or to facilitate the effective operation of the Committee and its subcommittees in a manner consistent with these rules.

RULE 9—AMENDMENTS TO COMMITTEE RULES

The rules of the Committee may be modified, amended or repealed, in the same manner and method as prescribed for the adoption of committee rules in clause 2 of rule XI of the Rules of the House, but only if written notice of the proposed change has been provided to each such Member at least 48 hours before the time of the meeting at which the vote on the change occurs. Any such change in the rules of the Committee shall be published in the Congressional Record within 30 calendar days after their approval.

THE PARDON OF MARC RICH

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, as has become customary, I have to spend the first 5 minutes rebutting some of the previous statements that were made here on the House floor.

First of all, let me say to my colleague that spoke preceding my comments here, that as a former police officer I take issue with some of the statements that were made in regards to Judge White's decisions. If one will take a close look at that case, it will be revealed that three police officers were killed by the defendant in that particular case, and I think that spending a little time on the facts would be helpful for those of us who are interested in looking at the specifics.

Ms. JACKSON-LEE of Texas. Mr. Speaker, will the gentleman yield?

Mr. MCINNIS. I will not.

Ms. JACKSON-LEE of Texas. Then the gentleman does not want the truth.

Mr. MCINNIS. The gentlewoman, of course, in her previous comments stated one side, and here we are for rebuttal.

Mr. Speaker, look at facts of the case. Look at the officers that were killed in the line of duty. In fact, I remember the gentlewoman from Texas (Ms. JACKSON-LEE) speaking with seriousness of heart and sincerity last year when a law enforcement officer in the State of Texas lost his life.

On this floor, I think we ought to, all of us at least, have an obligation to address facts. It is very easy to come down here and give one side obviously because we are not in a debate format. It is a presentation of one side, but at least both sides ought to present what the facts are.

Second of all, I need to clarify the statement by the preceding speaker. Her statement is that President Bush's executive order, and I quote, eliminates international family planning. That executive order does not eliminate international family planning. What does the executive order do? What that executive order does is it simply makes it clear that the American taxpayer should not pay for abortions in foreign countries.

Now I know a lot of people, obviously, on the pro-life side. I know a lot of people on the so-called pro-choice side, who happen to be pro-choice but maybe anti-abortion, but I know a lot of people who believe in a woman's right to choose but they do not go so far as to say take money from taxpayers, from working Americans, and send it to foreign countries to pay for abortion. I know a lot of people, myself included, that believe that international family planning, excluding abortion, is important, but this rule does not say no more international family planning, and I think that the accuracy of these statements, we need to take some time so that the statements that we make that are portrayed are factual in basis.

Mr. Speaker, I want to speak this evening really about two things that I feel very strongly about. One is the death tax. I have taken the House floor many times before to speak about the unfairness and the inequities that are worked upon hard-working American people by the death tax. In my opinion, death should not be a taxable event. In my opinion, the death tax in this country is the most unfair, unjustified tax that we have. One cannot, in my opinion, legitimize that type of tax, taxing a person's death, in a society like ours. So I want to spend some time in the latter part of my discussion this evening about the death tax, but first of all I want to speak about an event that I consider shameful, and all American people ought to have their eyes open as to what has gone on here in Washington, D.C. in the last two weeks.

We know that when Clinton left office, Air Force One, they stripped the China, whatever, out of Air Force One. There were pranks played at the White House. There were lots of gifts made to furnish homes and so on and so forth. That is minutia. In my opinion, those issues are minutia when held in comparison to the issue of which I wish to discuss this evening, and that is the pardon of a fellow named Marc Rich.

Marc Rich, and I will repeat his name several times during my discussion this evening on the floor, Marc Rich was one of the most sought-after fugitives in the world. Marc Rich has lived in Switzerland or overseas for about 17 years, since he became a fugitive from the United States of America, for betraying, in my opinion, betraying this country, and that is one of the charges that was brought against him; living a life of luxury. This fugitive, Marc Rich, is a billionaire, and I intend this evening to step through the process that shows us in America even though someone is not in America and they are a fugitive overseas, if they are a billionaire they stand a very good chance of getting special treatment, to be absolved of any allegations that were made against them in regards to white collar crime.

Fundamentally, what happened for this pardon is unfair. It has never, to the best of my study of history, and I have asked for some assistance on it, happened before with a previous President who granted pardons; never to this level, never to this extent, and never under these kind of circumstances.

□ 1930

But Clinton did it. Marc Rich today, who defrauded the American taxpayers, and those are the allegations, who defrauded the American taxpayers of tens of millions of dollars, and if we add penalties, we are in the hundreds of millions of dollars; and during a time that this country had American soldiers and American citizens held hostage by the Iranians, Marc Rich, despite the law of this land, was out selling oil to our enemy.

