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House of Representatives

The House met at 10 a.m.

The Reverend Don Bowen, Downtown Baptist Church, Alexandria, VA, offered the following prayer:

Our Father who art in heaven, we seek to hallow Your name as we pause at the beginning of this day's proceedings to ask Your forgiveness for past wrongs and to seek Your guidance for the days before us. We need You, Lord, for we are prone at times to depend too much upon our own wisdom and too little upon Yours.

We pause this day to pray for those who have suffered loss of life and home in these recent days. We pray also for those who have left family and home to defend the freedoms which all of us enjoy.

We pray, God, for all who carry upon their shoulders the burden of leadership, for theirs is a great responsibility. Help all of us to remember that You require one thing above all else from each of us, that we do justly, have mercy, and walk humbly with You. May we do so as we walk in the footsteps of the One who so clearly personified this for us, even Jesus Your Son. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Alabama [Mr. EVERETT] come forward and lead the House in the Pledge of Allegiance.

Mr. EVERETT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 98. Concurrent resolution authorizing the use of the Capitol Grounds for the SAFE KIDS Buckle Up Car Seat Safety Check.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1866. An act to continue favorable treatment for need-based educational aid under the antitrust laws.

H.R. 2169. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2169) ''An Act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SHELBY, Mr. DOMENICI, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. BENNETT, Mr. FAIRCLOTH, Mr. STEVENS, Mr. LAUTENBERG, Mr. BYRD, Ms. MIKULSKI, Mr. REID, Mr. KOHL, Mrs. MURRAY, and Mr. INOUYE, to be the conferees on the part of the Senate.

WELCOME TO REV. DON BOWEN

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Mr. Speaker, today's invocation was given by the Reverend Don Bowen who has been the Pastor at the Downtown Baptist Church in Alexandria VA, for 30 years. He is retiring at the end of this month, and it is our privilege and honor that he has an opportunity to address this body.

He has done a tremendous service to the entire Washington metropolitan area, in mission outreach, in serving our youth, in so many areas. He has been the president of the ministers conference and the president of the Mount Vernon Baptist Association. He has been the chairman of the Committee to Study Baptist Priorities of the 1980's and beyond. He has achieved any number of credentials, but most important he is a man of God who has served his community in an exemplary fashion. He has also preached revivals around the country, in Virginia, North Carolina, Georgia, Maryland, West Virginia, and particularly, in Mississippi.

Mr. Speaker, that will be my segue to yield to the gentleman from Mississippi [Mr. WICKER], who attends the Downtown Baptist Church and would like to say a few words as well.

Mr. WICKER. Mr. Speaker, I thank the gentleman for yielding to me.

Although I have not heard Reverend Bowen preach a revival in Mississippi, I have had the opportunity to visit Downtown Baptist Church and to hear the sermons of Rev. Don Bowen on numerous occasions when I found myself in Alexandria. I would observe that it takes good oratory and skills of persuasion to be a successful preacher. But there is something even more special about the people skills and spiritual gifts necessary to lead a congregation and to become a great pastor.

Mr. Speaker, it occurs to me that Rev. Don Bowen during his 30 years at Downtown Baptist Church in Alexandria has exhibited all of these qualities. I could congratulate Don Bowen on 30 years of service, and I wish him Godspeed upon his retirement.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair announces that there will be ten 1-minutes on each side.

TAX RELIEF

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, it has been 16 years since Americans have had tax relief. Since that time they have talked about and dreamed about keeping a little more of their hard-earned money. In those past 16 years, not once but twice has this Government raised their taxes, taking more of what they worked so hard to keep.

With the Federal taxes and the State taxes and the hidden taxes like the 28 cents and a dollar loaf of bread that goes back to our governments, we worked nearly half of a year just to pay the governments' taxes. So it is appropriate that today this body will vote to give tax relief to Americans like those working Americans in Wichita, KS, who work so hard and will now be able to keep more of their own money.

MOLLIFYING BOB DORNAN

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, how much will it cost the American taxpayers to mollify Bob Dornan? So far the Republican leadership has allowed the House Committee on House Oversight to waste hundreds of thousands of dollars on an investigation that has produced nothing.

The victory of the gentlewoman from California [Ms. SANCHEZ] over Bob Dornan was certified by the Republican secretary of State of California. It is valid. However, Bob Dornan cannot get over the fact that he lost to a Hispanic woman, and for some unknown reason he can command the Republican leadership to jump to attention and harass the gentlewoman from California [Ms. SANCHEZ] for over 9 months now.

Mr. Speaker, it is not in the public interest to spend hundreds of thousands of dollars to hold a kangaroo court aimed at nothing other than political payback. The people of the 46th District of California have chosen their Representative, and we should respect their choice.

105TH CONGRESS MAKES HISTORY WITH TAX CUTS FOR WORKING AMERICAN FAMILIES

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, for the first time in 16 years, the American people are finally going to get a tax cut. To my friends on this side of the aisle who voted no in 1993, when President Clinton and the then-liberal Democratic majority engineered the largest peacetime tax increase in American history, I commend you for your hard work and your perseverance. To my colleagues who came here with me in 1995, pledging to cut taxes, I share in your excitement. We have delivered on our promise.

Finally, to the liberals in this House, I offer my condolences. I know how difficult this must be for you. After years and years of taxing and spending, the tide has finally turned. The American people are going to get to keep more of the money that they earn, and Washington bureaucrats are going to have to learn to do with a little less. That is the way it ought to be.

Mr. Speaker, the liberal minority has ranted and raved for the last several weeks about tax cuts for the rich, totally bogus. Next year when tax time comes, millions of working class Americans are going to realize that what they heard from the liberals was not true. Let us cut taxes.

□ 1015

U.S. HEALTH POLICY DENIES EQUAL FUNDING FOR U.S. CITIZENS OF PUERTO RICO

(Mr. ROMERO-BARCELÓ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROMERO-BARCELÓ. Mr. Speaker, I rise to speak to the $24 billion children's health initiative contained in the budget reconciliation agreement. The President has stated that this is a victory for every child in a poor household who needs health care. Unfortunately, there is no victory celebration by the children in Puerto Rico and the other territories.

This initiative extends to the children living in the territories an egregious United States national policy which views the lives and health of United States citizens in Puerto Rico and the other territories as far less valuable than the lives and health of those residing in the States.

Puerto Rico's participation in the children's health care program is less than one-seventh of what it would receive under the standards established for the States. There is one and only one reason for this treatment: The United States citizens residing in the territories have no voting representation in Washington, DC, and, therefore, no viable means of defending themselves against such unjust treatment.

It is already unjust that U.S. national health policies deny equal funding for adult United States citizens of Puerto Rico and other territories. However, it is absolutely outrageous that the United States would endorse a discriminatory policy denying equal health care to the children of the United States citizens residing in Puerto Rico and the other territories.

STEP 21 FOUNDATION BASED ON GREED, NOT FAIRNESS

(Mr. WALSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALSH. Mr. Speaker, in the debate over the future of transportation in this country, STEP 21's continuing refrain that ISTEA is unfair because some States receive less Federal transportation money than they collect in Federal gasoline taxes is an invalid, misleading comparison.

If the STEP 21 States believe that fairness in these matters is best defined by the amount of money a State sends to Washington, then such logic should be used on all moneys that pass between the Federal Government and the States.

According to a study prepared by a major university, ISTEA works States send over $1,000 per person to Washington more than the STEP 21 States. The average amount of taxes STEP 21 States send to Washington is $4,400 per capita, while the average ISTEA State sends $5,400 per capita. Where is the fairness in that?

The study done annually on the balance of payments to the States clearly shows that when all funds are considered, most STEP 21 States are receiver States while ISTEA works States are the real donor States.

FBI LEAKS TO PRESS ARE NO MISTAKE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Louis Freeh said the FBI did not leak the name of Richard Jewell as the Atlanta bomber to the press. Who is kidding whom? Every policeman in America knows it is a common practice of the FBI to leak information to the press.

Let us tell it like it is. The FBI is once again lying through their teeth. They lied about Ruby Ridge, they lied about Waco, they are lying about Richard Jewell. Lies, lies, lies, and they say they are mistakes.

Let there be no mistake, Congress, these are not mistakes, these are crimes and it is time for FBI criminals to be prosecuted. Stand up, Congress.

A DAY FOR CELEBRATION

(Mr. WHITFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITFIELD. Mr. Speaker, today is a day of celebration. This House will take up an agreement reached between the Congress and the White House on a tax reduction package.

The last time Congress and the White House reached an agreement on a tax package was in 1993, and at that time taxpayers were not celebrating. They were not celebrating because that tax package was the largest tax increase in U.S. history.

So today marks a much different kind of agreement. We are going to allow working men and women to keep more of their money and we are going to give less money to the U.S. Government.

A GENUINE COMMITMENT TO EDUCATION

(Mr. BLAGOJEVICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLAGOJEVICH. Mr. Speaker, it was Abraham Lincoln who said, ''Upon the subject of education, I can only say that I view it as the most important subject which we as a people may be engaged in.''

Mr. Speaker, most of us, if not all of us, agree that education is essential for the next generation of Americans to compete in the global economy. But education is not only about multinational competition. At root, providing educational opportunities is a moral issue, for it is our obligation to the next generation and our obligation to the future of this country.

This budget is a step toward honoring Abraham Lincoln's commitment to education. It calls for a $31 billion investment in our Nation's schools. It contains a $500-per-child tax credit that will make it easier for more families to send their children to college. It increases funding for Pell grants, offers tax relief for new college students, and takes several other steps at lightening the increasingly heavy burden of college tuition costs on working families.

For the millions of American children who will now be able to make it to college, this budget offers a step toward providing new opportunities for them.

TAX REDUCTIONS BENEFIT FARMERS, SMALL BUSINESSMEN

(Mr. GANSKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GANSKE. Mr. Speaker, a week ago I participated, for a day, in the annual bike ride across Iowa. And as I rode my bike through those rolling hills of corn and beans, I could not help but think about how today Iowa farmers are going to be smiling.

Why? Well, we are going to raise the exemption for death taxes to $1.3 million. Something important for family farmers. We are going to allow them to pay those death taxes in installments and extend that. We are going to allow family farmers to income average in order to smooth out the rough edges of lean years.

We are going to increase the deductibility of health insurance for the self-employed farmers, small businessmen, to 100 percent. We are going to cut capital gains taxes, something very important to a farmer who defers his income to the day that he retires.

We are going to provide favorable tax treatment for livestock sold when they have to get rid of their herd because of bad weather. We are going to retain current provisions on ethanol. And we are going to, for businesses that are small, reduce the AMT.

Mr. Speaker, this is a good day for farmers and small businesses in small towns all across rural Iowa and America.

CONGRESS SHOULD VOTE TO END SOFT MONEY FOR NEXT ELECTION

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, over 2 years ago the gentleman from Georgia, Speaker GINGRICH, and President Clinton shook hands saying they wanted to reform the campaign finance system in this country. A bipartisan group of Members of Congress wrote the President the beginning of this session and asked that we do campaign finance reform in the first 100 days. Just this last week, 25 Members of Congress asked the Speaker to schedule campaign finance reform in September.

We have heard nothing from the Speaker since he shook hands with the President of the United States over 2 years ago. We have received no response from the Speaker, and campaign finance reform is not scheduled.

This leaves us only one alternative. Those of us who believe that this is a critical matter on the agenda of Congress, and that we should have a right to vote on ending soft money for the next election, will use all of the authority given to us by our constituents to make sure that this is on the agenda in September. If the only alternative we have is a showdown in September to end soft money, we will take that offer, Mr. Speaker. Members should come early and plan to stay late.

FAMILY FINANCE QUESTIONS SHOULD COME FIRST

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, to be certain, campaign finance questions are important, but family finance questions should come first.

Mr. Speaker, today on the floor of this House we will take an important step to ensure that American families keep more of their hard-earned money and send less of it here to Washington.

Mr. Speaker, I hold in my hand just the ''fax'', F-A-X, a letter sent to me via facsimile from the Wilkins family in Casa Grande, AZ. The Wilkins family, Barney and Margie, are school teachers. Their kids are B.J., Megan, and Molly.

The letter reads, Mr. Speaker, ''Thanks for such a nice 19th wedding anniversary gift.'' They are talking about the tax cuts we will pass later today. ''We appreciate your hard work.'' And the P.S. says this: ''Please continue to cut taxes so we don't have to work three jobs.''

This is what it is all about. Why should working families sacrifice so that Washington can waste money? The contrary should be true. Washington should sacrifice so that working families can keep more of their own money, and we make that start today.

TIME TO BRING THE INVESTIGATION OF CALIFORNIA'S 46TH DISTRICT ELECTION TO AN END

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, I rise in support of the gentlewoman from California, Ms. LORETTA SANCHEZ, duly elected to the 46th District in California 10 months ago, certified by the Republican Secretary of State 10 months ago.

It is important that we bring this to a close. The Committee on House Oversight has been hearing in special session all the evidence. It is now, Mr. Speaker, that we call for a close. The gentlewoman from California won over a 900 vote plurality and has been duly elected. Let us bring this to a close, let the gentlewoman serve her people in that district and get down to the work of the American people.

CONGRESS IS GIVING CHILDREN OF AMERICA THE GIFT OF ECONOMIC SECURITY

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, today my family celebrates the fifth birthday of my twin daughters, Dana and Claire. But long after the presents that they open today are put away and forgotten, this Congress will have given them, and given to the children of this country a much greater present. It is because today marks the end of a historic week in our Nation's economic history.

For the first time in almost 30 years, Congress will pass a balanced budget and tax relief for working Americans, so that families who earn the money will be able to keep more of the money they earn. The day where Washington and the IRS have first claim on family income is over.

This Republican Congress, working with our friends on the other side of the aisle, are giving my children and

the children of every working parent in this country the greatest gift of all: the gift of economic security for their future, and for future generations of Americans.

DEMOCRATS STOOD UP AND FOUGHT FOR HARD-WORKING FAMILIES

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I rise today to remind my Democratic colleagues of what we can accomplish when we stand up and fight for what we believe in.

Last week our Republican colleagues were calling a tax cut for hard-working police officers and kindergarten teachers welfare. But Democrats stood tall and fought hard for tax relief for all Americans who work for a living, who pay taxes, even though they may not make a lot of money.

Today, this House will vote on a tax bill that includes a $500 tax credit for all of America's working families. This bill also provides a $1,500 HOPE scholarship to make college more affordable for middle-class families, and $24 billion for children's health care, the single largest investment in health care since 1965.

All of these priorities the Democrats in the last several weeks have fought and stood tall on and have won. The Democrats said, in fact, that what they did not want to do was to provide tax breaks for the richest and the wealthiest in this country. It is middle class families who have won the benefit of the Democrats' hard work in these last several weeks.

TODAY MARKS A START IN REVISING TAX SYSTEM AND TAX PHILOSOPHY IN UNITED STATES

(Mr. BLUNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLUNT. Mr. Speaker, we are here today taking a step toward revising the tax system and revising the tax philosophy that has too long been headed in the other direction. We are here today to decide that American families can spend their money better than the Government can spend their money.

The only bad news in the bill for working families today is it is going to be 6 months before they begin to see what really happens when they have their money back instead of the Government having that money.

A $500-per-child tax credit means to a family of three, a working family of three, $125 every month that the Government has been spending that they can now start spending next year. It is going to make a difference.

This bill will make a difference as we work to make education more affordable. Vocational education, college education, $5,000 in tax credits over 4 years of college; tax savings accounts, education savings accounts that are going to be tax free, that allow families to save for college. We will not be taxing the interest on student loans any more.

This is a great day for American families, Mr. Speaker.

DEMOCRATS MADE TAX BILL BETTER FOR WORKING FAMILIES

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think all of us have a recollection of gathering at the family home and knowing that in the kitchen a stew is brewing. But that stew does not begin to get good until it gets stirred. Today we vote on a bill that the Democrats stirred and made well.

I want to speak to those individuals that may be in fact not where our voice can be heard. Maybe they have a black and white television set, maybe they do not have access to the C–SPAN, but let me tell them, as they go to their jobs and make $20,000 a year, the Democrats have put together a tax bill that will help them.

Or maybe they make $25,000. The Democrats have stirred the pot to help them, because they get a $500-a-year child tax credit, and we respect the fact that they are out working for a living. The Democrats also gave them $1,500 so they can start that college education in the Houston Community College, which I represent, or any community college around the Nation.

The Democrats recognize that these working families they may not be somewhere advocating and lobbying, but we recognize that they make America work. And to the small businesses, we say we count on them too, because the Democrats give them a $1 million tax exemption that starts next year!

The Democrats stirred the pot on this tax bill, and made it fair.

□ 1030

THREAT TO FREEDOM, TOO MUCH POWER IN HANDS OF GOVERNMENT

(Mr. BOB SCHAFFER of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, when the Founders were debating the Constitution in Philadelphia in 1787, one of the most important subjects of debate concerned what they considered to be threats to freedom.

Some thought that too much government power was the greatest threat to freedom. Some thought that too much power in the hands of the majority would be a threat to the freedom of minorities.

Men like Thomas Jefferson and James Madison wrote extensively about these threats to freedom, and they were right. Today I would like to call special attention to the threat to freedom that Thomas Jefferson feared the most, too much power in the hands of government. When the government takes nearly one-half of a family's income, government has too much power.

Today we consider whether to take a cue from President Jefferson and reduce the power of government by passing the tax relief package currently before Congress, before us now, and to return the authority to the very families that sent us here to do the job.

TAXPAYER RELIEF ACT

(Mrs. TAUSCHER asked and was given permission to address the House for 1 minute.)

Mrs. TAUSCHER. Mr. Speaker, I rise in support of the Taxpayer Relief Act and to celebrate the balanced budget agreement.

The balanced budget agreement that we are voting on to implement this week will eliminate the deficit and strengthen the foundation of our economy. It will also put more money in the hands of the American taxpayers through the child tax credit, the HOPE scholarship plan, and reductions in the capital gains tax rates and greater protection from estate taxes.

Most importantly, this agreement provides tax relief in a fair and equitable manner. Working families in America who deserve the child tax credit will be eligible to receive it. Middle-class families struggling to save enough money to put their children through college will qualify for the HOPE scholarship plan, and increased protection from estate taxes will protect more families from unaffordable tax bills when they inherit a small family business or farm.

At the same time, reckless and unaffordable tax cuts have been dropped in this agreement, protecting the budget from exploding deficits in the future. The balanced budget agreement provides a sensible path toward eliminating the deficit and providing tax relief.

Mr. Speaker, I strongly support the balanced budget agreement, and I encourage my colleagues to support it as well.

GREAT DAY FOR EVERY AMERICAN

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, what an incredible difference the Republican Congress makes. Just a few short years ago, we saw the largest tax increase in history proposed by President Clinton. We are going to be repealing large parts of that today, and we saw a plan for nationalized health insurance,

much of which is going to be addressed successfully with our private sector approach that is included in this bill.

Today we celebrate the first balanced budget in nearly three decades, we celebrate the first tax cut in 16 years, and we mark the transformation of Bill Clinton from a tax-and-spend liberal to custodian of the Republican legacy of lower taxes and less government. It is a great day for every American.

TAXPAYER RELIEF ACT

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, the last speaker and I probably are bookends for this Congress. Yesterday and today, 44 million people without health insurance in this country; maybe we gave health insurance to 2 million children. The other 42 million, we could not seem to address that issue, while we can give a $95 billion tax break this afternoon.

Now, in my view, this is payday for people who pay for campaigns. There are a few bones for people who have kids and a little bit for education, but the long-term effects of this bill are for those people who contribute to campaigns.

The New York Times says the deal's long-term effects has economists uneasy because they look at what happens in the long run. I believe that we have to deal with the issue of soft money in campaigns when we come back in September. The Members of this House have to be prepared to sit and deal with that issue if we are going to change the way this country's economics go.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested.

S. 871. An act to establish the Oklahoma City National Memorial as a unit of the National Park System; to designate the Oklahoma City Memorial Trust, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2015) ''An Act to provide for reconciliation pursuant to subsections (b)(1) and (c) of section 105 of the concurrent resolution on the budget for fiscal year 1998.''.

CONFERENCE REPORT ON H.R. 2014, TAXPAYER RELIEF ACT OF 1997

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 105–221) on the resolution (H. Res. 206) waiving points of order against the conference report to accompany the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998, which was referred to the House Calendar and ordered printed.

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 206 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 206

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The conference report shall be debatable for two and one half hours equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST]. All time yielded is for the purpose of debate only. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DREIER asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. DREIER. Mr. Speaker, if I were to address the American people, I would say, Today, you can finally believe that you will get a tax cut. We will pass it. The President will sign it. You can take this tax cut to the bank.

This rule provides for consideration of the conference report on H.R. 2014, the long-awaited Archer tax cut bill. The rule waives all points of order against the conference report to accompany H.R. 2014 and against its consideration. The rule provides that the conference report be considered as read. The rule also provides for 2½ hours of debate equally divided and controlled between the chairman and ranking minority member of the Committee on Ways and Means.

Mr. Speaker, I want to point out at the beginning that a balanced budget, even with this tax relief, will not solve all of our Nation's problems. However, the Archer bill is a major victory for American workers who pay the taxation that run the Government.

The American family has not seen tax relief from their excessive Federal tax burden since 1981. Taxes eat up too much of the average family budget. I am honored to represent many working families who, unfortunately, pay more in taxes then they spend on food, clothing, and housing combined. Hard working people who save for retirement or struggle to build a small business or family farm see Federal taxes eat up far too much of their savings and investments. The Archer bill will help to address those problems.

Last November, the American people gave Congress and the President a mandate to balance the Federal budget, provide tax relief for working families, create incentives for private sector job creation, preserve the Medicare program, and promote quality educational opportunities for all children.

Let us face it, Mr. Speaker, many Americans did not believe that we would deliver. Commitments from elected officials mean little or nothing to those disillusioned by broken promises of big government and high taxes.

A Washington Post columnist, David Broder, once described the President's trust deficit with the American people as even more damaging than the budget deficit. Congress is helping to eliminate both.

In November of 1994, American voters made Republicans the majority in Congress for the first time in four decades. They wanted a change, and the new Congress vowed to succeed where previous Congresses had failed. That change in leadership sent us down the path that we are on today.

Mr. Speaker, the Republican majority believed that keeping promises was as important a goal as balancing the budget, cutting taxes and reducing the size and scope of the overly intrusive Federal Government. Now, there is no doubt that this zeal did not always adapt well to the political realities of divided government. The American people have watched Washington's rocky moments with some understandable frustration, but they have also witnessed some momentous accomplishments, and from my perspective, the Archer tax relief legislation is at the top of that list.

As the sponsor of the bipartisan, job creating and investment encouraging capital gains tax relief bill, which I join with my colleague, the gentlewoman from Kansas City, MO [Ms. McCARTHY] and other Democrats and Republicans, we put together the largest number of cosponsors, I want to thank the gentleman from Texas [Mr. ARCHER], the chairman, for the tremendous work that he did in the face of the outdated class warfare rhetoric that came from some of our colleagues on the other side of the aisle. Reducing the job killing, investment stifling capital gains tax is the single best way to promote wage growth, spur real economic growth, and ensure that we will balance the budget by the year 2002. I applaud the effort of our negotiators because they share the commitment to raise the wages of American workers and ensure that strong growth balances the budget.

At the end of the day, when the dust clears, we must look back over the past 3 years with some amazement and

pride. We have enacted a balanced budget, cut taxes on families and job creators, reformed welfare, controlled illegal immigration, saved Medicare, and made private sector health insurance more available and affordable.

Combine the achievement of those bedrock Republican Party goals with the expansion of free trade through the North American Free Trade Agreement and the GATT Uruguay Round of the General Agreement on Tariffs and Trade in the 103d Congress and the election and historic reelection of the Republican Congress, and we can make the case that President Clinton has compiled one of the most impressive Republican legacies of any President in this century.

Mr. Speaker, the Republican-led Congress has put policy ahead of blind partisanship. I congratulate the President for working with us to make Government a more cost-effective vehicle, for improving the standard of living of the American people.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the end of the day, when this tax package is taken apart, it will be apparent that House Democrats, who have throughout this debate insisted on fairness, have been successful. What started out as a bill cutting taxes solely for the benefit of the wealthiest among us, while denying any sort of tax relief to those who really need it the most, has been modified to meet the fairness test.

My Republican colleagues have for months insisted that working families who make less than $30,000 a year do not pay taxes and should not get a tax break. But House Democrats have stood fast and insisted that young families with children, those families just starting out in life who are trying to make ends meet, perhaps pay a mortgage, take the kids to McDonald's and maybe see a movie every once in a while need a tax break also.

Why, we wondered, should a family making $29,000 a year be denied tax credits? Who says they do not pay taxes? Not the Democratic Members of the House, that is for certain. We know that everyone that works pays taxes. We all pay income tax, but we also pay Social Security and Medicare taxes, State income taxes, and unemployment taxes. Those taxes count every bit as much for the family making $29,000 a year as they do for a family making twice or three times as much. Maybe they count even more.

And so, in the end, Mr. Speaker, Democrats have prevailed in our position. This bill will provide the tax credit for every family with children under the age of 17 who make $18,000 or more a year. That is what Democrats stood for, and that is what Democrats achieved.

Democrats have stood firm in our insistence that education be a top priority in this bill and we joined with the President in insisting that the HOPE scholarship program be instituted to make the first 2 years of college as universally available as a high school diploma is today.

We need more opportunities for our young people to advance their education, and Democrats insisted that this package provide a way for everyone to continue education. And this package does that. We have components of this package which will go a long way toward ensuring that our work force in the 21st century is productive and globally competitive.

Democrats stand for things like penalty-free IRA withdrawals for undergraduate, post-secondary vocational, and graduate education expenses. Democrats stand for tuition tax credits for juniors, seniors, undergraduate students, and for working Americans who are seeking to enhance or upgrade their skills. Democrats stand for things like education savings accounts and for extending the exclusion of employer-provided undergraduate educational benefits.

Mr. Speaker, since those things are in this tax bill, Democrats achieved what they stand for. Mr. Speaker, the fact that this tax bill provides for families and for those Americans who want to pursue an education make this bill much more palatable to Democrats. But I should point out that in spite of the infusion of fairness in this package, our Republican colleagues have managed to ensure that the upper end of the income scale has been taken care of.

□ 1045

I wonder how many of us really understand that the child tax credit is available in some form for couples with adjusted gross incomes up to $150,000 a year. Democrats are, of course, in the minority in the House and we cannot win on every point, but I do find it interesting that a party that was so willing to deny this tax credit to families making less than $30,000 a year is now so willing to extend it to families making five times that much.

However, Mr. Speaker, that we are in a position to be able to discuss a balanced budget and tax cuts simultaneously is because 4 years ago, this House, or should I say the Democrats in this House, passed a deficit reduction package that has now produced an economy that is so healthy and so productive that our deficit has fallen by 75 percent since 1993. When the House passed that package, Mr. Speaker, it was done without a single Republican vote. It was done, Mr. Speaker, while the current Republican leaders lamented loudly that it would send the economy straight down the tubes.

Yes, as my Republican colleagues are so fond of pointing out, that deficit reduction package did contain some tax increases, but I would like to remind my colleagues that those increases were aimed primarily at the upper end of the economic scale, at those people who are doing so well today that the stock market has soared in value, so much so that it has increased in value by 50 percent in the past 2 years.

That deficit reduction package which the Republicans opposed unanimously set the stage for the action of the Congress this week. That package created an economy which this year has the lowest unemployment rate in 24 years and has created 12.5 million new jobs. I voted for that package in 1993, just as I voted for the spending cuts on Wednesday. I voted to bring Federal spending under control and to balance the Federal budget for future generations.

Mr. Speaker, my Republican colleagues now crow and claim credit for balancing the budget, but more importantly, Democrats can claim credit for ensuring that the proposals of the Republican majority are tempered and made much more fair for working men and women, their children, our seniors and for our vulnerable groups in society. Democrats stand for fairness and equity as do the American people. I think we won on these basic points in this debate.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I was very privileged to come to the Congress in 1981 and vote for the Economic Recovery Tax Act of Ronald Reagan. I did so along with my very dear friend from Glens Falls, NY, the distinguished chairman of the Committee on Rules.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank very much the gentleman from California, the vice chairman of the Committee on Rules, for yielding me this time.

Yes, Mr. Speaker, the gentleman from California [Mr. DREIER] is right. I had been here for a couple of years before he and Ronald Reagan arrived. With the gentleman and Ronald Reagan and the gentleman from Texas [Mr. ARCHER] in the back here, and the rest of us Republicans, we began to change the philosophy of this Government, we began to cut taxes, meaningful tax cuts and shrink the size and the power of the Federal Government to go along with it; and yes, Ronald Reagan's legacy lives on and is being carried out today.

Mr. Speaker, I hope the former President, one of the greatest Presidents this country has ever known, is able to watch part of this debate today because it is devoted to him.

Yes, back in 1981, President Reagan signed into law the historic 25 percent across-the-board tax cut for all working Americans, a package that liberated our economy and our Nation from the fiscal straitjacket of stagflation, and the rising unemployment of the 1970's. President Reagan's foresight paved the way for the longest peacetime economic expansion in our Nation's history, that created 17 million new jobs, an increase in real average

family income from the richest to the poorest income groups and a steady and sustained growth in real GDP and productivity throughout the entire 1980's. This was one of the most successful decades of the history of this great country of ours.

Today, 16 years later, the Republican Congress and President Clinton, stand on the threshold of delivering America's working families and America's businesses a long-awaited second installment of that tax cut, an installment that Ronald Reagan tried for years to get after the initial tax cut in 1981 but was deprived of by the Democrats in this House.

In 1994, when the American people gave Republicans control of the people's House, we promised to cut taxes. Today Republicans deliver on that promise. Yesterday we delivered on the promise of a balanced budget. Today on tax cuts. It makes me proud to be a Republican today. Both are real, both are consistent and both, Mr. Speaker, are sustainable.

Four years ago this same Congress under a Democrat majority passed the largest tax increase in American history. Today the Republican Congress will roll back our Nation's tax burden by at least $95 billion. And you have not seen nothing yet. Wait until next year and the year after, because we are going to come back to eliminate capital gains taxes and we are going to further cut taxes off the American people.

Mr. Speaker, this permanent tax relief takes many forms and will assist many sectors of our economy. A sharp cut in the capital gains tax cut will, without question, stimulate job growth, and investment, and the real incomes of all working American families.

According to the Congressional Budget Office, and this is so terribly important because it goes back to this business of class warfare. According to the Congressional Budget Office, three-quarters of America's families own assets such as stocks, bonds, homes, real estate and businesses. NASDAQ reports that 47 percent of all investors are women. The Treasury Department, and this is perhaps the most important of all, the Treasury Department reports that nearly two-thirds of all tax returns reporting capital gains income are filed by people whose incomes are under $50,000. Fifty percent of two-thirds of all of these people are senior citizens living on fixed incomes with a few returns of the stocks and bonds from their investments. Clearly these figures show that a capital gains tax cut benefits middle-class American families and older Americans.

In addition, family-owned small businesses and family farms are provided further relief through cuts in the estate tax. Educational and retirement opportunities are enhanced. And, Mr. Speaker, middle-class parents are allowed to keep more of their income to take care of their families with child tax credits. How terribly important that is to the average American in this country.

Mr. Speaker, contrary to what we are going to hear from the other side of the aisle, the majority of this tax relief, more than 72 percent of it, will go to middle-income wage earners, families making between $20,000 and $70,000 a year. This will better enable all American families to care for their children, to improve their communities, and represents a good first step in rolling back the high level of Government interference which has grown out of all proportion over the last 20 to 30 years.

Mr. Speaker, while this tax cut may represent a major victory for the Republican Party and the American people, it is also the product of bipartisanship. In the same spirit, let me repeat a quote I stated yesterday. In introducing his tax cut plan to the American people in 1962, President John F. Kennedy, a Democrat, and I was a John F. Kennedy Democrat back in those days, stated that, quote, ''prosperity is the real way to balance the budget. By lowering tax rates, by increasing jobs and incomes, we can expand tax revenues and finally bring our budget into balance.''

President Kennedy was right then and this bill before us today is right now. Over the past 16 years, this Congress has raised our Nation's taxes over five times and by hundreds of billions of dollars, taking money out of the pockets of the American people. Today we reverse that trend and we pass the first tax cut in 16 years and make good on another promise to the American people. Yes, Republicans. Promises made, promises kept. Come over here and vote for this great bill and let us keep this economy moving.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentlewoman from Texas [Ms. JACKSON LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, it gives me a great deal of pleasure to come and simply add to setting the record straight and clearly speaking to those who least of all have an ability to come to this House and lobby for their causes.

Let me say, Mr. Speaker, that any legislation that is passed in this body does nothing unless it gets to those who are at home and on the front line. Democrats are known for confronting the hard issues and working to get legislation that practically addresses those who every day are turning the engine of this Nation, to ensure that those who are running the engine of this Nation by working every day are appropriately protected and defended.

That is why I can rise with maybe a troubled heart but a sure mind that we are making the right decision today and I am making the right decision today to vote not only for this rule but for this tax agreement. It allows me to thank those who were around the negotiating table but it has also allowed me to thank those who finally listened to my constant agitation and advocation for ensuring that those who did make under $30,000 a year were treated as American citizens and respected for what they have given to this Nation, by giving them tax relief.

This agreement cuts Federal taxes $95.2 billion over 5 years, nearly $10 billion more than the House-passed bill. Why did that happen? Because it was the Democratic caucus that forced that increase so that tax cuts could come to those lower-income families who earn the earned income tax credit. They too can get a child tax credit. This effort stands and represents those who are least vocal and most vulnerable. It gradually raises the amount exempt from Federal estate taxes to $1 million, and it makes IRA's more widely available, so to encourage Americans to save.

What does that say? Mr. Speaker, what that says is to the many small businesses around this Nation who have cropped up over the last 20 years, who pay their taxes, who work either in their homes or small offices, who employ only one or two persons or maybe a little bit more, it says that Democrats understand that small businesses have become the business of America.

Then we go to the HOPE scholarships, something that was confused under the Republican plan, did not respect those who might be moving from welfare to work, looking for opportunities at less expensive community colleges or junior colleges or 4-year colleges. We give the HOPE scholarship with no strings attached. You can get 100 percent of $1,000 the first year. You can get your foot in the door. We did not hear from large businesses and advocates of large tax cuts on this issue. However, Democrats realize that education is the great equalizer, so along with President Clinton we fought for this change.

To my family farmers, let me say we heard your voices. I am from an urban district, however most of my constituents have come in from the rural areas and their families are still harvesting the crop on small family farms. How gratified I am to be able to give them a $1.3 million unified tax credit, something that will start not 7 years down, not the year 2000-and-something, but January 1, 1998.

Democrats, realizing who drives this Nation, fought hard in conference and before in strategies on the floor of this House to say that we must stand up for working people, the most vulnerable on welfare, and family farmers and small businesses. Yet I have supported tax incentives to help large businesses invest in job creation.

And then we understand that there are some of us that can save a few more pennies. We can save a few more pennies, those of us who do that, by a deduction of up to $2,500 on interest for qualified student loans.

Mr. Speaker, I realize that we cannot come to this floor and abdicate our responsibilities, and so I say to Members

that I am going to be a diligent student of this tax plan. I am going to be watching whether there is a potential of exploding the deficit in the outyears and be at the fight to correct and fix what may damage the most vulnerable of this Nation.

□ 1100

Nevertheless, at the same time I am going to be able to go to my community and get to working on cleaning up inner-city areas because we have got a 3-year brownfield tax incentive that allows economically distressed areas to clean up environmentally damaged areas.

And yes, this tax bill follows an amendment that I made as a freshman in this House to give tax incentives to employers who hire welfare recipients. We are going to do that now because Democrats recognize that we want to boost up the opportunity for those moving from welfare to work.

This is a bill that needs to be supported, it needs to be watched, it needs to be monitored, the Tax Code must be simplified, and we need to stand ready to fix anything that hurts Americans as this bill moves forward to drive the economic engine of this Nation in order to create more jobs for all Americans.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

What a fascinating debate. The American people know that the words ''tax cutting'' and ''Democrat'' heretofore would clearly be an oxymoron. It is wonderful now to hear the great statements emerging from the other side of the aisle. I have to say that one of the fighters for meaningful tax reduction is my very good friend from Guilford County, NC.

Mr. Speaker, I yield 2 minutes to the gentleman from Greensboro, NC [Mr. COBLE].

Mr. COBLE. Mr. Speaker, I thank the gentleman from California for yielding this time to me.

How far down this road we have advanced. Now a balanced budget is within our grasp. The White House, Republicans, Democrats are all taking credit for it, and that is fine. But these tax reductions, Mr. Speaker, would not be before us were it not for a Republican Congress, and if there are those who do not believe this, see me after work and I will sell you a used bridge. Capital gains tax reduction, educational tax benefits, estate tax exemption threshold increased.

I could recall just a few recent years ago when some of our Democrat friends were daring to lower the threshold of the estate taxes from $600,000 down to $200,000. That sent a shock wave throughout America, throughout rural America particularly, and now family farms and residents and estates will now be exempt from that heavy hand of the death tax. It has been a long time coming, but it is here.

These matters, Mr. Speaker, constitute the Republican agenda. Everyone knows that unless they have been residing in a cave. The President has embraced our agenda and, some say, is receiving more credit for it than are the Republicans. That is OK. It has been said, ''Anything can be accomplished if you don't care who gets the credit for it.''

This is a day, Mr. Speaker, when empowerment is being returned to hard-working Americans, and that is where it belongs. I commend everybody who had a hand in it, Democrats, Republicans alike, but most particularly I say to the gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means, Well done.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, when the President first took office, he invited 5 groups of 13, 65 total, to the Cabinet room. I was in the last group. He told us that he caught that Greyhound and it is different than what he thought it was and he was going to have to raise taxes. I was later told by the Vice President that 64 of the Members there said they agreed with him and they would support him. They said I was the only one that disagreed with him and told him not only would I not support a Btu tax, I would work to defeat a Btu tax.

I also reminded the President when he campaigned in my district, the biggest crowd he ever had in his political life, he made a promise to cut taxes. Not only was he not going to cut taxes, he was going to have the biggest tax increase in our history, and he also said, ''Don't worry about it, we're also going to hit the rich.''

