple impact all the way down. Take a look at the open space in Colorado and then take a look at the very premise for that kind of tax.

Is it fair? Is it on property that has not been taxed? The answer to that is no. The death tax is a tax on property that has been taxed once, twice or three times. That tax should be eliminated. It is not fair. The death tax

should not go straight to the government. It is not right.

Finally, let me wrap it up with a few words once again thanking our soldiers who are serving us tonight, wherever you are in the world. To me, the servicemen and women we have right now on the DMZ, in North Korea, South Korea, right on the DMZ between South Korea and North Korea, those are some pretty brave people up there, men and women, serving that duty. Throughout the world they are serving us.

I want you to know that with bipartisan support, unified support, I do not think there is a "no" vote in the body, this body has voted to give a tax break. We will vote tomorrow unanimously, not one "no" vote from Democrat or Republican. We will vote unanimously to recognize the service of these soldiers and give them a tax break. They deserve it. They are delivering for us. You are getting a good product. You are getting good and efficient service from our military today.

You may disagree with the policy. I have got problems with the policy, for example, in the Balkans. That is what I am referring to specifically. You may disagree with that. But the fact of what those military people are doing will be observed tomorrow on April 15 with this bill that will give them some tax relief. So I want to thank those people.

Mr. Speaker, I am now ready to wrap up. Tomorrow is April 15. Folks, take a look at what you are paying in taxes. We should pay taxes for the right kind of product. But just remember, as I conclude tonight, that you have every right, it is a fundamental right to look at the people that work for you, that is the government, the government works for you, and demand from that government efficiency and a good product.

If you are not getting efficiency, if you are not getting a good product, then you should demand that you get your money back. And if you are paying too much money for the product you are getting, you are entitled to get your money back, just the same as if you went to the grocery store and you overpaid there.

America to me is a very positive thing. I am positive about our economy, I am positive about our soldiers, I am positive about the American people. We have a lot to look forward to. And in this country there is a lot more that goes right than there is that goes wrong. But in order for it to work, we have to be sure that we balance that payment from the taxpayer to the government.

**ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE**

The SPEAKER pro tempore (Mr. PEASE). Members are reminded that they are to direct their remarks to the Chair.

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 Mr. ETHERIDGE) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.
Mr. CARSON, for 5 minutes, today.
Mr. BROWN of Ohio, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. SMITH of Washington, for 5 minutes, today.

Mr. ETHERIDGE, for 5 minutes, today.
Mr. POMEROY, for 5 minutes, today.
Mr. SNYDER, for 5 minutes, today.

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

Mr. PORTMAN, for 5 minutes, today.
Mr. PAUL, for 5 minutes, today.
Mr. METCALF, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. THUNE, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 380. An act to reauthorize the Congressional Award Act, to the Committee on Education and the Workforce.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 440. An act to make technical corrections to the Microloan Program.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 388. An act to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 9 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Thursday, April 15, 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:

1497. A letter from the Secretary, Department of Agriculture, transmitting a draft of proposed legislation to assist crop producers who were adversely affected by an insurance company's sale of a private insurance policy called CRCPLUS; to the Committee on Agriculture.

1498. A letter from the Administrator, Farm Service Agency, Department of Agriculture, transmitting the Department's final rule—Dairy Indemnity Payment Program (RIN: 0560-AF66) received April 6, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1499. A letter from the Administrator, Farm Service Agency, Department of Agriculture, transmitting the Department's final rule—End-Use Certificate Program (RIN: 0560-AF64) received April 6, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1500. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Fenbuconazole; Extension of Tolerance for Emergency Exemptions [OPP-300824; FRL-6069-4] (RIN: 2070-AB78) received March 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1501. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Azoxytobin; Pesticide Tolerances for Emergency Exemptions [OPP-300805; FRL-6066-4] (RIN: 2070-AB78) received March 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1502. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Arsanilic acid [(4-aminophenyl) arsonic acid]; Time-Limited Pesticide Tolerance [OPP-300822; FRL-6069-7] (RIN: 2070-AB78) received March 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1503. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Reasonably Available Control Technology for Oxides of Nitrogen for the State of New Jersey [Region 2 Docket No. NJ31-2-189, FRL-6313-9] received March 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1504. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; South Coast Air Quality Management District [CA 201-0138a; FRL-6309-9] received March 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1505. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; El Dorado County Air Pollution Control District [CA 211-0127a; FRL-6313-4] received March 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.