Do we think somebody like that is deserving of a Presidential pardon? Take a look at this week's Time Magazine. Very interesting: ''What's That Smell?'' Time Magazine, this week. So do not just take it from Scott McInnis discussing with my colleagues this evening about this pardon. This pardon was wrong. Clinton knew it was wrong; we all know it was wrong, Time Magazine knew it was wrong. Take a look at that article, ''What's That Smell?''

Now, just for our interest here, obviously, the former President Clinton, the United States Senator, HILLARY CLINTON, and the ex-wife of Marc Rich, and I am going to go into some detail about this woman, her lobbying efforts, her contributions to the Democratic Party, and how that all played in a pardon being granted to one of the most sought-after fugitives in American history; but let me quote a little from Time Magazine. They have an extensive article. They are talking about the pardons, and let me quote directly.

''Tucked in among the names was that of Marc Rich, 65, one of the world's most wanted white collar fugitives. Marc Rich and Mr. Green were charged with an illegal oil pricing scheme that amounts to what might be the largest,'' might be the largest, ''tax swindle in U.S. history, to the tune of almost $50 million, not to mention trading with Iran during the hostage crisis.''

I skip down a little. ''Marc Rich,'' I add that in, ''has spent the last 17 years in Switzerland, living in splendid exile outside Zurich, protected by an coterie of private security guards and running a $30 billion business. Marc Rich's ex-wife, New York City socialite, Denise Rich, just happens,'' and I am quoting, ''just happens to be a major Clinton donor and fund-raiser who has raked in millions of dollars for the Democratic Party during the last 8 years. Rich's lawyer in the pardoned case, Jack Quinn, was once Clinton's general counsel. Quinn personally lobbied Clinton and various dignitaries, including, sources tell Time, Israel Prime Minister Barak and King Juan Carlos of Spain, who contacted Clinton on Mr. Rich's behalf.''

I will continue, but by the way, let me hold that up. This is the second page. This is a photo of Marc Rich, of his second wife and the yachts behind him in Switzerland.

To continue, ''By Thanksgiving 2000, Quinn,'' this is the attorney; now, this attorney was general counsel for Bill CLINTON, a close friend of Bill CLINTON's, and he has been retained by Mr. Rich to obtain this pardon for him. Mr. Quinn, by the way, makes hundreds of thousands of dollars. He is paid, and he admits to this, he is paid hundreds of thousands of dollars.

''By Thanksgiving of 2000, Quinn had started a new game. During a meeting at the Justice Department on November 21, he notified Deputy Attorney General Eric Holder of his plan to file a pardon petition with the White House. He asked Holder if he wanted a copy. Holder, who assumed that the White House would forward the petition to the Justice Department's pardon attorney for review, as was customary.'' In other words, these pardons have always gone to the Justice Department for review, for input by the Justice Department.

Well, on December 11, Quinn delivered the massive document, about the size of a phone book, but for reasons unknown and reasons that have not been explained, the White House decided not to send this petition down to the Justice Department.

So remember our steps here. First of all, Marc Rich, the billionaire and his partner who, by the way, one of the two at some point tried to denounce their citizenship in this country, and they sold oil to the Iranians during the Iranian hostage crisis. The ex-wife of Mr. Rich begins to make heavy contributions to the Democratic Party. Mr. Rich hires Mr. Clinton's former attorney and a good friend of Mr. Clinton to begin the legal work and the lobbying effort on his part and, lo and behold, what a coincidence, the petition papers, I say to my colleagues, that generally and customarily go down to the Justice Department, did not make it this time. Quinn, again the attorney, went straight to the top, sending a letter to Bill CLINTON that read, ''I believe in this cause with all of my heart.''

The pardoned case, this case of Mr. Rich, was strengthened by an extraordinary lobbying effort. For starters, there was Denise Rich, again, the ex-wife, the grammy-nominated song writer and the Democrat diva who throws some of the most happening fund-raisers in New York City and Aspen, Colorado, my district, frequented by the likes of Marcia Stewart and Michael Jackson.

Let us go through it on kind of a stick chart on how I think these events took place. The pardon. Let us start right here, with Denise Rich. Now, remember that the party that we are talking about is Marc Rich. He is in business with another gentleman who also got a pardon from the President. Now, in the history of pardons, pardons which have been customary in the past by previous Presidents is that a pardon is issued to someone who has committed an offense, has been found guilty of the crime or of the offense, and in the President's assessment of the facts, and the President has great latitude in making this decision, the President, in the assessment of the facts, feels that the debt has been paid to society. Mr. Rich has lived out the debt to society for the last 17 years living in luxury in Switzerland.