I told the President then that I thought that type of strategy and politics was very bad, ''We've already chased jobs, Mr. President,'' exactly what I told him, ''in factories overseas. Be careful you don't chase our money overseas.''

Vice President come to me, he said, ''I can't believe, Jim, you take this position.''

I said, ''It's very simple, Mr. Vice President. I come from a poor family. My dad never worked for a poor guy.''

This politics of class warfare is very bad. I disagreed with it then, I disagreed with it throughout this whole debate, and I want to now commend the Democrats for taking a look at the facts, and I want to give credit to the Republican Party. The Republicans have kept the President's feet to the fire on the campaign promise to cut taxes for people in America. That is the truth of it.

I support tax cuts. I supported them all along. I knew that some of those provisions would be removed, but I am a Democrat, and Democrats were the very first to cut taxes with JFK, and by God, as a party, how did we give the Republicans the patent on it in the first place?

But I want to say this, I hope this bill is the end of this class warfare. We, they; they, we; rich, poor; old, young; politics of division, politics of fear, politics that are bad for America, politics that are wrong for America, politics that are dangerous for America.

I voted for this tax bill all the way through, I am going to vote for it today, and I want to close with commending now Democrat leaders who have taken out some of the provisions that I did not like either, but the Republican Party kept the President's feet to the fire. That is the bottom line, and I think it is good for our country.

Our Government is working.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my friend from Youngstown, OH [Mr. TRAFICANT] for telling it like it is.

Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. GOSS], distinguished chairman of the House Permanent Select Committee on Intelligence and chairman of the Subcommittee on Legislative and Budget Process.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank my friend from downtown San Dimas, CA Mr. DREIER, vice chairman of the Committee on Rules and chairman of the Subcommittee on Rules and Organization of the House. I commend him for his very hard work to eliminate the punitive and the self-defeating taxation on capital gains, and I know he feels there is a great step forward here today and even more to do down the road.

Two years ago a new Republican-led majority pledged to balance the budget, to save Medicare, and provide overdue tax relief to the American people. Republican after Republican and some Democrats joined us here in the well and said we would do those things, and we are doing them. The naysayers and the big spenders said it cannot be done, cannot be done, country cannot afford it, we have to keep raising taxes. Well, my colleagues, they were wrong. Here we are today to prove it.

Today on this House floor we are going to complete the pledge that we made by providing Americans with the first relief from taxation in 16 years, almost a generation. The good news is there is something in this package for just about everyone in America, across the land, in all different pursuits and in all different situations.

For families trying to pay bills, that is most of us, we have provided a $500 per child tax credit. That is $500 more that you can use for things like school clothes or taking the kids for a summer vacation, some have not been able to do that, or anything else that they choose to do, because the bottom line here is that the people are going to decide what they are going to do with their money, not the folks here in Washington who may have a different idea about how to spend it.

For senior citizens about to embark on their retirement, and many of those come to Florida and my district, we have cut the capital gains tax so they can sell some assets without Washington confiscating, ''confiscating'' is the word I choose, nearly one-third of the gain.

But most importantly, as we look to the future of our children, we have made it easier for young Americans to get a college education, and I see lots of young Americans around this building this time of year.

Our package is going to allow Americans to withdraw tax free from new super IRA's to pay for college education expenses. This commonsense provision was part of our Contract With America, many will remember, and I am pleased that these new American dream savings accounts are soon going to be an option for all Americans.

We have also created the HOPE scholarship, which will provide $5,000 in credits for individuals who wish to go to college or get a graduate degree.

Mr. Speaker, these are the right kind of incentives, and I hope that Americans will take advantage of them, and I know they will take advantage of them because I talk to Americans every day who are looking for these things.

As my friend from California [Mr. DREIER] knows, though, we are far from done. We need to come back next year to zero out the capital gains tax and eliminate the marriage penalty as well, send the right incentive about our family values. We need to repeal the Clinton tax hike on Social Security benefits, particularly of doctors. This is such an onerous benefit on senior citizens who are on fixed income, and I have again a great many in southwest Florida, where I represent, have the honor to represent, and these folks get taxed who cannot afford to pay the tax. They are on fixed income, they are beyond their earning years, what do they do? This is a tax that needs to be repealed. We have not got it done here today. It is a target for tomorrow. The Clinton administration was wrong on that tax, and they should help us in that effort to repeal it. But most of all, we need to have comprehensive reform to simplify and flatten our convoluted, incomprehensible, and unfair Tax Code, and that lies ahead for us to do as well.

I know that when I return to my district in southwest Florida and other colleagues return to their districts around the country we can now look constituents in the eye after we pass this bill and say ''Look, next year Uncle Sam's tax bite isn't going to be quite as bad because we're listening to you and doing the job you asked us to do.'' I think we are going to be able to let them know that more of their money and decision making is going to stay with them, their own individual responsibility, and I think that is a great trend and a great sign for America. That is what we are great at doing so well together, is making the decisions.

I urge support of this rule and the very important tax cuts that it makes in order.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, here we are today on the last day of this session of the Congress before the big recess engaged in the big lie, the big lie. This is a balanced budget agreement. Well, after we voted yesterday, the Congressional Budget Office came up with an analysis, and the analysis is, guess what? Deficits have gone down for the last 5 years, but next year for the first time in 5 years they will go up and we will double the deficit by 1999.

The American people know we cannot give away huge tax breaks, increase spending, and balance the budget. Congress did this once before in the early 1980's, and guess what. Three years later they came back and they had to repeal substantial portions of what they did.

This bill today will reduce revenues to the Federal Government by $275 billion over 10 years, and it is going to balance the budget. This is great. We are going to have zero tax on capital gains, the Republicans tell us now by next year, and that will balance the budget. We will not tax capital gains, but all those little people who work for wages will pay taxes, and that is how we will balance the budget.

What an absurd and very, very cynical assertion on their side of the aisle. Listen to a few things in here:

Simplify foreign tax credit limitation for dividends from 1,050 companies to provide look-throughs starting in 2003. Now all the middle-class Americans out there looking for that foreign deduction for the look-through starting in 2003, that is a billion dollar gift. Well, I am sure that a lot of my constituents, average working Americans, are looking forward to that.

Then we have the capital gains provisions, $21 billion, and now they say they want to repeal the tax.

Had a young woman in my office yesterday. She wants to become a neurosurgeon. We talked a little bit. She said, ''What does this mean?''

I said, ''It means if you become a neurosurgeon, you earn $250,000 a year, you'll pay 40 percent of your income in taxes. But the rich kid who went to college with you who has not worked a day in his or her life who then just invests for a living will pay taxes at half that rate.

She was outraged. She said, ''How can that be fair?''

Well, they are saying it is not fair, the rich kid who inherits the money tax free should pay zero income tax his or her entire life; that is the Republican position. That is absurd.

Then we have the alternative minimum tax. It was so embarrassing in the 1980's when the largest, most profitable corporations in America not only did not pay taxes, they got tax refunds paid for by the rest of us for taxes they did not pay, that Ronald Reagan supported putting in place an alternative minimum tax for corporations. They are repealing that here today. That will cost $20 billion, a nice gift to the large corporations. Oh, that is for middle-income America.

□ 1115

That is for middle-income America. Sure it is, Mr. Speaker.

Then we have the subtotal here for gift and generation-skipping tax provisions, which they call estate tax relief, $35 billion. So the sum total here today is $275 billion in tax rates; crumbs for the middle class, and just wonderful bounty for the wealthiest in America.

Mr. DREIER. Mr. Speaker, I am happy to yield 3 minutes to the gentlewoman from Columbus, OH [Ms. PRYCE], the hardworking Secretary of the Republican Conference and a member of the Committee on Rules.

Ms. PRYCE OF Ohio. Mr. Speaker, I thank the hardworking gentleman from California [Mr. DREIER], who has fought so hard over the last several years for tax fairness, for yielding me this time.

Mr. Speaker, I rise in strong support of the rule for the Taxpayer Relief Act. Just as history shows tax increases hamper economic growth, it will also show that the proper path to creating new jobs in growth is by lowering taxes. That is what we are about to do today with this historic conference report. We are going to put America back on track to growth and prosperity.

For years Republicans have wanted individuals and families to control their own economic destinies. We fought for changes in the Tax Code to allow them to keep more of their hard-earned dollars, and we have pushed for commonsense changes to encourage savings and investment.

Today, Mr. Speaker, I am absolutely elated that we are taking another historic step, indeed, a giant leap in fact, toward a new era of growth and opportunity that will touch the lives of all of those who still believe in the American dream.

This conference agreement is a balanced plan to unite our country behind a new economic strategy that will expand opportunities for so many Americans. I implore my colleagues who might oppose this bipartisan effort to put away the tired refrains of class warfare. As my Democratic colleague, the gentleman from Youngstown, OH [Mr. TRAFICANT], earlier so rightly stated, this is not good for America, it is not right for America, and it is actually very, very dangerous for America.

It is time to recognize that an economic system that allows individuals and families to create opportunities for themselves and their communities is infinitely more preferable than government barriers to entrepreneurship and innovation.

Mr. Speaker, it is hard to find someone this Taxpayer Relief Act does not help. To ease the financial burden on families with children, this plan includes a $500-per-child tax credit. There is capital gains relief. There is estate tax or death tax relief, as it should be called. There is an equally important provision to make higher education more affordable, to expands IRA's and to increase tax deductions for the self-employed.

Mr. Speaker, these are just a few of the items in this package that I believe will change this Nation's economic destiny for the better. When all is said and done, I am confident that we will look back at what we began here this week and say that we curbed the size of government, we lowered taxes, and we revived the economic potential of the American people. Better than that, there will be more to come next year.

Most important, Mr. Speaker, we will be able to say that we gave the taxpayers the tools they needed and they completed the job. Mr. Speaker, I urge my colleagues to restore the economic hope across the country. Vote for this fair rule. Support the Taxpayer Relief Act.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. MCDERMOTT].

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, the political vote today is yes, but I intend to vote no because of the issue of fairness. This country was founded on a battle about taxation without representation with the British Government. We have had rebellions in this country, Shay's Rebellion, the Whiskey Rebellion, when people felt the taxation was unfair.

We rely in this country on taxpayers, voluntarily collecting from people. We have a basis in this country of fairness. This bill is unfair. It is unfair to give somebody making $30,000 with two kids and trying to deal with all that is involved in raising a family $1,000 for their kid credit, while somebody making $109,000 gets an average of a $16,000 tax break on their capital gains.

The lowering of the capital gains rate benefits the wealthy in this country, and it is clear that what will happen when we get the rate down to 18 percent, which is almost the lowest tax rate on regular income, that this will have thrown gasoline on the whole class warfare issue.

If I am making $500,000 or $600,000 or $800,000 and I can get my pay given to me in stock options, I will pay 18 percent. That is exactly what people making $30,000 in this country are paying. We have brought the tax rate for the richest in this country all the way down to 18 percent. I do not see how anybody can call that fair.

When I look at it, I hear it being made worse by the gentleman from New York [Mr. SOLOMON] and the Speaker, who are publicly saying they are going to reduce the tax rate on capital gains to zero in the next Congress. That means if you are out there working as an aerospace mechanic for the Boeing Co. and you make $35,000 or $40,000, you will be paying somewhere between 15 or 20 percent of your income in taxes. But if you are making all your money in capital gains, you will pay nothing. That is unfair, and this bill ought to be defeated.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will remind all persons in the Gallery that they are guests of the House, and that any manifestation of approval or disapproval of proceedings is a violation of the rules of the House.

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to my good friend, the gentleman from Iowa [Mr. GANSKE], an able member of the Committee on Commerce.

Mr. GANSKE. Mr. Speaker, I want to talk briefly about two important items in the tax bill. One is the tax bill does close loopholes. People have been concerned about the Tax Code providing special breaks. In a bulletin put out yesterday by the Joint Committee on Taxation, there are four pages of fine print provisions on closing tax loopholes, one of the most important being the so-called Morris Trust structure used by several companies to sell subsidiaries on a tax-free basis. That is closed. The bill also eliminates hedging techniques such as shorting against the box and equity swaps.

I realize these are technical terms and technical provisions, but a real attempt was made in this bill to close tax loopholes. In return, we get an expansion of individual retirement accounts.

This bill basically makes for three types of IRA's. The first would be similar to the current model, but it would greatly expand the number of people who can be in an IRA, and particularly housewives or household members who are not working outside the home will be included in this.

The second choice will be a new account called IRA Plus, whose contributions would not be tax deductible, but withdrawals from the account would be tax-free if the IRA is held for 5 years and the holder is now over 59 years old.

The third expansion of IRA's would be an IRA that would allow you to roll over savings from your current IRA into an account that would feature tax relief distributions.

Mr. Speaker, we need to have more savings in our country. Savings will generate capital investment. Capital investment will generate new jobs. We have as a nation one of the lowest savings rates in the world. These tax provisions will encourage average-income citizens to take advantage of savings in the form of IRA's, and at the same time we are closing some corporation loopholes, tax loopholes, that we have needed to do.

Mr. Speaker, this is a good tax bill. I am in favor of this. I encourage all of my colleagues on both sides of the aisle to do the same.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

When the vote occurs later in the day, Mr. Speaker, on this conference report, a significant number of Democrats will vote in favor of it. I would point out to those watching this proceeding on television that no Democrats who are going to vote in favor of it have asked for time during this debate. The only Members who have asked for time are the ones who are opposed. The Committee on Rules grants the time to the Members who come to the Chamber and ask for time.

Mr. Speaker, I yield 3 minutes to the gentleman from Rhode Island [Mr. KENNEDY].

Mr. KENNEDY of Rhode Island. Mr. Speaker, I thank my colleague from Texas for yielding time to me.

Mr. Speaker, the reason I am going to be voting against this tax cut is that I do not think it is good public policy for this country. I came in in the 104th Congress and I heard a lot from my Republican colleagues how they wanted to balance the budget, reduce deficit spending, preserve prosperity for the future of this country. Guess what? Two years into the leadership, guess what they do? They go back to the voodoo economics that got us into this deficit dilemma to begin with.

Just understand what this rule is saying. It puts in order a tax bill that will basically lock in a tax cut to the tune of $290 billion over 10 years. As the gentleman before me from my side of the aisle, the gentleman from Washington [Mr. MCDERMOTT] said repeatedly, four times, the top 20 percent of the income filers get four times the tax benefit as the bottom 60 percent. So it locks this tax cut in.

Guess what else it locks in? It locks in spending reductions, we are not hearing about that, Mr. Speaker, spending reductions like a 23-percent cut in the Social Security Administration. Guess what that means? Elderly citizens in my district who are trying to arbitrate to get their Social Security check, who are already waiting 3 months right now, are going to have to wait an additional year.

Why are they going to have to wait an additional year to get their measly $435 a month? Because we want to give a $16,000-a-year tax break to the wealthiest 1 percent in this country. Does that sound fair to the Members? I do not think it does. But do Members know what this rule does? It shoves this tax bill down the throats of the American people, because they do not know what is in it. They do not know what is in it.

If we had enough time to debate this issue, which our majority is not giving us, if we had enough time to debate this, I could make sure my constituents in Rhode Island know what the true facts are about the distribution tables in this tax cut. But we are going to rush this thing through because we

have to get out on vacation. We have to wrap business up by tomorrow, because we have to get out of town.

Everyone loves this tax break, because in the words of my colleague, the gentlewoman from Ohio [Ms. DEBORAH PRYCE], there is something in this for everybody. Guess what, Mr. Speaker? This is going to cost us. When future Congresses which have to pay for these tax cuts want to cut Social Security, want to cut veterans affairs, want to cut Medicare $115 billion, guess what, they are not going to do it. Guess what is going to happen? We are going to end up borrowing again.

So the same crowd that told us that they were all anxious about deficit spending, guess what, not so. If we need proof of it, read this tax bill. It is Ronald Reagan trickle-down economics all over again. They give $500 to a middle-income family. Mr. Speaker, $500 for a middle-class family, while they give $16,000 tax cuts to the richest 1 percent, can Members answer that, is that fair?

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume. It is obvious from the debate on the other side of the aisle that the Democrats continue to be the tax-and-spend party.

Mr. KENNEDY of Rhode Island. Mr. Speaker, will the gentleman yield?

Mr. DREIER. I yield to my friend, the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I hate that label because you know what, we are having to tax in 1993 to pay for all the deficit spending. What the gentleman's party is all about is borrow and spend.

Mr. DREIER. Mr. Speaker, reclaiming my time, if one looks at the pattern of the 1980's, it is very, very clear, we doubled the flow of revenues. We saw an increase in social spending and, yes, we did increase the national defense so that we could bring about an end to the Soviet Union and the cold war.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, yes, I also am opposed to this absurd bill. I think that millions of Americans will wonder why many leaders in the Democratic Party and the Republican Party have come together on such an unfair piece of legislation which primarily benefits the very rich at the expense of millions and millions of other people.

Let us take a hard look at the two proposals that this Congress dealt with yesterday and today. First, in order to cut spending, the Congress yesterday voted to cut $115 billion from Medicare over a 5-year period and $385 billion over 10 years. That means that elderly people all over this country will see a lower quality of health care at a time when many of them cannot even afford their prescription drugs.

Furthermore, Congress yesterday voted to cut the administration of Social Security by 23 percent, or a billion dollars, which means that when the elderly people and others want information or want to get on Social Security, it will take them longer to do that. Further, Congress voted a $13 billion cut in Medicaid over 5 years. That money goes to hospitals that are primarily serving low income people, exactly the hospitals that are having financial difficulties today.

Congress voted to cut veterans benefits. Thank you, veterans, for putting your life on the line. Voted to cut discretionary health programs by 16 percent, voted to cut community and regional development by 29 percent. The result of those cuts means that for senior citizens and for others, life will be harder.

Were there positive programs passed yesterday? Yes, there were. I support those positive programs. But today let us look at why we have to cut Medicare and Medicaid and Social Security administration and the veterans. What are we going to do? Why did we cut? Well, it looks like today we are going to be dealing with a tax package. What is in that tax package? Well, under this tax package the wealthiest 5 percent of Americans will receive almost half of the tax cuts. The upper 20 percent will receive over 70 percent of the benefits.

What is going on in America today? Everybody in the world except the leadership of Congress understands. The rich are getting richer. The middle class is being squeezed. Low income people are working for lower wages than was the case 20 years ago. Last year our friend Bill Gates, having a tough time, his income, his wealth went from $18 billion to $42 billion, a $24 billion increase for one man's wealth, $24 billion.

Bill Gates will do very well by this tax bill. Good luck, Bill, maybe you will make even more than 24 billion next year. But if you are a single working person or you are a family that does not have any kids, guess what? You are not going to do very well by this tax bill.

The fact of the matter is that the average tax break for middle-income families will be about $200. But, this is the Congress after all, we know where the money comes from to elect people. If you are among the richest 1 percent, you are not going to get a $200 tax break, you are going to get a $16,000 tax break. The wealthiest 1 percent will receive more in tax breaks than the bottom 80 percent. Vote ''no.''

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

It is fascinating to listen to the attack by my friend from Vermont on Bill Gates. I do not stand here as a defender of any particular individual. But I would say that Alan Greenspan, chairman of the Federal Reserve Board, has made it very clear, the reason the United States of America is so productive today and we have the highest standard of living is there are more Americans with computers on their desks who are working hard to make sure that the level of productivity increases more than any country on the face of the Earth.

AMENDMENT OFFERED BY MR. DREIER

Mr. DREIER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DREIER:

After ''debatable for'' insert ''two and one half hours'' and ''three hours''.

Mr. DREIER. Mr. Speaker, I ask unanimous consent that the amendment to the resolution I have placed at the desk be considered as adopted.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The amendment is agreed to.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me the time.

Does my friend from California, and I will have to ask him to use his own time to answer the question, really feel that it is appropriate that when last year the average American worker saw a 2.8 percent increase in his income, which means that millions of workers in the so-called boom saw a decline in their real wages, do you really think there is something appropriate or right about our economic system when one man saw a $24 billion increase in his income while millions of working people saw a decline in their real wages? This, I should tell my friends, is in the midst of an economic boom.

Do we think it is appropriate that the United States continues to have by far the most unfair distribution of wealth and income in the industrialized world, with the richest 1 percent owning more wealth than the bottom 90 percent? Is this something we are proud of? The fact that we have the highest rate of childhood poverty while millionaires and billionaires in the country proliferate and that this tax bill would only make that gap between the rich and the poor even wider?

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

I would say in response to the gentleman that socialism is a failed economic system and one single individual has been on the cutting edge of ensuring that the level of productivity in the United States of America has enhanced to the level that it is, increasing the take-home pay for many, many people. Computers have played a role in doing that. Chairman Greenspan has pointed that out. I happen to believe that it is great. I just want to see more people in a position where they can enjoy the kind of success that Bill Gates has enjoyed.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, there are strong feelings on this particular piece of legislation. There are a number of Democrats

who will support it. There are some Democrats who will oppose it. Each group has its own valid reasons which will be developed during the general debate. I would only point out to the gentleman from California, and I intend to support this legislation, but I would only point out to the gentleman from California that his side chooses selectively to ignore the fact that the largest deficits in this country were run up under Republican Presidents during the 1980's and the early 1990's.

It was the decisive action, decisive action of the Democrats in this Congress in 1993 by passing a deficit reduction package that brought us to the point today where we can entertain a tax cut and we can make a fair tax cut for the American public.

Mr. Speaker, I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, my friend referred to Republican reign over these deficits. I recommend that he look at the U.S. Constitution. Article I, section 7 makes it very clear, the responsibility for all taxing and spending lies right here in the House of Representatives. This is the first tax cut that we have had in 16 years. For 13 of those 16 years, this place was controlled by the Democrats. When President Clinton ran for office in 1992, he promised a tax cut for middle income Americans. The last Democratic Congress worked with him to bring about the largest tax increase in history.

Many Members like to claim that that tax increase is somehow responsible for the economic growth we are enjoying today. Why is it then that with the measure that we will be voting on within the next 3 hours we are repealing large parts of that tax increase?

The best thing that ever happened to Bill Clinton was the election of a Republican Congress. If Members look at the fact that in 1993 and 1994 we saw an increase in interest rates, we saw a stock market that was not taking off, November 1994 saw the election of the first Republican Congress in 40 years and in 1996, the reelection of the first Republican Congress in 68 years; if we look at election day 1994, we can draw a line.

We have seen interest rates on a downward slope since we began to focus on balancing the budget, reducing the size and scope of Government and cutting the tax burden on working Americans. In November 1994, the Dow Jones industrial average was at 3,900. Now it is right around 8,000. The fact is, we as Republicans have helped to improve this economy and it would not have happened had we not been in the majority.

I am very pleased that we are working in a bipartisan way to address this issue of the tax burden on working Americans. I look forward to seeing this Archer bill pass today and to have it signed by the President of the United States.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution, as amended.

The previous question was ordered.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 206, I call up the conference report on the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 206, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Wednesday, July 30, 1997, part II.)

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARCHER] and the gentleman from New York [Mr. RANGEL] each will control 1 hour and 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

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GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the conference report on H.R. 2014.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. DREIER], a respected member of the Committee on Rules.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I thank the distinguished chairman of the Committee on Ways and Means, the author of the Archer bill, which it is now very appropriately called, for yielding me this time.

I rise, Mr. Speaker, to simply talk about what I think is one of the single most important provisions in this measure, and that is the reduction of the top rate on capital gains.

Back in 1993, several of our colleagues came together and worked on this issue of capital gains. We established what we called the Zero Capital Gains Tax Caucus. We recognized that capital gains tax rates, in fact, are some of the most confiscatory that we have of all. Why? Because people already pay a tax on that income that they are investing.

So what is it that we need to look at? We need to look at what it is that the capital gains tax rate reduction is going to do for this economy. Clearly, we are going to stimulate a dramatic increase in economic growth.

Every shred of evidence that we have throughout this century has proven that, going all the way back to Andrew Mellon's stint as Treasury Secretary under President Warren G. Harding, to the Kennedy tax cuts of the 1960's and, yes, the much-maligned Reagan tax cuts of 1981, which I was telling the gentleman from Texas [Mr. ARCHER] earlier today, I am very proud that that is the one tax bill that I voted for, the Economic Recovery Tax Act of Ronald Reagan back in 1981.

As we look at decreasing the capital gains tax rate, I am convinced that we will do more to help working class Americans than virtually anything else we could do. There was a lot of talk about family tax cuts, but the studies we have conducted found that by reducing that top rate on capital gains, we will, in fact, Mr. Speaker, increase the take-home pay for the average working American family by $1,500 per year.

Now, if we look at those facts, it is going to improve the opportunity for many. We also, Mr. Speaker, are going to be able to increase the flow of revenues to the Federal Treasury. When the Steiger capital gains tax cut went into place in 1978, we saw a revenue flow of about $9 billion. During the next several years, before the 1986 Tax Reform Act, we saw the flow of revenues to the Treasury increase by 500 percent, from $9 billion to $50 billion.

We had H.R. 14. I wanted it to go first to 14 percent then to zero. Democrats and Republicans joined me on that. We have ended up with a decent compromise, and I am very proud to support it.

Mr. RANGEL. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. STARK] and I ask unanimous consent that he be allowed to control that time.

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

There was no objection.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume, and I want to thank the gentleman from California [Mr. DREIER] for expressing the need for capital gains tax cuts for the working people in America, because I think his statement proves that even though this is a bipartisan bill, there are basic differences between Democrats and Republicans.

Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. TANNER].

(MR. TANNER asked and was given permission to revise and extend his remarks.)

Mr. TANNER. Mr. Speaker, I want to thank the gentleman from New York [Mr. RANGEL] for yielding this time to me.

This bill before us today is not what I would have written. It is not what the group I am associated with, called the Blue Dog Democrats, would have written. There is one gaping hole in all of this discussion today, unfortunately, and that is entitlement reform.

But, nonetheless, I think that democracy is an inconvenience sometimes for those of us who serve in the legislative branch of government because there are people of good will who have intellectually honest differences of opinion as to what should be done for our great land. And so democracy is an inconvenience because none of us get our way all the time on every issue.

As I look at this bill, I am reminded of what Winston Churchill said one time when someone asked how his wife was; and he said, compared to what? Well, we look at this today and say to ourselves, would the country be better off with the passage of this Balanced Budget Act and this tax bill than it would be if we defeated it? I have concluded, Mr. Speaker, that the country will be better off with the passage of this tax bill today, notwithstanding the fact that there is much work to be done.

We will hear a lot of rhetoric, Mr. Speaker, about whose fault it was that we got where we are, and I would suggest that it is probably like a lot of other things: Both sides are about half right and both sides are about half wrong. And those who claim that they have the truth and those who claim that they are the only ones who have the right answer, I would suggest, ought to grant to others who disagree the same degree of intellectual honesty they claim for themselves.

I think, on balance, this is a reasonable bill. It will balance the budget in the year 2002 or before. I am convinced of that, and that is why I am supporting, as I did yesterday, the spending side, the tax bill today, and I would urge our colleagues to do likewise.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to tell the House that this is truly a monumental bill. It has taken months to produce and it is before us today not without an awful lot of effort on the part of many, many people.

Before we get too far into the debate, I express my thanks to the tax staffs of the Committee on Ways and Means, the Joint Committee on Taxation, and especially, especially the office of the House Legislative Counsel, who worked around the clock in drafting to put this bill together. These staffs have given of themselves and taken time away from their families in order to make this moment available to all of us, and they deserve our heartfelt thanks.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, this tax legislation is monumental, and I thank the chairman very much for yielding me this time.

What is exciting is that we are starting to let the American people keep a few more dollars of what they earn in their own pockets instead of sending it to Washington.

It seems that we have been under the philosophy that the American people should sacrifice in order to send more money to Washington so that politicians can spend those dollars. Now at last we are starting to acknowledge that it should be Washington who should sacrifice; cut down the size of government, find the best, most efficient ways to spend less money so that the people who earn that money can keep it in their pockets and spend it or save it as they decide.

As a farmer, I am especially pleased that we have strengthened the chances of the survival of the American agricultural industry by including several provisions in this tax bill that helps us keep a strong, viable agricultural industry; lets farm families keep and preserve their farming operations.

So my thanks to the chairman and all those involved in moving us to this new beginning for America and Americans.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume to join with the Chair in congratulating not only the staff of both sides for working together on this bill, but also including an uncustomary third party that has made this bipartisan effort work, and that is the President of the United States.

I think the President made it abundantly clear, and both sides of the aisle agreed, that the American people were fed up with the political fights. So we join together in thanking the staffs of both sides and the President of the United States for making certain that we could get this bill passed.

Mr. Speaker, I yield 1 minute to the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I want to stand here and applaud the leadership, especially the gentleman from New York [Mr. RANGEL], for what we have been able to achieve in this bill.

Clearly, as it left the House originally I would not have been able to support it because we had left the real backbone of this economy out, the middle income and lower income earners who did not get a break. But as we stand here today, there is indeed some equalization and fairness in this tax bill that I can truly support.

It is clear that when people make less money, and they are employees primarily, they pay a much more assured leverage of taxes. When we can make sure that they get a break, then I know we have accomplished something.

I am not against the wealthy. They really do give a lot to this Nation. But all of us know that they have the greatest advantage when it comes to paying taxes and they did not just deserve a tax break unto themselves. All of America's workers deserved a tax break. And in this bill, Mr. Speaker, they get it.

I appreciate this leadership and the White House and I am willing to support this bill today.

Mr. STARK. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. GEPHARDT], the leader of the Democrats in the House of Representatives.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, first I rise today to congratulate all who were involved in this negotiation. I especially want to congratulate my President and my party for standing for very important principles in how this tax cut bill was put together. I am very proud, Mr. Speaker, of what my party stands for and, because of it, this bill has been improved.

The child credit will go to hard-working families who desperately need this help. The education credit and deductions will go to help more young people go to school. There will be in this bill help for children in health care. So I am very, very proud of what my party stands for and what we have achieved.

I believe that the bill that came out of the House gave about 55 percent of its benefits to families who earn over $110,000 a year. I think that has been brought down to about 44 percent. In my view, it is not where it should be, but it is clearly better. So this agreement is better because we stood on principle.

I respect the motives of everyone who is here today to argue about this bill, Mr. Speaker. Everyone is voting for what in their heart and mind is the best thing for their constituents and the best thing for the country. So it is in that spirit of humility about my own decisions and my own votes and respect for the views of others that I say my decision today is to not vote for this bill, because I think it could be better and I think it should be better.

Back in 1981, I remember sitting right here after we had lost our effort to pass what I thought was a better Democratic tax bill and wondering what I would do. I voted for the Republican bill. In retrospect, I believe it was one of the worst votes I have ever cast because of what it did to the economy and what it did to the deficit. So my views today are tempered by that experience.

But let me spend the rest of my time, Mr. Speaker, explaining to really my friends in the Republican Party why I feel this bill and this budget has a deficit of fairness, a deficit of investment and a deficit of dollars.

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Let me explain to my colleagues why we Democrats feel so strongly about where the lion's share of this bill should be focused. Last weekend I went door to door in my district. The median household income in my district is $34,000. When I talked to my constituents in South St. Louis city and county, in Jefferson County, what person after person said to me is, ''I am struggling. I am just getting by. I am just surviving. I am up to my eyeballs in credit card debt.''

This is the first tax cut that we have been able to legislate in 16 years. Let

us remember the context in which we are talking today. Over those last 16 years, people at the top have seen their incomes go up by 90 percent. Those constituents that I talked to over the weekend have been stuck in place or they are falling behind. They have seen no increase in their income, and they are working harder and longer to overcome that problem, more hours, more jobs. People said to me, ''I am working two and three jobs in order to pay my bills.''

So we in the Democratic Party feel strongly that people in the middle, people stuck on the bottom are the people that we need to be dealing with, with the majority of this tax cut.

Now, understand our friends on the other side say, ''well, let us give the tax cut to the people who pay taxes.'' That is what they always say. The truth is people in the middle and at the bottom pay a lot of taxes. And we have always had a progressive tax system. That is, you pay proportionate to your ability to pay taxes.

This bill will make the Tax Code, unfortunately, less progressive. But let us talk about the economics of it for a moment. And this is where we must part. I am a Democrat. I am a supply-sider, but I am as much a demand-sider. Why is it smart to have a progressive tax system? Why is it smart to give the bulk of the tax relief to people at the middle and stuck on the bottom? Because they need the help, it is fair, but because they need the money to spend in the economy.

What do the economists always talk about when they talk if we can keep the economy growing? It is because, they say, if we can keep retail demand going. What do we think people in the middle and at the bottom do with the money they earn? They go to Wal-Mart. They go to K-Mart. They go to Sears. They spend their money. And because they spend their money, if they have more money, all the boats can rise. People at the top can rise in their income. People in the middle. People in the bottom.

I am a Democrat. I believe in building this economy from the bottom up, not the top down. I believe our work over the last years in making the Code more progressive has helped produce an economy where we are surging forward and jobs are being created and unemployment is down.

Finally, let me say this: I am a tax reformer. I believe we ought to get less deductions and exemptions and special treatment. I think we need to get to lower rates for everybody. This bill today will add the greatest loophole. We will now take the rate for people that can figure out how to get their income in capital rather than in earnings, or earned income salary, to half the rate of other people. We are moving in the opposite direction of what we tried to accomplish in 1986. We should not be doing that.

Let me end with this: As I get it, this debate will go forward. Our friends on the other side have said a tax cut next year and a tax cut the year after that and the year after that. I welcome this debate. I welcome this debate. This is a good debate for our country. They will stand for what they believe in. We will stand for what we believe in. And the country will do better because of it.

I respect my friends on the other side and their views. I strongly disagree with their views, with all of the best intentions. I think they are trying to do what is right for the country and the people. But let me say to them that, in this debate which goes forward, Democrats are for cutting taxes for middle-income people and people trying to get in the middle class.

I have heard the Christian Coalition in parts of their party that are raising that issue within their party. They are right to do it. Let us go forward with this debate. Let us make this Tax Code fair. But, most important, let us invest our money in the hard-working, middle-income families of this country and help them succeed and help move this country and lift all the boats of this country to higher and higher levels.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. WELLER], a member of the Committee on Ways and Means.

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, I want to take just a brief moment at the beginning of my remarks just to commend the gentleman from Texas [Mr. ARCHER], chairman of the House Committee on Ways and Means, for his leadership in managing this very important component of the Contract with America and also very important component for bipartisan agreement to balance the budget for the first time in 28 years.

This is a great victory for the middle class. It is a great victory for those who work hard and play by the rules and pay taxes, because this legislation we are voting on today is the first real tax relief for the middle class in 16 years.

For the people that I represent in the South Side of Chicago and south suburbs of Chicago and rural areas to the south and southwest if they have children, for the average family with children in the district that I represent, it means an extra $1,000 in take-home pay. Over 110,000 children are eligible for the child tax credit that is in this legislation. It is important to families, and because we, as Republicans, believe that if you work hard and play by the rules, you should be able to keep more of what you earn.

Because we believe, if you work hard and you keep what you earn, it is because we believe that you should be able to spend those dollars better back home, meeting the needs of your families better than we politicians can here in Washington. This bill is a victory for the working middle class, and I am proud to support this legislation.

I also want to note that there are three key components in this legislation that are initiatives that are strongly embraced by the people I represent in the south suburbs, part of a south suburban revitalization strategy, legislation designed to provide incentives to revitalize and clean up environmental cleanup of old industrial sites in old industrial communities, initiative to encourage the private sector to hire welfare recipients and give them a chance and give them a job, and also initiative to strengthen the opportunity for homeownership with homeownership IRA's.

The work opportunity tax credit works as a way of attracting the private sector to give welfare recipients an opportunity to have a job. And I am proud this bipartisan initiative is included in this bill.

My colleagues of the House, I again commend the chairman. I again commend the bipartisan effort. I urge support of this important legislation that helps the middle class.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN], a member of the Committee on Ways and Means.

Mr. CARDIN. Mr. Speaker, I want to congratulate the gentleman from New York [Mr. RANGEL] for his work on the conference report. The bill that we are going to vote on today is far different than the partisan Republican bill that passed this House just a few months ago. Let me give my colleagues five changes, and there are many more, why this bill is a much better bill than we had when it passed the House originally.

First: In regard to the child credit, we have changed the child credit so that now working families that make $30,000 a year can benefit from the child credit. That was not the case when the bill left this House.

Reason No. 2: The estate tax provisions are targeted to give most of the relief to families that have small businesses or farmers. That is a major improvement that I congratulate my colleague on.

Third: the education relief. When the bill left this House, it provided relief for the first and second year of a college education, but no more. We have now provided relief for college education beyond just the first 2 years and have provided relief for interest costs to those who had to borrow money to send their children to college. And we protected the tuition waiver program so employers can provide education help to families. Major improvement from when this bill left the House.

Fourth reason: The initiatives for the brownfield that will help our cities, empowerment zone that the gentleman from New York [Mr. RANGEL] was responsible initially to get through this House have now been incorporated into the bill that we will vote on today. Major improvement.

Fifth reason: The gentleman has modified the IRA proposals, got rid of

indexing of capital gains so that we do not have exploding deficits in the future.

We now have a bipartisan bill that, with the bill that we passed yesterday, will balance the budget and protect the priorities that are important for the future growth of our Nation. I congratulate the gentleman from New York [Mr. RANGEL] because we now have a bipartisan bill that deserves the support of this House. I intend to support it.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. HAYWORTH], another member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Georgia, Mr. COLLINS, for the time.

Mr. Speaker, I know it is difficult for professional politicians to do this, but I would challenge Members on both sides who are career office holders to leave the spin cycle in the laundry room.

The fact is it is time, Mr. Speaker, for straight talk with the American people. And the fact is that we have made an important first step with this legislation. Is it perfect? No. Does everybody get everything they want? Absolutely not. But to try and keep scores, as if this were the partisan baseball game the other night, I just think is something we should leave alone.

Because this is not a game; this is about living, breathing, working people. Like the working couple from Casa Grande, AZ, who sent me a letter via fax, the Wilkins family, Barney and Margie. They are schoolteachers. Their kids are B.J., Megan, and Molly.

