

Mr. SMITH of Michigan. Mr. Speaker, I would like to spend a couple minutes talking about the challenges that this body faces over the next several weeks and months.

We are talking about a tax cut. We are talking about what is the status of the economy in the United States, where will we go with unemployment, what can we do as a body in Congress to help make sure that the economy of the United States continues.

We were talking about economic expansion in the neighborhood of 1.8 percent a year for economic expansion. Now we are talking about maybe 2.8 percent a year economic expansion, even with the slowdown. The technology that we have acquired over the last several years is a result of our investment in research.

If there is one thing that I would suggest that we do in this body to help make sure that we have a strong economy, it is capital investment.

I divide capital investment in two areas. One is physical capital, where we make sure that we put the effort into research to develop the state-of-the-art equipment and technology and techniques that can maximize our productivity. The other is investment in human capital so that we have a better education system.

Now we are challenged with a question of how much do we excite the economy by leaving more money in the pockets of those individuals that have earned that money. In other words, where do we cut taxes? How do we cut taxes? How do we do it in such a way that it is going to maximize the economic benefit of keeping a strong economy?

I have a couple suggestions. One is that we do not look away, or in any way disregard the importance of paying down the Federal debt. Today the Federal debt is \$5.7 trillion. The Government has borrowed \$5.7 trillion either from Social Security and the other trust funds or has issued Treasury paper to lend money to the public.

Out of that \$5.7 trillion, and this is the whole load of hay, out of that \$5.7 trillion, \$3.6 trillion, that is, \$3.6 trillion out of the \$5.7 trillion, is debt held by the public. So over the last several years, whether it is this body or whether it is the White House, when they talk about paying down the public debt, they are talking about only paying down a portion of that debt that has been lent to the public, Treasury bills, what I call the Wall Street debt.

As we pay down the debt, the question that we have to ask ourselves is, where is the money coming from to pay down that debt held by the public? And where it is coming from is the surplus coming into the trust fund. And the trust fund that has the greatest dollar amount of surplus or other taxation is the FICA tax.

In that FICA tax, most of it is Social Security tax, 12.4 percent of the total 15-odd percent is Social Security tax.

This year we will have \$158 billion more coming in from the Social Security tax than is needed to pay benefits. But when we hit the year 2010 to 2012, there will be less Social Security tax money coming in than is required to meet the benefits just 10 years from now.

So the question before this body, the question before America, is, what do we do with the extra surplus now to make sure that that money is more available when we need it 10 years from now?

Some have suggested, look, let us start getting some real return on investment, let us invest that money and let us put it in the name of those individuals so that Government and politicians cannot mess around with it in later years. And that is important. Because what we have done in the past is, when we were short of money, we cut benefits or we increased taxes.

I think Social Security reform continues to be a vital part of the decision of where we go in the budget process, how much we cut taxes, and how much we increase spending in government.

Let me give my colleagues an example of the danger of not having a tax cut, not getting some of this money out of Washington. That danger is that this body and the body over on the other end of this building ends up increasing spending so much faster than inflation.

The last three bills that we put together and passed last December increased spending almost 14 percent over what those three particular appropriation bills spent the year before.

The challenge before us is holding down spending, deciding what percentage of our total income is reasonable in terms of paying taxes.

Right now, if one is an American taxpayer, on the average, he spends 41 cents out of every dollar he makes to pay Government taxes at the local, State, and national level. I suggest that that amount is too much.

Let us decide on the priority for the limit on taxes. And if that limit is less than what we are paying now, then let us decide on the best way to spend that money so that we keep social security solvent and Medicare solvent and give some priorities to important projects, like improving education.

ADJOURNMENT FROM THURSDAY, FEBRUARY 8, 2001 TO MONDAY, FEBRUARY 12, 2001

Mr. PENCE. Mr. Speaker, I ask unanimous consent that when the House adjourns on Thursday, February 8, 2001, it adjourn to meet at 2 p.m. on Monday, February 12.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

HR. OF MEETING ON TUESDAY, FEBRUARY 13, 2001

Mr. PENCE. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, February 12, 2001, it adjourn to meet at 12:30 p.m. on Tuesday, February 13, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

GUAM JUDICIAL EMPOWERMENT ACT

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

Mr. UNDERWOOD. Mr. Speaker, today I am reintroducing the Guam Judicial Empowerment Act, a bill which seeks to mend the Organic Act of Guam for the purposes of clarifying the local judicial structure.

This legislation will correct the defect in the Guam Organic Act relative to the judicial branch of the government of Guam and seeks to correct a longstanding judicial anomaly.

It would establish the local court system, including the Supreme Court of Guam, as a coequal branch of the government of Guam within the framework of the Guam Organic Act and place the judiciary on equal footing with Guam's legislative and executive branches of government.

Currently, the Organic Act of Guam, which functions as a de facto constitution for Guam, clearly delineates the inherent powers of the legislative and executive branches of the Government of Guam, but it does not do so for the judicial branches.

This legislation seeks to bring the courts in Guam to a level that is comparable and similar to other states and territories and seeks to establish a framework that is equal to the powers of the other branches.

Mr. Speaker, this legislation completes the process of establishing a clearly Republican form of government in Guam, one in which the three branches of government are coequal.

The Organic Act of 1950 created the original Government of Guam. At that time, it had a legislature which was elected by the people, but it did not have an independent judiciary, it was nexused into the Federal judiciary and it had an appointed governor.

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Since that time, there has been a number of incremental improvements in this relationship, an elected governor in 1968, an elected representative in Congress in 1972, and Congress allowed for the establishment of a Guam