Mr. Rich is a fugitive. To the best of my knowledge, in studying the history of pardons, and I will grant that it is not the most extensive study undertaken on pardons, but I think it is a pretty thorough study that we have undertaken, we cannot find where a fugitive, one of the most sought-after fugitives in the history of this country, who may have undertaken one of the largest tax swindles in the history of this country, that a fugitive is granted a pardon by the President.

Why do not the pardon petition papers make it down to the Justice Department? Why not, as was customary, hand those petition papers over to the Justice Department? It creates a very confusing and blurry picture, and when we have a confusing and blurry picture, we need to step back and try to start putting the pieces of the puzzle together. I think I can put some of those pieces of the puzzle together for my colleagues tonight.

Again, let us start with the ex-wife, Denise Rich. Denise Rich has given $1 million in donations to the Democratic National Committee. Now, I am one of those people that believe that one should give contributions to one's political party. I am not against contributions. But let us look at the coincidence of the timing. Let us look at the amount of money. How many people in America do we know that within a very short period of time have given $1 million to a political party without expecting something in return?

Now, let me tell my colleagues, she has become very active since making those contributions in the party. In fact, I understand that Andrew Cuomo, who has just announced for governor of the State of New York, was going to have his announcement in her home. But because of some of what has come out in the last 24 hours or so, that announcement location has changed.

Let us go on. Mr. Speaker, $190,000, Denise Rich, the ex-wife, $190,000 in gifts to the Clintons, $7,800 in furniture to the Clintons for their home in New York; $7,000 in furniture for their home in Georgetown, and many of us saw the picture on national TV where Ms. Rich gave a brand-new saxophone in person to Clinton.

Now let us come down here. This is puzzle piece number one. The puzzle now is starting to take shape. Let us look down here. Jack Quinn, he is the attorney who makes hundreds of thousands of dollars. Marc Rich, the fugitive, pays the attorney hundreds of thousands of dollars to undertake the cause for him. Now, it just happens to be that that attorney was the former general counsel for Clinton. So former White House counsel and personal confidant to the President, he undertakes the case. The current attorney for Marc Rich and Mr. Green, the other defendant in this case, which has been paid at least $300,000, he begins his efforts and as a part of these efforts, he contacts people overseas, he writes the President a letter that says he believes in this cause with his whole heart. A lot of things can make us believe in things when one gets hundreds of thousands of dollars to lobby it.

So what happens? This begins to funnel to the Clintons. Now the puzzle begins to make sense. But we have a little difficulty here. The Justice Department is probably going to urge the President not to grant the pardon. The Justice Department is going to bring to the President's attention how, number one, this is a fugitive. Number two, if this case was as weak as Mr. Quinn alleges it is, why did he flee the country? Why the fugitive status? Number three, Mr. Rich has not exactly paid back society for his alleged wrongdoings. In fact, he has lived a life of extreme luxury in Switzerland for all of these years, never renounced the tax swindle, although I guess at one point in time, somebody he hired offered $100 million for this thing to go away.

So what happens? The Clintons get it. The Clintons receive fund-raising support from Denise Rich, and 3 days after the report, going back to the Lewinsky affair was released, Denise Rich hosted a $3 million fund-raiser where President Clinton said it means so much now, more than ever, and we will never forget it, and then what happens? Here we come out. This is when the puzzle comes together. Marc Rich and Green received a Presidential pardon from a 65-count racketeering indictment, including the crimes of tax evasion, oil profiteering and unlawfully trading with Iran or the enemy during the oil crisis.

Let me quote from some of the people that have looked at that, independent of me. Now some of my colleagues are going to say, look, he is a Republican so he is going to take one last shot at Clinton. I told my colleagues at the beginning of my conversation, I thought it was minutia to deal with what has been taken out of Air Force One, the tricks that were played down at the White House as they left the facility, the phone lines that were cut, the gifts and things, although there is some question of the President furnishing these homes with the gifts, and there is a connection of the gifts with this case. However, what I am really focusing on is, whether one is Republican or Democrat, we ought to be saying wait a minute, why this pardon? How can we justify it?

Let me quote from a few sources. From the Wall Street Journal, ''This story will go down as an extraordinary feat in the annals of Washington lobbying, illustrating in a dramatic fashion how money begets access, access begets influence, and influence begets results.'' The Wall Street Journal had a superior piece about this very case in yesterday's paper. Any of my colleagues that want to look at the facts should take a look at how unusual, how rare is what has happened. In fact, to my knowledge, I have never found an incident of it in the past of this country, for a fugitive being granted a pardon like this. Take a look at that Wall Street Journal article.