Barney and Margie work hard at teaching school. They are not rich although some people have estimates that say that their combined income would make them rich. In fact, they have a third job. They supply auto parts for vintage cars and go to vintage and classic car shows on the weekend.

They write me and they say, ''Congressman, thanks for this 19th wedding anniversary gift.'' I do not mean to pick at their sentiment here, but this is not really a gift to them or a gift to the American people. Because the money that the American people earn is their money. They ought to keep more of it and send less of it to Washington.

The challenge is, and this is where we differ in good faith is this notion, why should families sacrifice to send more of their money to Washington? Why not let families keep more of their money and let Washington make the sacrifice? The P.S. is the most important thing. ''P.S., please continue to cut taxes more so we do not have to work three jobs.''

Mr. Speaker, we are making that first step today to cut taxes, to reward Americans who work hard. That is the key to this debate, and that is why I urge passage of this legislation.

Mr. STARK. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, this is not a fight about whether there should be a tax cut. It is a fight about who gets it. There is much in this bill I support. It is a far better bill than the House originally passed.

I was an original sponsor of the child tax credit, which is contained in this bill. I support the education tax credits and child health provisions. But I would remind my colleagues that the fundamental test of any democracy is to fund its activities through a tax system which is fair to each and every one of our citizens. Because this is, after all, a volunteer compliance tax system.

We fought a revolution over the principle of fair taxes. This bill, I am sorry to say, fails that test.

The most well-off 5 percent of families in the country who make over $110,000 will get seven times as much relief as all of the 60 percent of Americans who make less than $37,000. That is simply not fair.

In fact, the wealthiest 1 percent of our citizens, who make more than $250,000 a year, will get more in tax relief than 80 percent of all Americans who make $60,000 or less. That is simply not fair. We can do better.

Then if we take a look at the dollar relief in the bill, we see that the top 1 percent, whose average income is $650,000, will get a $16,000 tax break under this bill. But if you are in the middle bracket, if you are in the middle bracket, you will get about $3 a week and you lose half of that because of what it costs you to get a tax preparer.

If you are among the poorest 20 percent, you will lose $39. You will actually have a tax increase of $39.

□ 1215

Mr. STARK. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, I do not have anybody in my district that makes $645,000 a year, but could the gentleman tell me, do they work a lot harder in the gentleman's district than say that group of people down a couple who only make $70,000? Is that what happens in Wisconsin to those folks in the gentleman's district?

Mr. OBEY. Not in mine.

Mr. STARK. Does the gentleman suppose they inherited most of their money, what they are getting, $645,000?

Mr. OBEY. I have no idea. All I know is that this distribution is not fair. We can do better.

Mr. Speaker, the other problem with this proposal is that it is based upon promises that in the next 5 years we are going to cut the Social Security Administration by 25 percent, that we are going to cut community development by 30 percent, that we are going to cut veterans' benefits by 20 percent over the next 5 years. I do not believe that Members of either party will vote for those kind of reductions when those budgets come to the floor. That is why the claim that this budget is going to produce a balanced budget is built on a false promise.

In short, in terms of a fair distribution of tax benefits to our people, in terms of an honest description of how they are paid for, this bill I regret to say fails both tests. We can do better. I urge a vote against this bill until we do.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. BOEHNER], the chairman of the Republican Conference.

Mr. BOEHNER. Mr. Speaker, it is really happening: the first time in 30 years we are actually going to balance the Federal budget. The first time in a few years we are going to save Medicare and extend the life of the trust fund for 10 years. We took those votes yesterday.

Today we are going to provide tax relief for the American people, the first tax cut from Washington in 16 years. We all know that reducing taxes is going to mean lower interest rates for the American people, it is going to mean more jobs for the American people and, most importantly, it is going to mean higher wages for American families.

These are the kind of values that we have been fighting for for years, trying to bring real relief to middle class American families. When we talk about lower interest rates, more jobs, higher wages, sometimes people think these are terms that economists use. Let us think for a moment about what these bills that we passed yesterday and today really mean.

A balanced budget and tax cuts mean that it is going to be easier for families to go out and buy a home. It is going to be easier for families to send their kids on to college. A balanced budget and tax cuts mean that it is going to be easier for people to go out, who want to start a new business, to get that first start. It is going to be easier for every American to have a shot at the American dream.

That is really what we are trying to do here today and over the last couple of years, is to renew the American dream for our kids and theirs. Over these last 2½ years, it is not what we have done just yesterday and today, balancing the budget, cutting taxes, saving Medicare, it has been issues like ending entitlements for farmers and allowing the market to take place, allowing farmers to decide what they are going to plant on their land.

It is welfare reform, allowing the States to help those at the bottom of the economic ladder to become productive members of our society. It is illegal immigration reform. It has been health care reform. It has been eliminating 300 wasteful Washington programs, saving $53 billion. And, Mr. Speaker, this is just a good start.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY], a member of the Committee on Ways and Means.

Mrs. KENNELLY of Connecticut. I thank the gentleman from New York [Mr. RANGEL] for yielding this time and for his hard work.

Mr. Speaker, I rise as a proud member of the Committee on Ways and Means. As a long time member of that committee, I have taken some very tough votes. In fact, in 1990 I took two tough votes for the 1990 budget. In 1993 I really did not like a lot of things in that budget but I knew when the President became the President, President Clinton, because there was a $290 billion deficit, I had to vote for that bill if we were going to reduce that deficit. So it is a great pleasure to vote this week to finish the job and balance the budget for the first time in this generation.

But I also want to thank the conferees on both sides of the aisle for listening to those of us who have worked on the Tax Code for a number of years. When the Ways and Means bill first appeared, there were many of us who were very, very concerned. We had worked for many, many years on the earned income tax credit. We had worked for years working to get a dependent day care credit for men and women who work and have families, and for the first time, all of a sudden we were going to see some of that day care credit we had worked so hard for disappear if they took the child credit.

We found out that we could convince conferees that this would not be fair because most people go to work because they want that house or they want that education, and they need that help, even if they have got two salaries, in paying for good affordable quality day care.

Millions of families, as we well know because we had a battle royal for the last month over the earned income tax credit, and I do want to commend the conferees for realizing that if they pay Federal payroll tax, it is paying to the Federal Government and it is just as good and just as hard as if they pay income tax. I really feel good about that piece.

Unfortunately, we were not able to fix the AMT child credit problem, and I just said to Ken Kies, ''You've got a lifetime of work because you're the only one that's going to understand exactly what we did do.'' In fact, we have added a lot of complexity to that bill, and we will all be back hopefully next fall trying to fix this bill.

But we should celebrate what we have right now where two groups came together, capital gains yes, indexing no, earned income tax credit yes, and yes for almost everybody. I vote for this bill and hope a lot of other Members will, and I know they will.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. ENGLISH], another distinguished member of the Committee on Ways and Means.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise in strong support of this tax relief package. In most respects this package is similar to what the Committee on Ways and Means passed last month. It provides significant relief to working taxpayers and middle class taxpayers who are facing the highest tax burden in American history.

Many of us who were elected in 1994 came to Congress pledged to reduce the tax burden on middle class taxpayers and people who work for a living. Today we stand on the brink finally of fulfilling that pledge. This will be the first tax cut for the middle class since 1981, and not a moment too soon.

This is not as large a tax cut as many of us on the Republican side had originally argued for, but the net tax cut of $94 billion is more than the White House was originally willing to subscribe to. That we have it here today is a tribute to the persistence of a pro-growth, antitax majority in this House which I am proud to be associated with.

Our tax cut includes a child tax credit to provide tax relief to families with incomes as low as $18,000; tuition tax relief which makes college more affordable for a lot of middle class families; an expanded IRA to encourage retirement savings; a capital gains tax cut to stimulate growth and opportunity by providing more seed corn for the economy; and I think this is a tribute to the persistence of the gentleman from California [Mr. DREIER] as well, small business tax relief and also tax incentives for home ownership.

Mr. Speaker, in summary, this tax package for working families in places like Erie, PA means restoring the American dream and making it a little more achievable. This is a big win for the middle class. Today we are going to hear from the left wing in Congress that this bill is inadequate. They do not want tax cuts. But watch your tax return. If you are a middle class taxpayer, this tax cut is for you.

Mr. STARK. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Are you confused? Mr. Speaker, I think a lot of people listening to this debate over the last 2 days are. They should be. In fact this legislation is designed to confuse the process, rushing this through before Congress's month-long vacation, is designed to obscure the truth.

The truth is yesterday Congress adopted very substantial cuts in Medicare, cuts in reimbursements, cuts that will drive up premiums for seniors, cuts that will deprive seniors of home health oxygen benefits, and today they are using the proceeds of those cuts to fund huge tax breaks, $275 billion in tax breaks over the next 10 years, tax breaks that will double the deficit by the year 1999. Yes, that is right. The balanced budget agreement before us today will double the deficit over the next 2 years, and that is from the Republican-controlled Congressional Budget Office. It will probably more than double the deficit over the next 2 years. A strange path to fiscal responsibility.

What underlays this whole thing? Tax cuts slanted toward the very wealthy, repeal of the corporate alternative minimum tax; an embarrassing time in the mid-1980's when Ronald Reagan supported imposing a corporate alternative minimum tax, as the largest corporations of this country were getting refunds for taxes they did not pay. We are going back to that. We will all pay taxes so corporations can get refunds for taxes they do not pay.

Capital gains. Look at the distribution right here. The largest amount of money, 44 percent of the benefits, go to the top 5 percent, those earning over $112,000. If you are in over $112,000, cheer, right now, OK. If are in the bottom 60 percent, families making less than $36,000 a year, that is most of my constituents, those are the people who most need tax relief, look at what that large number of people, 60 percent of the population are going to rake in: 7 percent of the benefits. What a great day for middle income America. Forty-four percent for those privileged few at the top and 7 percent for the rest.

Mr. Speaker, this point cannot be made too many times in this debate. This is being rushed through unnecessarily so people will not understand the facts. They will say that 75 percent of the benefits are going to people who earn under $75,000 a year. That is simply not true. We are engaged here in the big lie.

The big lie is that this is going to balance the budget. It will not. We have statistics now that show it will double the deficit in the next 2 years. What they are saying is magically in 2001 Congress will come here and decide to cut $61 billion out of discretionary programs. That means cut the entire Department of Veterans Affairs, Department of Energy, Department of Housing, Social Security Administration, and the Justice Department.

Mr. STARK. Mr. Speaker, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, can the gentleman tell me, are we still going to build the B–2 bomber and is defense going to go up?

Mr. DEFAZIO. We cannot cut a penny out of the Pentagon and we are going to build 20 B–2 bombers.

Mr. STARK. We are still going to take money out of people's pockets and spend it here in Washington.

Mr. DEFAZIO. The gentleman is correct.

Mr. STARK. Just not on things that help people.

Mr. DEFAZIO. But in a way to enrich contractors, not to enrich those people at the bottom.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], another member of the Committee on Ways and Means and a strong advocate for working families.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of the taxpayer relief act of 1997. This bill provides much-needed tax relief for hardworking American families.

After 28 years of chronic deficit spending, we are finally getting our fiscal house in order. The bill before us today, coupled with yesterday's entitlement reforms, proves that it is possible to balance the budget, cut taxes, and meet critical needs of our people like the needs of uninsured children for health insurance.

In this bill we are taking giant strides to help families afford college educations through education savings accounts, HOPE scholarships, reduced taxes for families paying for tuition in advance, and a student loan interest deduction for all those young people who are struggling to repay the high cost of going to college. We have taken a giant step forward toward making post-high school education affordable for all: young people straight out of high school, mothers going back to work after being out of the workforce for a number of years, and workers whose employers pay for their education. Today's economy demands that young people learn well and that working people keep their skills and knowledge up to date. This bill goes a long way in helping each of us realize our greatest potential, and so our dreams.

For families this bill offers a $500 tax credit for each child 16 and under, health care for kids whose parents work for small businesses unable to provide health insurance to their employees, educational opportunity, greater retirement security for our teachers and others who work for public employers. It also offers a shot in the arm to our economy, to build the base for continued long-term growth, making machinery and equipment more affordable, encouraging the research and development that can keep our companies product leaders in the market, relief for small businesses, and hope for family-owned businesses that they can survive mom and dad's passing.

□ 1230

This is a good bill for people, a good bill for the economy, and I urge my colleagues' support.

Mr. Speaker, I rise in strong support of the Taxpayer Relief Act of 1997, providing much-needed relief for hard-working American families.

After 28 years of chronic deficit spending, we are finally getting our fiscal house in order. The bill before us today, coupled with yesterday's entitlement reforms, proves that it is possible to balance the budget and provide tax cuts to America's families and meet critical needs of our people, like health care for uninsured children.

In this bill we are taking great strides forward to help families to afford college educations—through education savings accounts, HOPE scholarships, reduced taxes for families paying for tuition advance, and student loan interest deduction for all these young people struggling to repay the high cost of going to college.

We have taken a giant step toward making a post-high school education affordable for all, young people straight out of high school, mothers going back to school after being out of the work force for a number of years and workers whose employers pay for their educations. Today's economy demands that young people learn well and working people keep their skills and knowledge up-to-date. This bill goes a long way in helping each of us realize our greatest potential—and so, our dreams.

For families, this bill offers a $500 tax credit for children 16 and under, health care for kids whose parents work for small businesses unable to provide health insurance to their employees, educational opportunity, greater retirement security for teachers and others who work for public employers.

It also offers a shot in the arm to our economy to build the base for continued, long-term growth—making machinery and equipment more affordable, encouraging the research and development that can keep our companies product leaders in the market, relief for small business, and hope for the family owned business that they can survive Dad or Mom's passing. For the first time, this bill recognizes the special role of family farms and businesses by creating separate, higher exemption for those estates. This will enable more family farms and businesses to be passed down to the next generation successfully.

This is a good bill for people, for families, and for our economy. It's good tax policy and I urge a ''yes'' vote.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN], a member of the committee.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, the Democratic Party has stood for economic growth with equity. The 1993 Deficit Reduction Act worked in both respects, promoting the dramatic deficit reduction that has been a major source of our sustained economic growth and providing a tax cut for low- and middle-income families through expansion of the ITC, and the predictions of economic doom from those who opposed the 1993 act came from many of the same people who voted for the 1981 legislation that led to the deep deficits of the 1980's. Time has proved them as wrong as to 1993 as it did for 1981.

The tax bill now before us shows that today it does indeed take two to tango, but that does not mean the two partners have always been dancing in the same direction. Democrats have focused on responding to the pressures on middle- and low-income families whose income stagnated amidst the general boom of the last 5 years, while many of the majority have been dancing too often to the tune of the very wealthy, and Democrats have been resisting proposals that would bust budget in later years while the majority has been pushing some of the same approaches that engendered the deficits of the 1980's.

So we Democrats worked with President Clinton to target the child tax credit to middle-income families, to provide help for families with escalating costs to educate their kids after high school and to provide the child credit for hard-working families making $18 to $15,000 as well as those making $25 to $100,000.

In this strenuous effort on the tax bill we have lost some battles, but we have also won some vital ones. As a result, today I am voting for this tax bill.

Mr. COLLINS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I was sent to Congress in 1993 by the people of the Third District of Georgia with a very specific list of legislative goals. The budget agreement negotiated between the Congress and the President includes many of those goals. With the passage of the Tax Relief Act, we will successfully have achieved many reforms on behalf of all Americans.

Mr. Speaker, today's vote is the result of months and months of diligent work in an effort to assemble a budget that the American people deserve. It is the product of a grassroots campaign where input, ideas, and priorities have been gathered not only from Georgia, but from people all across the country.

This measure will put in law their priorities, which include balancing the Federal budget, providing tax relief to working families, and creating incentives for people to invest. It returns physical responsibility to Government by balancing the Federal budget just as families must balance their budget. Most important, this bill will leave $94 billion in the private sector, where working people will be able to keep more of their hard-earned dollars and small business owners will have the chance to invest and create jobs.

Today success is not a victory that can be solely claimed by the Congress or the President. It is instead a victory for the people of this country who sent their representatives to Congress to cut taxes, reduce the size of the bureaucracy, and return fiscal responsibility to the Federal Government. The $500 per child tax credit, capital gains tax relief, reduction of the estate tax, tax incentives that reduce the cost of education, preservation of the Medicare commitments we made to our seniors and relief from the alternative minimum tax all are reform ideas that clearly reflect the priorities of the citizens all across this country.

Mr. Speaker, I am humbled by the opportunity and proud to support this Tax Relief Act and believe it is a victory for the hard-working people of this country.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina [Mr. SPRATT], a great American, someone that has been so helpful in making certain that we got here on the floor today, and the ranking Democrat on the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding this time to

me and for his compliment, and, Mr. Speaker, I would like to note, as I did yesterday, the reason we are here near the passage of a major tax cut bill.

In 1993, we dealt with the deficit and dealt with it squarely on both sides of the ledger, revenues and spending, and today we reap the benefits of what we sowed. Because of what we did in 1993 the deficit has come down 5 years in a row; it is down to at least less than $40 billion this year, and that is phenomenal. It happened because we capped discretionary spending, we applied a pay-as-you-go rule to entitlements and tax cuts, and we restored the revenue base of the Federal Government. Corporate tax revenues, for example, were up last year by $72 billion, more than 70 percent over 1992.

The reason we were able to pull together yesterday's spending bill and today's tax bill is that on May 1 CBO finally agreed with OMB that the Government's revenue tax increases are not episodic, not 1-year phenomena, they are permanent. These are permanent phenomena, such that over the next 5 years CBO was willing to add $225 billion, all together, to its revenue estimates. That made today possible and yesterday as well.

And having come this far, our goal is clear. We want to balance the budget and finish what we have started. We want to do tax cuts, sure we do, but we want to do them in a way that we achieve a balanced budget in 2002 and thereafter. That is why we decided in the balanced budget agreement to keep our tax cuts within strict limits, $85 billion in net revenue losses over the next 5 years, $250 billion in net revenue losses over the next 10.

When this bill left the House it was outside those limits, and in the outyears it threatened revenue losses that would have undermined a balanced budget for the long run. It was also tilted to top bracket taxpayers. It made room for a double-barrelled capital gains tax cut with both a low rate and indexing, but it could not find room for a child tax credit for families with 2 or 3 children making less than $30,000.

I voted against that bill, but I will vote for this one, and I do not agree with everything in it, but I think it comes from conference to us in far better shape than it left the House, and let me give my colleagues just three examples.

First of all, the children's tax credit which we all supported now goes to families who need it the most, families with 2 children or 3 children or more who work hard but earn less than $18,000 a year. It would have been unconscionable to pass something called a child tax credit and leave those families and 9.5 million children out. Democrats fought to get them in, we prevailed, and we should be proud of that.

The tuition tax credit which the President made the centerpiece of his tax cuts, which we as Democrats all of us heartily support, now it will not stop in midstream after the first 2 years in college as it did in the House bill. Once again we prevailed. This bill has a credit that will apply to the third year and fourth year and graduate education, a 20-percent tax credit of tuition expenses.

And the capital gains tax which the Republicans wanted is their piece of the pie. It is in this bill too, but unlike the House bill, this bill does not stack one preference on top of another. A lower capital gains rate is in, but indexation is out, and by taking it out we have taken out a time bomb that would have caused revenue losses to explode in the outyears, undercutting our whole objective, which was to balance the budget in 2002.

Mr. Speaker, frankly I would have held off the tax cuts until we had our bird in hand, a balanced budget. But I believe this tax bill is consistent with our objective of balancing the budget by 2002, and I know this, it is much fairer than the tax bill that we passed in the House just a few weeks ago. It is fairer for hard-working Americans who need tax relief and deserve it, much fairer than the first bill. That is why I intend to vote for it.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. CAMP], a member of the Committee on Ways and Means.

Mr. CAMP. Mr. Speaker, I thank the gentleman for yielding this time to me.

Today we celebrate an important achievement by the Congress and the White House. But most importantly, we celebrate a victory for the American people. Yesterday in the spending bill we celebrated balancing the budget for the first time in 30 years, saving Medicare, which is so important for health care for our seniors. But today we celebrate with the American people receiving tax relief for the first time in 16 years. Working families in mid-Michigan and across America who are raising children and saving for their education will receive not only a $500-per-child credit, but also tax relief to help pay for the rising costs of tuition.

I represent a primarily rural district in the middle part of Michigan, and for millions of farmers across the country and many farmers in my district this tax relief bill means a better chance of continuing to do what they love to do, and that is feed our Nation and the world. It also provides the opportunity to pass on the farm to the next generation, and many farmers in my district are second and third generation farmers. With this bill farmers will get tax relief from capital gains tax, and farming is heavily capital intensive, and also relief from death taxes that often force families to give up family farms in order to pay the IRS. We are providing family farmers with relief by providing income averaging to try to level the peaks and valleys that often come with unreliable weather and crop years, and that will help with their tax bills.

Mr. Speaker, family farmers in mid-Michigan are tired of knowing the IRS is waiting to claim a huge share of their efforts. With this bill we deliver real tax relief that will lead to the opportunity for greater prosperity and a higher quality of life on the family farm and in the homes of all Americans.

Mr. STARK. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Washington [Mr. MCDERMOTT].

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, we are today dealing with a tax bill that I think if people are watching this they would have trouble figuring out where everybody is coming from. Some people, the majority, believe that this is the best tax bill since sliced bread. Some of the Democrats say, well, we took a bad tax bill and made it a little bit better. But there are some of us who think that this bill is so bad that it ought to go down because it is not fair, it is not fair enough.

Mr. Speaker, I would like to associate myself with the remarks of both the gentleman from Missouri [Mr. GEPHARDT], the minority leader, and the gentleman from Wisconsin [Mr. OBEY], but I will give my colleagues a couple specifics. Let us take a woman who has two kids who makes $35,000 and teaches school.

Now she pays 15 percent of her income in FICA taxes and then is taxed at the 15 percent rate beyond that. Somewhere around $7,500 to $10,000 of her income goes in taxes out of a $35,000 income.

Now let us take and contrast somebody who makes $200,000 in unearned income; that is, they invest in the stock market and they make $200,000. Under this bill they will be taxed at a 20 percent rate; the schoolteacher at a 30 percent rate; the unearned income at a 20-percent rate because the person earning their income in capital gains pays no FICA tax, no FICA tax.

Now in my view that is unfair. The person making $200,000, taxed at a 20-percent rate under this bill will pay $40,000 in taxes.

Now let us get to the tax breaks. Here is the woman. She has paid $10,000 in taxes. She gets $1,000 back, $500 for each one of her kids. The person making $200,000 and paying 20 percent has two kids, so he gets $1,000 back.

Is that fair to a woman raising two kids, making $35,000, paying 30 percent of her income in taxes and getting $1,000 back and somebody who makes $200,000 worth of unearned income, and they get $1,000?

□ 1245

That is not fair. Mr. Speaker, the unfairness of this I think is only one of the problems. As I listen to people speak here, I continually believe that the Contract With America's idea of term limits is buried under all of this.

An awful lot of people who are voting for this today are voting politically

correct when they vote yes, but they are not thinking long term. They do not expect to be here in 2005 or 2006 when the real impact of this bill comes to rest on the American people.

Today's New York Times on the editorial page, page 21, says ''The deal's long-term effect has economists uneasy.'' When these capital gains cuts and these estate tax and all the other cuts come to full pressure on the economy, we will be facing the baby boomers going into their senior years with no capacity, because we have dug a hole in the revenue side. We will not be able to deal with their problems.

Mr. STARK. Mr. Speaker, will the gentleman yield?

Mr. MCDERMOTT. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, I would ask the gentleman, is it not true that we are not really going to have the budget balanced for 3 or 4 years, 3 or 4 years from now when it finally comes to balance, and if we had no bill yesterday and did not do this tax bill today, we would balance this year or next?

Mr. MCDERMOTT. Mr. Speaker, the gentleman is absolutely correct.

Mr. STARK. And then after that, under the Republican bill, do we not have deficits that just zoom right down to below zero?

Mr. MCDERMOTT. There is no question, Mr. Speaker, that ultimately the deficit will go back up again because of these tax breaks. If we had let the situation alone, the situation that was created in 1993 by the tax bill which we passed, and incidentally, people stand out here and say we are making all these great tax cuts. They have not changed in this bill one single provision from 1993. The bill that set us on the path that has gotten us in the good situation we are in today so we can talk about tax breaks, not a single provision of that has been repealed.

Mr. STARK. Mr. Speaker, do not higher deficits that the Republicans are giving us with these bills lead to higher interest rates?

Mr. MCDERMOTT. That is what Mr. Greenspan says.

Mr. STARK. So if this family around $30,000, $40,000, savings $200, and a family at $150,000 to $600,000 saves $10,000 or $15,000, that $200 is going to be eaten up in higher interest rates, and the people with capital gains in the stock market are going to have all the profit out of this bill?

Mr. MCDERMOTT. There is no question, their credit card debt is going to go up.

Mr. COLLINS. Mr. Speaker I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN], a member of the Committee on Ways and Means.

Mr. PORTMAN. Mr. Speaker, I thank my friend, the gentleman from Georgia, for yielding time to me.

I want to start by commending the gentleman from Texas, Mr. BILL ARCHER, because he held firm and worked in a bipartisan way with the gentleman from New York, Mr. CHARLIE RANGEL, and others to ensure that hard-working Americans are going to get their first tax break in 16 years. They deserve it.

What is truly remarkable about this, of course, is we are doing it despite what we might hear from the other side in the context of a balanced budget. A lot of these tax relief provisions are going to help us get to that balanced budget, because they will help grow the economy.

It is a sound package overall. I certainly support it. What does concern me about the package is that we did not do more in it to simplify the Tax Code for taxpayers and for the already troubled Internal Revenue Service that is supposed to administer all the things we have passed here on the Hill.

Let me be clear, there are some simplification provisions in this bill. We need to talk about those. One is it that most people do not have to worry about capital gains when they sell their homes. That is an enormous benefit for taxpayers and a great simplification.

We also get rid of some of the worst aspects of the corporate alternative minimum tax. That is important for tax simplification. AMT relief will help create jobs in this country.

Finally, we take away a lot of unnecessary and costly regulations in the State and local pension plans. That is also in this bill. That is a good simplification measure.

To be fair, there are a number of things here that add to the complexity; last-minute revisions in the child tax credit, for instance that makes it refundable and in various ways adds enormous complexity. We would have to face up to it, too, that some of the IRA proposals cannot be deemed simplification. But again, I support reducing the tax burden.

This is a good package. I commend particularly the chairman for standing firm and making sure we got real relief. But I do think we missed an opportunity. We missed an opportunity to simplify the Tax Code. Now I think the next step should be as a Congress to make this code fairer, flatter, and simpler. That is the next thing we need to do for America, for all of the taxpayers, for the Internal Revenue Service, and for the tax system generally.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I rise to address a colloquy with my colleague, the gentleman from New York [Mr. RANGEL], ranking member of the Committee on Ways and Means.

It is my understanding that the number of empowerment zones will be expanded through the passage of this legislation. As we know, HUD has found 2 empowerment zones and 11 enterprise communities, including Norfolk, VA in my district, to be the most successful in meeting the performance milestones. Those milestones include initiating and implementing job training programs, recruiting unemployed individuals into both job training and education programs, increasing the number of new businesses in the region, and creating new jobs.

In order to reward communities for these efforts, should these successful enterprise communities be given priority consideration for designation as empowerment zones?

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I say this to the gentleman from Virginia; I was the original sponsor of the initial enterprise and empowerment zones, and also the latest bill which expands them. While it was not included in the Republican bill, it is in the bipartisan bill.

As the gentleman well knows, communities have to file and show their proposals before they are selected by HUD. It makes a lot of sense that those enterprise communities who have done more than have a plan, but demonstrated a success with those plans, should be given priority as we move forward in the next round of selecting the new empowerment zones and the additional enterprise communities.

Mr. SCOTT. Mr. Speaker, I thank the gentleman for that comment, and look forward to Norfolk being given that consideration, because it has done such a good job through Norfolk Works and other programs such as that.

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the bill before us today. Mr. Speaker, H.R. 2014 cuts taxes by over $100 billion in 5 years and almost $300 billion over 10 years. Those are massive cuts, and if this Congress had the gumption to legislate with long-term interests in mind, we might have scrapped these cuts entirely and used the so-called savings to balance the Medicare trust fund, which we have not done. We could have made Medicare solvent well past 2020 had we not entertained this amazing tax bill.

Who gets the cuts? Half the cuts go the richest 5 percent of Americans, those with over $150,000 in income. The richest 20 percent gets 75 percent of the benefit, the top 35 percent get huge benefits, the bottom 60 percent get 7 percent of the benefits.

Compare that with the richest 1 percent with average incomes of $645,000. They are getting $16,000 every year in benefits out of this. The lowest 20 percent of the people in the low-income class are going to pay $39 a year more taxes. Those are the very people that the Republicans and the President and his welfare bill have cut off the rolls. Those are the people they are dumping on. That is not Christianity, that is greed. That is awful, to take the poorest Americans, deny them the assistance we have all tried to give them, and then increase their taxes, on top of it.

There is no magic in projecting who benefits from this bill. When we target

$35 billion of estate tax relief, we end up helping those 2 percent or 3 percent of Americans who have huge estates and obviously incompetent children who cannot afford the business, and to pay it off with the generous terms we already give them. When we cut capital gains from a maximum of 28 to 20 percent or even 18 percent, we help the most affluent Americans.

We should not be reluctant to question whether it is fair to give massive tax breaks to the wealthiest Americans while those at the bottom pay an increase in excise taxes. The rich make out better than everyone else.

Special interests are also making out like the Beltway bandits who represent them. According to the Joint Committee, this bill contains 80 items which are highlighted as required by the line-item veto law because they give tax benefits to 100 taxpayers or less, and create a special transition relief for 10 taxpayers or less in any particular year. This ought to be embarrassing, to have this list appear in a bill that is rushed to the floor so quickly.

Members of Congress have not had time to examine those items. I am not saying that all these provisions are bad. I am saying that this list should have been a red light for this Congress to delay the bill until our reservations could be addressed.

For instance, it gives Amtrak a $2.3 billion tax break, which no other company enjoys. I support Amtrak, but I am troubled that we tucked away a provision to give a $2.3 billion relief to Amtrak without having discussed it in Appropriations.

Another provision gives Amway a break for two of their Asian affiliates. According to yesterday's Wall Street Journal, Richard DeVos, Amway's founder, donated $500,000 to the Republican Party. Now, in July, his company gets a tax break thrown into the conference report that neither the House nor Senate approved. This is the tax fairy who appeared in the middle of the night, giving Amway this huge benefit after they contributed $500,000 in contributions to the Republican Party. That is payoff, big time. That is giving away Americans' tax dollars in exchange for contributions solicited by the Republican Party from their rich benefactors.

There is a special benefit in here for Simmons Enterprises, a rifle shot in the estate tax area, and another favor from the tax fairies for Harold Simmons, a Dallas investor and baron of the sugar beet businesses.

Mr. Speaker, I do not like what I know about this bill. It is unfair. It discriminates against the average American. It gives only to the rich. But I like even less what I suspect is in this bill, and it is unfair. It deserves to be defeated. I urge a ''no'' vote.

Mr. Speaker, I reserve the balance of my time.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HERGER], another member of the Committee on Ways and Means.

Mr. HERGER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this tax bill is why I came to Congress. I have been in the House of Representatives since 1987, and ever since I have been fighting to help the American people keep more of their own hard-earned money. This country has not had large-scale tax relief like the kind we are voting on today since 1981, 16 long years. Of course, under a different Congress, they have been dealt their share of tax increases, including the largest tax hike in American history just 4 short years ago.

What a difference 4 years can make, and what a difference a Republican Congress can make. Today, instead of voting to push Uncle Sam's hands deeper into the American people's wallets, we will be voting to tighten Uncle Sam's belt. Today we will be providing a $500-per-child tax credit to America's families. We will be providing significant tax incentives for education. We will be expanding IRAs to help Americans save for their own retirements.

We will be making major cuts in capital gains taxes to help keep our economy growing, and we will be providing a major relief from the death tax, so our Nation's family farms and small businesses can be passed on from generation to generation.

Mr. Speaker, today finally we are giving the American people the tax relief they deserve. Sixteen years is long enough. I salute the chairman, the gentleman from Texas [Mr. BILL ARCHER] on this historic achievement, and I urge all my colleagues on both sides of the aisle to vote for this historic conference report.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. ETHERIDGE], and I would point out the great support that his task force on education has given to improve the quality of the bill we will be voting for.

Mr. ETHERIDGE. Mr. Speaker, I thank the ranking member for this time, and also for his hard work.

Mr. Speaker, I rise in support of this middle-class tax relief bill. I sought this office to fight for North Carolina values, to look out for our farmers, and to help our families and provide quality education for all of our children. This bill makes significant strides in each of these goals.

The first bill I introduced as a Member of this people's House provides estate tax relief for our family farmers and small businesses. I am very pleased that this bill contains immediate relief for our family farmers and small businesses from the heavy burden of estate taxes. This bill is good news for North Carolina farmers.

In addition to the $500-per-child tax credit, this bill will help families in North Carolina and throughout this country to obtain educational opportunities for their children.

□ 1300

As a former two-term superintendent of my State's public schools, I know that education is the key to a brighter future for all Americans. For middle-class families and for those families struggling to make it into the middle class, education is the pathway to the American dream. This bipartisan budget agreement represents the most significant investment in education in a generation.

We have more to do, Mr. Speaker. We must raise education standards. We must rebuild our crumbling schools. We must help put more police on the street and make our communities safer. We have more work to do, but this is a day to celebrate for the American people. On behalf of the North Carolina farmers, small business people and families struggling to provide a decent education for our children and who want to achieve the American dream, I urge my colleagues to support this bill.

Mr. STARK. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me this time.

Let me give my colleagues several reasons why we should defeat this tax proposal, bring it back to the drawing board and come up with something new. No. 1, if we are interested in a balanced budget as quickly as possible, vote ''no.'' Without this tax proposal, economists tell us that in 1 year or 2 years, we will move toward a balanced budget. With this proposal, the deficit will go up in the next several years and it will take us 5 years to move toward a balanced budget. So vote no if you want to get toward a balanced budget as quickly as possible.

The second issue, and that is what this chart deals with, is that, if you are interested in helping middle income and working families rather than the rich and the superrich, you should also oppose this legislation. Last year Bill Gates had a good year, a very good year. His personal wealth went from $18 billion to $42 billion, an increase in wealth of $24 billion in 1 year. Putting that into perspective, if you are an average American worker and you saw a 3-percent increase in your compensation, that would mean that you earned $1,000 more last year. That means that 24 million American middle-class workers saw an increase in 1 year equal to what Bill Gates saw an increase in his income last year; 24 million workers, middle-class workers, not low wage workers, end up seeing an increase collectively compared to one man.

The issue we are debating is who do we want to help with this tax proposal. If you want to help Bill Gates and his friends, vote ''yes''. But if you want to help middle-income and working families, vote ''no''. It is wrong that the upper 1 percent receive more in tax breaks than do the bottom 80 percent. Vote no.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes and 30 seconds to the distinguished gentleman from Florida [Mr.

SHAW], chairman of the Subcommittee on Human Resources of the Committee on Ways and Means, a gentleman who has had a lot to do with legislation dealing with families.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, we have heard a number of Members come to the House floor and come in with some figures as to who is getting the basic advantage of this tax cut. We know that well over 70 percent, well over 70, I think it is 76 percent goes to middle income and below of the tax cut that we are looking at. So let us quit playing this game. This is a well-balanced bill.

I think that when we are determining who is getting the advantage, I think it is also important that when we define somebody's income that we come to the floor and be really forthright with how we come up with the percentages that we do as to the amount of income that somebody has. As we know, the Treasury came out with some of these figures by actually imputing the rental value of somebody's home that they own and putting that on top of their income as well as other things, which they did not actually enjoy in the form of cash coming in or any type of recognizable income.

The imputed income is a very unfair way of defining somebody's income so that we skew the figures.

I think when we are talking about who is getting what, that it is very important that we be very factual and that we be very out front with the people.

If some of the speakers that have come to the floor are suggesting that we in the Congress or that they in the Congress want to tax the imputed value of somebody's home, I would suggest that that is a very foolish thing and a very foolish position for somebody to have; but I think they should make that point and go forth with it without trying to come up with some phony baloney type of figures here in order to make a point that they want to make that simply is not true and is not acceptable by the vast majority of the American people.

I think it is important that we get back on course and we look at the tax breaks and that we look at exactly what we are doing. We are giving the child tax credit, which is a direct cash payment off, directly off the income tax to middle- and lower-income people. The capital gains is something that is enjoyed by people whether they have $30,000 income and a mutual fund or whether they, their income is over $100,000 and they make stock transactions or investing in companies which produce jobs. The American people win with this bill. I would urge all of my colleagues to support it.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume. I would like to respond to the gentleman from Florida in saying that we are going through a period of trying to learn to be bipartisan, and the gentleman and I have a whole lot of learning to do. I think he will agree that the Republicans wanted a tax cut bill and the President did. The question was who wanted one the most.

When the priorities came, they sought to make capital gains tax cuts the priority. They sought to make estate tax relief a priority. They sought to make the individual retirement funds a priority. These were the things that people in higher incomes enjoyed.

That is why so many Democrats are disturbed. We sought to stay with those for college educations, for those kids that come from working families. We did not call it welfare. We said, if you work hard and you pay taxes, you should get help. So there is still a major difference between the gentleman's side and ours.

We join together in saying, the President and the people of the United States want a bill. But it does not mean that we swallow their principles. But it does mean, when we supported our President, we said we are with you, Mr. President, but there has to be some basic Democratic principles there. So the priorities were there.

Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. LEWIS], our distinguished deputy leader.

Mr. LEWIS of Georgia. Mr. Speaker, this bill is a good bill. It is a good bill because President Clinton and Democrats stood up for working Americans and demanded tax relief for working families.

In 1993, Democrats made hard budget choices, hard choices that have brought millions of jobs and economic prosperity to our Nation. Because of those hard choices, we are close to balancing our budget. Because of those hard choices, we can give tax cuts to the American people.

Today again, Democrats have succeeded. President Clinton and Democrats in Congress have turned a Republican tax bill targeted to Wall Street into a tax cut benefiting Main Street.

