

hands off that extra trust fund money to start with.

What I do in my proposal is I allow the individual workers to use that amount of money for private investments. It starts out at about 2.3 percent. Right now the Social Security tax is 12.4 percent. This says we will start out at 2.3 percent to be allowed for the private investment. That private investment, by the way, even though I increase the retirement age by 1 year, I say you can take out your private investment money as early as age 60, trying to offset the negatives of adding 1 year to the retirement.

If individuals were allowed to have private investments back in 1935 and if we simply said in the law, look, you have the option of going into the Government program or you can have your own private investments as long as you invest the same percentage, you cannot take it out until age 65, with those kind of requirements, we would have almost 10 times the return on investment as the so-called investment into Social Security taxes during those years.

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Here is what is interesting researching the records of the arguments between the House and the Senate. In 1935, when they passed the bill, the Senate insisted on two votes in the Senate, that that personal investment be an option to the Government program, and that is the way the Senate passed the bill. But in conference committee the House talked the Senate out of the provision, and it became a total Government program.

Some people say, "Well, can you trust the American people to invest their own money?" Is that not a sad state of affairs?

I say, yes, we can. I say part of the problem is we have taxed the American people so much that they have very little opportunity to invest because we take it away, all of it away from them, in taxes. But look, the American people that can go out and dicker for a car, the American family that can go out and buy a home and come up with a reasonable price for that home, a family and individuals that can invest IRA money can end up investing their own money.

I set certain parameters in my bill on where the money is invested. I start out by saying, look, individuals are going—the firms that take that money to invest it are going to have to give a quarterly report back to those individual workers because I think that is important, I think that is the trend. And if you start out at just 2.3 percent, I think you can learn very quickly to weed out the Wall Street snake oil salesmen.

But I set in the parameters also of the 401(k) program, and the thrift savings plan is what we call our sort of 401(k) for all Federal Government employees; I included that language by reference in my bill so if an individ-

ual—so Social Security Administration would go out and find reliable investors, and if the individual worker could choose what percentage of their investment they wanted in indexed stocks, how much they wanted in index bonds, how much they wanted in Treasury bills, a certain percentage in mutual funds.

Look the American people need to be able to invest their own money, and we need to start reducing taxes today to allow them to invest their own money, and we need to expand IRA's to encourage that investment, with some tax breaks to encourage savings and investment because if we are going to get back to our goals, if we are going to get back to our goals of having an America that is a better place to work and to live and to raise our families, then we are going to have to make some changes. Investments in tool and machinery, that capital investment is one thing.

And let me just finish up my comments by saying what I think the importance of the human investment is, the human investment in education. The President this year suggested we spend another \$50 billion of Federal Government money on education. But you know what I think is the most important thing we can do for education? It is to have a strong family unit where those parents are encouraging those kids to get a good education.

I mean as I talked to teachers and as I talked to youth group leaders, they say the most important thing that can happen is parents that are interested in their kid's education, parents that are interested in their kid's school. So part of the solution to a sound future in this country is going to have to be policies that encourage investment in savings for capital investment on the one hand and policies that encourage the traditional family units so that we can have better educated, better motivated youth on the second hand.

Mr. Speaker, I appreciate this opportunity to talk on this subject. I think that Members of Congress, members of the administration need to take their heads out of the sand, need to start dealing with really some of the very tough issues of Medicare, of Social Security, of annual government over-spending, and I would just ask an American that pays taxes to spend a few moments thinking about the absurdity of our tax code in this country.

You know we talk about immigration, we talk about the problems of illegal immigrants coming in, but you know there is about 12,000 immigration employees that the Federal Government has. I think the number is now up to 120,000 IRS employees, 120,000 checking your taxes. Our Tax Code is unfair, it is complicated, the special interests lobbyists have gotten too much favoritism for their clients. I think it is time that we had a new beginning and I think that is what we are going to do. God bless you all.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WATTS of Oklahoma (at the request of Mr. ARMEY), for today, on account of illness in the family.

Mrs. CARSON (at the request of Mr. GEPHARDT), for today, on account of illness.

Mr. POMEROY (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. CAPPS (at the request of Mr. GEPHARDT), for today, on account of official business.

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

Ms. HARMAN, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

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

Mr. UPTON, for 5 minutes, today.

Mr. COBLE, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. CRAPO, for 5 minutes, today.

Mrs. LINDA SMITH of Washington, for 5 minutes, today.

Mr. DELAY, for 5 minutes, today.

Mr. TAUZIN, for 5 minutes, today.

Mr. BARTON of Texas, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, each day on April 15 and 16.

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

Mr. FOLEY, for 5 minutes, today.

Mr. WOLF, for 5 minutes, today.

Mr. SCARBOROUGH, for 5 minutes, today.

Mr. ROHRBACHER, for 5 minutes, today.

Mr. DAN SCHAEFER of Colorado, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

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

Mr. POSHARD.

Mr. ALLEN.

Mr. BECERRA.

Ms. PELOSI.

Mrs. KENNELLY of Connecticut.

Mr. SCHUMER.

Mr. BARCIA.

Mr. STUPAK.

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