I think it is very important, and I think it is incumbent upon a President, that when they take a look at issuing a pardon, they truly have to see, has that person paid society? Was the person wronged? Is it for the good of the country? What does the Justice Department think about this case?

□ 1945

That is how a President ought to be influenced, in my opinion, in regards to a pardon. Those are the facts that should be considered by a President. What should not be considered by a President in granting a pardon is a million dollars in donations to the Democratic National Committee, $190,000 in gifts to the Clintons, $7,800 in furniture to the Clintons, $7,000 for the home in Georgetown. One of their close friends, also their attorney, who has been retained by them in making hundreds of thousands of dollars to represent them, it is not right.

Mr. Speaker, that is why you have an article like Time Magazine that comes out, and the title on the article, ''What's That Smell?'' That is what they are talking about. They are talking about this pardon; that is what justified this article in Time Magazine. Furthermore, at the beginning of Time Magazine, there is a cartoon. Here is the cartoon, it shows Marc Rich, an image of Marc Rich with lots of money in his hand, and it says beg your pardon, billionaire-fugitive Marc Rich, escapes jail on 51 charges of fraud, racketeering, and more after Bill Clinton pardons him as one of his final acts in office. Rich paid his debt to society by living lavishly in Europe for 17 years.

In all of my years in Washington, D.C., I have dealt with people who are discouraged, regular ordinary citizens in this country, and, you know, constantly, you find yourself on defense saying, look, we have a good government in Washington D.C., and things, for the most part, are done right, and then something like this comes along. And as Time says, something stinks.

How can any of us in this room, how can any of us go back to our districts and justify the Marc Rich pardon. How can any of us look at an ordinary citizen who is not a billionaire, who is not a friend of Clinton, who is not paying the attorney hundreds of thousands of dollars, how can we explain to the ordinary citizen what their treatment would be?

Let me conclude by saying this in regards to this portion of my comments. If any one of your constituents, colleagues, any one of your constituents, went to the local WalMart store or the local hardware store, let us just say the local WalMart store, and they stole a bag of M&Ms and they got caught, their punishment would be worse than Marc Rich, who is one of the most sought after fugitives in the world, a tax-evasion swindle alleged to be in the hundreds of millions who has been living in luxury, and he walks away from this, scot-free. It is not right.

DEATH TAX

Let me move on to my next subject, the death tax. This issue, the death tax, is very, very important. It is a tax imposed by our taxing system in this country upon one event, your death. Let me say in our current Tax Code, there are two taxes that I think fly contrary to what this country is about. One of them is the marriage tax, where they consider being married, should be taxed. In my opinion, this country should encourage marriage, not take actions to discourage marriage.

This is a country which prides itself on being built upon the family foundation, so we should not tax marriage. The other one is, this country taxing the event of death. This is a country that, in my opinion, and in the opinion, I think, of most Americans, should be in the business of encouraging one generation to pass the family farm or to pass a small business or to pass some type of wealth on to the next generation.

This is a country where all of us dream, all of us, and colleagues, I am not sure there is one exception in this room, where all of us dream of being able to do something for our children, hopefully during your lifetime, being able to acquire, maybe not a lot, but something that we can pass on to our children to make life a little easier for them or to pass on a family heritage, like the family ranch or the family farm or the family business.

This tax prevents this. This tax has done more harm to American families than any tax I can think of. This tax, the death tax, this is a tax on property that has already been taxed. This is not property that has somehow evaded taxes. This is not property that has not been carrying its fair share of taxation throughout the life of the asset. In fact, the taxes many times have been paid two or three times.

What is interesting about the death tax is you hear the liberal, and I say that, because I want you to know, it is not the Democratic, it is the liberal. There are a lot of conservative Democrats who agree with me that we should eliminate the death tax. The first bill I introduced this year is elimination of the death tax in the Committee on Ways and Means in the House.

I think it is almost unified, especially on the Republican side, and with some of the conservative Democrats, to eliminate or to significantly restructure that so-called death tax.

Let us talk for a moment about just exactly the arguments on the other side. Let us assume what the other side is going to say about somehow justifying a death tax.

First of all, many of my colleagues who have voted for the death tax or voted against the abolishment of the death tax, and several of those individuals are worth in excess of a million dollars, you can bet your bottom dollar that elected people who vote to support the death tax who have a net worth of more than a million or $2 million probably have already secured the services of legal counsel to make sure that they do not pay the death tax, to make sure that their property does not end around the tax and can go on to the next generation, because they can afford the attorneys to do that. They do not mind having a double standard, one standard for their family, i.e., setting up trusts and end-runs around the death tax, and one standard for the average working American family that might be subject to this that they have to pay the tax.