Because of Democrats, families earning between $20,000 and $30,000 a year will get a $500 per child tax cut. Because of Democrats, there is a HOPE scholarship to make college more affordable to our children. Because of Democrats, there are tax cuts for people inheriting farms and small businesses. Tax relief for working families, tax relief for education, tax relief for owners of farms and small businesses, these are Democratic values. These are the ideas President Clinton and the Democrats fought for and won.

Mr. Speaker, thanks to President Clinton and the Democrats, we have a growing, vibrant economy, a shrinking deficit and now a tax cut for working families.

Mr. Speaker, I urge all of my colleagues to support this tax cut bill.

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. MCCRERY], another member of the Committee on Ways and Means.

(Mr. MCCRERY asked and was given permission to revise and extend his remarks.)

Mr. MCCRERY. Mr. Speaker, I had the good fortune a little while ago to hear the minority leader address the House, and I want to compliment him on the tenor of his remarks. He addressed the House and the Members of my side of the aisle with respect and engaged in an honest debate about tax policy in this country and what it ought to get us.

The minority leader spoke about the consumption side of the ledger and how tax cuts ought to go into the pockets of Americans so that they can consume, because after all, he said, consumption is what drives economic growth. And while that is technically true, an economist would say that, I think an economist would also say if you do not have production in society, you are not going to have too many people consuming much, because it is the production side of the economy that creates the good paying jobs with good benefits that allows people to consume.

We have tried in this tax bill to balance those concerns. Yes, we want to put more money in the pockets of people so that they might consume more, maybe even they will save a little bit for their children's education or their own retirement. But we also wanted to increase the incentives in the Tax Code for production. We want to help keep good paying jobs here in the United States. We want to encourage people to save their money, invest their money in productive investments; thus, the capital gains tax relief and the alternative minimum tax relief. That will help keep good paying jobs here in the United States and even help create more good paying jobs. We think that is important.

This is a well-balanced tax bill that deserves the support of Democrats and Republicans alike.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I rise in strong support of this bill for what it provides for the average family for a lifetime of education benefits. Let us say you are an average family from South Bend, IN, and you have three children. We now have an education IRA that if you struggle and save $500 a year, that $500 a year is tax deductible and the money you make on that IRA years later for college, you can withdraw tax free.

Let us say that you then send your children to Indiana University at South Bend. They may be eligible for a $1,500 HOPE scholarship. Finally, after graduating with your associate's degree from Indiana University and you work for Ameritech, Ameritech then pays to finish your undergraduate degree. They get your bachelor's degree for you. That is then tax deductible for you. You would not pay any taxes on Ameritech paying for your education. That is fair to the average midwestern

family. That is a good bill for education. That is a strong bill for America. I hope my colleagues will support it.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to gentleman from Texas [Mr. EDWARDS].

(Mr. EDWARDS asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS. Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, I will support the bipartisan budget agreement because it will do four primary things: balance the budget, reduce taxes for working families, extend the solvency of the Medicare Trust Fund and make a college education more affordable for all Americans.

The tax and spending reduction legislation translates into the first balanced budget in a generation and much needed tax relief for working families, students, and small businesses.

In addition, the package will help provide health insurance for millions of uninsured children whose parents are working but cannot afford the premiums.

I am pleased to see the estate tax, also known as the death tax, reformed and the exemption for family owned farms and businesses increased to $1.3 million. Protecting family owned farms and small businesses is an issue that I have fought for and supported.

The estate tax has ended the lives of many family owned farms and businesses. Increasing the exemption will help keep the farm or business in the family.

I am also proud of the effort by Democrats to improve this bill. If it wasn't for Democrats demanding fairness, many families making under $30,000 a year would not have been eligible for the child tax credit. We also would not see child health care, higher education scholarships, and tuition tax credits included in this legislation if Democrats had not fought for them.

This tax relief bill will not explode the deficit in future years as the original House Republican bill would have.

This is not a perfect legislative package and it does not solve all of our long-term fiscal issues. It will reduce the deficit by $700 billion over 10 years and bring the Federal budget into balance by 2002.

It is the product of genuine bipartisan efforts. The Congress and President did what the American people have been demadning—put aside politics and balance the budget in a fair and responsible manner.

My hope is that Congress will followup this successful effort by passing a balanced budget amendment to the Constitution to ensure that we will have a balanced budget not just for 1 year but for all future generations.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CAPPS].

□ 1315

Mr. CAPPS. Mr. Speaker, I rise in strong support of this legislation. This bill will cut taxes for millions of Americans while balancing the budget and protecting our critical investments in education and health care.

In particular, I am in strong support of the immediate increase in the exemption from estate taxes for family farmers and small business owners. In my district on the central coast of California farm and ranch families face the triple threat of high estate taxes, rising land values and suburban development. This combination threatens a special way of life and a matchless environment. Our action today will help us keep family farms and businesses where they belong, in the family and not on the auction block.

I also support the education tax credits in this bill and commend the President in particular for his leadership on this issue. As a teacher, I know firsthand the priceless value of education. The HOPE scholarships will open the door of education to families on the central coast where we have the great universities and excellent 2-year colleges.

It is no secret that education benefits the entire economy, but it also uplifts the spirit and creates a more civil society, and I urge my colleagues to support this legislation.

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

I just wanted to repeat for a few of my colleagues who were not here before that, in addition to the patent unfairness of this bill, which is obvious from the charts, that the top 5 percent are getting 44 percent of the breaks. And when my colleagues on the other side suggest that the middle class is getting most of the breaks, they are just taking the first 5 years, they are not looking at the whole 10 years.

The fact is that the poorest people in this country are getting nothing out of this and the richest are getting an average of $16,000. But then there are the owners of Amway Corporation, and I was wrong, I misspoke, they gave two $500,000 checks to the Republican Party, and there is a tax break in here totaling $280 million for their Asian subsidiaries.

So if one invests a million bucks in the Republicans, they can get $280 million back in special hidden tax breaks.

In this bill Sammon Enterprises in Texas, at the last hour, in the Speaker's office, $23 million to one company in Texas. Twenty-three million bucks. That is more than all the people in my district make in a year, Mr. Speaker. Ten times more going to one Texan. I wonder how much money old man Sammon kicked into the Republican Party. It will be interesting to find out.

The beet king in Texas, Simmons, I did not realize what he got. He is getting $104 million, a gift from the Republicans in this tax bill, which is hidden here in the documents which never were explained to any of us.

This borders on the criminal. And when we talk about investigations as to whether the Vice President was in some Ashram someplace and got money, what went on in the Speaker's office when the chairman of the Committee on Ways and Means and the Speaker and the high-knockers in the Republican leadership were cutting deals to pay back big contributors? That is what we ought to find out that is going on in this bill.

I have a page here that lists all of the rifle shots. My goodness, here, ''relating to transition rule for instruments described in a ruling request submitted to the Internal Revenue Service on or before June 8, 1997.'' Does not tell us the name, does not tell us the money, but I will bet it is somebody's buddy who kicked in big to the Republicans.

Here it is, section 1005(b). We will make this part of the RECORD, Mr. Speaker. Here is ''relating to transition rule for instruments described on or before June 8, 1997, in a public announcement or in a filing.''

I want to tell my colleagues, those are provisions, page after page, for individuals who are getting special slush out of this tax bill while lower income Americans are going to pay $40 more a year.

Mr. Speaker, the material I quoted from above is submitted herewith:

MEMORANDUM

To: Honorable Bill Archer, Honorable John Kasich, Honorable Philip M. Crane, Honorable William M. Thomas, Honorable Richard K. Armey, Honorable Tom DeLay, Honorable Charles B. Rangel, Honorable Jim McDermott, Honorable Fortney Pete Stark, Senator William V. Roth, Jr., Senator Pete V. Domenici, Senator Trent Lott, Senator Charles E. Grassley, Senator Kent Conrad, Senator Don Nickles, Senator Daniel Patrick Moynihan, Senator Frank R. Lautenberg, Honorable Robert T. Matsui.

From: Kenneth J. Kies.

Subject: Provisions in H.R. 2014 which are subject to the line item veto.

The Line Item Veto Act (Pub. Law 104–130) (the ''Act''), amended the Congressional Budget and Impoundment Act of 1974 to grant the President the limited authority to cancel specific dollar amounts of discretionary budget authority, certain new direct spending, and limited tax benefits. The Act provides that the Joint Committee on Taxation (the ''Joint Committee'') is required to examine any revenue or reconciliation bill or joint resolution that amends the Internal Revenue Code of 1986 prior to its filing by a conference committee in order to determine whether or not the bill or joint resolution contains any limited tax benefits. The Act also requires the Joint Committee to provide a statement to the conference committee that either (1) identifies each limited tax benefit contained in the bill or resolution, or (2) declares that the bill or resolution contains no limited tax benefits. The Act provides that the statement provided to the conferees must be made available to any Member of Congress by the Joint Committee on Taxation immediately upon request.

The Act provides that the conferees determine whether or not to include the Joint Committee's statement in the conference report. If the conference report includes the information from the Joint Committee on Taxation identifying provisions that are limited tax benefits, then the President may cancel one or more of those, but only those, provisions that have been identified. If a conference report contains a statement from the Joint Committee that none of the provisions in the conference report are limited tax benefits, then the President has no authority to cancel any of the specific tax provisions, because there are no tax provisions that are eligible for cancellation under the Act. If the

conference report does not include a statement from the Joint Committee regarding limited tax benefits, then the President determines which provisions are subject to cancellation under the Act.

Pursuant to section 1027(a) of the Congressional Budget and Impoundment Act of 1974 (as amended by the Line Item Veto Act), attached is the statement of the Joint Committee on Taxation regarding limited tax benefits contained in the conference agreement on H.R. 2014.

SEC.—. IDENTIFICATION OF LIMITED TAX BENEFITS SUBJECT TO LINE ITEM VETO

Section 1021(a)(3) of the Congressional Budget and Impoundment Control Act of 1974 shall only apply to:

(1) Sec. 101(b) (relating to high risk pools permitted to cover dependents of high risk individuals)

(2) Sec. 222 (relating to limitation on qualified 501(c)(3) bonds other than hospital bonds)

(3) Sec. 224 (relating to contributions of computer technology and equipment for elementary or secondary school purposes)

(4) Sec. (relating to treatment of remainder interests for purposes of provision relating to gain from sale of principal residence)

(5) Sec. 501(b) (relating to indexing of alternative valuation of certain farm, etc., real property)

(6) Sec. 503 (relating to modifications to rate of interest on portion of estate tax extended under section 6166)

(7) Sec. 504 (relating to extension of treatment of certain rents under section 2032A to lineal descendants)

(8) Sec. 508 (relating to treatment of land subject to qualified conservation easement)

(9) Sec. 511 (relating to expansion of exception from generation-skipping transfer tax for transfers to individuals with deceased parents)

(10) Sec. 601 (relating to the research tax credit)

(11) Sec. 602 (relating to contributions of stock to private foundations)

(12) Sec. 603 (relating to the work opportunity tax credit)

(13) Sec. 604 (relating to orphan drug tax credit)

(14) Sec. 701 (relating to incentives for revitalization of the District of Columbia) to the extent it amends the Internal Revenue Code of 1986 to create sections 1400 and 1400A (relating to tax-exempt economic development bonds)

(15) Sec. 701 (relating to incentives for revitalization of the District of Columbia) to the extent it amends the Internal Revenue Code of 1986 to create section 1400C (relating to first-time homebuyer credit for District of Columbia)

(16) Sec. 801 (relating to incentives for employing long-term family assistance recipients)

(17) Sec. 904(b) (relating to uniform rate of tax on vaccines) as it relates to any vaccine containing pertussis bacteria, extracted or partial cell bacteria, or specific pertussis antigens

(18) Sec. 904(b) (relating to uniform rate of tax on vaccines) as it relates to any vaccine against measles

(19) Sec. 904(b) (relating to uniform rate of tax on vaccines) as it relates to any vaccine against mumps

(20) Sec. 904(b) (relating to uniform rate of tax on vaccines) as it relates to any vaccine against rubella

(21) Sec. 905 (relating to operators of multiple retail gasoline outlets treated as wholesale distributors for refund purposes)

(22) Sec. 906 (relating to exemption of electric and other clean-fuel motor vehicles from luxury automobile classification)

(23) Sec. 907(a) (relating to rate of tax on liquefied natural gas determined on basis of BTU equivalency with gasoline)

(24) Sec. 907(b) (relating to rate of tax on methanol from natural gas determined on basis of BTU equivalency with gasoline)

(25) Sec. 908 (relating to modification of tax treatment of hard cider)

(26) Sec. 914 (relating to mortgage financing for residences located in disaster areas)

(27) Sec. 952 (relating to assignment of workmen's compensation liability eligible for exclusion relating to personal injury liability assignments)

(28) Sec. 953 (relating to tax-exempt status for certain State worker's compensation act companies)

(29) Sec. 957 (relating to additional advance refunding of certain Virgin Island bonds)

(30) Sec. 958 (relating to nonrecognition of gain on sale of stock to certain farmers' cooperatives)

(31) Sec. 961 (relating to exemption of the incremental cost of a clean fuel vehicle from the limits on depreciation for vehicles)

(32) Sec. 964 (relating to clarification of treatment of certain receivables purchased by cooperative hospital service organizations)

(33) Sec. 966 (relating to deduction in computing adjusted gross income for expenses in connection with service performed by certain officials) with respect to taxable years beginning before 1991

(34) Sec. 968 (relating to elective carryback of existing carryovers of National Railroad Passenger Corporation)

(35) Sec. 1005(b)(2)(B) (relating to transition rule for instruments described in a ruling request submitted to the Internal Revenue Service on or before June 8, 1997)

(36) Sec. 1005(b)(2)(C) (relating to transition rule for instruments described on or before June 8, 1997, in a public announcement or in a filing with the Securities and Exchange Commission) as it relates to a public announcement

(37) Sec. 1005(b)(2)(C) (relating to transition rule for instruments described on or before June 8, 1997, in a public announcement or in filing with the Securities and Exchange Commission) as it relates to a filing with the Securities and Exchange Commission

(38) Sec. 1011(d)(2)(B) (relating to transition rule for distributions made pursuant to the terms of a tender offer outstanding on May 3, 1995)

(39) Sec. 1011(d)(3) (relating to transition rule for distributions made pursuant to the terms of a tender offer outstanding on September 13, 1995)

(40) Sec. 1012(d)(3)(B) (relating to transition rule for distributions pursuant to an acquisition described in section 355(e)(2)(A)(ii) of the Internal Revenue Code of 1986 described in a ruling request submitted to the Internal Revenue Service on or before April 16, 1997)

(41) Sec. 1012(d)(3)(C) (relating to transition rule for distributions pursuant to an acquisition described in section 355(e)(2)(A)(ii) of the Internal Revenue Code of 1986 described in a public announcement or filing with the Securities and Exchange Commission) as it relates to a public announcement

(42) Sec. 1012(d)(3)(C) (relating to transition rule for distributions pursuant to an acquisition described in section 355(e)(2)(A)(ii) of the Internal Revenue Code of 1986 described in a public announcement or filing with the Securities and Exchange Commission) as it relates to a filing with the Securities and Exchange Commission

(43) Sec. 1013(d)(2)(B) (relating to transition rule for distributions or acquisitions after June 8, 1997, described in a ruling request submitted to the Internal Revenue Service submitted on or before June 8, 1997)

(44) Sec. 1013(d)(2)(C) (relating to transition rule for distributions or acquisitions after June 8, 1997, described in a public announcement or filing with the Securities and Exchange Commission on or before June 8, 1997) as it relates to a public announcement

(45) Sec. 1013(d)(2)(C) (relating to transition rule for distributions or acquisitions after June 8, 1997, described in a public announcement or filing with the Securities and Exchange Commission on or before June 8, 1997) as it relates to a filing with the Securities and Exchange Commission

(46) Sec. 1014(f)(2)(B) (relating to transition rule for any transaction after June 8, 1997, if such transaction is described in a ruling request submitted to the Internal Revenue Service on or before June 8, 1997)

(47) Sec. 1014(f)(2)(C) (relating to transition rule for any transaction after June 8, 1997, if such transaction is described in a public announcement or filing with the Securities and Exchange Commission on or before June 8, 1997) as it relates to a public announcement

(48) Sec. 1014(f)(2)(C) (relating to transition rule for any transaction after June 8, 1997, if such transaction is described in a public announcement or filing with the Securities and Exchange Commission on or before June 8, 1997) as it relates to a filing with the Securities and Exchange Commission

(49) Sec. 1044(b) (relating to special rules for provision terminating certain exceptions from rules relating to exempt organizations which provide commercial-type insurance)

(50) Sec. 1091(a) (relating to termination of suspense accounts for family corporations required to use accrual accounting) as it relates to the repeal of Internal Revenue Code section 447(i)(3)

(51) Sec. 1089(b)(3)(B) (relating to special rule for decedents dying before January 1, 1999)

(52) Sec. 1089(b)(3)(C) (relating to reformations)

(53) Sec. 1171 (relating to treatment of computer software as FSC export property)

(54) Sec. 1175 (relating to exemption for active financing income)

(55) Sec. 1204 (relating to travel expenses of Federal employees doing criminal investigations)

(56) Sec. 1236 (relating to extension of time for filing a request for administrative adjustment)

(57) Sec. 1243 (relating to special rules for administrative adjustment request with respect to bad debts or worthless securities)

(58) Sec. 1251 (relating to clarification on limitation on maximum number of shareholders)

(59) Sec. 1253 (relating to attribution rules applicable to tenant ownership)

(60) Sec. 1256 (relating to modification of earnings and profits rules for determining whether REIT has earnings and profits from non-REIT years)

(61) Sec. 1257 (relating to treatment of foreclosure property)

(62) Sec. 1261 (relating to shared appreciation mortgages)

(63) Sec. 1302 (relating to clarification of waiver of certain rights of recovery)

(64) Sec. 1303 (relating to transitional rule under section 2056A)

(65) Sec. 1304 (relating to treatment for estate tax purposes of short-term obligations held by nonresident alien)

(66) Sec. 1311 (relating to clarification of treatment of survivor annuities under qualified terminable interest rules)

(67) Sec. 1312 (relating to treatment of qualified domestic trust rules of forms of ownership which are not trusts)

(68) Sec. 1313 (relating to opportunity to correct failures under section 2032A)

(69) Sec. 1414 (relating to fermented material from any brewery may be received at a distilled spirits plant)

(70) Sec. 1417 (relating to use of additional ameliorating material in certain wines)

(71) Sec. 1418 (relating to domestically produced beer may be withdrawn free of tax for use of foreign embassies, legations, etc.)

(72) Sec. 1421 (relating to transfer to brewery of beer imported in bulk without payment of tax)

(73) Sec. 1422 (relating to transfer to bonded wine cellars of wine imported in bulk without payment of tax)

(74) Sec. 1506 (relating to clarification of certain rules relating to employee stock ownership plans of S corporations)

(75) Sec. 1507 (relating to modification of 10 percent tax for nondeductible contributions)

(76) Sec. 1523 (relating to repeal of application of unrelated business income tax to ESOPs)

(77) Sec. (relating to gratuitous transfer for the benefit of employees)

(78) Sec. 1532 (relating to special rules relating to church plans)

(79) Sec. 1604(c)(2) (relating to amendment related to Omnibus Budget Reconciliation Act of 1993)

SPENDING BILL PROVISION

(1) Sec. (FUTA exemption for prisoners)

Mr. COLLINS. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Speaker, I thank the gentleman for yielding me this time, and I congratulate the chairman of the committee for the good work he did in this tax cut.

I would like to talk a little bit about reality, who is going to benefit from this tax cut. This is a family in my district, the Auger family. We have here Jim and Donna. He is a plumber, she cuts hair. Here are their three kids: Christopher, the oldest, Anthony, and Danae, the young girl. They are going to get $1,500 of reduction in their taxes for the $500-per-child tax credit times three.

When this young man is in college in about 3 years, they will get $1,500 of tax reduction. They will still get the $500 per child tax credit for these two. This is flesh and blood. These are real middle class families.

Do not believe the lies that this is a tax cut for the rich. This is a tax cut for the middle class. It is a Republican tax cut. It would have never happened if it were not for the election in 1994 and the persistence of the gentleman from Georgia, Mr. NEWT GINGRICH, and the gentleman from Texas Mr. BILL ARCHER. I encourage all my colleagues on both sides of the aisle to vote for it.

Mr. COLLINS. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GEKAS].

(Mr. GEKAS asked and was given permission to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time.

In 1986 many of us voted against the then tax reform bill because it swept away, with one bill, capital gains and some other attractive features of that code.

One of them has been restored in this bill, and it makes my farmers and other colleagues' farmers rejoice. Earned income averaging, which was a part of the 1986, but swept away, is now restored.

This means our farmers, who experience a drought in 1 year and have minimal profits can balance that loss against a bumper crop that might happen the next year. This was an excellent feature on which our farmers relied prior to 1986. Now we can be happy to report that it has been restored in the current tax bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maine [Mr. BALDACCI].

(Mr. BALDACCI asked and was given permission to revise and extend his remarks.)

Mr. BALDACCI. Mr. Speaker, first of all, before the time begins, I would like to thank the ranking member, the gentleman from New York [Mr. RANGEL], for his leadership, and the gentleman from South Carolina [Mr. SPRATT].

Mr. Speaker, in 1993 a major piece of legislation was passed, and at that time it was being criticized roundly in both Chambers of this Congress. In fact, one senior Member, in leadership now in the other body, had referred to the fact that if he was wrong about what was going to happen, that he would be the first one to take the hammer and chisel and put President Clinton's face on Mt. Rushmore.

Since 1993, Mr. Speaker, we have had 5 years in a row of deficit reductions. With reinventing and streamlining the Federal Government, we are at the lowest number of Federal employees since the 1960's. Because of the hard work done by President Clinton and Vice President GORE and the Democrats in Congress, we are at a point where we are going to be able to build a bridge to the 21st century, where we are going to focus on children's health, on working families and we will reward ''work'' and not ''not work''. We are going to make sure that families, family businesses, and farms have the breaks that they deserve.

All the hard work that has gone on to get to this particular point is a credit to those that have served and passed that legislation.

Mr. COLLINS. Mr. Speaker, I yield 1 minute to the gentleman from South Dakota [Mr. THUNE].

Mr. THUNE. Mr. Speaker, I thank the gentleman from Georgia [Mr. COLLINS] for yielding me this time.

I want to point out today that I believe what we are hearing on the floor today is liberalism's last gasp. It is no wonder we are seeing some of our friends on the other side of the aisle having a hard time containing their disappointment, because liberals always look at things in terms of winners and losers. But we have a bill here where the American people are the winners.

The people of this country, Democrats and Republicans, who have come together to do something that is very much in the best interest for the future of this country, because it gives people more control over their economic future, that is really what this is about.

The State I come from, the State of South Dakota, there are so many things in here that will help rural areas of this country. Look at agriculture, estate taxes, capital gains, the family tax credit, income averaging, and deductibility of health insurance premiums. These are all things that will benefit rural areas of this country.

So it is a project that I give credit to the gentleman from Texas [Mr. ARCHER] and the members of the House Committee on Ways and Means for something that was very difficult, and that is trying to drive a Mack truck through a car wash; to get a lot of tax relief out of a little bit of revenue. I think they have done a wonderful job, and I hope my colleagues will support this bill today.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FAZIO], the Chair of the Democratic Caucus.

Mr. FAZIO of California. Mr. Speaker, those of us who are fighting tooth and nail for working families are fortunate that with the strong backing of Democrats in this House, who stood up and opposed the Archer bill, President Clinton, as PHIL GRAMM has said, cleaned the clock of Republicans in these negotiations.

The President and House Democrats fought for and won for families like that of Debbie and John Ellis, who live in my district in Woodland, CA. Debbie will make $29,000 this year as an office manager for the California Highway Patrol. She is the mother of two boys. Her 21-year-old is working this summer to save enough money to attend Sacramento City College this fall. Her 10-year-old, Joshua, is a fourth-grader at the Woodland Christian School.

The Ellises will receive the college tax credit so their son can get his degree, and they will be eligible for the new child tax credit, which they say will be used to help them get their car repaired.

The Republicans would have denied this family and millions of others just like them tax relief this year. In fact, providing tax relief for these hard working families was called, and I quote, welfare. What an insult.

Mr. Speaker, I want to thank the gentleman from New York, Mr. CHARLIE RANGEL, and President Clinton for hanging tough in these budget negotiations and for fighting for working families. Because of this debate, the American people know who is on their side, and I think they will remember that.

Mr. COLLINS. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas, [Ms. GRANGER].

Ms. GRANGER. Mr. Speaker, as President, one of Ronald Reagan's favorite things to do everyday was to read the mail. Sometimes he would write out personal responses, but usually he just liked to read what the American people were saying.

One Friday afternoon, as Mr. Reagan was leaving for Camp David, his director of correspondence, Anne Higgins,

gave him a stack of letters to read. Included in the stack was a very angry letter from an extremely upset Democrat in New Jersey.

Next Monday morning, when Anne returned to her office, she noticed Mr. Reagan had returned this particular letter to her desk. Attached was a note from the President which read, ''Dear Anne, don't worry about writing this lady back. I called her on the phone. We are friends now.''

Mr. Speaker, is it not amazing what can happen when honest people engage in an honest discussion on the issues? Fear gives way to faith and fiction is replaced with the facts.

In the past few days, the Congress and the White House have been able to look for common ground and listen to common sense, and the American people are going to be very pleased with the results.

The facts are this tax bill opens doors of opportunity by closing loopholes and exemptions. The facts are this tax bill raises hope everywhere by lowering taxes for everyone. And the facts are our tax bill is not designed to help folks with a corner on the market, it is designed to help folks with a market on the corner, a market not on Wall Street, New York, but on main streets across America.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. WYNN].

□ 1300

Mr. WYNN. Mr. Speaker, I thank the gentleman from New York [Mr. RANGEL] for yielding and for his leadership during this process, as well as I would like to take this opportunity to thank the gentleman from South Carolina [Mr. SPRATT], our ranking member on the Committee on the Budget. They did a good job.

This is a good bill, and I intend to support it. It is not a perfect bill. There are legitimate criticisms. The rich still get richer. But the fact of the matter is, we cannot let the perfect be the enemy of the good, and this is a good bill. It provides tax relief that my constituents in Maryland can use. They can use a child tax credit because they are trying to put young people through college so they can get better jobs. They can certainly use a child tax credit so that they can buy necessities, perhaps fix a car, perhaps buy clothes for a child, perhaps simply buy groceries.

This is not going to solve all the problems of the world, but it is an important movement in the right direction. We can remain here and bicker and try to make this a better bill, or we could pass this bill and begin sending child tax relief to needy families, sending education tax credits to people who want to get higher education, and also giving a break to those people who invest in our people through a capital-gains break. It is a balanced bill. It is a good bill. I hope my colleagues will support it.

Mr. COLLINS. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. BLILEY].

(Mr. BLILEY asked and was given permission to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, I thank the gentleman from Georgia [Mr. COLLINS] for yielding me the time.

Mr. Speaker, I am proud today to rise in support of the Taxpayer Relief Act. Just a few years ago, the concept of balancing the budget while cutting taxes was thought to be impossible. The truth was, though, that this concept was nothing more than a myth propagated by the extreme left, who had more faith in the decisions of Government bureaucrats than in the American people. Today I rise in support of the first comprehensive tax cut in more than 15 years.

I want to touch on two important provisions in this tax bill which are very important to my constituents, death tax relief and capital gains relief. Did my colleagues know that the IRS considers the death taxes a tax on the privilege of leaving the fruits of their labors to their children? Something is wrong in America when a tax collecting agency thinks that giving our children the family farm is a privilege. Let me be the first to tell the IRS that in America giving our children what we earn should be a right, not a privilege.

While I support doing away with death taxes entirely, this bill makes an important first step.

Mr. RANGEL. Mr. Speaker, I think that, if the time is correct, my colleagues have double the time that we have. It might be better if we tried two-to-one at this time.

The SPEAKER pro tempore [Mr. LAHOOD]. The gentleman from Georgia [Mr. COLLINS] has 58 minutes remaining. The gentleman from New York [Mr. RANGEL] has 34½ minutes remaining. The gentleman from California [Mr. STARK] has 2½ minutes remaining.

So the gentleman from New York [Mr. RANGEL] is correct.

Mr. COLLINS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FORBES].

(Mr. FORBES asked and was given permission to revise and extend his remarks.)

Mr. FORBES. Mr. Speaker, only in political Washington would a mom and dad, or both, working and earning about $40,000 in their family, be considered wealthy.

I want to congratulate the Republican chairman of the Committee on Ways and Means and all the members of the Committee on Ways and Means for helping to put together a responsible bill. For the first time in 15 years, we are going to enjoy some tax relief.

For the American people saying ''What is the big deal? You should have been here years ago?'' but to give $500 per child tax relief, to provide educational incentives, to make sure that the largest investment to most families, their family residence, they do not get taxed by Uncle Sam, they will get the relief of up to $500,000, that is good. To provide for job-creating capital gains relief and small business exemptions, up to 100-percent exemption for small businesses paying health care premiums, protection from estate taxes of $1.3 million, for family farms and for small businesses, this is the right thing to do.

Some $600 billion the Democrat Congress took away from the American people in the early 1990's. To give $94 billion back is not only the right thing, it is long overdue. I commend my colleagues for their hard work.

Mr. COLLINS. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. BUNNING], the distinguished member of the Committee on Ways and Means and chairman of the Subcommittee on Social Security.

(Mr. BUNNING asked and was given permission to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, I rise in strong support of H.R. 2014, the Taxpayer Relief Act. What a difference a few years makes. Just 4 years ago, without a single vote, the Democrat Congress passed a $260-billion tax increase as part of the 1993 Clinton tax bill, the largest tax increase in dollars in our history.

Today we vote to cut taxes by about $275 billion over a 10-year period. I think it is fantastic that we have been able to turn around the thinking that goes on in Washington, DC. We absolutely believe that there is going to be an awful lot of people on both sides of the aisle that will support this bill. Because it is good for America, it is good for the ordinary taxpaying person, it is good for kids, it has got so many things that we have worked so hard on that I think America prospers because of this bill.

Let us just talk about people that have gone to schools, gone to college and are paying off their student loans. For those, this bill allows those who are paying off student loans to deduct up to $2500 annually in interest expenses. I do not think anybody has talked about that before.

This provision is estimated to provide $2.4 billion in tax relief over the next 10 years. A second provision of the bill that makes it easier for students to enroll in Kentucky's prepaid college tuition program, to pay for room and board, as well as tuition. Over 2600 Kentucky students have already set up savings accounts and accrue about $500,000 to help pay for college. This bill allows them to use that for tuition and room and board.

I am a little disappointed that the final bill does not provide as much tax relief for withdrawal from these plans as proposed. But we do not get everything in every tax bill. This tax bill has all kinds of relief for the average American taxpayer, the taxpayer between $20,000 and $75,000. Those are the people that want relief. The tax credit

for children, the estate tax, or death tax, whatever you want to call it, we give relief there. For anybody who has a family farm or a small business, we have an extra special tax relief, up to $1.3 million. But the $500 tax credit is the key to this bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. PRICE].

(Mr. PRICE of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, the bill before us has many positive features for working and middle-class families. But I am personally proudest of the inclusion of the main provisions of the Education Affordability Act, introduced by the gentleman from North Carolina [Mr. ETHERIDGE] and myself and cosponsored by a bipartisan group of 56 colleagues. These provisions will restore income tax deductibility of interest on student loans and permit penalty-free withdrawals of IRA savings for educational expenses—common sense ideas to make higher education more accessible for American families.

Today is the culmination of an effort former Representative Martin Lancaster and I began some 10 years ago, soon after we first came to the Congress. We said then that if you can deduct the interest on your home mortgage or even on a second home at the beach, you surely ought to be able to deduct interest on something as basic as a student loan. That is still true today, and I am proud to see it recognized in this tax bill.

There is more good news in this bill for Americans seeking to get the training the modern workplace requires, especially the Hope Scholarship which will provide a $1,500 tax credit for the first 2 years past high school and a 20-percent credit for succeeding years.

I am also pleased that this conference agreement removes the notorious tax on the tuition waivers earned by graduate students that was included in the House-passed bill. Students in my district and across the country raised their voices in justified protest, and this bill shows that their voices have been heard.

Mr. Speaker, this bill will expand opportunity for America's young people and workers upgrading their skills. It will help give our country the trained workforce the global economy demands.

Through supporting this conference report, we are putting our fiscal house in order, we are investing in our people, and we are affording tax relief for hard-pressed working families. That is a winning formula for our country, and I urge my colleagues to vote ''aye.''

Mr. COLLINS. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HASTERT].

(MR. HASTERT asked and was given permission to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Georgia [Mr. COLLINS] for yielding me the time.

What a wonderful victory for the American people, the working American family, people who have children, people who have to try to move around this country and find the best job and the best way they can provide for their families. They get to take a $400 tax credit next year. They begin to take the deductions next January on that tax credit per child.

My colleagues, they also can start to say, ''If I have to move and I have to sell my house, I do not have to calculate not to carry forward until I am 55 years of age, but I can take that capital gains now.'' What a wonderful opportunity for people to find the best job, the best venue to raise their children.

What this really means is that American families can start to make the decisions how they can spend extra dollars in their pocket. That $500 tax credit per child is in their pocket now. They will decide how to spend that instead of some Federal bureaucrat.

What does that mean? Well, when we spend our own money, we get to grow the economy, we do not have to decide on some Federal executive or Federal bureaucrat on how they are going to grow government, bigger government, bigger cost, bigger spending. This is a double win for the American family.

Is this bill perfect? Oh, I do not think it is perfect. But is it good? Yes, it is a good bill. And does it mean that we are not going to be back here next year with another bill and try to improve the climate, the economic climate for our American families and American workers? I think we can do that.

But my colleagues, I have to commend the chairman of the Committee on Ways and Means, I have to commend the people who worked in the leadership in this body, and the President. This is a wonderful first step.

Mr. COLLINS. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Georgia [Mr. COLLINS] for yielding, and I want to congratulate him and the other members of the Committee on Ways and Means and the budget negotiators for crafting a much needed, long overdue bipartisan bill to provide tax relief to hard-pressed American families and businesses.

However, I do take exception to one aspect of these negotiations, and that is the last-minute decision by the President to threaten to veto the bill if education individual retirement accounts stayed in the bill. The President issued a last-minute veto threat unless these provisions were stripped out of the bill we will be voting on later today.

This is good, sound policy put forward by the other body, a provision that would allow parents to set up education retirement accounts, or education IRAs, which could be contributed to with the contributions earning interest tax-free as long as the deductions from the account were used for educational expenses like tuition, fees, tutoring, books, supplies, home computers, and any other qualified expense.

The idea behind it, of course, is to allow parents to set aside money for their children's education at any school, any school, public, private, parochial, or home, from kindergarten through college.

But what does the President say in his veto threat? He says that ''I would veto any tax package that would undermine public education by providing tax benefits for private and parochial school expenses.''

It is a sad day to see the President side with the opponents of real educational reform and the defenders of the status quo. School choice, colleagues, parental choice in education, is working. We are getting testimony. I chair the education subcommittee in the House. We are hearing from people who want, we are hearing from parents who want the ability, the choice to send their children to the school that is best for their child.

Here is an article from the Washington Times from this week, July 28. Black support. Support in the African-American community. Risers for school vouchers. Here is Paul Peterson up at Harvard, one of the first people to study parental choice in public education today, looking at the low-income school choice demonstration projects in Milwaukee and Cleveland and concluding that the results, and I quote now, ''indicate that Congress should approve legislation initiating additional experiments in other cities, including Washington, to determine whether this school reform, parental choice in public education, should be introduced nationally.''

So my colleagues, I am real disappointed to see this provision stripped out in the face of the President's veto threat. Parents should have the right to send their children to the school of their choice, the school that is best for their children. After all, it is their money, it is their children, and it is their future.

□ 1345

Mr. RANGEL. The gentleman should be reminded that it was the Republicans that agreed to drop that provision.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. THURMAN] a member of the Committee on Ways and Means.

Mrs. THURMAN. Mr. Speaker, I thank the gentleman from New York [Mr. RANGEL] for yielding me this time. I rise today in strong support of this conference agreement. I would like to point out that many of its best provisions were conceived, I believe, in 1996 as part of the Democratic families first agenda. Democrats said we had to finish what we began in 1993 with the largest deficit reduction package ever enacted and the only one that has worked. This bill will balance the budget once and for all.

We committed ourselves to expanding health care for children; 5 million children will get health insurance because of this bill.

We said hard-working families must get help with the cost of college education. Millions of families will be able to afford college because of this HOPE scholarship and other initiatives in this bill.

In Florida's Fifth District, the average median household income is about $21,000 a year. The capital gains provision in this bill will help thousands of seniors in my district who have their nesteggs invested in mutual funds.

The farming families and small business owners will be able to hold onto their farms and businesses after the death of a loved one because of the estate tax relief contained in this bill.

And families of public safety officers slain in the line of duty will receive their survivor benefits tax free for the first time.

This is a family bill. Hardworking middle class families will enjoy the benefit of the child tax credit and the largest education initiative in a generation. But most of all, we all will enjoy the benefit of a balanced budget by the year 2002.

Mr. COLLINS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Speaker, I would like to offer a perspective from my State of Iowa on the important work of the House today.

It is my belief that few tax changes ever contemplated by Congress fit the rural economy as well as this one. Of particular import is the $500-per-child tax credit; the Archer capital gains cut, 20-year deferred payment contracts for family farms and small businesses for estates; 100 percent deductibility for self-employed individuals for health care cost; 3-year income averaging for farmers; and an increase in the inheritance exemption from $600,000 to $1 million and to $1.3 million for closely-held businesses and family farms, which is a potential total inheritance deduction of $2.6 million if both spouses are able to participate. The effect of all of this is that for the first time in the last half century, many Iowa farmers will be allowed to transfer their farms to their children virtually inheritance tax free.