Make no mistake about it, this tax is very punitive. The next argument you will hear from the liberals who support this kind of taxation. And, by the way, the history of this taxation, it came in to penalize the Robert Barrons. They were going after the Carnegies and the Hertz and the people like that. Go penalize them. How dare somebody in our society go make a lot of money. Maybe they had some jurisdiction to go around these Robert Barrons around the turn of the century, so they put in this tax.

You will hear some liberals say what is the big beef? What are they complaining about? It only hits 2 percent of the American people. Let me tell you. Let us go through exactly what the death tax does. If you have a small community, take a small community, anywhere America, and this is your community. This argument that it only affects 2 percent of the people is fallacious on its face.

Oh, sure, the family that ends up paying the tax directly out of their pocket might be the top 2 percent income earners. Although, I am not sure that is accurate, the top 2 percent asset holders in this country, but the reality of it is look what it does to a community.

Let us say, for example, we have family A, and family A is subject to the death tax. People would have you believe that the only family affected in this community is family A. Well, you know what happens to the money when they impose a death tax on an estate. It does not stay in your community out in Colorado or out in Utah or Texas or Minnesota. That money comes out. And in the case of Colorado, it comes out of Colorado and makes a sharp turn east. And where does it go? It goes to Washington, D.C.

That is exactly what happens. It sucks that money out of the community, takes a 90-degree turn and heads straight for Washington, D.C. Then Washington, D.C., the bureaucracy in Washington, D.C. takes those family-earned assets, and a lot of times those assets were built over the lifetime, over the lifetime of the descendant, takes those assets and redistributes them to the Federal Government.

It is a scheme of redistribution. It creates no capital, but it punishes a lot of people.

I have some letters that I wanted to read. These are letters that I have gotten in my office that I think reflect the hardships on hard-working American people that are imposed by this tax which has no justification in our tax system, other than being used as a tool of punishment. Remember that the death tax initially came in as a tool of punishment against the wealthy.

Let me read this letter. This actually was a letter to the editor. My family has ranched in northern Colorado for 125 years. My sons are the sixth generation to work this land. We want to continue, but the Internal Revenue Service is forcing almost all ranchers and many farmers out of business. The problem is estate taxes. The demand for our land is very high and 35-acre ranchettes are selling in this area as high as $4,500 per acre. We have 20,000 acres. We want to keep an open space, but the U.S. Government is making it impossible, because we will have to pay 55 percent of their valuation when my parents pass on.

Ranchers are barely scraping by these days anyway. If we were willing to develop home sites, we could stop the mining. But since we want to save the ranch, we are in trouble. The family has been able to scrape up the estate taxes as each generation dies up to now.

So in other words, what the letter is saying, every time we have had that death, we have been able to pool some tight resources to pay that tax.

But the time is up. I am afraid we are done for. This time, our only option is to give the ranch to a nonprofit organization and they all want it, but they will not guarantee they will not develop it. My father is 90 years old, so time is short. We are only one of two or three ranchers left around here.

Most ranches have been subdivided. One of the last to go was a family that had been here as long as our family. When the old folks died, the kids borrowed money to pay the taxes. Soon they had to start selling cattle to pay the interest. When they ran out of cattle, their 18,000-acre ranch was foreclosed on and is now being developed. The family now lives in a trailer near town and the father works as a highway flagman.

If you want to stop sprawl, you better ask U.S. Government to get off the backs of family ranches and farms.

Now, what do they mean by the last comment that this gentleman wrote. If you want to stop sprawl? In my district in Colorado, my district's the Third Congressional District of Colorado. It is a district geographically larger than the State of Florida. It is a district whose property values have skyrocketed. It is a district whose beauty, and I know I am prejudiced or biased because I represent this district, but it is a district that is probably among the top three or four in the Nation for beauty, but it is also a district that in the past has a strong agricultural base.

Many, many families, including my own in-laws, who have been on the same family ranch since the 1870s or 1880s, my family who were farmers who came to Boulder, Colorado in the days of the old Chicago fire, that is why they were sent to Colorado after having come to Ellis Island.

The history of that district is agricultural. There are a lot of family farms and ranches. And what happens is if you come in with a death tax, because the valuation of the land has got up. Mind you, this is not money sitting at the bank account at the Smith ranch or the Volbrac ranch, or the Straubaugh ranch. It is not money sitting in the bank account. This is money that is on paper. It is called paper money. The property has gone up in value, because property around it has gone up in value.

If you have an unexpected death or even an expected death, what happens is, and a lot of times the only thing you can do with the farmer ranch is subdivide it, you have to break it up.

A lot of us in Colorado, a lot of us in every State in this country, we cherish open space. We become to value open space like we have never had in our past, because we understand how much more limited it is becoming. And now what is happening once again, instead of encouraging a family farm to go from one generation to the next generation, we, in fact, are penalizing that family and turning it on ourselves by forcing this beautiful open space to be subdivided, so the mere simplification of the tax of this estate tax can be paid.

Some people like to oversimplify the situation and say, oh, come on, give me a break, go get life insurance. There are very few ranchers in America, very few ranchers in America who make enough money to go out, for example, and insure a 90-year-old father against the estate taxes.

□ 2000

Or even insure a 45-year-old father or a 45-year-old mother against the impact of the estate taxes. That insurance costs a lot of money, and in agriculture there is some exceptions, but in agriculture, you do not make that kind of money. Let us go on.

I am writing to bring your attention to an issue of the utmost importance to me, my family, my employees and my business, elimination of the death tax. I urge you to support and pass the death tax this year. Family-owned businesses need relief from the death tax now. We are celebrating 66 years of business. My grandfather, Vic Edwards, started with a fruit and vegetable stand in 1943 at our current location in Colorado. The business grew into a grocery store, a lawn and a garden center. My father is now 80 years old and is in poor health. No business can remain competitive in a tax regime that imposes rates as high as 55 percent upon the death of the owner. Our tax laws should encourage rather than discourage the perpetuation of these businesses. While being a member of the House Ways and Means Committee, I am sure you already know the urgency for the death tax repeal. Family-owned businesses and their employees will continue to suffer until this unfair, unproductive, uneconomic tax is abolished. My wife and I are active and look forward to working with you and your staff to enact common-sense legislation to preserve and promote our Nation's family-owned enterprises.

Now, take a look at what it involves to get you subject to the estate or the death tax bracket. If you are a contractor, for example, let us say in Vail, Colorado, let us say that you own your pickup free and clear, you own a dump truck free and clear, and a bulldozer free and clear, and let us say you have a single-car garage to store things in, or maybe do some mechanical work on those four pieces of machinery, you are subject to the death tax in this country. If you live in areas like the Third Congressional District in these communities where you have seen quick valuations and rapidly escalating valuations on these properties like in California or Colorado, take a look, you better look at your assets because as long as that death tax is in place, you could subject your family to an economic punishment the likes of which they have never experienced before.

Your plans, colleagues, and the plans of your constituents of working their entire life paying their taxes, being hard-working citizens, being law-abiding citizens and trying to accumulate something for their lifetime to pass on to the next generation, and in the case of ranches and businesses in the hope that that generation passes it to the next generation, these dreams can be trashed upon your death. These dreams can be demolished.

And for what purpose? Is there any purpose that any of my colleagues today, any purpose other than punishment that you can think of as justification for the death tax in this Nation? Of course there is not.

Let me talk about another example which happened about a year and a half ago. This comes right out of our newspaper, Grand Junction, Colorado, the Daily Sentinel, Brookhart's Building Centers, a small, family-owned lumber company. They had to sell it in order to avoid paying the death tax. The owner said it was one of the hardest decisions that his father and his family have made in their 52 years of doing business. So for 52 years, they have been in western Colorado doing business as a small lumber company. This by the way is not Home Depot, it is not some massive operation, it was a small lumber building center for 52 years. But the current Federal death taxes as they now exist forced this gentleman and his family to sell the business in hopes of being able to redistribute some of the wealth within their family and within their own community before the death took place.

I quote: ''In order to protect our family and our current employees from a forced liquidation upon the death of himself and his wife, Betty, the best thing now is to sell the company.'' This family cared about, and this is a valid point to observe, this family did not just care about their own family and the generation behind them, they cared about the employees of the lumber company.

They said, if this death were to occur, we would have to liquidate the business, which means these employees lose their jobs.

Let us go back to community A. Remember what I said in community A. I will draw a little bigger circle. This is community A. I will give my colleagues a true example of which I am aware of out in Colorado. Businessman A comes into town. Many, many years ago, maybe 50, 60 years ago, he comes into this small community in western Colorado. He becomes a janitor at a construction company.

Because of his hard work, his dedicated efforts, over a period of several years, he has an opportunity to buy into the company. After a while, he is able to become the primary owner of the company. After many years, he owns the whole company.

What happens, it becomes a very successful construction company in that area, in that community. They are the primary employer in the community. They are the primary holder of real estate in that community. They are the primary contributor to the charities in that community. They are the primary contributor to the local church that they went to in that community.