On the education front, with the exception of the revocation of tax-exempt status for TIAA-CREF, this legislation is a strong step forward for the education community. For the first time in over 10 years, students will be able to deduct a major part of interest accumulated on their student loans. In addition, the tax exemption for employer-provided undergraduate education assistance is extended for 3 years, and a HOPE tax credit is created to assist students and their families with out-of-pocket expenses associated with college attendance.

This economic package is beneficial for the rural economy, good for higher education and is put in place within the context of balancing the budget by 2002 if conservative economic growth principles are assumed, and perhaps sooner if the economy continues to grow at or near its current rate.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. Mr. Speaker, I rise for two reasons, one to express my support and how great a day I think this is for the American people, to realize that we finally have worked to where we are all in agreement in a bipartisan way to have a balanced budget for the first time in nearly 30 years and also to have tax cuts for the first time in 16 years. I am excited about it because I am very much a pro-growth economic development type of person. I know we have got a lot to do in order to prepare an economy for the 21st century, the global competitive economy that our children and grandchildren will have to compete. I want to make sure that no one is left behind.

Mr. Speaker, in the bill, as the chairman of the committee well knows, the Senate receded to the House provision in conference dealing with Native Americans in Oklahoma. However, I believe it is essential we clarify the congressional intent. After meeting with the gentleman from Texas, along with Senator NICKLES and the staff of the Committee on Ways and Means and the Senate Committee on Finance and the Joint Committee on Taxation and the Senate Committee on Indian Affairs, the Department of Interior, the Bureau of Indian Affairs and many others, it was concluded it was necessary to create kind of a ''bright-line'' test for determining which Oklahoma lands qualify for section 168(j) to avoid first costly litigation, and also to clearly define the language that is in the House bill which says the ''lands in Oklahoma within the judicial area of an Oklahoma Indian tribe,'' to make sure it means for purposes of this legislation ''lands within boundaries of the last treaties with the Oklahoma tribes.'' This definition narrows the land area compared with the current law by eliminating the unassigned lands.

Because I believe it is important that we clarify this matter, I would ask if the chairman of the Committee on Ways and Means concurs with this explanation.

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Texas.

Mr. ARCHER. The gentleman from Oklahoma is correct. The Oklahoma Indian lands clarification in this bill does narrow the scope of section 168(j) in Oklahoma compared to current law by eliminating the unassigned lands. I thank the gentleman for his cooperation on this issue.

Mr. WATKINS. I appreciate the cooperation of the chairman and also the cooperation of the ranking member. I have worked with the gentleman from New York also on many occasions in the past, and it is always great to be working in a bipartisan spirit to help all of our people. I thank the gentleman from Texas [Mr. ARCHER] and the gentleman from New York [Mr. RANGEL] and ask that the total text of my statement be added for the RECORD.

Mr. Speaker, the chairman of the House Ways and Means Committee and his staff have worked closely with me on a provision in this bill to clarify the application of section 168(j) of the Internal Revenue Code to Indian lands in Oklahoma.

Section 168(j) was enacted in 1993 to provide accelerated depreciation for property placed in service on Indian reservations, including former Indian reservations in Oklahoma. The House of Representatives included a provision in this tax bill that provides that lands in Oklahoma within the jurisdictional area of an Oklahoma Indian tribe and eligible for trust-land status would qualify for section 168(j).

As the chairman knows, the Senate receded to the House provision in conference. However, since the House leaves the interpretation of the provision to the U.S. Department of the Interior, I believe it is essential we clarify congressional intent.

After my meetings with you, Mr. Chairman, and meetings with Senator NICKLES, Ways and Means and Finance Committee staff, Joint Tax Committee, Senate Indian Affairs Committee, Department of the Interior, and the Bureau of Indian Affairs on this issue, it was concluded necessary to create a bright-line test for determining which Oklahoma lands qualify for section 168(j). This bright-line test is needed to avoid costly litigation and clearly define the language ''lands in Oklahoma within the jurisdictional area of an Oklahoma Indian tribe'' to mean for the purposes of this legislation ''lands within boundaries of the last treaties with the Oklahoma tribes.'' This definition narrows the land area compared with current law by eliminating the unassigned lands.

Because I believe it is important that we clarify this matter, does the chairman of the House Ways and Means Committee concur with my explanation?

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM] who has been so helpful in bringing this all together.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I want to first begin by commending the gentleman from Texas [Mr. ARCHER], the chairman, the gentleman from New York [Mr. RANGEL], the ranking member, and the President of the United States for their work in putting together this conference report which I urge everyone to support today. As so often happens in the legislative process, it is not a perfect document but certainly when we compare this bill with that which originally passed the House of Representatives, there are many significant improvements, one of which is in the area of the child tax credit, a debate that occurred that was truly amazing to many, that those who were earning $25,000 a year and also

working were not to be entitled to a tax credit; amazing that the debate occurred, but it has been resolved in a very favorable way which pleases 50 percent of the constituents of the 17th District of Texas who find themselves in that income category.

In the area of the capital gains tax cut, one thing that was recognized that I think will prove to be hopefully a goal for the future is to recognize longer held investments should be entitled to capital gains reductions, not necessarily the short term that provides for speculation and quarterly report syndrome.

The estate tax relief, something that we advocated, the Blue Dogs and others, glad to see now a $1.3 million estate tax relief for family held businesses, as my colleague from Iowa a moment ago so eloquently put.

Also when we look at the backloading, something that was very concerning to those of us who are called deficit hawks, the concern of the original House bill with indexation of capital gains, with backend loading of IRA's, has been satisfactorily dealt with in a compromise way, so much of our concerns there have been eliminated.

Some other very positive features. Moving to 100 percent deduction of health insurance for self-employed, something that will be of tremendous importance in our continued quest for a fair health system for this country. Income averaging for farmers. Glad to see that is in because that is something so important. And also the Hulshof-Stenholm bill providing preferential tax treatment for farmer cooperatives that purchase processing facilities, something that is a very good sign for the future of agriculture.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON] the highly regarded, highly influential chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I am embarrassed after that introduction by the gentleman from Texas [Mr. ARCHER], but I am not embarrassed to stand up here and hand out accolades to the gentleman from Texas [Mr. ARCHER], the chairman. When the Speaker pro tempore and I were here way back in the late 1970's, or I was and then he came in 1980 with Ronald Reagan and the gentleman from Texas [Mr. ARCHER] was still here, this country was on hard times. I was a businessman just before that, back home, a small businessman. I recall having to make a corporate loan for my company in which we paid 2 percent above the prime rate and that was 23.5 percent, to borrow money to expand our business.

23.5 percent. That was almost impossible. Inflation was running at 13.5 percent. It was really hard for people who were living on fixed incomes. They just could not make it.

Then along came Ronald Reagan and he did what John F. Kennedy did many years before that in 1962, and the gentleman and I and Chairman ARCHER cut taxes, we stimulated the economy, and we had a roaring economy for 8 years that created 17 million new jobs.

That is how important this bill is today. When we think about people today and the very fact that two-thirds of the American people today filing income taxes take some capital gains and of those two-thirds, 50 percent are older Americans living on fixed incomes, with incomes of less than $40,000. In other words, $25,000, $35,000. That is how important this is. Because that is bread and butter on the table of those people who have worked all their lives but finally now have to dip into their savings in order to make it, in order to maintain a decent standard of living. That is how important this bill is today.

I just cannot tell Members how thrilled I am and how proud I am to be a Republican, to be here today, to carry on that Ronald Reagan legacy that we are going to establish here today, reestablish and carry on for the next 10 years. I thank the chairman and the Speaker pro tempore for all they have done in bringing this bill to the floor.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Hawaii [Mr. ABERCROMBIE].

(Mr. ABERCROMBIE asked and was given permission to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Speaker, today I will support H.R. 2014, the Taxpayer Relief Act.

Yet I cannot rise without sharing my greatest concern with the tax bill, the airline ticket tax. The changes proposed in the airline ticket tax will have an adverse effect on Hawaii's people and on our economy. The segment portion of the domestic ticket tax is unfair. It is particularly unfair to Hawaii where Aloha, Hawaiian, and Mahalo, our local inter-island carriers, provide short-haul trips between the islands. Our unique geography as an island chain makes air travel a necessity. Unlike other areas of the country, we do not have a choice. If individuals want to travel from island to island, we have to fly. In order to make it economical for our people, Aloha, Hawaiian, and Mahalo island hop. The domestic airline ticket tax shifts the burden to low-cost, short-haul carriers. These are our local carriers and this will hurt Hawaii.

The ticket tax increase on international flights from $6 to $24 is another concern. Tourism is Hawaii's largest industry. It is a large industry for many States of the Union. International visitors are a vital part of our tourism industry.

Mr. Speaker, I will not dwell any further on the ticket tax except to say that I will work with all my energy to repeal these provisions in the future as we proceed to a tax bill next year.

Mr. Speaker, I rise today in support of H.R. 2014. The conference report we are voting on today is an improvement over the version that initially passed the House in June. I voted against that measure for a number of reasons: It denied the full benefits of the child deduction to hard-working, low-income taxpayers who avail themselves of the earned income tax credit; it opened up enormous loopholes that would have fully or partially excluded millions of American workers from the protection of labor laws and fundamental benefits like Social Security and worker compensation; and it short changed low and middle-income taxpayers, denying them a fair share of its tax cuts.

The bill before us today remedies those deficiencies in whole or large measure.

Yesterday, the House passed the spending bill that sets our Nation on a path to have a balanced budget by 2002. The bill we are voting on today provides tax relief for our citizens—tax relief that is paid for.

We have arrived at this point because of the courageous vote taken in 1993. The 1993 budget agreement was a 5-year deficit reduction package. It was a fiscally sound decision. As a result of the deficit reduction package our Nation has a healthy economy.

Unfortunately, my constituents in Hawaii have not benefited from the economic upswing to the same extent as the rest of the Nation. Hawaii needs an economic stimulus. The balanced budget tax relief agreement we are voting on today will help us. It is not a silver bullet, but it will benefit a great many hard-pressed people and small businesses in Hawaii.

I am voting for this bill not because it is perfect, but because on the balance it helps working families and the middle class. It helps the people of Hawaii.

The bill helps Hawaii families. It provides a child tax credit of $400 a child in 1998 and increases to $500 a child thereafter for children age 16 and under. The credit phases out for couples with adjusted gross incomes of $110,000 and individuals with incomes of $75,000.

The bill helps Hawaii college students. It provides a tax credit of up to $1,500 a year for the first 2 years of college and a tax credit of up to $1,000 for later years. Eligibility phases out for couples with incomes between $80,000 and $100,000 and individuals with incomes of between $50,000 and $60,000.

The bill helps Hawaii homeowners. Married couples may exclude up to $500,000—single individuals may exclude up to $250,000—of capital gains from the sale of a primary residence. In Hawaii, this provision will be particularly helpful to residents whose principal investment is their home.

The bill provides Hawaii with broad based capital gains reduction. Capital gains come from the owning of assets such as stock, bonds, homes, real estate, and businesses. The top capital gains tax rate drops from 28 percent to 20 percent. This rate will drop further to 18 percent, effective in 2001, for individuals who hold assets for 5 years or longer. For married couples with incomes less than $41,200 the capital gains tax rate drops from 15 percent to 10 percent. The rate will drop further to 8 percent, effective in 2001, for married couples who currently earn less than $41,200 and who hold assets for 5 years or longer.

The bill provides Hawaii with estate tax relief. The estate tax will increase from the current $600,000 to $1 million. It will be phased in over a 10-year period.

The bill provides Hawaii with expanded IRA—Individual Retirement Account—opportunities. It creates new IRA Plus accounts. Contributions are not deductible, but interest, dividends, and capital gains accumulate tax free. Allows penalty free withdrawals for first time home purchases. Further, withdrawals are tax free if the account is held for at least 5 years and the account holder is at least 59½. Income limits on traditional IRA's are raised.

The bill helps Hawaii small business. Self-employed small business people will be able to deduct 100 percent of their health and insurance costs—the current deduction is 40 percent, reinstates the home office business deduction, and provides an immediate jump in the estate tax threshold to $1.3 million—$2.6 million for couples—for small family farms and businesses. This provision is important, because it enables continued family ownership of small farms and businesses from one generation to the next.

Yet, I cannot rise without sharing my greatest concern with the tax bill: the airline ticket tax. The changes proposed in the airline ticket tax will have an adverse affect on Hawaii's people and our economy. The segment portion of the domestic ticket tax is unfair. It is particularly unfair to Hawaii where Aloha, Hawaiian, and Mahalo, our local interisland carriers, provide short-haul trips between the islands. Our unique geography as an island chain makes air travel a necessity. Unlike other areas of the country we do not have a choice. If individuals want to travel from Island to island we have to fly. In order to make it economical for our people Aloha, Hawaiian, and Mahalo island hop. The domestic airline ticket tax shifts the burden to low-cost short haul carriers. These are our local carriers. This will hurt Hawaii.

The ticket tax increase on international flights from $6 to $24 is another concern. Tourism is Hawaii's largest industry. International visitors are a vital part of our tourism industry. The change in the ticket tax on international flights puts a greater tax burden on international visitors. International tourism is a major foreign exchange earner for the United States. It is one of the bright spots in our balance of payments picture. It generates millions of American jobs. Why do we create a disincentive to travel to the United States.

Mr. Speaker, I will not dwell on the airline ticket tax any further, except to say that I will work with all my energy to repeal these provisions in the future.

This is an important day for the people of Hawaii and our Nation. H.R. 2014 provides the people of Hawaii and our Nation with tax relief. I urge my colleagues to support this measure.

□ 1400

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. BOYD].

(Mr. BOYD asked and was given permission to revise and extend his remarks.)

Mr. BOYD. Mr. Speaker, I first want to congratulate the gentleman from Texas [Mr. ARCHER] for his work over the many, many years and also my friend, the gentleman from New York [Mr. RANGEL], the ranking member.

As my colleagues know, we are going to pass today and I am going to vote for a tax cut bill which is on balance a very good bill, and it is a much better bill than it was when it left this House of Representatives earlier because it had many provisions in it at that point in time which caused many of us, including myself, to vote against it. But the conference has chosen to take those provisions out, and that makes me very happy.

However, there is one very obscure provision which is very onerous which I want to tell my colleagues about, and that is a tax exemption repeal for a Teachers Insurance Annuity Association—College Retirement Equity Fund, better known as TIAA–CREF. TIAA–CREF was created in 1918 by Carnegie Foundation to provide a portable pension fund for university employees. It has had tax exempt status for 79 years, and, my colleagues, we are going to repeal that tax exempt status in this piece of legislation that we are going to pass today, and that is wrong.

I would ask my colleagues to work with me because the repealing of this tax exempt status will mean that there will be a 5-percent reduction on average of the average university employee retiree over the next few years, and I would ask that Members will work with me to repeal this provision in the future.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. ROTHMAN].

(Mr. ROTHMAN asked and was given permission to revise and extend his remarks.)

Mr. ROTHMAN. Mr. Speaker, I believe that promises made should be promises kept, and that is why I am proud to support this historic bipartisan balanced budget agreement.

Among the most important provisions in this bill, the basic concepts of my Lifetime Learning Affordability Act are very much prominent. For the first time we will be giving American families up to $2,000 in tax relief for their children's college tuition and allowing them to save in IRA-like savings accounts for their own lifetime of learning. It also increases the Pell grants to a historic high and restores the tax deduction on the interest on student loans.

Seven months ago, when I took office, I promised the people of the Ninth Congressional District of New Jersey that I would fight for a balanced budget. I promised to help bring about a smarter, more effective, more cost-efficient government that invested in our people, that kept our Nation's historic commitment to seniors, our children and the environment.

This balanced budget agreement delivers for the hard-working men and women of Bergen and Hudson Counties, NJ, and that is why I am proud to support this historic balanced budget agreement. Promises that were made have now been promises kept.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. MENENDEZ], the deputy minority whip.

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, what will morning in America look like after we pass this bill? What will be the American vision of the future? We delivered the balanced budget based on tough choices and sacrifices made by Democrats in 1993, but the Democratic vision for America did not stop with a tax cut for corporations and the wealthy. Democrats fought for and delivered a far greater vision for all Americans and a more inclusive tax cut.

Tomorrow morning in America, because of Democrats, 24 million more children will wake up with health care, millions more than under the Republican plan. Tomorrow morning in America, because of Democrats, every student with a talent and ambition will awaken to the opportunity to attend a 4-year college and get a degree, millions more than under the Republican plan. Tomorrow morning in America a hard-working farmer or small business person will be able to keep the family business in the family. Families will more easily sell and buy better homes. Hundreds of neighborhoods will awaken knowing that the local scourge of a nearby polluted brownfield will be cleaned up. Tomorrow morning in America twice the families in my own home State of New Jersey will receive a tax credit for their children because Democrats fought for a better vision of the future.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in support of this Clinton tax package. It is build on the hard work of the 1993 vote. Quite frankly, voting for tax breaks is one of the more pleasant tasks or the easier tasks that Members of Congress have to perform. Everyone likes to vote for a tax break, many of our constituents want them and are most often pleased with the tax breaks.

But the fact is there would be no tax break legislation today available, without a bigger deficit but for the actions the 10 past years. Congress is not going to do what was done in the riverboat gamble of 1981. Congress is not going to do that. Today we are pursuing a much different policy path. The Federal Government fiscal policy actions have earned this tax break by making tough votes such as the vote on the 1993 budget. Today this mostly positive tax breaks. Eighty-four percent of this bill the next 5 years goes for a child credit and education credit. Investing in people; that is the type of tax breaks the American families need. There is some other provisions in here, but that is reflection of political symmetry of the Federal Government.

This action is no Ronald Reagan riverboat gamble, rather it is a good bill

and not savaging the basic programs that we came here and pledged to support, not the policy path of 2 years ago when, in fact, programs, like Social Security and others were the sacrifice for lavish budget busting tax breaks, this tax policy is a policy earned by solid fiscal discipline. We may be a little bit ahead of the curve in hoping to reduce the deficit and being certain that the deficit is under control but the fact is this is a sound tax break, a result of deliberate policy it eliminates the indexing, it eliminates the automatic pilot type of provisions that were in the initial bills. It is a measure that will get a big vote today, but it is built, as I said, on hard work of 1990. I might say the budget of President Bush and Congress, and the 1993 budget of Clinton and Congress. Congress has not since the early 1980's been able to vote for additional substantial tax breaks or cuts, because the policy path of excessive tax giveaways and uncontrolled Pentagon spending dug the deficit hold so deep that the emphasis has been on correcting and rehabilitation of the consequence of the Reagan riverboat gamble tax policies.

Finally, today in a measured manner and on a reasonable basis maintaining the programs that the American families need to care for themselves and one another, we can return and focus on tax breaks which help families and invest in people.

Certainly the price of this has been some tax breaks for special groups that are not needed nor justified, but the Democrats led by President Clinton turned the GOP Congress product of 2 years ago and turned it inside out to principally help families and balance the budget without blowing up the budget for the future. A positive bill for which I can vote and urge others to support.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Washington [Ms. DUNN], a highly respected member of the Committee on Ways and Means.

Ms. DUNN. Mr. Speaker, because of the Republican majority in Congress, for the first time in 16 years women across America are getting a tax cut. The truth is the Republican tax relief bill helps women throughout their lives both at home and the job market. The only people who think this tax relief bill is not good for women are those who do not believe we women can manage our own money, and that, Mr. Speaker, is passe.

So let us talk first about tax relief at home. With our bill the mothers of 41 million American children will be able to keep more of their own money. The $500 per child tax credit that will begin in 1998 is money mothers surely can use to make ends meet, money that can be used to pay for school clothes or for groceries or for all the unexpected expenses that come with raising a child.

Women and their families will also receive help in sending children to college. The cost of higher education is overwhelming these days. I just finished paying for two children to go to college, and truly believe me, I know how expensive it can be.

Women are provided additional options to save for their retirement through expanded IRA's. The fact is that we women live longer than men. Yes, we generally have less savings set aside. I do not believe our society wants to force a woman into buying shoes for her 8-year-old child as opposed to saving for her retirement, and expanded IRA's will help provide the savings that will work toward those worrisome retirement years.

And now let us talk about the workplace. Women are starting businesses today at twice the rate of men. A lower capital gains tax leaves more critical capital in hands of women business people, women investors, and women entrepreneurs. Why is this so important to women? Because the 1995 survey of women-owned businesses tells us that 84 percent of women use personal savings to start their businesses.

Mr. Speaker, the American dream for everyone, including women, is to make life better for our children and for our loved ones. Yet the current death tax is such an onerous burden that when the owner of a family farm or business dies, the children often must sell their inheritance just to pay the taxes. That is what this bill is about, providing women with options and time to balance the demands of today's world. No longer should women feel they are being pulled in 10,000 different directions, often sacrificing themselves and their children's interest just to pay Uncle Sam.

Mr. Speaker, helping American families and especially America's women is all part of the Republican agenda. The truth is this tax relief never would have happened if it had not been for our majority, and we are proud of our work on behalf of American families, and we look forward to making Government more and more efficient while keeping that safety net out there for those Americans who truly need it.

Mr. RANGEL. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California [Ms. SANCHEZ].

(Ms. SANCHEZ asked and was given permission to revise and extend her remarks.)

Ms. SANCHEZ. Mr. Speaker, I rise today in support of the balanced budget agreement. Today we will have the opportunity to provide hard working Americans with the first balanced budget in a generation.

We have accomplished an amazing feat today. The President and Congress have come together for a truly bipartisan budget agreement.

A budget that is balanced, that provides fair tax relief, that provides coverage for children's health care, and that truly expands education opportunity.

Congressional leaders and the President have worked to draft a bill that helps middle class parents. These Americans have funded the deficits of the last decade and deserve a return on their investment.

This historic investment in education includes the HOPE Scholarship Program that truly will give hope for a college education to working-class American families.

It includes the largest Pell grant increase in two decades. As a former Pell grant recipient, I know how much we need this funding.

This agreement provides the first tax cut for Americans in 16 years. This budget gives a $500 per child tax credit to every family in America. It also allows parents to save for their child's higher education with the education IRA.

We have finally recognized what our parents and community leaders already knew, that when we cut taxes to families, when we provide children's health care, and when we invest in education—when we balance the Nation's budget—our cities, our States, and our Nation will prosper.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. DAVIS].

Mr. DAVIS of Illinois. Mr. Speaker, I want to first of all commend and congratulate all of those who have worked to reach this accord. But when I viewed the balanced budget agreement I asked two fundamental questions:

Is it fair and does it go far enough to lift the boats of all Americans, including the poorest among the poor?

And while I agree that there has been serious movement toward the inclusion of more families and more children, I still must ask the question, is it good for all of America?

This agreement provides tax relief for the richest of Americans to the tune of over 70 percent. Is that fair? Under the current agreement corporate welfare continues to be protected, and so I agree that it is movement, but I do not believe that it goes far enough to really touch the poorest of the poor.

I believe that we can do better. We provide serious breaks for the rich, a few breaks for the middle class, practically no breaks and little hope for the poor.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, several days ago I had the opportunity to participate in a news conference at the White House, and it was a true love-in, it was a true commitment that we are going to balance the budget, and it is historic. We are on track toward a first balanced budget since 1996. We are on pace toward our first tax cut that we have really had since 1981. A couple of years ago, how many of us in this Chamber could have predicted such far-reaching and much needed reform?

As a former college president, I am proud of the commitment that we have made on education, a $1,500 tax credit for college, $2,500 tax deductions for interest paid on college loans and $500 tax free contributions into education IRA's.

And it is a pro-family reform as well, $500 per child credit, approximately doubling the tax exemption on real estate for both individuals and couples.

Let us keep the budget process moving, let us cast a ''yes'' vote, and let us balance the budget once and for all for all Americans.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WATERS], the chairperson of the Congressional Black Caucus.

Ms. WATERS. Mr. Speaker, I would like to thank the gentleman from New York [Mr. RANGEL] and the gentleman from Texas [Mr. ARCHER], the chair of the Committee on Appropriations, for their work, and I know how hard he struggled. However, this Congress is about to pass the most profound and drastic tax cut this Nation will experience in many years to come. This is a true redistribution of the wealth, and let me tell my colleagues why.

The top 1 percent in our Nation will get a tax cut of about $16,000. That is people who make over $645,000. The next 4 percent, people who make about $150,000 will get a tax cut of $1,492. But let us take a look at the lowest 20 percent, the lowest 20 percent in our Nation, people who make $6,500 will have to pay $39 more. The next 20 percent, people who make $15,000, will only get about $114, and the next 20 percent, people who make $27,000, will get about $194 in tax cuts.

Well, let me just show my colleagues this. In capital gains, this means the CEO's of major corporations like Donald Trump and over at Nike, they will be able to take their pay in stock options and the stock options will only be taxed at 18 percent which means they will be paying about half of what the average working person will be paying in taxes.

So who is getting the short end of this deal? Not only are the poor in inner cities, where the economy is not performing, still no jobs, low paying jobs, jobs that have been exported to Third World countries for labor, let me tell my colleagues about districts like the district of the gentlewoman from Idaho [Mrs. CHENOWETH], in her State's panhandle with the median income of less than $25,000 per year and a per capita income of $11,530.

□ 1415

These are working and poor people in districts like that of the gentleman from Florida [Mr. CHARLES CANADY], Poke County, FL, with a median household income of $25,315 per capita and personal income of about $12,277.

I want to tell the Members, this is not the right way to go. It is going to pass. Republicans are going to take credit, Democrats are going to take credit. Nobody knows what is in the details. But I want to tell the Members, the American people will find out. They will know in the final analysis. This is no deal for the average Americans. Rich people will make out again. They will be partying on Wall Street tonight.

Mr. ARCHER. I yield myself such time as I may consume, Mr. Speaker.

Mr. Speaker, I would just briefly respond to the gentlewoman from California [Ms. WATERS] and say that every Member has had an opportunity to know every detail on this bill because every detail has been on the Internet beginning at 7 o'clock last night.

I know Members diligently have wanted to peruse this bill and to learn the details. I am sure that last night they have stayed with their staff and have had the opportunity to learn all of the details that are in this bill.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DELAY], my neighbor and my friend.

Mr. DELAY. Mr. Speaker, I want to commend the chairman of the Committee on Ways and Means for all the hard work he has done to bring this to the floor. I have to tell the Members, I rise in support of the Archer tax cut. I urge my colleagues on both sides of the aisle to support it.

Mr. Speaker, sometimes history is made by bold strokes and sometimes history is made with small steps. Today we are taking a small step toward a smaller and a smarter Government. This tax cut legislation represents only the beginning of our agenda that will give the American taxpayer real relief from an oppresive Tax Code. A Government that takes over 50 percent of the average family's income threatens liberty and needs serious reform.

But in our system of government, reform is best achieved through bite-sized bits that are easily digested, I believe, by the voters and easily understood by popular opinion. This is the first bite of a seven-course tax-cut meal. Some of my colleagues will say that this tax cut is not enough to tide them over. I agree. But I promise the Members that this first tax cut in 16 years will not be the last tax cut in 16 years.

This bill is a good start. It contains necessary relief for families with children. It will spur economic growth by lowering taxes on investments, savings, and job creation. It starts the process of phasing out that punitive death tax.

To those liberals who complain that this tax cut goes too far, let me just simply say that in my view we can never go too far in allowing the American family to hold on to more of its hard-earned money. I urge my colleagues to start the process to cut taxes for all Americans and vote for this sensible bill.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey [Mr. PAPPAS].

Mr. PAPPAS. Mr. Speaker, today is a great step forward, a new beginning down the path of ending the era of big government. For the first time in 16 years, the American people are getting real, permanent tax relief, the Archer tax cut of 1997. Every American is a winner today. We have sent a message that Washington has to make do with less, so people can keep more of what they earn. I think too often in Washington bureaucrats forget it is not their money to waste. People of America work hard for the money and it is theirs.

This is real tax relief. People in every stage of life will receive something, families with children to pay for schooling, for home ownership, for home-based businesses, or to save and invest for retirement. From the family farm to the small business, everyone benefits. Families deserve the freedom our tax relief plan will bring.

The $500-per-child tax credit will give parents more freedom in raising their children to be healthy, well-educated, productive adults. I want to commend the Republican leadership and Chairman ARCHER for an excellent job and a tremendous first step.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the respected member of the Committee on Ways and Means, the gentleman from Minnesota [Mr. RAMSTAD].

Mr. RAMSTAD. Mr. Speaker, I thank my distinguished chairman for yielding time to me, and for his outstanding leadership. I daresay, without the gentleman from Texas [Mr. BILL ARCHER], we would not be here with this tax relief bill, the most substantial tax relief for the American people since 1981.

Mr. Speaker, in addition to the more publicized provisions of this bill, the child tax credit, the higher education relief, the capital gains cuts, and the death tax relief, I would like to point out several provisions that I have worked on for many months with several of my colleagues to help victims of the recent flooding in the Red River Valley of Minnesota and the Dakotas. I want to thank Chairman ARCHER for his help as well in getting these provisions in this bill.

We include special mortgage revenue bond rules for those people to rebuild their homes in the flood areas. We extend the IRS deadlines in the flood areas. We provide interest abatement for delayed filings, and special IRS rules for the forced sales of livestock that were caused by the horrible, horrible floods.

I am also gratified that several other reforms I have worked on are included. We changed the rules governing employee stock ownership plans [ESOP's] to make it easier for small businesses to give ownership to employees of the company. We prevent the taxation of survivors benefits. We stop, no more taxation for survivors benefits for police officers or firefighters killed in the line of duty.

We make the administration of church pension and benefit plans much more workable. We include language to clarify the tax-exempt status of State health insurance risk pools that provide coverage for high-risk people and their children and spouses.

Mr. Speaker, this bill will provide important relief to real people right now. I urge my colleagues to support this important legislation.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Speaker, I stand in favor of this bill. I also want to commend the chairman of the Committee on Ways and Means for an excellent job.

It certainly is an historic week. For the first time in a generation, we will balance the budget and provide tax relief to working families across the Nation. This Congress will leave the legacy of a smaller, less invasive government to our children. At the same time, we will ensure that middle-class Americans keep more of their money.

Today we will refund to the American people one-third of President Clinton's tax increase, the largest in history. Back in my congressional district, the per-child tax credit will mean families with children can save $47 million next year. California has had some tough years, as the Speaker knows. We are looking forward to having better years. This is going to help, Mr. Speaker.

Some said this day would never happen. Thanks to the Republican Congress, it has. But the real winners this week are my constituents and the rest of the American people. We look forward to future days like this.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BECERRA], a member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank the gentleman from New York, especially for all the work he has done on this particular balanced budget agreement.

Mr. Speaker, if 535 Members of both the House and Senate got together to try to draft a bill, we would have 535 different versions of a balanced budget agreement. That is why in a democracy and in politics compromise is what must rule. If we do have that type of compromise, we have leadership and we will have progress.

We have to accept some bad with the good. Democrats, I know for example, fought for about 5 million children to be included within the child tax credit because they happen to fall within families that earn between $18,000 and $30,000. Republicans were able to achieve victory for families earning $75,000 to about $160,000, and including them within the child tax credit as well.

Democrats fought hard to get another $8 billion more for child health care, to try to help cover some 5 million of the 10 million uninsured children in this Nation. Republicans fought very hard and succeeded in getting the corporate tax rate dropped on capital gains tax rates.

Democrats fought very hard to make sure that empowerment zones and brownfields were included in the legislation, which would allow for economically depressed areas, those areas that had contamination in the soil, to be reached by new entrepreneurs who are willing to take a little bit of a risk, and they will get some incentives and tax breaks if they establish a business in these areas.

Republicans, on the other hand, fought very hard to get IRA's, individual retirement accounts, that will now go to those who can put up to about $2,000. If they happen to have incomes up to about $160,000, now they will not have to pay taxes on those particular IRAs. They benefit.

Democrats made sure that the education package would give someone who is going to community college and pays $2,000 a year at least $1,200 of tax breaks. The Republicans wanted to give $750. We won on that. The Republicans were able to get more breaks for the 1½ percent of people who die and have to pay an estate tax.

We all win and we all lose. Ultimately we try to compromise. I think we can all say that whether one lives on Main Street or Wall Street, we all won.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, allow me to say to the gentleman from Texas [Mr. ARCHER], a friend and someone who I know has worked so very hard on this bill, I thank him very much. I rise today to support this legislation and this effort.

However, I would say to the gentleman from Texas, BILL, if I might call you that, if we acknowledge the sincere distinctions that we have in this House, let me now commend my good friend and the ranking member of the Ways and Means Committee, the gentleman from New York, Mr. CHARLIE RANGEL. CHARLIE RANGEL is a Korean war veteran who went to school on the GI bill.

It so happens that his history may track a little more where I came from, where the earned income tax credit might have helped my parents who did not have a college education; who struggled every day, and may not have known sometimes how the bills would be paid.

I represent a district that looks like that of the gentleman from New York, Mr. CHARLIE RANGEL, and with poor people and working people, and great ethnic diversity, so I also stand in the well of this House acknowledging that there are some stumbling blocks in this tax bill. Nevertheless, I cannot thank CHARLIE enough for staying in there in the fight, never forgetting where he came from.

So we now have in place for those people making $30,000 a year tax relief. The HOPE scholarship has been made better. In fact, now you do not have to worry about whether you are going to Yale or Harvard to get tax relief, you can go to your local community college and you can get $1,500 a year free and clear and you can go and get an education.

I do not like that most Americans do not save a lot. This may change because of this tax bill. It gives incentives for savings. That is a positive. England is No. 3 in this world on assets because their people save. Yes, I do not like total airline taxation system, but we have made it better, and we are going to stay on it and make it much better. To my airline constituents those on short domestic routes and those on international routes, I will continue to monitor the impact on this bill.

To the Members, there is something else we can work on. We can work on tax simplification, so all of us can understand how to file our taxes, because we are a nation that believes in carrying its weight. Further, in the outyears, if this deficit explodes, I am committing to be diligent in making sure this Congress fixes this bill so we do not have the deficit that we had before, which hurts the economic health of this Nation.

There are some stumbling blocks here, but to that I quote Shakespeare's words ''that unto each of us is given a book of rules and a bag of tools, and each must make, ere life is flown, a stepping stone or stumbling block. Stumbling blocks are in this bill, but there are enough stepping stones that we should vote for this bill. This is a bill for America. I am proud to vote for this tax bill, because people like me and people I represent will be able to count a few more dollars in their pockets and get real tax relief. At the same time America's business is freer to reinvest in America's economy and create jobs! jobs! jobs!

Mr. Speaker, I rise today to join my Democratic colleagues in raising the flag for the Americans who truly need the tax cuts in this bill. Let's not kid ourselves here, this will mean an increase in the paychecks for working people that Democrats represent. This bill may mean a decrease of Republicans on lines 13 and 14 of their Schedule D's after they confer with their lawyers and accountants, But, today Democrats can raise the flag for working Americans who bring home a paycheck that will see an increase as a result of work on this side of the aisle.

Let's make no mistake about it, Mr. Speaker, the economic engine that is driving our expanding economy is being oiled and maintained by Americans who carry lunch boxes to work and really do something or make something for the paychecks they receive. They don't clip coupons, they work for a living. They don't have lobbyists up here on Capitol Hill making campaign pledges to us. They are the ones who really deserve the break today that this bill is delivering.

Democrats fought Republicans and won the $500 child tax credit for families who need it, families making under $30,000 a year and may have depended on the earned income tax credit in the past, the American wage earners that the Republican leader characterized as getting welfare if they got the child tax credit.

Mr. Speaker, Democrats fought for and won this credit for 15 million taxpaying, working families that the Members on the other side of the aisle argued vehemently were less deserving than families making over $100,000 a year. Republicans failed the fairness test even though they originally promised in their Contract With Americans back in 1994 that those

15 million would be included in their targeted tax breaks. Thanks to our work, the work of Democrats, those working class Americans are included today.

Mr. Speaker, the American public knows who stood up for the families who send their children to our community colleges, to our great land grant universities, our venerable State colleges and universities and our Historically Black Colleges and Universities. Americans know that they will be able to contribute tax-free to State run prepaid tuition plans because of the work of Democrats. They know that the HOPE Scholarships that give students a tax credit for the first 2 years of college worth 100 percent of the first $1,000 of their tuition and 50 percent of their second $1,000 of tuition has a Democratic stamp on it. They know that in the third and fourth years of their college education they will get a tax credit worth 20 percent of $5,000 of tuition expenses for each year because of the Democrats on Capitol Hill.

Mr. Speaker, there can be no doubt about which Members of Congress expanded the welfare-to-work tax credit in order to help those Americans and their employers who are making the transition from welfare to work. This bill gives employers who hire those who may have been less fortunate than others and have been on welfare for an extended period of time a tax credit equal to 35 percent of the first $10,000 in wages in the first year of employment and 50 percent of the first $10,000 in the second year. I offered this very same amendment in the 104th Congress, I am glad today it passed. The targeted urban communities that this part of the bill will help includes the city of Houston and the people there and in other urban areas who are making the effort to turn their lives around. These are the people for whom government can truly make a difference. These are the people who may not have anybody in their lives to give them boosts and incentives to help them make a better life for themselves.

Mr. Speaker, I am also mindful of the consumers who fly on our airlines like Southwest and Continental. America's airlines, both big and small, as well as their passengers are winners under this bill, although we can do better. The financial reform that begins with this bill will insure airline safety in the future, and airline industry prosperity.

Mr. Speaker, I am proud to be a Democrat and vote for this bill. It is good for our country and Democrats have helped those who really need our help.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, I do not think I can pick up with the passion we just saw, but that is good news. This is an amazing day.

Mr. Speaker, the firmness and fairness of the gentleman from Texas [Mr. ARCHER] brought this deal about. I hope the American people understand that. Our Republican leadership team has done a good job, but the best decision they ever made was to let the gentleman negotiate for us. It has really helped a lot.

The gentleman from New York [Mr. RANGEL] is going to vote for this bill, I understand. I know this is difficult. I congratulate him for making what has to be a difficult compromise, but I think the Nation is better off.

I am not going to talk about the details for the next few seconds. The important thing to me is that we are taxed from the time we get up in the morning and drink our first cup of coffee to the time we go to bed and watch a show on television and pay cable taxes. We are taxed from the time we are born until the time we die. Today we get just a little bit of our money back, and a little money and power flows out of Washington today. We do not need to worry about the details.