What happened? I knew the person personally. My friend got cancer. My friend had sold the construction company about 2 months before he found out that he had cancer. So he got hit with what is called a capital gains taxation. Then he got the cancer. He died. They hit him with 55 percent, 55 percent of what he had spent his entire life, his entire life working for. Fifty-five percent.

Now, when you combine it with the capital gains taxation that our government imposed upon A's estate, the effective rate was around 72 cents on the dollar, 72 percent taxation rate because he died. Seventy-two percent, 72 cents on the dollar.

Now, I asked the family, I said, You mean you only walked away with 28 cents out of every dollar that your father spent his entire life working on property that you had already paid the taxes on? You only walked away with 28 cents on the dollar?

No, no, no. You have got it wrong. You have got it wrong, Scott. We did not get 28 cents on the dollar. In order to pay the 72 cents on the dollar, we had to go to a fire sale. We had to sell our property for less than what it was worth because we had to sell it quickly to meet the estate taxes we had to pay. So we figured we walked away with about 18 cents on the dollar, maybe 15 cents on the dollar.

That is pathetic. That is unbelievable. What happened in the community? Remember, I said they were the largest employer? Forget that. Remember the money that stayed in the community? Citizen A, he did not bank his money in Washington, D.C. He did not employ people in Washington, D.C. He did not help the church in Washington, D.C. He did not send his money to charities in Washington, D.C. He used them in that community. His bank deposits were in his little community in western Colorado. His employees were in that community in western Colorado. His charitable contributions were in that community. His landholdings were in that community. His investments were in that community.

But what happened after the death tax took place? All of that was put into one big bundle, one big bundle. Out of the State it went and on to Washington, D.C. where the bureaucracy back here figures they have a better idea of how to redistribute that money.

Did it have any impact on that community? Let us say one does not sympathize with my friend A, the wealthier individual who owned this construction company. Let us say one has no sympathy for him. But look beyond him. What did it do to that community?

Can one justify sitting here in Washington, D.C., imposing a tax, in effect which is on that entire community, just because a person has worked hard all his life and paid those taxes? This is not the first time this property was taxed.

I will tell my colleagues what happens a lot of times or could happen, does happen. Let us say this is mom and dad B, and they own the ranch. Let us say that A and B are in an accident and all of a sudden the ranch has to pay estate taxes. So now the ranch becomes a little smaller because one has got to trim a part of it off to pay the taxes. One can sell the cattle; but after a while, one has got to get to the land.

Well, the good Lord forbid, that the family that is left, let us say they have a daughter C, the good Lord forbid that C would die prematurely. Because if C died, even if C died within a few months of A and B, guess what happens? Uncle Sam is back again and takes another chunk out of that until, finally, the chunk is so small that they do not tax it anymore.

Where is the fairness of this? I can tell my colleagues with a great deal of pleasure, we have got a President now, President Bush, who has committed as one of his top agenda items in this tax cut that he is going to send to the Hill, one of his top priorities is to do something about that death tax. We are going after the marriage tax, too.

But, in my opinion, it is about time we had someone with enough gumption to stand up to that liberal segment of our society that believes in punitive and believes in punishment instead of fairness, somebody who is standing up, as President Bush is doing, and saying, wait, instead of deciding whether we should punish somebody because they have worked hard or they have built up a ranch or a farm or a business, why do we not kind of figure out what we are looking for.

Number one, are we looking for punishment? No, we are not looking for punishment, or we should not be. Now, sure, there are some of my colleagues in here that like class warfare that want to do everything they can to beat down the rich because it is good political rhetoric. But the fact is we are not looking for punishment.

Are we looking for redistribution of wealth through Washington, D.C.? Well, we should not be. That is not fair. Look what it does to the community in my previous example.

Well, are we looking for some kind of justification that a death tax is a legitimate reason for a government to tax a family? Nobody, nobody in their right mind can stand up and argue the legitimacy of a death tax.

So what is it that allows this to continue to stand? Well, what allowed it to continue to stand has now left office. Now, granted, there are a few House Members and a few of my colleagues that will still support the continuation of a death tax. But count my words, Mr. Speaker, any one of my colleagues that votes for this death tax, to keep a death tax in place, that believes that death is a taxable event in our society, any one of them who on their financial disclosure sheet shows that the have a net worth of, say, more than $2 million, as an example, I will bet them to the person in here that they have arranged for their legal counsel to build up trust funds and to figure an end to run around it. I will bet that has happened.

So I am urging all of my colleagues, come on. It is time for us to join the President and stand up and say enough is enough on this death tax. No longer can we justify a death tax on our society.

In fact, as his previous letter said, let me repeat it here: Our tax laws should encourage rather than discourage the perpetuation of that business.

Finally, let me conclude my remarks on the death tax with a very moving letter about a ranch that was established in 1888. This article actually, in part, came from the Aspen Times. I live close to Aspen. I live in a town called Glenwood Springs. I can tell my colleagues today Aspen, as one well knows from my previous comments, some people party up there, but it used to be a mining community. When I grew up there, we were farmers, agriculture. It was a strong base. We grew strawberries, potatoes, et cetera, et cetera. Some of those family farms and ranches are still left, and some of them still left are run by the families that started them.

In this case, this ranch was established, again, in 1888. ''There are a lot of tales to be told about the conversion of former ranches into luxury homes and golf courses throughout the valley.

''Sometimes it was a simple financial decision, a choice to take advantage of soaring development values in the face of plummeting cattle prices. But for other families, the passing of a parent meant the passing of a way of life.''

The passing of a parent meant the passing of a way of life.

''We've been around a long time,'' said Maurin Ranch's current proprietor, Dwight.

The family ''roots are dug deep along Capitol Creek Road in Old Snowmass and, for nearly a century, heritage and hard work were enough to sustain those that lived on that 1,300-acre stretch of land. But all that changed in 1976.''

□ 2015

But all of that changed. Until Dwight's father's death, each generation presided over a working cattle ranch that was both the lifeblood and the livelihood of the clan. The father's later years were lean times, but the fate was not at risk until the Internal Revenue Service came around to collect upon the father's death. The tax bill came to $750,000. And what it took to pay the bill was this: Half of the ranch, the ability of the cattle to migrate in the winter months, and 10 years till the last installment was paid.

What those taxes took was also something very vital: The ability of the family to support themselves by working the land that had so long been theirs. This land had been theirs for over 100 years. They no longer had the ability to work that land because they had to reduce the size of the land to pay the estate tax.

Now the son works full time as a mechanic for the Roaring Fork School District and then helps at the ranch when he gets home at night. He does not mind the long hours he has to put in. What does get under his skin is the memory of how the Internal Revenue Service, overseeing the father's taxes, either did not recognize the devastation that was about to occur or did not care. It was just, ''Pay us or we will seize everything. If anything is left over, you can keep it or, if you can't make ends meet on what's left, you will have to figure out something else.''

They are trying not to sell what remains, which is about 640 acres, but the father wonders if his daughters would be willing to go through what he has just endured with the death of his father and mother. With only half the land to graze and falling beef prices, the ranch itself is only making enough to cover its operating costs and annual property taxes. It is the wife's day job at the school district and the husband's job as a mechanic that pays the doctor bills, the car insurance, the grocery bills and everything else. There is always hope that things will change before his daughters need to make any decisions about what is left on the ranch.

And, frankly, colleagues, that is up to us. Here is a family right here. I heard some liberal writer say there is no ranch in America that has been lost. How sadly mistaken that individual was. We have an example right here. We can do something about saving this family's generation and their way of life. It is not just the loss of the family, the ripple spreads much wider in our area. Once this land is sold to developers, the land is gone forever.

We here have the power. This session, this congressional session, with a new president, President Bush, who wants to significantly eliminate it or restructure it, we have an opportunity to do something about it, and I hope we do not squelch that opportunity. There are a lot of American families who really think that working a lifetime for the next generation is a worthwhile cause. And we, the government, the government of the people and by the people, should not be the government that destroys the people's dreams for their next generation.

Every one of us in this room has an obligation to stand up and step forward and do our duty, and that is to protect the dreams of the American working people so that they know the generation behind them has just a little start on their life.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT) for today and January 31 on account of business in the district.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today and January 31 on account of official business involving the district.

Ms. SANCHEZ (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. STARK (at the request of Mr. GEPHARDT) for today on account of illness in the family.

Mr. BACHUS (at the request of Mr. ARMEY) for today and the balance of the week on account of recovering from an automobile accident.

Mrs. BONO (at the request of Mr. ARMEY) for today through March 27 on account of medical reasons.

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 Ms. SOLIS) to revise and extend their remarks and include extraneous material:)

Ms. KILPATRICK, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. DAVIS of California, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Mr. SAWYER, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Mr. HINCHEY, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mrs. MALONEY of New York, for 5 minutes, today.

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

Mr. STEARNS, for 5 minutes, today.

Mr. COBLE, for 5 minutes, January 31.

Mr. HANSEN, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, January 31.

Mr. GEKAS, for 5 minutes, January 31.