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The most important thing that you need to understand about today is that, when President Clinton moved to the middle and agreed that money and power need to come home in a fair way and said giving money and power back to families, businesses, and local government is a good thing, the public has rewarded him, and they should, and the Democratic Party. But let it be said, as a member of the Contract with America class, that our legacy to this country is that new people came to Congress and sang a different song, and that tune has been picked up by people who have never sung it before and it is music to the American public's ears.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I thank my colleague from New York for yielding me this time. I am going to vote for this tax bill for a couple of reasons. First of all, I want to thank the gentleman from New York [Mr. RANGEL] and the President for making the child tax credit refundable. Somebody making down to $18,000 a year is not on welfare. They should share in this tax cut.

Second of all, the education investment is probably the most important investment vehicle that we have in this tax bill to move the economy forward. With respect to the capital gains proposal, the final proposal actually, I think, is far better than we started because it addresses holding periods. I think that is much more efficient economically. It allows us to not reward churning of accounts but to reward long-term investments that are more productive. With respect to some issues in it, I am pleased that you dropped the difficult minimum provisions that have been requested by the administration. That is very important to State and local governments.

I regret that we still have the $3 head tax in it that will affect short haul carriers such as Southwest Airlines in my State. I think that belies the fact that these carriers pay the same capital cost as long haul carriers through State and local landing right agreements. Overall it is a good bill. Let us just hope that it works.

Mr. Speaker, I rise in support of this legislation, which is much more fair and fiscally responsible than the legislation approved by the House on June 26. This conference agreement improves upon the original legislation in several significant ways: it provides more tax relief to low and moderate-income taxpayers most in need of this assistance; it provides more extensive tuition tax credits to help families afford a college education; it better targets capital gains tax relief to reward economically productive long-term investments; and it eliminates or limits provisions that would have caused the cost of this legislation to explode over time, resulting in new deficits.

The child tax credit in this conference report is much more fair than in the original House bill. This legislation extends the child tax credit to working parents making as little as $18,000 annually who would have been denied this assistance under the earlier bill. My Republican colleagues claimed giving a child tax credit to families earning less than $30,000 per year was the same as welfare. Mr. Speaker, this is not welfare. These are working, taxpaying, wage-earning families who would have been denied tax relief simply because they do not earn enough to pay income taxes, although they still have to pay substantial and regressive payroll taxes. These are people working harder than ever to stay off welfare. Because of strong Democratic support led by President Clinton and Ways and Means Ranking Member CHARLES RANGEL, we now have a bill that helps these families too. As a result, 5.5 million more children from these working families will benefit from this tax credit. This is the right thing to do to strengthen our families and reward their hard work.

This legislation also improves substantially on the tuition tax credit. The original House bill would have cut the value of the proposed $1,500 tax credit in half and provide only 50 percent of tuition expenses for millions of students attending community colleges. This agreement provides the full tax credit for the first $1,000 of tuition costs and a 50-percent credit for the second $1,000 of tuition for each of the first 2 years of college. And it provides a tax credit worth 20 percent of $5,000 of tuition expenses for the third and fourth years. In addition, it allows an income tax deduction of up to $2,500 a year for interest paid on student loans, which I have long supported, and creates a new individual retirement account specifically for education expenses. These are the right investments to make because higher levels of education are necessary than ever to succeed in today's global, high technology economy. Just last week, we heard testimony from Federal Reserve Chairman Alan Greenspan and numerous respected economists that, in order to ensure American workers' earning power, we must increase their level of education. This bill provides for that need.

I am also pleased that this legislation rewards long-term investment by reducing the maximum capital gains rate to 20 percent for investments held for at least 18 months and 18 percent for those assets purchased after 2000 and held for more than 5 years. The capital gains rate would be reduced to 8 percent for such long-term investments for taxpayers in the 15-percent tax bracket. This provision moves in the direction of legislation I have introduced to reduce the capital gains tax on a sliding scale based on how long an asset is held, which I believe is both economically productive and fiscally responsible. In this way, we will reward patient capital that is

so vital to starting and expanding businesses and creating jobs.

I regret that the bill continues to impose a per segment head tax of $3.00 under the airline ticket tax. This is unfair to short haul, low cost air carriers such as Southwest Airlines based in Texas. It belies the fact that both short and long haul carriers pay an equal amount of the majority of capital costs of the Nation's airports through landing and gate agreements at the local level.

Finally, I believe this legislation is more fiscally responsible than the earlier bill approved by the House. That bill included provisions, such as capital gains indexing, that would have caused the size of the net tax cuts to grow rapidly after the first 5 years. The result would have been new and larger deficits and increased pressures to cut vital programs such as Medicare, Medicaid, education, and environmental protection. I remain concerned that this conference report still poses that risk. As I stated yesterday during the debate on the spending cut bill, there are no guarantees that this plan will work. We must carefully track the revenue stream and ensure that the next tax cuts remain within the projected cost. And we must be willing to make corrections if they do not.

But on balance I believe this is a good bill that will provide tax relief to our families, help more young Americans get the college education they need, and reward long-term investment that creates businesses and jobs. I urge support for this legislation.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. SAM JOHNSON, a highly respected, great patriot member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, Republicans have done what some called impossible. We have balanced the budget, provided the most significant tax relief in 16 years. Not since Ronald Reagan gave us 7 years of unprecedented economic growth have we given so much relief to the millions of families, small business owners, farmers, and other hard-working Americans who deserve to keep more of the money they earn.

This bill is going to free up dollars, free up money, taxpayer dollars, I might add, which previously had been used for wasteful government spending. It returns this money to the rightful owners, to the people of the United States of America, to those who create jobs, economic growth, and wealth. It is going to provide more people with the opportunity to achieve the American dream of owning their own home, seeing their children go to college, and having enough money to retire and just enjoy their grandchildren.

Mr. Speaker, I wanted to thank the chairman of the Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER], my good friend, a super Texan and a great American for his hard work and determination in making sure that Americans get what they so richly deserve, a big tax cut. It is long overdue. It is finally time that this Congress has done something good for America. God really has blessed America.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLECZKA], a member of the committee.

Mr. KLECZKA. Mr. Speaker, let me start out by indicating not only my strong support for the legislation, but also my pleasure in working with the gentleman from Texas [Mr. ARCHER]. Not only is the gentleman from Texas [Mr. ARCHER] very knowledgeable about the Tax Code, but in his dealings not only with myself but other Members, he always was very, very fair. He uses a saying in the committee, it is called rifle shot. He does not want any rifle shots as it relates to tax policy.

I cannot agree with the chairman more. I think if we are going to put in the tax bill relief or fairness or help to a group, it should be a broad group, not one specific corporation, not one group of individuals but it should be a broad array of individuals. This bill, I believe, reflects that.

I also want to thank the ranking member, the gentleman from New York [Mr. RANGEL], who kept us all honest, especially the Republican majority not only in items as it dealt with the education portion but also with the EITC and other areas that are so important to his constituents, my constituents, and all our constituents.

The first time the bill came before this body, I could not vote for it. There was a very onerous position included in it, the independent contractors section, which would have the effect of reclassifying hundreds of thousands of current employees who get benefits such as unemployment compensation and workmen's compensation. They would be denied these by reclassifying them. This bill does not have that provision. It was taken out in the conference committee. That is probably the major reason why I stand here today in strong support of the bill.

Also, I think one of the criticisms we have all had from time to time on the existing Tax Code is that it does not promote savings. With the inclusion of three new types of IRA's, we are changing the course of this Nation wherein we are going to reward savings and not reward spending. I think that is an important feature.

Another area which I think should be highlighted, which is of vast importance to millions of homeowners in the country, is the exclusion of sale of your primary residence. Right now you have to save a whole ton of receipts to prove you are not making any money on the sale. This bill eliminates that.

Last, since my tax legislative assistant is leaving today to go on to school, let me thank Win Boerckel for years of service in helping me with my Ways and Means Committee duties.

Mr. Speaker, I rise in support of the tax bill before us today. The Taxpayer Relief Act brings us to a balanced budget while also providing tax relief to many Americans.

On balance, I would have liked to have seen across-the-board tax relief for everyone, not just those with children, or those selling a house or securities. However, this was not to be since my committee amendment to increase the personal exemption for all taxpayers was defeated.

Mr. Speaker, this legislation may not be perfect, but it is much improved over the version that came before us in the House 1 month ago. The changes made in conference have earned my support for this measure.

The House bill contained a provision that could have had a devastating impact on workers and their benefits. The measure, innocently labeled as a safe harbor for independent contractors, would have permitted many employers to reclassify their workers as independent contractors and thus deny those workers employee benefits and worker protections. This was not only bad policy, it did not belong in this tax bill in the first place. Fortunately, the conferees wisely removed this language from the conference report before us today.

Likewise, this conference report provides reasonable capital gains relief without triggering massive outyear revenue losses. The original House bill contained not only the capital gains cuts, but also a measure which would have allowed indexing the value of assets for inflation. The final bill leaves out the indexing which could have led to large revenue losses 10, 15, or 20 years from now, but includes the rate cuts that will provide significant relief to taxpayers today.

The bill contains relief for parents raising children, small businesses being passed on to family members, workers saving for their retirement, and people saving to buy their first home.

In order to help parents make ends meet, taxpayers with children 16 and under will receive a $400 tax credit next year, and a full $500 tax credit in 1999 and thereafter. This credit will be available to single parents making up to $75,000 and couples making up to $110,000.

The bill also provides much-needed help to families with students going on to college. The HOPE scholarship will give students up to $1,500 a year for the first 2 years of college, and up to $1,000 a year for their third and fourth years.

The agreement allows individuals to contribute tax-free to State-run prepaid tuition plans, like the one we have in our State of Wisconsin.

The legislation also creates education individual retirement accounts to which families can contribute up to $500 per year toward college expenses. Single parents making up to $95,000 and couples making $150,000 can open and contribute to such education accounts. In addition, taxpayers will be allowed to withdraw up to 10 percent from a regular retirement IRA to pay for the education expenses of a child, grandchild, or spouse.

Starting next year, taxpayers will be able to deduct a portion of the interest on their student loans. The allowed deduction will be $1,000 in 1998, gradually increased to $2,500 in 2001 and thereafter.

The bill provides significant estate tax relief, increasing the amount of an estate exempt from tax from $600,000 to $1 million over the next 10 years. In addition, small business gets more immediate relief beginning next year when family-owned businesses and farms will be eligible for a $1.3 million exemption.

Under this legislation, more and more Americans will be able to take advantage of individual retirement accounts [IRA's] to save for

their old age, purchase a home, or save for their children's education.

Single taxpayers making up to $95,000 and couples making up to $150,000 will now be able to contribute up to $2,000 a year to new back-loaded IRA's. The contributions will not be deductible from income, but the withdrawals will be completely tax-free. Withdrawals can be made penalty-free not just for retirement, but also for the purchase of a first home.

More taxpayers will be able to contribute to regular IRA's as well. Over the next several years, the income limits restricting use of regular IRA's will be gradually increased. Those single individuals with incomes up to $50,000 and those couples making up to $80,000 will eventually be able to make tax-deductible contributions to regular IRA's.

Mr. Speaker, I am pleased that objectionable provisions have been removed so that I can support this legislation bringing tax relief to many people across this country and in the Fourth Congressional District of Wisconsin. I urge my colleagues to support the bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DeLAURO. Mr. Speaker, I rise today to support this tax cut proposal and to remind my Democratic colleagues that we can accomplish what we can accomplish when we stand up and fight for what we believe in.

I want to say thank you to President Clinton and the gentleman from New York [Mr. RANGEL] for standing firm for Democratic priorities. Just last week our Republican colleagues were on the floor of this House calling a tax cut for hard working police officers and kindergarten teachers welfare. They stood up and defended a tax bill that included only a fraction of the needed funds for children's health care coverage and they promoted a proposal which would have raised taxes on graduate students and provided nothing at all in the way of relief for college juniors and seniors.

Democrats stood up. We fought for middle class Americans, and we won. Democrats fought for tax relief for all Americans who work for a living and pay taxes, even if they do not make a lot of money. Democrats fought for the full $24 billion to provide health insurance for uninsured children and Democrats fought to improve the education tax package to give every family in this Nation the chance to send their kids to college. What they did not fight for were tax breaks for the wealthiest Americans.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. MANZULLO].

Mr. MANZULLO. Mr. Speaker, I received a letter from Gary Hall, dated July 4, 1997.

Dear Congressman, I am sitting here at my dad's grave, missing him so much. He was not only my father, financial adviser, supervisor, the best farm adviser I know. He was my best friend. Now the family attorney says time is getting short. You have to decide what is being sold to pay all these taxes.

The family farm, 1,900 acres, appraised at $5.5 million, estate taxes, $4.26 million. He says, why does the Government deserve to squander or blow dad's hard work away? The Federal Government taking 80 percent, 80 percent of the family farm. It is unconscionable.

But the good news is, we have passed a bill. It will save him a little bit of money. But we have a long way to go so America's farmers can pass land on to their children without the Government squandering it away.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. PAXON].

(Mr. PAXON asked and was given permission to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, before I begin let me tip my hat to the gentleman from Texas [Mr. ARCHER]. I know this is an amazingly important day for him and his great team. They have worked so hard for so long and labored in the minority. And today we have this happen, and we just tip our hats and say, thank you for your perseverance and your dedication.

Mr. Speaker, what a difference a Republican Congress makes. Four years ago this very month the other body, the other party was enacting another celebrated budget. That budget increased taxes on Social Security, on gasoline, on income, even Democrats called it the largest tax increase in the history of the world.

It gave us deficits as far as the eye could see and did nothing to save Medicare. Today we are prepared to pass another kind of budget. There is a difference. Today we are cutting taxes for children, for college, for farms and for homeowners.

We eliminate the deficit and save the Medicare system which saved the lives of both of my parents. But you ain't seen nothing yet.

This Congress intends, under the leadership of the gentleman from Texas [Mr. ARCHER], to come back again next year and to work harder to cut even more taxes for the American people. For example, next year I believe we could cut payroll taxes, eliminate the marriage penalty, and give a break to families who care for their elderly parents or we could do as my hero, Ronald Reagan, wanted to do, which is have even larger across-the-board income tax cuts for all American taxpayers.

Of course, our ultimate goal is nothing short of eliminating the entire Tax Code and replacing it with either a flat tax or a national sales tax, a debate this country needs and is long overdue.

Mr. Speaker, this is not the final battle in the war to cut America's taxes. This is but the opening shot. What a difference, truly, a Republican Congress and leaders like the gentleman from Texas [Mr. ARCHER] have made and are making for us every day.

Mr. RANGEL. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR], a leader of our Democratic Party and our whip.

Mr. BONIOR. Mr. Speaker, I am voting for this tax bill because it helps working families. In the Republican bill you almost had to be wealthy or work on Wall Street or own a big corporation to get a tax cut. We said no to that. Democrats said that tax relief should go to the teachers, the police officers, the nurses, the family farmers, the construction workers. These are the people who make America work. They put in a hard day's work, day in and day out, and they needed the relief.

I will never forget the debate we had on this floor over the last 45 to 60 days. We talked about that police officer in Atlanta, GA making $23,000 a year, putting his life on the line every day, has two children. And we said in our proposal we wanted him and his wife to share with their children and that child tax credit.

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And they said it would be like giving welfare to that police officer. Well, they were wrong. We fought them on it and we won.

Under today's tax bill, 27 million working families will get a child tax credit. Homeowners will be able to keep more of their gains when they sell their home. Students from working families and people who have lost their jobs or want to upgrade their skills will be able to get a $1,500 tax credit from their community college, job retraining, or a 4-year degree. That will all be supplemented in this bill.

Now, these are the people that the Democrats fought for, and we won. But I must tell my colleagues this afternoon and concede that we have paid a price for all of this. This bill is indeed a compromise. In exchange for extending the child credit for working families, Republicans demanded huge tax breaks for the wealthiest 5 percent, and they got them. In exchange for education tax credits, Republicans demanded huge tax breaks for America's largest and biggest corporations, and they got them.

I am talking about tax breaks like rolling back the corporate minimum tax. So we are now going to go back to the days when some of the biggest corporations in America will not pay any taxes at all. It is an outrage; a $19 billion outrage.

So we will be watching and we will be fighting. The gentleman from New York [Mr. PAXON] comes to the floor and says there will be another tax bill next year. We will fight with every ounce that we have against this $19 billion giveaway to the biggest corporations. We will be fighting to make sure that the tax breaks now going to the wealthy do not come out of the pockets of working families in the future.

We will be fighting for fairness, because working families will not stand for it if our Tax Code turns into a picnic basket of corporate giveaways. They will not stand for it if the Fortune 500 companies reaping huge profits pay no taxes at all. They will not

stand for it if the CEO's, making 200 times the salary of the average worker, squander their capital gains on corporate jets and luxury limousines instead of investing in jobs in our communities. And they will not stand for it if stock market speculators run off with all the benefits while the people who work with their hands pay all the bills.

Today I am voting for that person. I am voting for that mother who will be able to take that $500 credit and buy her daughter books and school supplies. I will be voting for that police officer and his wife who will be able to get $1,000 for their children. I think of that fellow who wants to become a welder who can take a $1500 education credit and sign up for a course and land a good job and a good wage. I will be voting for him.

So, no, this bill is not perfect, but my friend, the gentleman from New York [Mr. RANGEL], and all those who worked on this bill to bring it to some sense of equity, we have a long ways to go, but we brought it from where they started at $245 billion with the Contract With America, we brought it home to where at least some of the benefits will go to working people in this country who need them so badly.

No, this bill is not perfect, Mr. Speaker, but these people that we fought for cannot wait and I am voting ''yes'' for their future.

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

I oppose this bill and suggest to my colleagues and the American people that it is unfair and unnecessary. The Congress is lying to the American people because this does not balance the budget. It cannot balance the budget until 2002 unless we make more cuts, and we are not going to make those cuts. We have not now and we will not then.

If we did nothing, the budget would balance this year or next year by itself. Government, again led by the Republicans in Congress, is mucking up the economy by bringing forward an unnecessary bill.

These unfair tax cuts, 75 percent of these tax cuts go to families with over $150,000 in income. Simmons, the beet king in Texas, gets $104 million individually. Sammon Enterprises in Texas gets $23 million, negotiated in the dead of night in the Republican leadership offices, where they probably got those two $500,000 campaign checks from the Amway Co., and they gave Amway $200 million in tax deductions for their Republican contributions.

And in the secret of night it harms poor families who will have a $40 tax increase. And what my colleagues do not know is that it eliminates abortion for poor young women. That is buried in this bill. It hurts cancer victims. Unknown to any of us here, the tobacco settlement, which is not even agreed to yet, $50 billion of the money that should come out of the tobacco settlement is being credited because of the tobacco tax. That money was supposed to go to cancer victims. The Republicans are stealing the money that is supposed to go to cancer victims from an unfinished tobacco settlement and using it to fund this turkey.

My fellow colleagues, this is an unnecessary bill with a political purpose and it is economic nonsense. It harms the American public and only helps 1 or 2 percent of the very richest Americans who make their money either through inheritance, not a heavy-lifting job, or through stock market activities.

There are secrets buried in this bill which are undetermined at this point and were decided last night in the dead of night. I urge my colleagues, in the sense of parity and economic justice to vote ''no'' on this tax bill.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume to very briefly refute the statements that my friend on the Committee on Ways and Means, the gentleman from California [Mr. STARK], just put before the Congress.

I do not know where his figures come from, but the Joint Committee on Taxation, which distributes and scores this bill, has distributed the benefit of this bill so that 76 percent goes to people under $75,000 of income. Now, with the addition of the change in the child credit and other things that were done, it is even more that goes to people who are under $75,000, and primarily between $20,000 and $75,000 of income.

What has added more regressivity to this bill is the fact that those who favored the cigarette tax have put in place a tax that is the most regressive tax in the bill. Irrespective of how one feels about cigarette taxes, when the scoring is done on regressivity, that pushes more of the burden onto the very, very low-income people.

So I wish we would just get the facts before the Congress and before the people.

Mr. MATSUI. Mr. Speaker, I rise today in opposition to this tax package which moves us away from the paramount goal of this Congress—bringing the budget into balance. This bill also moves us away from two other very important goals—tax simplification and tax fairness.

DEFICIT REDUCTION

The historic budget agreement between the President and the Congress called for net tax cuts of $85 billion over 5 years and $250 billion over 10 years. If we did not pass these tax cuts economists predict that we could reach a balanced budget in 2 to 3 years. This agreement will push that goal out to the year 2002.

In addition, the bill before us includes an even bigger net tax cut of $95 billion over 5 years and $275 over 10 years. Over 5 years the tax cut exceeds the agreement by $10 billion and over 10 years it is $25 billion over the line. There is no reason to enact such a large tax cut package in excess of the budget agreement. In the 10 years beyond 2006, the size of the tax cuts will continue to increase. The cumulative cost by the year 2017 could go as high as $500 to $600 billion. It is folly to enact a plan, which will put additional pressure on the Federal budget, when we know that the pressures on the budget from the growth in Medicare and Social Security will greatly intensify over the same period of time. We are in a time of very strong economic growth. We should use this opportunity to get our fiscal house in order so that we can better deal with the fiscal pressures we know are coming.

TAX SIMPLIFICATION

This legislation will introduce a new and unwelcome magnitude of complexity in the lives of ordinary Americans. This at a time when the public confidence in the IRS is at an all time low and budget cuts for taxpayer services are sure to come. In 1986, we enacted legislation to greatly simplify the Code; achieving lower rates and a simplified structure. This legislation regrettably moves us in the wrong direction and requires that we pay attention to the Tax Code before we made basic decisions. In 1996, about half of all tax returns filed were completed by paid preparers. The child credit, education, and IRA provisions will result in tax relief but at a cost of increased paperwork for those who will have to interpret and plan to benefit from these provisions.

A former Treasury official was quoted as saying, ''Who really wins from the tax bill? The tax-return preparers and the manufacturers of tax-preparation computer software.'' These provisions could have been simplified had there not been so much focus on blessing some behavior and striking political compromises. The current Code is already very burdensome, this legislation will certainly increase that burden for many people.

TAX FAIRNESS

We must have a fair tax system. Many at the top of the income scale have benefited greatly over the last several years. That is commendable but we should not enact policies which will accelerate the divergence between those at the top and the bottom of our economy. This bill will do that at a time when we can least afford it. A recent analysis of the bill shows that the average tax cut for middle-income families and individuals will be less than $200 under this bill. Top income earners will pay over $16,000 less in taxes each year under this bill. Families who are in the lowest 20 percent of income are the only group which will face a tax hike under the bill.

Mrs. MINK of Hawaii. Mr. Speaker, I must register my objections to H.R. 2014's airline tax provisions which levy a $2 per stop fee which will be borne mainly by our local short-haul air carriers and their passengers.

I represent the Second Congressional District of Hawaii, which includes all of Hawaii's eight major islands. Obviously, the only way to travel between the islands is by air. Passengers of Hawaii's inter-island air carriers—Hawaiian Airlines, Aloha Airlines, and Mahalo Airlines—will be adversely affected by the new $2 per stop charges under H.R. 2014. A typical round trip ticket from Honolulu to Maui costs under $100. Now there will be added a new $4 tax. That flight is less than 20 minutes! A 5,000 mile round trip flight from Washington DC to San Francisco will also have a $4 stop fee.

These airline tax provisions are clearly unfair to Hawaii's people.

I urge this House to quickly revise this matter and allow Hawaii's people to be treated equitably.

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today in support of the Tax Payer Relief Act of 1997 (H.R. 2014). This historic legislation provides for needed relief for working families. It achieves a goal of mine to balance the budget. reduce the deficit, and invest in our future.

This initiative invests in our children and our future hopes for them through greater access to health care and educational opportunities. The education tax provisions will also benefit their parents who seek to improve and expand their own skills to meet new career challenges in our global economy. In my community, the metropolitan community colleges have excelled in connecting our employers with qualified employees through extensive business and community partnership. The Vice President visited the business and technology center in my district last year to highlight their success as a model for our Nation. This initiative will only enhance the potential of elevating our work force to the level of competitiveness needed.

One aspect of the legislation important to the people of the fifth district is the brownfield tax credit. Qualified companies would be allowed to deduct the costs associated with remediation of contaminated sites in order to promote development in these areas. In my district both the Westside Industrial Park conversion of an old train yard into a useable property, as well as the rejuvenation of the Union Station project are now closer to reality. In eastern Jackson County these tax credits will allow for completion of the Jackson County Expressway. The economic boom created with this new freeway will generate job growth and economic expansion.

One of the major victories which was accomplished with this legislation was the rightful return of the dedicated 4.3 cents gasoline tax to the Transportation Trust Fund. The previous diversion of these funds unfairly masked the true amount of the deficit. The availability of these funds for projects in the metropolitan Kansas City area will afford the opportunity to improve the safety and efficiency of the highway system and complete critical infrastructure projects such as the Chouteau Bridge, and the completion of the Bruce R. Watkins Freeway, which has been 25 years in the making.

Reduction of the capital gains tax for middle class Americans will keep our economy strong by increasing the capital available to continue to grow our economy. Reduction in the inheritance taxes will enable small businesses to stay within families.

We must be vigilant in Congress to ensure that the systems in place to guarantee the budget is balanced by the year 2002 remain. Similarly, Congress will have to continue to reduce the deficit through setting smart spending priorities. Balancing the budget and reducing the deficit will yield further rewards for our country; deviating from those worthy goals will threaten to erode value which this tax package provides for our constituents. Mr. Speaker, I support this bill and urge its adoption. Thank you.

Mr. KOLBE. Mr. Speaker, I rise in strong support of H.R. 2014, the Tax Payer Relief Act of 1997.

This is a proud moment for me—to be able to tell the citizens of Arizona that the U.S. Congress has heard their plea to reduce their taxes and to balance the budget. In my 13 years here in the House, how many times have I made that plea on this floor? And today it is really going to happen.

In terms of the future of this country, the tax incentives for higher education may be the most important thing we do here today. As we continue to engage in the global marketplace, education is the factor that makes our workers more productive and creative. Education is the key to higher wages and a better standard of living. Reducing the financial burden on families who want to provide that future for their children is a step to insuring the viability of our economy for years to come. A college tuition tax credit, deductible interest on student loans, a credit for continuing education, extension of employer provided education assistance—these incentives will be incredibly valuable in assuring the educated work force we need for the future.

As important as the education incentives are, I don't want to downplay the $500/child tax credit. An extra $500, $1,000, or $1,500 or even more in the pockets of families with children up through the age of 16 will make the lives of those families so much richer. We aren't giving these parents anything. We are just allowing them to keep that much more of the money they work so hard to earn for their families—for clothes, for piano lessons, for braces, for camp, or vacations. And as pleased as I am that we are letting them keep more, I am troubled by the fact that I even say those words. Who are we as the Federal Government to say that people can keep their own money? How did we get to this place? We must get back to having the people tell us how much they are willing to give the Federal Government.

Mr. Speaker, at a time when we know we are facing a looming crisis in payroll taxes and funding Social Security payments, I am especially pleased that we're letting people keep more of their investments. If they are thrifty and invest for the future, we are taking less of the earnings on those investments. We are dropping the top capital gains tax from 28 percent to 20 percent and eventually there will be an 18-percent top rate for those investments held for 5 years or more. We are providing more ways, especially for middle income families, to save for those retirement years ahead through expanded IRA's. That will make a tremendous difference for our citizens who want to provide for themselves after retirement.

We are helping small business with this tax bill. In addition to the capital gains tax relief, we are exempting them from the alternative minimum tax. We are phasing in full deductibility for health insurance premiums for self-employed persons. And there is an immediate jump in the death tax threshold to $1.3 million for small family farms and businesses.

There are many, many other excellent provisions in this bill, but I won't take more time now to itemize what many of my colleagues already have. I might also say there are a few of the loophole closing provisions that I don't like—provisions that actually will create tax burdens where none existed before. And there are some provisions that will greatly complicate the Tax Code and create still more confusion in the IRS administration of the tax law. Such complications are bound to create more dissatisfaction with an already controversial agency.

But, I am pleased that we are taking less in taxes from the American people. Some on this floor have decried giving back this money. They are treating it as if it belongs to the Government. It doesn't. It belongs to the people who pay the taxes and if we think otherwise, it's time for us to be replaced.

Yesterday's accomplishment, passage of the Balanced Budget Act, will balance the Federal budget by 2002; save Medicare from bankruptcy, and shrink the size and scope of Government. It addresses the short-term financing problem of the Medicare trust fund, and establishes a national commission to study and make recommendations to ensure the long-term viability of the important program.

It gives seniors choices in the Medicare Program rather than locking them into the one-size-fits-all system. Seniors will have the opportunity to choose from the traditional Medicare Program, or from the alphabet soup of managed care, or take complete control over their health and decide what type of medical services best suits their individual needs through a medical savings account. And most important, this reform attacks waste, fraud, and abuse in the Medicare Program. The anti-fraud initiative includes a ''three strikes you're out'' penalty for the worst abusers of the system.

Also, this historic reform increase health care coverage for children who are uninsured, and gives the States the flexibility to administer a child health initiatives which work best at the State and local level.

The Balanced Budget Act of 1997 and Taxpayer Relief Act are not victories of the President or the Congress, they are victories for the American people.

Mr. CRANE. Mr. Speaker, as vice chairman of the Ways and Means Committee and as one of the House conferees on the tax bill, it is with great pleasure that I rise today on the floor of the House of Representatives to speak in strong support of legislation which will provide substantial tax relief for the American people. Most importantly, it appears that this bill, the Taxpayer Relief Act of 1997, will be signed into law and will become the first major tax relief package the American taxpayer has seen enacted since 1981. Although it was in 1994 that Republicans gained the majority in the House of Representatives and started pushing in earnest for a tax cut, it took us nearly 3 years to finally convince this President that the American people were in need of real tax relief. Mr. Speaker, on behalf of the taxpayers of the Eighth Congressional District of Illinois, I'm glad the President finally got the message.

By now everyone should know the story of the middle class taxpayer. Today, the typical family devotes more of their family budget to combined Federal, State, and local taxes than they do to food, clothing, and housing. Considering this statement, it should come as no surprise that it is also a fact that Americans are being taxed today at record high levels. The time to reverse these trends is long overdue, and the legislation before us today is, I hope, only the first significant step toward relieving family tax burdens.

What is in the bill before us today? While time does not permit me to discuss every aspect of this bill in detail, let me start by saying that families with children will be the big winners. The $500 per child credit provided in this bill will begin to rebuild the foundation of take home pay for families with children which has

been seriously eroded over the past few decades. Indeed, had the current dependent deduction been indexed for inflation from its inception, the per child deduction would be over $8,000 rather than in the $2,500 range that we find today. We needed to do something, whether it be to dramatically increase the deduction—as I have long advocated—or provide a credit—as I introduced at the start of the 104th Congress. Relief is provided in this bill.

What else can taxpayers look forward to? The bill will expand opportunities for Individual Retirement Accounts [IRA's] and provide for penalty free withdrawals for education and first time homebuyers, legislation I have cosponsored for years. And the bill provides substantial education tax incentives.

In addition, the bill substantially provides relief from the death tax, raising the exempt amount from $600,000 to $1 million by 2007 and providing, in 1998, an exemption of $1.3 million for small businesses and family farms. As I have said before, the death tax is an extremely punitive tax as it penalizes those who have saved, invested, and paid taxes throughout their lives in the hopes of leaving something for their loved ones. I look forward to the day when I will never again hear the story of the family farm being sold to pay the estate tax, and that is why I will continue with my legislative efforts to eliminate the death tax entirely.

While allowing the American taxpayer keep more of their hard earned money will help spur economic growth indirectly, there are several provisions in this bill which will very directly encourage economic growth and job creation. The Taxpayer Relief Act reduces the capital gains tax rate substantially. Encouraging investment in capital will increase the pool of capital which will in turn increase access and thus stimulate job growth. another little discussed provision of the bill will reduce the burden placed on businesses by the alternative minimum tax [AMT]. This legislation exempts 95 percent of businesses from having to pay the AMT and it is my hope that members of this Congress are finally realizing that when they excessively tax businesses, they are simply increasing the price of products to consumers, killing jobs and hurting the ability of our businesses to compete internationally. As with death taxes, my goal is to eventually eliminate capital gains taxes and the AMT altogether; however, this bill is a good start in that direction.

Because of the provisions I have just mentioned, this is a bill well worth passing, despite any further improvements or changes that I might personally wish to make. While we have certainly heard such rhetoric in the weeks leading up to this day, I find it refreshing that the class warfare rhetoric that once dominated floor debate on tax cuts has at least been toned down to some degree. I would hope that we can finally put behind us once and for all the divisive class warfare rhetoric that has resonated all too frequently in this House chamber. The politics of envy, the politics of division, is simply crass politics that does far more harm than good. Following my statement I have included in the RECORD a copy of an article by Thomas Sowell which further exposes the shortcomings of the arguments used by those who engage in the class warfare debate. Again, the time has come to end class warfare demagoguery once and for all.

Finally, as vice chairman of the Ways and Means Committee, and as one of the House conferees on the tax bill, I can tell my colleagues that there is no one, not one person in either the House or the Senate, that has worked harder or deserves more credit for making this day happen than my friend, and Chairman of the Ways and Means Committee, BILL ARCHER. My Chairman, BILL ARCHER, has worked tirelessly in these past months—late nights and weekends—with one goal in mind—to deliver this tax relief package to the American people. He never lost sight of the goal and he delivered.

Mr. Speaker, I urge my colleagues to help make BILL ARCHER's hard work pay off and deliver this tax bill to the American people with an overwhelming majority of the vote.

[From the Chicago Sun-Times, July 26, 1997]

LIBERALS ARE MIGHTY GENEROUS WITH DEFINITION OF 'THE RICH'

(By Thomas Sowell)

Every year Forbes magazine devotes an issue to the rich—a listing of the millionaires and billionaires who have the most money. Liberals in Congress also talk about ''the rich'' whenever anyone wants to lower taxes. Big taxers and big spenders always like to say that there are ''tax cuts for the rich.''

The problem is that these two kinds of rich people are almost entirely different. Most of the people whom politicians and the media call rich don't have even a tenth of what it takes to make the Forbes list.

Millions of Americans who never would dream of considering themselves rich are included in the inflated statistics used by the liberals who claim that tax cuts are for the rich.

According to a Heritage Foundation study, there are more than 4 million mechanics, repairmen and construction workers who must meet the Clinton administration's definition of rich. So do more than 8 million government employees at federal, state or local levels.

How do people who are making modest middle-class incomes suddenly become rich? Let me count the ways.

First of all, the statistics used include money that these people never receive. These estimates assume that income is being underreported and add 20 percent to whatever income is reported. The value of your life insurance and pension fund also is counted as income.

Anybody can be rich if you add enough fictitious money to his actual income. As a result, anybody in Congress can be a demagogue who says that most of the tax cuts are for the rich. Let's go back to square one. The only people whose taxes can be cut are people who are paying them. Mostly, that is the middle class. When these middle-class people are renamed ''the rich,'' of course there will be ''tax cuts for the rich.''

The misrepresentation does not stop there. The Clinton administration's insistence that the tax cuts should also apply to ''the working poor'' is a classic piece of disinformation.

Most very low-income families are not paying federal income taxes in the first place. Extending a ''tax cut'' to them would mean nothing if the words were being used honestly. Used politically, however, what these words mean is that more federal money must be given to them anyway a handout renamed a tax cut.

None of this addresses the larger question of whether people making middle-class incomes today have always made middle-class incomes. Many of those who are called rich not only are not, they have not even had middle-class incomes all their lives. They just happen to be in the peak earning years of their lives—as many younger people currently in the lower income brackets will be in later years.

The wife of a prosperous doctor hit the nail on the head when she said she resented people who complained about all the money that doctors make. She asked: ''Where were they when we had three children and $85 in the bank?''

Most Americans do not start off in a high income bracket. They work up to it over the years and reach a peak somewhere in their 50s or 60s. That is where most of the high income and wealth in the country is. Census statistics for 1990 show families headed by someone in the 45- to 64-year-old bracket earning nearly double the income of families headed by someone in the 25- to 34-year-old bracket.

When it comes to wealth, the disparity is even greater. Census data show the net worth of households headed by someone in the 55- to 64-year-old bracket to be several times that of households headed by someone under 35.

Most of the people who are called rich could more accurately be called middle-aged or elderly. They are not a class. They are an age bracket. When they were younger, they were usually in a lower income bracket.

The facts are fairly simple. It is the demagoguery that gets complicated.

Mr. BOEHLERT. Mr. Speaker, I rise in strong support of the tax relief and balanced budget legislation which we have long promised and have finally achieved. Today we are going to follow through on our promises to balance the Federal budget for the first time since 1969 while providing the first major tax cut since the early 1980's.

I realize that the budget agreement is not perfect, but on balance its benefits enormously outweigh any flaws.

First and foremost, the budget accord goes a long way in helping working families make ends meet. Families with young children, under 17, will be able to take advantage of a $500 child tax credit. As these children get older and enter college, we are going to continue helping these families with a package of college tax credits, deductions and other tax incentives to help pay for tuition and pay back school loans.

Should this family own a small business or family farm, we are going to help them pass along their livelihood to their children. Currently, many children cannot afford to continue their family business or farm because they must sell all or part of their family business to pay the enormous Federal estate tax. To help individuals keep farms and small businesses in their families, we are raising the estate tax exemption on family-owned farms and businesses immediately from $600,000 to $1.3 million.

If this family plans on selling their home or some investments they have made we are going to help them as well. The tax provisions slash capital gains taxes and creates a major exclusion for the sale of their principal residence.

Far too many Americans work their entire lives and struggle to make ends meet as they retire. So, we are helping families save for their retirement, purchase a home or pay for college through expanded individual retirement accounts [IRA's].

Millions of seniors depend upon Medicare for their health care. However, medical inflation and a growing elderly population has

threatened the solvency of the Medicare trust fund. With this threat hanging over us, the budget agreement takes immediate and decisive action to save Medicare while expanding seniors health coverage—both noble and essential actions. Seniors will benefit from new services which will cover more preventative screenings and diagnostic tests. Furthermore, seniors will be able to choose from an array of plans including medical savings accounts and private unrationed fee for service plans.

When all is said and done, the American people are the biggest winners today. We are ensuring that they will continue to enjoy a strong economy, that we will no longer burden future generations with our debt, and that in doing so they are going to be able to keep more of their hard-earned income. Today is a great new beginning for America.

Mr. COYNE. Mr. Speaker, I rise today in support of H.R. 2014, the Taxpayer Relief Act of 1997. It is a pleasure to be able to vote for this legislation today.

First, let me point out that passage of this legislation today has only been made possible by the deficit reduction packages of 1990 and 1993–bills that together reduced deficits by over $1 trillion. Those were the real budget balancing votes—they raised taxes and cut spending. It was not easy to pass those bills, but it was absolutely necessary to produce a healthy economy and promote economic growth. The upbeat economic conditions that we are enjoying today are due in no small part to those bills, and the tax breaks provided in this balanced budget package are the fruits of the seeds that were sown in 1990 and 1993 by Democratic Congresses.

As a result of the 1990 and 1993 bills, we can provide tax relief today to millions of working families in districts like mine—hard-working families with incomes of $20,000 and $30,000, families that have been struggling with stagnant incomes to make ends meet and give their children the educational opportunities that will allow them to have a better life. This legislation will help those families to live the American dream.

This bill is a substantial improvement over the bill that was passed by the House last month. Many of the worst provisions in the House version of this bill have been eliminated or moderated. This legislation will, for example, provide the full $500 per child family tax credit to millions of moderate-income households that would not have received it under the House version of this bill. Students attending low cost institutions would receive the full $1,500 HOPE scholarship tax credit under the conference report—unlike the House bill, where many such students would not have received the full credit. The conference report also stripped out the antiworker provisions in the House bill that would have imposed burdensome new responsibilities on labor unions and allowed companies to classify more employees as independent contractors.

These improvements are the direct results of the unceasing efforts of President Clinton and the Democrats in Congress to make this a better bill. Democratic efforts made the family tax credit available to millions of moderate income families. As a result of Democratic persistence and perseverance, the education tax provisions in the bill will help mainstream Americans, not just the wealthiest families. In short, Democrats are responsible for shifting the benefits of this bill from the wealthy to middle-class American families. Likewise, it was Democratic insistence that eliminated unwise House provisions like the indexing of capital gains—provisions that would have increased deficits dramatically in the years after 2002. And Democratic insistence eliminated the antilabor provisions in the House bill. In short, President Clinton and the Democrats in Congress made certain that this legislation contained provisions that will benefit middle-class Americans.

The bill contains other important benefits for American taxpayers as well. It allows taxpayers to deduct the interest on their student loans. It allows parents to deduct their contributions to State-run prepaid college tuition programs like the one run by the Commonwealth of Pennsylvania. It allows most homeowners to avoid paying capital gains on the sale of their homes. In order to help economically distressed communities, the bill contains tax incentives for private parties to clean up and redevelop brownfields sites, and it increases the number of empowerment zones and enterprise communities.

No bill is perfect. Budget reconciliation bills typically contain scores of provisions, and it would be unrealistic to expect anyone to be satisfied with each and every provision. I still have concerns about specific provisions of this bill. But I believe that, taken as a whole, this legislation will benefit the Nation. Consequently, I intend to vote in support of this legislation, and I urge my colleagues to do so as well.

Mr. HOUGHTON. Mr. Speaker, I am very pleased that the conference report on H.R. 2014 includes a provision to add an exception to the definition of foreign personal holding company income which would apply to income derived in or incident to the active conduct by a controlled foreign corporation of ''a banking, financing, or similar business,'' provided the CFC was predominately engaged in the active conduct of such business. I am also pleased to note that this provision, section 1175, is based on H.R. 1783, ''The International Tax Simplification for American Competitiveness Act,'' of which I was the lead sponsor.

The growing interdependence of world financial markets has highlighted the urgent need to rationalize U.S. tax rules that undermine the ability of our financial services industry—such as banks, insurance companies, insurance brokers, and securities firms—to compete in the international arena. Yet the ability of our companies to compete is impeded by U.S. tax rules that subject financial services income derived from the active conduct of a business to antideferral rules that were originally enacted to reach, and would be more appropriately limited to, passive investment activities. Section 1175, like the provision of H.R. 1783 upon which it is based, will remove that impediment.

I readily acknowledge that this battle is not mine alone, and I gratefully acknowledge the support of many colleagues from both sides of the aisle. Section 1175 is a result of the efforts of many members of the Ways and Means Committee. On May 14, 1997, 23 Ways and Means members—a clear majority of the committee—wrote to Chairman ARCHER stating:

> The inequitable treatment of the financial services industry under current law jeopardizes the international expansion and competitiveness of all U.S.-based financial services companies, including commercial banks, securities firms, insurance companies, insurance brokers, and finance and credit entities.

By amending the definition of ''foreign personal holding company income,'' section 1175 helps each of those types of entities to compete in international markets.

Section 1175 is set to expire after 1 year. I note, however, that the sunset is a function of revenue concerns, not doubts as to its substantive merit. I look forward to working next year with the Chairman of the Ways and Means Committee and my committee colleagues to make this provision permanent.

Mr. DAVIS of Florida. Mr. Speaker, I rise today in strong support of H.R. 2014, the Taxpayer Relief Act of 1997. This bill, combined with the Balanced Budget Act which we passed yesterday, is a major step toward fulfilling our promise to the American people to put our Nation's fiscal house in order while providing modest tax relief targeted toward the middle class.

First, let me make clear that this bill is a vast improvement to the version of the bill the House passed last month. This conference agreement ensures that these tax cuts are targeted to hard-working middle-class Americans and will not explode in the outyears.

My opposition to the original bill was based partially on the fact that the child credit would have been denied to millions of Americans who earn under $30,000. These Americans are struggling to make ends meet and deserve tax relief just like everyone else. Fortunately, after the insistence of both the Democratic Caucus and the President, the conference agreement provides these Americans with a child tax credit.

Furthermore, I was extremely concerned that the original version would have exploded the deficit in the outyears, unraveling all of our hard work in balancing the budget. While I continue to have concerns over the lack of enforcement included in this package, I believe the bill we have before us today is more fiscally responsible and, if we are vigilant in our efforts to ensure that current estimates translate into reality, will not only balance the budget in the near term, but maintain that balance for years to come.

Undoubtedly, the crowning achievement of this tax package is the unprecedented commitment it makes to education. We all recognize that in order to compete for high-wage jobs in this era of increased global competition, our students need more than just a high school diploma. This bill takes a solid step toward reaching the President's goal of making the first 2 years of college more accessible.

This bill includes nearly $40 billion of tax credits for hard-working middle-income Americans to help offset the tremendous costs of higher education. The bill establishes the HOPE scholarship for the first 2 years of college providing a 100-percent credit for the first $1,000 of costs for tuition, fees, and books and an additional 50 percent for the next $1,000. The bill also provides a tax credit worth 20 percent of $5,000 in tuition expenses for the third and fourth years of college. These credits will expand access to higher education for millions of Americans and provide relief for American families struggling to equip their children with the education necessary to compete in today's economy.

In addition to these tax credits for college, this bill recognizes that learning is a lifelong endeavor and with the continuing changes in

the job market, many Americans are going back to school to enhance their chances for achievement. This bill extends section 127 of the Tax Code, allowing workers to exclude from their taxable income up to $5,250 of employer-provided educational assistance.

These tax provisions, combined with the increase for Pell grants and the protection of funding for Head Start we passed yesterday, represent a massive reallocation of our limited resources to education, an investment that will pay dividends for everyone in our country. Clearly, this bill, together with the Balanced Budget Act, proves that we can both balance the budget and invest in our future.

Mr. Speaker, I urge all of my colleagues to support this package of tax cuts because it represents a reasonable compromise on many issues and provides relief to millions of hard-working Americans. Including targeted estate tax relief, an expanded exclusion on the sale of a home, reinstatement of the home office deduction, and an overall capital gains tax cut, this package embodies the principles of basic fairness and will help continue the economic growth which is essential to balancing the budget.

Mr. PAYNE. Mr. Speaker, I would like to bring attention to the fact that low-income families in search of tuition assistance benefit very little from this bill. On the other hand, we have provided substantial education tax cuts and credits for middle-income and higher income families. One section of this bill provides a 3-year extension of a tax exclusion for undergraduate students who are fortunate enough to have their employers provide them with educational aid. This type of tax break positively affects the students who are struggling to get a postsecondary degree and working to pay the bills at the same time. The bill I introduced in May would have permanently extended this section and permitted both undergraduate and graduate students to take advantage of this tax exclusion. I still believe it is important to include graduate students in this section because they are far more likely to have employers pay for their education than undergraduates. It is also imperative to permanently extend this exclusion because our Nation's students who have their tuition paid for by their employers need the security that they will not ever be taxed on their education. It is indeed unfortunate we have not included more education tax breaks to low-income Americans in this bill who are in just as much, if not more, need of a tax break as middle- and upper-income Americans.

Mr. COSTELLO. Mr. Speaker, in June, I voted against the Republican budget reconciliation bill in the House because I had several concerns about how the legislation would negatively impact many American citizens. I was especially concerned about the impact on children, seniors, the poor and hard-working Americans who have difficulty making ends meet each month or who worry about health care for their families. The House-passed bill proposed to cut Medicare by $115 billion and Medicaid by nearly $14 billion over 5 years. I could not in good conscience support such cuts knowing that the burden would fall disproportionately on those least able to afford it.

However, I voted for the budget reconciliation conference report because I believe it represents a far more fair and rational plan to balance our Federal budget by the year 2002. While I am not pleased with the level of cuts retained in the agreement for Medicare and Medicaid, I consider this bill a significant improvement. This agreement restructures and preserves the Medicare program. It improves the original plan for Medicare and extends the life of the part A trust fund for at least 10 years. The agreement provides $1.5 billion to ease the impact of increased Medicare premiums on low-income seniors. Negotiators also agreed to eliminate several controversial provisions from the original bill, including increasing the eligibility age from 65 to 67 and a copay for home health care.

Medicare benefits are also expanded to include mammography coverage, prostate cancer screening, bone density screening to identify and prevent osteoporosis, and diabetes management care. In addition, the conference agreement expands the types of health plans under Medicare seniors may choose which ensures that seniors have the same health care choices that other Americans do. It protects Medicare's future by allowing the kind of choice and competition that has brought down health care costs in the private sector. Such modernization of Medicare will help ensure its long-term solvency.

The agreement is also an improvement for Medicaid. Under the original plan in the House, hospitals in our distinct would have faced serious threats to their ability to operate efficiently. In fact, at least one rural hospital in the 12th District of Illinois indicated it may have been forced to close its doors due to the substantial cuts included in the reconciliation bill. Many of the hospitals in southern Illinois are classified as disproportionate share hospitals [DSH] meaning they receive compensation because a majority of their patients are Medicare and Medicaid beneficiaries. The Medicare and Medicaid cuts included in the House version of the budget would have endangered these hospitals. However, the agreement provides that no State will lose more than 3.5 percent of its DSH payments. In subsequent years the reduction will be less than 2 percent.

The conference agreement continues Medicaid coverage as an entitlement for disabled children who are losing their Supplemental Income benefits as a result of the stricter definition of disability in the new welfare law. Unlike the House bill which made coverage optional for States, the conference agreement requires States to continue Medicaid coverage for these disabled children.

It is a tragedy that 10 million children in this country are without health coverage. One in three children in Illinois goes without any health insurance—the majority of these children are from two-income families. This bill creates a $24 billion program to expand health insurance coverage for children. Under this initiative 5 million more children will have access to health care.

The agreement also provides a $500-a-child nonrefundable tax credit for each child under age 17. Single parents with incomes up to $75,000 and couples with incomes up to $110,000 would be eligible for this tax credit.

Children and families will also have more educational opportunities under this agreement as students could receive a tax credit worth 100 percent of the first $1,000 of their college tuition costs, and a credit worth 50 percent of the second $1,000 of tuition. In the third and fourth years of college, the student would receive a tax credit worth 20 percent of $5,000 of tuition expenses.

Children will also benefit from the reduction in estate taxes included in the tax portion of the reconciliation agreement. I support this provision because it allows small business owners and farmers $1.3 million in tax-free assets to their heirs. This means family farms and family businesses can be passed from generation to generation without heavy tax burdens.

For families and retirees, the agreement lowers the top capital gains tax rate from 28 percent to 20 percent, and lowers it further to 18 percent for assets held for 5 years after 2000. This is important as more and more Americans from all income brackets invest their retirement savings in 401(k) plans or other stock market investment plans.

In summary, I believe this spending and tax plan will help American families prosper. As a supporter of a Balanced Budget Amendment, I also believe this agreement will put our Nation firmly on the path to a fiscally sound future. A balanced budget by the year 2002 will enable us to focus on protecting and educating our children and ensuring the health and retirement of our Nation's seniors and aging baby boomers. Sound national fiscal policy will also allow our Nation to continue to be competitive in a growing international marketplace. The initiatives included in this agreement will help us reach these goals.

Mr. FORBES. Mr. Speaker, when I came to this House in January 1995, my single most important objective was to obtain real Federal tax relief for working families in Long Island, and across this great Nation. Today I will vote to reduce America's tax burden by $94 billion over the next 5 years. Mr. Speaker, $94 billion may seem like a large tax reduction, but it pales in comparison to the $600 billion in tax increases that Americans suffered during the first 4 years of the 1990's. Mr. Speaker, the Taxpayer Relief Act of 1997 is simply a modest step in the right direction.

Three years ago, when I asked the people of Brookhaven, Smithtown, Riverhead, Southold, Shelter Island, East Hampton, and Southampton for the privilege of representing them in the House of Representatives, I promised them I would work to cut taxes. Indeed, many Members of this House were elected because of that promise. With this historic, bipartisan agreement to cut taxes for America's working parents, students, and senior citizens, we are keeping our promise to the American people.

This legislation provides tax relief for more than 40 million middle-income taxpayers with children; cuts capital gains taxes to promote economic growth; and helps America's children realize their dreams by making education more affordable. These tax cuts for America's working families were made possible because the Balanced Budget Act restrains Federal spending by about $1 trillion over the next 10 years. This bipartisan tax cut package is a good start in that direction, reducing the tax burden on working families.

Mr. Speaker, the parents of 102,096 children in my district in eastern Long Island will save a total of $46,050,924 thanks to this legislation. Parents earning up to $110,000 will feel the benefit of this bill almost immediately. This agreement includes a child tax credit that will reduce their total tax bill by $400 for each of their children under 17 in 1998, increasing to $500 per child in 1999. To make higher education more affordable for America's families, this legislation creates a $1,500 HOPE

Scholarship for all students who attend the first 2 years of a college or other postsecondary institution. Also included is a 20-percent tuition tax credit for college juniors, seniors, graduate students, and all Americans who take college classes to enhance their skills and advance their careers.

With the newly created Education Savings Accounts [ESA's], parents can save for their children's education by making $500 tax-free annual contributions to an ESA; increasing to $1,000 in 2000. Interest on the ESA's will accumulate tax-free, and funds may be withdrawn for any K–12, undergraduate, post-secondary vocational, or graduate education expense. Finally, there is a student loan interest deduction for up to $2,500 per year of interest on higher education loans.

Capital gains tax relief is an important victory for many Long Island homeowners. The budget agreement provides married couples with a $500,000 capital gains exemption when they sell their homes, with single-filers eligible for a $250,000 exemption. Many Long Island homeowners have seen inflation increase the value of their homes over the years. This much-needed increase in the exemption for home sales will protect the value of the most important increase that most Long Islanders will ever make. The budget deal also provides help for Americans just starting out, by allowing them to make penalty-free withdrawals from their Individual Retirement Accounts [IRA's] to purchase their first home.

Mr. Chairman, as a former Regional Director of the Small Business Administration, I can appreciate the benefits this legislation contains for the more than 82,000 small businesses on Long Island. An immediate $1.3 million estate tax exclusion is provided for the heirs of family-owned small businesses and farms; and the general inheritance tax exclusion is gradually raised from $600,000 to $1 million over 10 years. On top of the increased exclusion from inheritance taxes and capital gains tax relief, self-employed small business owners will be able to deduct 100 percent of their health insurance costs, where they were able to deduct only 40 percent in the past. We also expanded the income tax deduction for home offices.

According to the Congressional Budget Office, three-quarters of American families own assets such as stocks, bonds, homes, real estate, and businesses that realize capital gains. Last year, nearly two-thirds of all tax returns that reported capital gains were filed by taxpayers with incomes less than $50,000 a year. The agreement provides overall capital gains tax relief by reducing the top rate from 28 percent to 20 percent, with the rate dropping to 10 percent for couples with taxable incomes under $41,200. After the year 2000, investors who hold their assets for at least 5 years, will see their rate drop to 18 percent.

Mr. Speaker, I would prefer that these tax cuts were all delivered to the people immediately, rather than being phased in. We can celebrate today, but tomorrow we cannot rest. Mr. Speaker, I support this step in the right direction, but we still have alot of work ahead of us.

Mr. BEREUTER. Mr. Speaker, this Member is extremely pleased with the recently-agreed-to historic budget agreement which provides the first Federal tax relief in 16 years in a balanced and fair manner. The taxpayer Relief Act, which we are considering today, is part of a very important budget agreement that provides major tax cuts to middle-income Americans, just as we have always said it would. It is a balanced, equitable measure that will give direct, immediate tax relief to low-middle and middle-income Americans.

This Member is especially pleased that H.R. 2014 includes the capital gains provisions in a balanced tax relief package that will benefit low-middle and middle-income American families. Also, the $500-per-child tax credit, a variety of education-related benefits, and significant increase in inheritance or ''death'' tax exemptions mean that low- and middle-income families are direct beneficiaries of the legislation before us. Furthermore, the tax relief package provides for expanded IRA's which remove some of the barriers imposed by the Tax Code to private savings, thus encouraging financial planning for education and first-time home purchases.

This Member would also like to thank his colleagues who assisted in ensuring that efforts to repeal the ethanol tax exemption have been defeated. We have stopped the assault on ethanol, and we have kept our promise to farmers and ethanol producers.

Finally, Mr. Chairman, this Member's only regret is that the Taxpayer Relief Act does not include prospective indexing of capital gains for inflation. This provision would have allowed middle-income Americans in the future to invest with confidence that inflation would not devour the return on their investments. However, prospective indexing of capital gains could be accomplished in subsequent legislation and this Member will support such efforts.

Mr. Speaker, this Member supports the Taxpayer Relief Act and urges his colleagues to join him in voting ''yes.''

Mr. PACKARD. Mr. Speaker, we surely have come a long way. After 2½ years, the Republican Congress and the Democratic administration have finally agreed on a plan to balance the budget and provide for America's future. But it was neither the Democrats nor the Republicans who emerged the victors in the budget battle. It was the American people. Hard-working, tax-paying citizens have finally won a major victory. Tax relief has become a reality because the American people have spoken loudly and we have listened.

Last year, both Republicans and the President made campaign promises which included tax relief for working Americans and a balanced budget for America's future. After 2½ years, we can be proud to say that together we have fulfilled our promises to the people. A balanced budget which includes significant tax relief is in hand. This is the first balanced budget in a generation and the first tax relief in 16 years.

Mr. Speaker, today, we can all rest easy knowing that the President and the Congress were able to work together to provide a brighter future for all Americans. Partisan politics were pushed aside; the people emerged as the big winners.

The specifics of our budget agreement will put more money in your pockets. Reductions in the capital gains tax, a child tax credit, educational tax credits, and a decrease in the estate tax rate will help all Americans live out the American dream. In fact, our plan will refund to you one-third of the largest peacetime tax hike ever—the President's 1993 tax increase.

Mr. Speaker, by the end of the 104th Congress, the scorecard on the Contract With America was impressive: two-thirds of the contract had become law. Tax relief for families was the crown jewel of the Contract With America. It didn't happen until this week. But it was well worth the wait.

Mr. BALLENGER. Mr. Speaker, I rise in support of the conference report onthe Taxpayer Relief Act which will reduce significantly the Federal tax burden for the first time in 16 years. Although the balanced budget agreement promised net tax relief of $85 billion, the final compromise bill provides for $94 billion in net relief over 5 years and more than $260 billion over 10 years. I applaud Ways and Means Chairman BILL ARCHER and ranking member CHARLIE RANGEL for their leadership and hard work, and the heavy lifting of the entire committee's staff, I making the tax package a reality.

It is important to remember that there virtually has been no tax relief since 1981, when President Ronald Reagan lived up to his campaign promise and delivered a tax cut measure that led us to one of the biggest economic expansions in our history. In contrast, just 4 years ago, President Clinton gave us the largest tax increase ever, reversing the progress former President Reagan worked so hard to deliver. After assuming control of the House and Senate in 1995, the Republican-led Congress rolled up its sleeves and began the difficult work of bringing real tax relief to the American people. I like to think of it as returning to the taxpayers their own hard-earned dollars.

As has been reported widely, the major benefits of this tax package will go to families with children. Although it has been a number of years since my wife and I had children in our home, I see through the experiences of my daughters the financial challengers of today's young families. I am pleased that the conference report on the Taxpayer Relief Act gives parents a $500-per-child tax credit beginning in 1998. Under this provision, parents with children under the age of 17 will be eligible for this benefit, providing help to 11 million more children than what the President wanted since his tax package only provided this benefit to parents with children 12 years old and under. The second largest benefit to most families will be the tax-free education savings accounts which will help them with college or other post-secondary education for their children.

The conference report on the Taxpayer Relief Act also reduces the capital gains tax rate from 18 percent to 20 percent for those with incomes above $41,500 per year and from 15 percent to 10 percent for those earning below that amount. This measure would benefit three-quarters of American families who own homes, property, or other capital goods. Equally important, it would greatly benefit those people who have worked hard and invested in retirement accounts because their money now will be taxed at a lower rate.

I also am pleased by the conference report's many contributions to the owners and employees of America's small businesses. As one who many years ago started a small business, I can attest to the hard work, sacrifice, and risks involved in earning a living this way and creating jobs for others in the community. Today, small business men and women face more regulatory challenges that I did when I started out. As such, I believe it is all the more important to minimize the negative effect of the Tax Code on this engine of the economy

of my district and the entire country. I wish to acknowledge the work of Small Business Chairman JIM TALENT in promoting the important small business tax relief which was advocated by the delegates to the most recent White House Conference on Small Business. I joined in signing Chairman TALENT's letter to the conferees in support of: the home office deduction; accelerated phase-in to 100 percent of the health insurance deduction for the self-employed; and estate, capital gains and alternative minimum tax [AMT] relief for small businesses. Many of my constituents also will welcome the additional delay in penalties for electronic filing under the electronic Federal tax payment system.

Finally, I am especially grateful for the ways in which this tax package clarifies certain of the important pension reforms in last year's Small Business Job Protection Act. In particular, I was supportive of provisions in the House and Senate versions of this measure which were needed to enable subchapter S corporations to establish employee stock ownership plans [ESOP's], giving the employees of these small businesses another retirement option. As a long-time cheerleader for ESOP's, I am enthusiastic over these positive steps to boost employee ownership which have been taken by the 105th Congress.

Clearly, the Taxpayer Relief Act for 1997 is not a ploy to give a tax break to the rich, as some of my colleagues would have us believe. It is a long overdue effort to ease the ever growing tax burden that falls primarily on middle class taxpayers, robbing these families of their freedom. While I view this measure as a great start, I will continue to work with my colleagues to deliver more tax relief and a leaner and more responsive Federal Government in the future.

Mr. GILMAN. Mr. Speaker, I rise in support of the conference report to H.R. 2014, the Taxpayers Relief Act. This measure provides a tax reduction for our Nation's working families, including a $500-per-child tax credit, $1,500 education tax credit, and a reduction in the capital gains tax.

I commend my friend and colleague the gentleman from Texas, the distinguished chairman of our Ways and Means Committee, Mr. ARCHER as well as our leadership for producing this bipartisan tax measure.

I would like to highlight a provision of the bill which will benefit our Nation's police officers and firefighters. Title XV, section 1527 includes a measure, H.R. 1795, which I introduced earlier this session to rescind the dollar limitation on police and firefighter benefit plans—allowing these employees to collect the money that they have rightfully earned by contributing to their pension fund.

Currently, under section 415 of the Tax Code, police officers and firefighters are not eligible to collect the funds that they have earned and instead are required to retire with benefits that force officers to work past their general retirement age in order to afford the high cost of living on the East Coast and other large metropolitan and suburban areas throughout the country.

I urge my colleagues to support this bill. Let's be fair to middle American working families, and to those, who day in and day out, place their lives on the line for our protection.

Mr. DINGELL. Mr. Speaker, I intend to vote in favor of H.R. 2014 albeit with some reservations. This legislation is the product of great compromise by both sides. I am pleased that my Republican colleagues recognized the need to include some tax relief for middle-class Americans in the final version of the tax plan. However, I am deeply concerned that this may still explode the deficit in the out years.

The $500-per-child tax credit will be available to low-income families and the education tax breaks will be fully implemented. We, as Democrats, fought hard to ensure all families will receive some benefit from this tax package. Low-income American families deserve the $500-per-child tax credit just as much as a family whose earnings exceed $110,000. The HOPE scholarship and the student loan interest deduction will make higher education more affordable and accessible for all Americans.

I am still troubled by the distribution of the tax cuts. The capital gains reductions will allow CEO's to cash in their stock options and pay less in taxes than a family earning $30,000. It is the unfortunate nature of compromise that we must cede these generous capital gains tax breaks to the Republicans to provide some relief for hard working low-income Americans.

We should defer the self-congratulations until such time as the budget is actually in balance. The conference agreement is imperfect and there is a definite possibility that it will destroy the Democrats work on deficit reduction which began with the 1993 budget agreement. Nevertheless, I will not stand in the way of the good to reach the perfect. Insomuch as hard working lower-income American families stand to benefit through the $500-per-child tax credit and the $31 billion in education tax cuts, this tax package is good.

Mr. CUNNINGHAM. Mr. Speaker, we are today proudly returning to Americans more of their hard earned money. I am honored to help provide the people of San Diego County some long-overdue tax relief, through my enthusiastic vote for H.R. 2014.

For families with children, we provide relief through a $400-per-child tax credit next year, and $500 per child in the following years, and relief to save for college and education and a better future.

For homeowners, we exempt the sale of couples' homes up to $500,000 from the capital gains tax. This will help spur home sales, and simplify recordkeeping for thousands of San Diego County homeowners.

And for families who save and invest, we have expanded the availability of IRA's and slashed the capital gains tax. Together, these initiatives spur more savings and more economic growth.

Together with the bill we passed yesterday, saving Medicare and controlling Government spending, we are balancing the budget after years of debts and deficits. What a difference it has made for America to have a fiscally responsible Republican Congress. Back in 1993, President Clinton enacted the largest tax increase in American history. This Republican Congress has brought sense to the Federal budget by restoring respect for the budgets of the families and businesses that make America strong and free. And America wins.

As I did when this measure passed the House in June, I want to draw attention to one particular provision of this package: the 21st Century Classrooms Act. This provision provides expanded tax incentives for companies to donate computers and technology to K–12 education. I want to address why this is so important to our children and our future.

By the year 2000, some 60 percent of U.S. jobs will require technical skills, twice as many as today. But, as the GAO has reported, our classrooms lack the technology our children need to succeed. This measure will spur private enterprise to get involved with local schools, and to provide them a new source of up-to-date computers and technology. It ensures that companies have an incentive to donate to schools, to private foundations involved in education, and to organizations that refurbish computers for schools so that they are ready for educational uses.

Just as computers and technology have transformed private enterprise, they can transform our schools and the education of our children. With the click of a mouse, a child can go anywhere in the world. With computer proficiency, a young person can transform a wide variety of information into a multimedia presentation. With the technology available today—to say nothing of the technology available tomorrow—a student can compose music, write and illustrate a short story, study images of distant worlds, and help dream bigger dreams and build a better world for the next generation of Americans.

I am optimistic that the 21st Century Classrooms Act can help transform American education. It will help prepare our young people for tomorrow. And when this House votes for this tax relief today, it will help bring new opportunity to the classrooms of America's young people.

We are indebted to the men and women who assembled this package of tax relief for the American people, including Speaker GINGRICH and the Republican House leadership, Chairmen ARCHER and KASICH and their staffs. But we are most indebted to the Americans who pay the way of this Government. For them, we are providing a tax cut.

Mr. DOYLE. Mr. Speaker, I rise in support of the conference report on the Taxpayer Relief Act, and I commend the conferees for making substantial improvements to H.R. 2014, the original bill that was considered by the House.

I was unable to support H.R. 2014 because it did not provide ample benefits for the middle class and it would have exploded the deficit in the outyears. But this conference report is truly a fiscally and socially responsible tax cut plan. Its costs are controlled in the coming years because the capital gains indexing has been stripped, and the Individual Retirement Account benefits have been targeted to middle-class savers. It is more equitable than H.R. 2014, as it extends the child tax credit to more families earning under $30,000 a year, protects the employment status of workers, and provides more help to families working to pay for their kids' education.

I am particularly pleased that this tax bill contains brownfields tax incentives and an expansion of the Empowerment Zone program. In addition, I am grateful to the bipartisan group of over 60 Members of the House who joined me in urging the conferees to adopt these initiatives. Although these provisions were not in the House or Senate tax bill, I applaud the conferees and the administration for agreeing to include them. Both the brownfields incentive and the Empowerment Zone expansion will help to spur economic growth and

spark the redevelopment of distressed communities across the country.

Washington has been home to partisan sniping for decades, and in recent years it has been consumed in a political war of attrition. In the winter of 1995/1996, when the Government was shut down and it felt like animosity and distrust were the only things that the political parties had in common, it seemed unthinkable that we could come up with a budget that would be supported by the President and nearly three quarters of Congress. But this week we have.

No one will find this to be a perfect agreement, and everyone will agree that there are various changes which we will need to work for later. For example, I would like to revisit some of the education provisions, notably the tax increase on TIAA–CREFF pensioners and the failure to extend employer provided education assistance to graduate students.

Despite some flaws, I am proud of this budget reconciliation legislation. This is the most significant accomplishment we have made since I came to Congress almost 3 years ago. In fact, it is the most significant accomplishment that Congress has made since most of the Members of this body have served here. However, it is crucial that we all recognize that this is not the time for us to sit back and congratulate ourselves. We have shown what can be accomplished when we recognize that our shared interests outweigh our political differences. Now we must push ahead with the momentum we have built with this budget agreement. There are many great challenges ahead of us, and we are in a perfect position to work in a bipartisan manner to overcome them.

I urge everyone to look at this not as the end of the game, but as the beginning. I look forward to continuing to work with colleagues on both sides of the aisle, and I invite all Members to make this only the first of many bipartisan achievements.

Mr. SMITH of Texas. Mr. Speaker, the tax bill before the House, the first in 16 years to cut taxes, is one small step for America's families, one historic leap for freedom.

It reverses the Nation's direction and points us down a path toward restoring individual responsibility and accountability.

Can there remain any doubt that individual citizens and their families are far more capable of making effective decisions for themselves than can a distant bureaucracy?

Freedom begins with us, with each individual citizen, each family.

On behalf of the people who have sent us here, we today reclaim their right to decide, to control more of their lives, to direct more of their children's development and their own futures.

Today we celebrate another step on what remains a long, historic journey for mankind.

Mrs. FOWLER. Mr. Speaker, I rise in strong support of the Taxpayer Relief Act.

When I first ran for Congress 4½ years ago, the goals of providing long overdue relief to the American taxpayer and balancing the Federal budget were my paramount priorities. It gives me great satisfaction to know that, with the action this Congress is taking this week, we are accomplishing these goals.

With passage of the bill before us today, for the first time in 16 years the American people will be getting the tax relief that they deserve. This legislation will provide families with a $500-per-child tax credit; give the economy a boost through capital gains tax reductions; offer tax credits and other means to help Americans meet the costs of higher education for themselves and their children; expand home office deductions; increase contribution limits for Individual Retirement Accounts; and establish new IRA's that Americans can use to save more for retirement, education costs, medical expenses, or the purchase of a first home. It also will provide long awaited death tax relief, which will help preserve family businesses and farms.

Mr. Speaker, this bipartisan bill is the product of much work on the part of our leadership, the chairman and members of the House Ways and Means Committee, their counterparts in the Senate, and the White House, which came to this effort belatedly but in the end accepted that the needs of the American people were paramount. First and foremost, however, I believe it springs from the renewed commitment to fiscal responsibility and relief for the overburdened American taxpayer that the Republican majority has championed. I am proud to be a part of the Congress that has finally brought about this outcome, and urge my colleagues to support this historic legislation.

Mr. HASTERT. Mr. Speaker, I rise today in support of this landmark piece of legislation to reduce the taxes of hard-working Americans. Just as yesterday, I was proud to vote for a balanced budget and a program to save Medicare, today we continue to fulfill our promise to the American people.

Congressional Republicans have kept their word. For the first time in a generation, the Congress has passed and will have signed into law a balanced Federal budget. More important, this historic agreement extends well beyond the Washington beltway; it truly will benefit our Nation's children, working families, and senior citizens. It provides middle-class tax relief and saves Medicare while giving seniors choice. The American people are the real winners in this budget accord.

We've saved Medicare through the early part of the 21st Century. As one of the budget negotiators on Medicare, I'm particularly pleased that we've been able to preserve the health care system relied upon by nearly 40 million older Americans. We do so without raising the retirement age or cutting benefits. Instead, our plan increased services and benefits so seniors can choose the best health care plan to fit their own personal needs. No more one-size-fits-all Washington approach. And, this is just one of the positive changes in this budget agreement.

We've following through on our commitment of tax relief for hard-working Americans. Not sine 1981 has the Congress passed and the President signed into law tax relief for working families. And, why not? Families can decide how to spend their money better than Uncle Sam. By standing up to the tax man, we're standing up for hard-working American families.

Mr. Speaker, I'd like to take a few moments to point out the particular features of this comprehensive tax relief package which will help all folks get ahead in their pursuit of the American dream.

Families will benefit through the child tax credit—the cornerstone of our tax relief package. This helps young folks like the working mother in Dixon who called my office this week. She explained how she desperately needs the child tax credit to help pay for food, clothing, and health insurance for her four kids. With a $400 child tax credit in the first year, she'll be able to write off $1,600 from the family tax bill. In the second year, the kid credit bumps up to $500 per child which means her family can then write off a whopping $2,000 from their tax bill. Now that's much-needed and much-deserved tax relief as the conservative Congress continues to change Washington.

Farmers and small businesses also will benefit from this balanced budget. By reducing the death tax and providing capital gains relief, we'll end triple taxation, expand economic opportunities, and bring new jobs and stable prosperity to working folks around the country.

Finally, I simply want to point out how far we've come in a few short years. Since Republicans took the majority in 1994, we've been able to cut Federal spending by $100 billion in 3 short years. We've also reformed the Nation's welfare system by giving a handup as opposed to a handout to our neediest citizens. We've also encouraged personal responsibility on the able-bodied by placing time limitations and work requirements on any future benefits.

Now, we take another giant leap for smarter government and conservative, common sense solutions. Instead of talking about balancing the budget, saving Medicare, and providing tax relief, we've turned the discussion into how to do it. This is a significant development and conservative achievement, but there's still a long way to go. We must continue to ensure the long-term solvency of Medicare and Social Security. We must ensure continued tax relief for America's families and employers. We must continue to ensure that the budget stays balanced and that we begin to pay off our enormous national debt. I look forward to continuing my commitment to get the job done right as I was elected to do because this is the people's agenda and much work remains.

Mr. Speaker, I yield 5 minutes to the majority leader of the House, the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding me this time.

Let me begin by paying my compliments to all the Members of the House, particularly those on the Committee on Ways and Means that worked so long and hard on this bill. Let me appreciate what they have done.

Mr. Speaker, this is a day when this Congress has an opportunity to stand up and say, ''Mr. and Mrs. America, we know who you are, we understand your goodness and we respect your decency. And, Mr. and Mrs. America, we know who we are. We are not the ones who govern you but, instead, we are those who represent you. In short, Mr. and Mrs. America, we are you. It is our job to know who you are, to understand your hopes and dreams, to share with you your hopes for this great Nation, and to care with you your hopes for your children.''

It is our job to appreciate all that this great Nation does to not only build itself into a great Nation but to support a great government that is determined to act on behalf of these great people. And today we do that with this bill.

We start off by saying to all the working men and women of this country, ''We understand it is your money. You let us use your money on your behalf. We hope that we do with your money things that you understand must need be done and should be done, as a reflection of your compassion, your generosity, your sharing and your caring for your neighbors and for the greatness of your Nation.''

And we have done these things. But now we find ourselves at a time where we can say it is time to let the American people keep more of their money and for us to take less of it.

It is time for Mr. and Mrs. America, as they struggle with the needs of their family which they desire and hope and must put first, that they would have a $500-per-child tax credit so that they can do the things for their children that they know must be done, whether it is buying the diapers; whether it is, in fact, paying for some kindergarten, some preschooling; whether it is that day when they are 13 and the Department of Agriculture says the cost goes up by $1,000; when they take them for their braces. Whatever they decide they must do with their money, they should have $500 more back for themselves and their children.

It is time that we recognize that they truly do want to save for and provide for their own children's education, and they should be rewarded and encouraged in the effort that they make with the expansion of IRAs. It is time that we understand that their dream is in fact to own their own house, and they should be facilitated in that with this tax law.

More importantly, their dream is the day when their youngsters come home and say, ''Mom, Dad, I got the job, and I am going to have my own house and I will have my own life.''

And it is time, then, that we realize they need an economy with the vitality, the generosity, the creativity and the energy to give their children a chance to work out, in their own lives, their hopes and dreams in accordance with the training, the education that we have been so generously giving them.

We pass today a tax bill that says to the men and women of this country who work hard, who play by the rules, ''It is your money. You keep more of it, you know better what to do with it,'' and we honor and respect that.

This is a bill that we must vote ''yes'' for. We must take pride in our willingness to do that. To vote any other vote than ''yes'' is to say to the men and women of this country, ''We do not know you, we do not appreciate you, we do not respect you.'' And nobody given the privilege to represent the good people of this Nation, in good conscience, can vote ''no'' and make that statement.

CALL OF THE HOUSE

Mr. ARMEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 349]

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Flake
Foley
Forbes
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

☐ 1519

The SPEAKER. On this rollcall, 414 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with

CONFERENCE REPORT ON H.R. 2014, TAXPAYER RELIEF ACT OF 1997

Mr. RANGEL. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, first let me thank you for interceding in the conference to make certain that a provision was inserted that allows kids who dream about college to get there. The President's proposal finally was given to him in an approved way by the House of Representatives. While all of us appreciate how important education is at the higher level, some of us would not have been able to get to college if it was not that we had the GI bill to get to high school first, and because of the cooperation of the gentleman from Texas [Mr. ARCHER] and the Speaker and the President, we do have that there.

Let me say this, that being bipartisan in my opinion really does not mean that we have given up the principles of our party. It does mean that it was this President that decided that the American people in the middle-income group was entitled to a tax cut. It means that this President thought the people of the United States of America should keep up their education and their technology in order to be a part of this

growing international trade which we have been a leader in. It was this President who thought that as we have cut back in the budget, it was the working people that he wanted to give some type of credit for their children, that the ever increasing cost of living was there and it had not been reflected in the tax cut.

When we leave here, I know that some of you would say, well, the whole idea started with Ronald Reagan and even though we voted against the 1993 budget, we are in this condition today that we are able to give it because the economy is robust and Ronald did it. Let me tell you, from the bottom of my heart, do and say what makes you feel good.

Because when you think about it, some of us truly believe that we are here today because the President had a veto and you want a bill to take home. We are here today because some of us really did not think that we should have a tax cut at all. Some of us were thinking about rebuilding our cities. Some of us were thinking about having an educational system that would be superior to any country in the world. Some of us were really thinking that we should have jobs so that anybody who wants to work could participate in rebuilding America so that we never would be in the position we were in before. But when our President speaks and he calls for bipartisanship, maybe we do not understand it, but the American people understood it, that they are sick and tired of listening to our differences and they wanted economic relief.

And so our leadership decided, on both sides, ''Let's go for our principles and make certain we come out with a bill that everyone can live with.'' It is absolutely amazing to see the number of Democrats that find the final worksheet something that they cannot live with. Thank God most all of them are in districts that are secure. But the most important thing is that what they are trying to say is that if we were in the majority, we would be more than happy than we are today. But we can count, and you are in the majority, and we have to yield to some of your priorities. But because there was principle involved, we did not just say no to you. We went to work and said, ''If we're going to do it, let's do it in the way that people can go home with pride and dignity'' and say that we reached an agreement that we would take care of everybody that we think is deserving.

I do not know your districts as well as I know my own. But really people do not run inside my clubhouse asking, How did you do on indexing? And, for God's sake, did you reduce capital gains? I know that many of you have to deal with it and so you are stuck with your priorities. I know that when it comes to providing for child care, where do you find the middle class? It depends on where you come from. You can go up to $100,000, $200,000 and feel good and we do not mind that at all, except you are not going to do it at the expense of hard-working people that have got kids that pay taxes every day. And there is one thing we are going to do, is that when people get up every morning, take care of their kids, get out there and work, and just because they are in lower income brackets and just because we want to give everybody a hand in meeting their responsibility, we are not going to call them any longer welfare recipients because you are with us.

When we go back home, we are able to say as a Congress that we did not determine employer-employee relationships the way employers would want it. We are not going to be the people that says that a boss can determine that his payroll taxes are too high, that he does not want to pay Social Security, that he or she does not want to pay for health care, that they do not determine who is an independent contractor. We have a law on the books to determine it. But to broaden it so that those people who do not want the burden of being employers and taking care of the responsibility of their employees, no, independent contracts are out, and we all feel better for it because it was a give-and-take on our principles.

□ 1530

We know, we know that whenever we want someone to write a piece of honest literature, to give us a poll or to give us a graph, that the one who pays for that poll and graph that they will get what they want. I just never thought the Republicans could be so creative with their distribution tables.

My God, when I looked at that, I said ''How could they even make it up?'' But see, if we forget the last 5 years and just deal with their first years, it is amazing.

Capital gains cuts makes money. But stop there because when we get into the next 5 years, all of America are losers.

So what we have to do is this, is to be prepared to say to our constituents the President of the United States has spoken. He has demanded, and the American people have supported him in saying that they want a tax cut, they want to end the fighting and they want bipartisanship.

We have agreed that we have done it. A lot of people swallowed hard on their side; I regret that they were not given an opportunity to express it, but a lot of people on our side had problems, and they were able to express it.

Let us all say it is not a Republican victory, it is not a Democratic victory, but the people of the United States, under the leadership of the President of the United States, with all due respect to President Reagan, are the winners of this battle.

Mr. ARCHER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, today truly is a day for the coming together of the people of this Nation. Yes, some have spoken vibrantly against this bill, and it is their right because the rights of the minority are always accorded in the United States of America. But for those who are in the mainstream majority, we can all revel at what we are about to do for the American people.

I could cite the differences, the things that I wanted in the bill, the things that perphaps got in here that I thought were not good policy, but this is not the day for that. This is a day for coming together.

On June 9, when I announced this tax plan to the public, I said that the American people wanted a Democrat President and a Republican Congress to work together on behalf of our Nation, and today I say to the American people, ''We heard you, we did it, and this bill is a product of that effort.''

It is an excellent agreement. It provides tax relief to the American people throughout their lives from the childhood years to the education years, from the savings years to the retirement years; yes, and even provides tax relief at death. It is a victory for all Americans, who believe that Washington should change its ways so the American people will not have to change theirs. It says Congress will no longer solve problems by raising taxes, that instead we solve problems by restoring hope, power and opportunity to the people who earn and pay those taxes.

Over 40 million children will benefit from the $500 child credit. Families will be able to have more money to spend or to save, as they see fit, at their discretion. It is their money, they made it, and they should be able to keep it.

The education relief tells young people that education is not only the right thing to do, but it is going to be more affordable from here on. The capital gains and the individual retirement account are all incentives to send Americans a message:

''Work hard, save, and you will be able to keep more of the fruits of your labor.''

Just because taxpayers invest money wisely does not mean that Uncle Sam has a hunting license to take it away from them.

And finally the death tax, the cruelest tax of all. No one should have to visit the IRS and the undertaker on the same day. It is wrong for family farms and small businesses to be broken up just because widows and widowers and children cannot afford the money to pay the Federal taxes. The death tax should be repealed, and this is the beginning of that effort.

But, Mr. Speaker, on this bill we do much more. We make the Orphan Drug Tax Credit permanent so that people with rare diseases that do not generate enough volume in the development of drugs will be able to live when they would not otherwise be able to live and be able to see their health improved when it would otherwise deteriorate.

And yes, yes, we cut the alternative minimum tax on businesses so that

businesses will be able to invest in job producing equipment and get a deduction for the depreciation that the law allows to them instead of making them pay tax at the end of the year on the depreciation that the law said is taken to buy the equipment to create jobs.

And what does that do? Yes, Charlie, a lot of us have been thinking about how do we create more jobs for Americans. That means greater work opportunity for greater jobs for working Americans in a competitive world marketplace.

And last but not least, more than 1 dozen tax loopholes are closed because no one, no matter who they are, should receive special tax treatment simply because they are politically powerful.

This plan and a balanced budget are what the American people sent us here to do, and we have delivered, and I am proud that this agreement continues a remarkably productive record for the Congress. Yesterday we saved Medicare from bankruptcy. Last year we fixed the failed welfare state so that the poor and the needy will receive a helping hand instead of a handout, a right to be independent instead of dependent. We protected people who were sick by letting them change jobs without losing their health insurance. We modernized telecommunications, creating millions of new jobs for this country, high paying jobs, and we cut the cost of operating this very body, the Congress of the United States, by $200 million a year.

We reduced the deficit from $203 billion in November of 1994 to $50 billion or less today, and now, with this bill this year, it will be eliminated. And with the legislative results of this week that deficit will be completely eliminated.

Many have heard me talk about my grandson who was born last year, the twelfth grandchild, and how I looked down upon him in the incubator in the preemie ward and I thought when he grows up, and he will grow up, thanks to the technology of modern medicine beyond anything anywhere in the world, his pro rata responsibility of interest on the national debt during his lifetime will be $189,000 if he is an average wage earner. That is unconscionable for us to leave to our children and to their grandchildren, and this week we said no, we will not do that.

Mr. Speaker, 6.4 million new jobs have been created since 1994, interest rates have dropped from 8 percent to 6 percent, helping people pay their bills and buy their homes, and the stock market has advanced from 3900 on the Dow Jones to 8200 just since the elections in 1994.

Mark my words. Mark my words. We are just warming up. There are more taxes to be cut, there are more taxes to be cut, and there is more unnecessary wasteful spending to be cut.

But remember above all, balancing the budget and cutting taxes are not merely matters of accounting. They are about our values, they are about our convictions, they are about downsizing the power and the scope of Washington and upsizing the power and the opportunity of people.

That is why we are going to fight for more tax relief next year, because we need to keep the budget in balance while putting big government on a diet. We need to look the IRS in the eye and say ''It's not your money, it is the people's money.'' The politicians and the IRS must stop reaching into the pockets of people and taking what is their money because they need it for themselves, and that, my colleagues, is what today is all about. It is about a new beginning for a limited government, but it is also a return to America that knows no limits.

That is my dream. What a great new beginning it is, what a great unlimited future the people of this country face. We have pulled America together, Democrats, Independents, Republicans, and what a difference a Republican Congress has made.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ARCHER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were— yeas 389, nays 43, not voting 3, as follows:

[Roll No. 350]

YEAS—389

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Vento
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (FL)

NAYS—43

Blumenauer
Borski
Campbell
Clay
Conyers
Cummings
Davis (IL)
DeFazio
Delahunt
Dellums
Filner
Frank (MA)
Gephardt
Gutierrez
Hastings (FL)
Hilliard
Jackson (IL)
Kaptur
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kucinich
Markey
Matsui
McDermott
McNulty
Oberstar

Obey	Serrano	Waters
Payne	Stark	Watt (NC)
Rahall	Stokes	Waxman
Rush	Towns	Yates
Sanders	Velazquez	
Scott	Visclosky	

NOT VOTING—3

Gonzalez	Schiff	Young (AK)

□ 1602

Mr. RUSH changed his vote from ''yea'' to ''nay.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FAREWELL AND GOOD LUCK TO THE HONORABLE SUSAN MOLINARI

(Mr. QUINN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUINN. Mr. Speaker, after a momentous moment like today, when we have had an opportunity to vote in a bipartisan way for very important legislation for the people across this country, we are reminded that we can only act as a body with the same fairness, conviction, and determination that we exhibit as individual Members of the body. Today probably, as we know, one of our Members will leave the body. Her last day of service here in the House will be today, and it might very well be her last vote that we all just cast with each other.

I would like to ask the Members on both sides of the aisle to join me in saying farewell and good luck to one of ours as she leaves the House of Representatives today. We wish good luck to the gentlewoman from New York, Ms. SUSAN MOLINARI.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. QUINN. I yield to the Speaker, the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, let me just say on behalf of the entire House that as a historian, there are few people who can claim that they met their husband here, that their dad used to bring them here, and that they left here for even greater fame and even greater achievement.

I just want to say that, SUSAN, I believe for all of us, we will miss you. We will not promise to watch every Saturday, but we will all watch carefully, and we cherish your friendship forever. You are a part of this family.

Mr. PAXON. Mr. Speaker, will the gentleman yield?

Mr. QUINN. I yield to the gentleman from New York.

Mr. PAXON. Mr. Speaker, this is a very momentous day for us all. We have once again made legislative history. I could not help, in listening to the Speaker's words and the words of my good friend, the gentleman from New York, Mr. JACK QUINN, I could not help but think what a great, important piece of personal history this floor and this body has been in our lives.

SUSAN and I met literally in these Chambers, got to know each other here, through the encouragement of a lot of you, and I think of Ray McGrath, who performed wedding ceremonies before we were even dating. He said, you guys have got to get married. Our friends got us together, they lived with us through that dating period, and up in that corner one day when we got engaged, and then, of course, thanks to the gentleman from Pennsylvania, Mr. JIM GREENWOOD, we found a priest in a church in Pennsylvania that would marry us on neutral ground.

Then, of course, the Members have lived with us through our married life, and are now helping us raise our daughter. We need help all the time. This is the kind of family that we can never replace. Members have witnessed our lives together and helped us in so many ways on this floor. My colleagues are losing a colleague today, and I am losing my legislative partner. Every single day we come to this floor and we share our lives. We are going to miss that. We think we are going to have a little more interesting dinner conversation, having two different jobs to bring to the dinner table.

But while I am losing my pal on a day-to-day basis on the floor, I want to say this to you, SUSAN; every day that I come to this floor I am going to think of you, every moment, you and our beautiful daughter. While you are out in that other job, I wish you the best. I really thought I would never get to the point in my life where I would say this, that I love a Member of the press. I love you, SUSAN.

Ms. ROS-LEHTINEN. Mr. Speaker, will the gentleman yield?

Mr. QUINN. I yield to the gentlewoman from Florida.

Ms. ROS-LEHTINEN. Thank you, you hunk.

Mr. Speaker, Emerson said: What is civilization?

I answer: The power of a good woman.

I agree with this American philosopher. That is why the departure of our friend, the gentlewoman from New York, Ms. SUE MOLINARI from Congress saddens us all.

SUE always brightened up any committee room when she walked in because she was prepared, because she was witty, and ready for battle for her constituents and for our country. She never took these fierce battles personally if you disagreed with her, and she built strong bonds of friendship with many of us here in Congress.

All of us, especially the women Members of Congress, felt as if we were part of SUE's life as we rejoiced in her union with BILL and the arrival of Susan Ruby. SUSAN will excel at CBS in the same way that she has climbed to the leadership ranks in the House, through her intelligence, through her hard work, perseverance, and a terrific personality. The civilization of this House will be diminished by SUE'S departure, but we know it is the right decision for SUE, for BILL, and most especially for Susan Ruby.

We wish you the best, Mama SUE.

A TRIBUTE TO THE HONORABLE SUSAN MOLINARI

(Mrs. LOWEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY. Mr. Speaker, I am delighted to join with my colleagues; and not really delighted, I would say to the gentlewoman from New York, Ms. SUSAN MOLINARI, but we want to wish the gentlewoman lots of good luck and success. I am not sure who I am going to miss more, SUSAN MOLINARI or Susan Ruby, because she clearly cheers up all our days. From one mother to another mother, I can tell you we are going to miss you both.

SUSAN and I have been fighting together on so many issues for the years I have been here, whether it is fighting to keep those planes in New Jersey away from New York, and I am going to have to call you, SUSAN, for some reinforcement. We just keep sending these planes back and forth, but we are going to make sure that they are not flying over Staten Island while you are away. We are going to make sure we continue to fight to make sure that our transportation in New York serves all the people of all of our districts.

The gentlewoman has been right there on the front line. Whether it is fighting together on Ellis Island, one thing after another, SUSAN is there to fight for New York. I know we are going to work very hard, SUSAN, to make sure that the battles continue in support of all the issues that we care about.

So we wish you good luck, with lots of love and admiration and support. You have always stood up for the right things, and I have been honored to be there with you.

BEST OF LUCK AND GODSPEED TO THE HONORABLE SUSAN MOLINARI

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, I just want to add my wishes of good luck to SUSAN. I know she does not need them. She is one of the most talented people that I have come up against. We debated each other every week on channel 2 in New York, and let me tell the Members, Mr. Speaker, she is one tough adversary, but underneath it all she is a very decent and honorable person.

I know this has been her wish for many, many years, to go where she is going to; and with a wonderful family, a great child, and a great new career ahead of her, I think I speak for all of

us when I say we wish her the best of luck and Godspeed.

FAREWELL TO A TOUGH DEBATER

(Mr. RANGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, let me say on behalf of the New York congressional delegation that we probably have less problems after we leave this floor than any other delegation, because we have learned to work with each other, to respect each other, and to understand each other.

The gentlewoman from New York, Ms. SUE MOLINARI, is one of the champions on the Republican side, and yet we do not see it in the elevators, we do not see it when we have our meetings, we do not see it when we get back to New York, we are just people fighting for our great city and our great State.

Unlike the gentleman from New York [Mr. SCHUMER], she was one of the people that I least liked debating with, not because she was always that tough, but she was always smiling, always charming. It is difficult to fire your best shot when somebody is looking at you lovingly.

So I will not miss her on the television debates, and I am so glad that she will be moderating, rather than explaining those rough Republican views in such a soft, tender, loving way.

MOON OVER KOSOVO

(MR. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I want to add my voice to say good-bye, not really good-bye, but of course good-bye from Washington, to someone that I have worked very, very closely with. The gentlewoman from New York, Ms. SUSAN MOLINARI and I cochaired the Albanian Issues Caucus. We worked very closely together on a number of things. The gentleman from New York, Mr. BILL PAXON and I came to Congress together after serving in the New York State Assembly together. In fact, I served in the Assembly with Guy Molinari as well.

We know Susan is a very, very special person. When we went to Kosovo together that first time, it was the gentlemen from New York, Mr. BILL PAXON, and Mr. PETER KING, the gentlewoman from New York, Ms. SUSAN MOLINARI, and myself.

When SUE and BILL said they were getting married, I wondered if it was the Moon over Kosovo that brought them together, or the time we were in that hotel and there was no heat or hot water, we figured that might have had something to do with bringing the two of them together.

□ 1615

We are going to miss you, but we know we are still going to see you. I want to remind you, SUSAN and BILL, that when you announced that you were getting married, I said the Bible says be fruitful and multiply and that I wished you a number of children.

I just want to remind everybody that I said my wish for BILL and SUSAN was that they would have many, many children and that their children would all grow up to be good Democrats.

GOODBYE TO THE HONORABLE SUSAN MOLINARI

(Ms. PRYCE of Ohio asked and was given permission to address the House for 1 minute.)

Mr. PRYCE of Ohio. Mr. Speaker, at the risk of losing it on C–SPAN, at the risk of having Members miss their planes, I would just like to close this by saying how much this body will miss you, SUSAN, and how much I will miss you, too. Your wit and your charm and your grace and your grit and everything that I tried to learn from you, I hope we can sustain even in your absence.

You were the first Member that I met outside of Ohio. You taught me so much. I hope that you will still be around to keep us going. So do not be a stranger. Godspeed, SUSAN MOLINARI.

CLOSING REMARKS OF THE HONORABLE SUSAN MOLINARI

(Ms. MOLINARI asked and was given permission to address the House for 1 minute.)

Ms. MOLINARI. Mr. Speaker, I will be very brief, at the risk of losing it.

To all my colleagues, it is a little difficult to put into words the feeling that I felt growing up on this floor. It has been 17 years since my dad took his oath of office and worked hard during that time to gain and sustain the trust of the men and women of the 14th and now the 13th Congressional District.

In my family, as in many of your families, this is a place of honor. It is a place where we are reminded every day that people trust us to make some of the most important decisions in their lives. It is an honor to walk in and out those doors every day and every night.

I do not leave here easily, because I believe very much in our cause. I believe very much in this Institution. I believe very much in the men and women who have gone before us on both sides of the aisle. I cherish the model that my dad has been for me in public service. As has been said, I met my husband, the love of my life, my best friend in this Institution, because when the cameras are off, oftentimes, between Members, between the aisle, good feelings and understanding and friendships do grow.

And so to all my colleagues let me just say, to my girlfriends in particular, I love you all. I have developed some of the best friends I have ever made in my life and will continue to see them as friends for the rest of my life.

To all of you and to those of you in the press gallery, let me admit it and let me get it out there, I will have a bias in my reporting career. But it is this, when I report, it will be with the full knowledge and understanding in my heart and soul that the men and women on both sides of the aisle that serve in this Institution are some of the most honorable Members that have ever served this Nation. I thank them for that.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM AUGUST 1, OR AUGUST 2, 1997, TO SEPTEMBER 3, 1997, AND ADJOURNMENT OR RECESS OF THE SENATE FROM JULY 31, AUGUST 1, OR AUGUST 2, 1997, TO SEPTEMBER 2, 1997

Mr. GOSS. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 136) and I ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 136

Resolved by the House of Representatives (the Senate concurring), That, in consonance with section 132(a) of the Legislative Reorganization Act of 1946, when the House adjourns on the legislative day of Friday, August 1, 1997 or Saturday, August 2, 1997, pursuant to a motion made by the majority leader or his designee, it stand adjourned until noon on Wednesday, September 3, 1997, or until noon on the second day after members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Thursday, July 31, 1997, Friday, August 1, 1997, or Saturday, August 2, 1997, pursuant to a motion made by the majority leader or his designee in accordance with this concurrent resolution, it stand recessed or adjourned until noon on Tuesday, September 2, 1997, or until such time on that day as may be specified by the majority leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to section 132 of the Legislative Reorganization Act of 1946, as amended, the yeas and nays are ordered.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 403, nays 16, not voting 15, as follows:

[Roll No. 351]

YEAS—403

Abercrombie	Baesler	Barrett (WI)
Aderholt	Baker	Bartlett
Allen	Baldacci	Barton
Andrews	Ballenger	Bass
Archer	Barcia	Bateman
Armey	Barr	Becerra
Bachus	Barrett (NE)	Bereuter

Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

NAYS—16

Cunningham
DeFazio
Goode
Green
Hastings (FL)
Hooley
Jackson-Lee (TX)
Kucinich
Lofgren
Minge
Obey
Olver
Sanchez
Schaffer, Bob
Sherman
Taylor (MS)

NOT VOTING—15

Ackerman
Bentsen
Cubin
Edwards
Gonzalez
Gutknecht
Hastings (WA)
Maloney (CT)
McDade
Meehan
Miller (CA)
Sanders
Schiff
Smith, Adam
Young (AK)

□ 1639

Mrs. NORTHUP changed her vote from ''nay'' to ''yea.''

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 303

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent to remove the names of the gentleman from Florida [Mr. CANADY], the gentleman from Massachusetts [Mr. OLVER] and the gentleman from Oklahoma [Mr. WATTS] as cosponsors of my bill, H.R. 303.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Florida?

There was no objection.

WAIVING ENROLLMENT REQUIREMENTS WITH RESPECT TO TWO BILLS OF THE 105TH CONGRESS

Mr. DIAZ-BALART. Mr. Speaker, I offer a joint resolution (H.J. Res. 90) waiving certain enrollment requirements with respect to two specified bills of the 105th Congress, and I ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

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

Ms. SLAUGHTER. Mr. Speaker, reserving the right to object, I would like to yield to the manager for a discussion.

Mr. DIAZ-BALART. Mr. Speaker, the rule is self-explanatory. For Members who may not be aware, sections 106 and 107 of title 1 of the United States Code require that enrolled bills, measures that have been passed by the House and the Senate in the same form and require the President's signature to become law, that they be sent to the President on parchment.

So the joint resolution that I am seeking unanimous consent for, Mr. Speaker, waives that requirement.

Ms. SLAUGHTER. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 90

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of sections 106 and 107 of title 1, United States Code, are waived with respect to the printing (on parchment or otherwise) of the enrollment of H.R. 2014 and of H.R. 2015 of the One Hundred Fifth Congress. The enrollment of each of those bills shall be in such form as the Committee on House Oversight of the House of Representatives certifies to be a true enrollment.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DIAZ-BALART. Mr. Speaker, I ask unanimous consent to lay House Resolution 203 on the table.

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

There was no objection.

REQUEST FOR ORDER OF CONSIDERATION OF H.R. 2264, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that consideration of the bill (H.R. 2264) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, may proceed according to the order that I have placed at the desk.

The SPEAKER pro tempore. The Clerk will report the order.

The Clerk read as follows:

Mr. Solomon asks unanimous consent that consideration of H.R. 2264 proceed according to the following order:

(1) The Speaker may at any time, as though pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2264)

making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1998, and for other purposes.

(2) The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule.

(3) Points of order against provisions in the bill for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: beginning with '': Provided'' on page 41, line 26, through ''$2,245,000,000'' on page 42, line 3. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph.

(4) The amendments printed in House Report 105–214 may be offered only by a Member designated in the report and only at the appropriate point in the reading of the bill, shall be considered as read, shall not be subject to amendment except pro forma amendments offered for the purpose of debate, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived.

(5) During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read.

(6) The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes.

(7) During consideration of the bill, points of order against amendments for failure to comply with clause 2(e) of rule XXI are waived.

(8) At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

(9) Notwithstanding any other provision of this order, it shall be in order to consider in lieu of amendments numbered 1 and 2 in House Report 105–214 the amendment I have placed at the desk. That amendment shall otherwise be considered as though printed as the amendment numbered 1 in House Report 105–214.

(10) House Resolution 199 is laid on the table.

□ 1645

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 94, strike lines 16 through 21 and insert the following (and redesignate the succeeding sections accordingly):

SEC. 508. (a) None of the funds appropriated under this Act shall be expended for any abortion.

(b) None of the funds appropriated under this Act shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term ''health benefits coverage'' means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement

SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds) for abortion services or coverage of abortion by contract or other arrangement.

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider or organization from offering abortion coverage or the ability of a state or locality to contract separately with such a provider for such coverage with state funds (other that a State's or locality's contribution of Medicaid matching funds).

Mr. SOLOMON (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore [Mr. LAHOOD]. Is there objection to the request of the gentleman from New York?

Mr. OBEY. Mr. Speaker, reserving the right to object, I think it would be helpful if the resolution was read.

Mr. SOLOMON. Mr. Speaker, I withdraw the unanimous consent that the amendment be considered as read and leave the original unanimous consent standing.

The SPEAKER pro tempore. The Clerk will re-report paragraph 8.

The Clerk read as follows:

(8) At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Mr. MCINTOSH. Mr. Speaker, reserving the right to object, if I may ask of the chairman, does this rule provide for a chairman's amendment that could be brought to the floor when the bill comes for debate?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. MCINTOSH. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, no, it does not.

This rule that we would adopt by unanimous consent would bring to the floor under regular rules of order, regular rules of the House so that any amendment, any cutting amendment, any offsetting amendment, or any limitation amendment ordinarily allowed under normal rules of the House should the bill have come directly to the floor instead of through the Committee on Rules, those amendments would be made in order.

Mr. MCINTOSH. Mr. Speaker, I object to this unanimous consent.

The SPEAKER pro tempore. Objection is heard.

HONORING THE LIFE OF BETTY SHABAZZ

Mr. RANGEL. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform and Oversight be discharged from further consideration of the resolution (H. Res. 183) honoring the life of Betty Shabazz, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

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

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I yield to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, I thank the gentleman from California so much for giving me the opportunity to explain that seldom in the United States do we get a chance to pay tribute to the life of those people who live an ordinary life and yet have done extraordinary things.

When the late Betty Shabazz died, having known her husband and her for so many years, I almost thought that she belonged to Harlem and she belonged to African-Americans, and I was so pleasantly surprised when she passed away, as a result of a sad and cruel act of her grandson, that so many Republicans and Democrats came over and offered sympathy to me because we had lost in this country a great American.

And so, in August, there will be communities all over the country attempting to say, thank you, Betty Shabazz, for the life that you led, that you lost your husband, he was assassinated, but instead of just weeping and crying, which she did do, was pick your life up, go to school, educate 6 children, and become a role model for Americans, whether they are white or black or Jewish or Christian.

And so, as we leave and America pays tribute to this great woman, I would like to have the Congress join in in just honoring a great life who serves as a model for all Americans and people throughout the world.

Mrs. LOWEY. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Speaker, I strongly support this resolution and my good friend, the gentleman from New York [Mr. RANGEL] in honor of an outstanding constituent from Yonkers, New York, Betty Shabazz.

We have worked on so many issues, fighting for families, fighting for women, fighting for children. Just recently, I served on a panel with Betty Shabazz, could not have been more than probably a couple months ago. So I thank my good friend from New York, [Mr. RANGEL] for introducing this resolution which I support.

Mr. CUNNINGHAM. Further reserving the right to object, Mr. Speaker, there were some other reservations for other bills that were made under all of these unanimous consent requests. And although I support the initiative of the gentleman from New York [Mr. RANGEL] and his bill, I would have to object until these reservations can be worked out by the leadership.

We were told these UC's were worked out and, at the last moment someone from his side of the aisle was going to object to one of these UC's. If that is the case, I will object until that can be worked out.

Mr. RANGEL. If the gentleman will yield further, I understand the concern of the gentleman. But I would just like to share with him that I knew about this problem before I dealt with the Republican leadership; and because so many Members of Congress felt that strongly about it, what we did was went to the leadership and asked our side not to go through these extraordinary parliamentary procedures that they could have gone through in order to show their deep concern about it.

When you think about it, yes, there has to be ways that our concerns are met and we have to be able to use the parliamentary procedure to do it. But I ask my friend to really consider what we are doing when communities throughout this country are going to commemorate a life anyway, with or without this resolution.

It would seem to me that, even when we have to use the parliamentary cause to emphasize how deep we feel about an issue, that we are sensitive to the communities that are affected, we are sensitive to the daughters that we pay tribute to, and that we just do not use the parliamentary procedures when we have just lost a great American.

I would ask the gentleman to reconsider using the life of Betty Shabazz and the memories that are held by so many Americans and the memories held by her children and family as they go through life.

Mr. CUNNINGHAM. Further reserving the right to object, I would say to my friend, and I would reiterate that I fully support the words that he just spoke and would associate, but unfortunately, we have the same kind of concerns on another UC request that affects the lives of many of the people on the West Coast, thousands of people, as a matter of fact. And it is not the loss of someone, but this is the loss of jobs, the loss of livelihood.

There was an agreement made under these UC's, and evidently the agreement has been broken. I would still be willing to work this out in a matter of a few minutes. If this is not the case and this is worked out, if the gentleman from New York [Mr. RANGEL] would bring up the same UC a few moments later and we can work this out among us, I think I would support the gentleman.

Mr. RANGEL. I would just hope that, with all the good work that my colleague has done for this country throughout his life, that he would not want to be recorded in the CONGRESSIONAL RECORD as having been the person that, for whatever reason, has caused this Congress not to commemorate the life of this great American.

Mr. CUNNINGHAM. I would say to my friend that I will support the gentleman in commemorating it in a few minutes if this can be worked out. After the agreement is made, I will be very happy and I will not object. But until that is made, the lives and livelihood of many of my constituents are at stake.

And I would say to the same gentleman, someone on his side of the aisle was just about ready to make that decision, which would affect adversely and in which a vote in the Senate was 99-to-0, and because there is an objection to the UC, would affect negatively many of the lives. And until that point, I am going to be forced to object.

The SPEAKER pro tempore. Objection is heard.

PROVIDING FOR ORDER OF CONSIDERATION OF H.R. 2264, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SOLOMON. Mr. Speaker, I again ask unanimous consent that the consideration of the bill (H.R. 2264) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, may proceed according to the order that I have placed at the desk and that the explanation be considered as read, but that the Clerk be directed to read the amendment.

□ 1700

(For text of the unanimous-consent request, see prior proceedings of the House of today.)

The SPEAKER pro tempore (Mr. LAHOOD). The Clerk will report the amendment.

The Clerk read as follows:

The amendment to be offered by Representative HYDE of Illinois or a designee:

Page 94, strike lines 16 through 21 and insert the following (and redesignate the succeeding sections accordingly):

SEC. 508(a) None of the funds appropriated under this Act shall be expended for any abortion.

(b) None of the funds appropriated under this Act shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term ''health benefits coverage'' means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 509(a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds) for abortion services or coverage of abortion by contract or other arrangement.

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider or organization from offering abortion coverage or the ability of a state or locality to contract separately with such a provider for such coverage with state funds (other that a State's or locality's contribution of Medicaid matching funds).

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

There was no objection.

ELECTION OF CHIEF ADMINISTRATIVE OFFICER

Mr. BOEHNER. Mr. Speaker, I offer a privileged resolution (H. Res. 207) and ask for its immediate consideration.

The SPEAKER pro tempore. The resolution constitutes a question of priviledge.

The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 207

Resolved, That James M. Eagen, III, of the Commonwealth of Pennsylvania, be, and he is hereby, chosen Chief Administrative Officer of the House of Representatives.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. BOEHNER] and the gentleman from Maryland [Mr. HOYER] each will control 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

I have known and worked with Jay since I came to Congress in 1990 and have grown to admire and respect his professionalism and his work product. I am honored today to be able to stand on the floor and introduce this resolution to make him the chief administrative officer of the House of Representatives.

Jay has worked on the Hill since 1982. He started out in Congressman Steve Gunderson's office and moved over to work for the gentleman from Pennsylvania [Mr. GOODLING] in 1985. He then went to work for the Committee

on Education and the Workforce in 1991 as the Republican chief of staff and is currently in that same position.

I know Jay to be an excellent leader, a meticulous organizer, a fabulous administrator and a well-respected manager. I also know Jay on a personal level and know of his deep commitment to his work and to this institution. He will be a wonderful chief administrative officer to this House and I cannot think of anyone else I would rather recommend for this job than Jay Egan.

Mr. HOYER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FAZIO], the former ranking member of the Committee on House Oversight and the chairman of the Democratic Caucus.

Mr. FAZIO of California. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I just want to indicate that I was privileged to serve on a small panel headed by the gentleman from California [Mr. THOMAS] to select the individual who would be the chief administrative officer. Not having known Jay earlier, I came to conclude that he was in the finest tradition of the development of our staff, people who stay with this process and learn it and broaden their skills, developing administrative strength as well as substantive knowledge. I want to say to my friend, the chairman of the Republican Conference, that people like the gentleman from Michigan [Mr. KILDEE], our colleague here, and other members of the Committee on Education and the Workforce felt very good about this appointment on the premise that he was fair-minded and objective and treated the minority with the kind of respect that it is due. As a consequence, I am pleased to endorse this selection and indicate that I think it is in keeping with what I hope will be a trend toward the management of the institution in a manner which will be most acceptable to all Members. Hopefully quite a contrast with the experience that we had during the first 2 years of the new majority's tenure here.

I want to thank the gentleman from California [Mr. THOMAS] for the process he put in place and indicate that I look forward to working with Mr. Egan, as I am sure others do, in a way that will hopefully make this institution proud of the way in which it is managed.

Mr. BOEHNER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. THOMAS], chairman of the Committee on House Oversight.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding this time. I want to thank my colleague from California for his comments. Obviously Jay Egan was the choice of a professional search team, an extensive review by staff and then a review by a panel of Members consisting of two Democrats and two Republicans: the gentleman from California [Mr. FAZIO], the gentleman from South Carolina [Mr. CLYBURN], the gentleman from Ohio [Mr. NEY], and myself.

I believe that we obviously got the pick of the lot, and the professional organization that did the searching brought us a number of people who had been in public administration positions and, as a matter of fact, in the private sector across a broad region of the United States. It is not in my opinion accidental that we have found what we believe to be the highest caliber person laboring here in the House. It was important, I think, to look outside to give a comfort level for us in making the decision that we made. It was an open, fair competition. And Jay won. He won by unanimous vote of the panel. That tells you a lot about the qualities that he is going to bring to this job.

But I also want to say that I enjoy very much the working relationship with the gentleman from California. This could have been a process which could have deteriorated fairly rapidly if in attempting to hold confidences, discussions that were had in private were leaked to the press or announced prematurely. I do want to say, the gentleman from California over the two Congresses that I have enjoyed working with him in a distinctively reversed role from previous Congresses, has been absolutely honorable in all of the commitments that he has made as we made some very, very difficult decisions.

This was not a difficult decision. The process whereby we arrived at the requirement to make this decision was at times very difficult. But the decision to pick Jay Egan as the chief administrative officer of the House was a pleasure.

Mr. BOEHNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the Committee on Education and the Workforce and the current employer of our soon-to-be chief administrative officer.

Mr. GOODLING. I thank the gentleman for yielding me this time.

Mr. Speaker, today I am losing my left arm, I am losing my right arm, but I can afford to lose both for the benefit of an institution I love, the House of Representatives. Where I am totally unorganized, your new administrator is totally organized. Where I do not pay much attention to deadline, your new administrator pays specific attention to deadline. Where I do not think much about planning for the future, your administrator constantly thinks about the next move. So I in losing after 14 years someone who has served our committee very well, has served my constituents very well, and I can guarantee you he will serve this institution very, very well.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume. I do not rise to oppose this nomination. I do want to make, however, some observations.

This process has been ongoing for a long period of time. Frankly, the Democratic leadership was severely criticized in the 102d and the 103d Congress for the administration of the House of Representatives. In fact, in Congresses before that.

The fact of the matter is in the 102d Congress, there was a discussion about reform. The present Secretary of Agriculture made a very strong recommendation that we adopt a position of administrative officer for the House of Representatives. He made that recommendation to Speaker Foley. In bipartisan meetings between the Republican leadership and the Democratic leadership, there was a discussion of how that would be formatted. Sequent those discussions in the next Congress, we did establish in fact a position of administrative officer for the ministerial duties, that is, the nonpolicy-making, nonlegislative duties of the House. That was the appropriate and correct step in my opinion to take.

At the urging of the Republican minority in the 103rd Congress, and in the 102d, the selection of that administrative officer was established in a bipartisan fashion, so much so that the minority leader in effect had a veto over the selection of the administrative officer. The committee selecting that administrative officer was made up of the Speaker, the majority leader and the minority leader and it had to be a unanimous choice, thereby giving the minority leader essentially a veto. That was done to assure that we would have a bipartisan agreement on an administrator for the business of this House.

All of us love this House and want it to be respected by the American public. I think all of us want to have this House run in as effective, businesslike fashion as we can accomplish. That benefits everybody in this House and it benefits all of America. Our differences should not be on how we efficiently operate the House, it should be on the policies that we adopt, that we contend for both in elections and on this floor.

In the 104th Congress, that policy that was adopted was changed and the administrative officer was created as a partisan officer. I frankly did not necessarily disagree with that, as I said in committee, as the gentleman from Ohio will recall. Because effectively what the new majority said was that the Speaker was responsible for the administration of the House. I think that is basically correct. Frankly, on our side I had argued that proposition in the 102d and 103d Congress but I had lost and we had created the bipartisan mechanism for selecting the administrator.

In the 104th Congress, though, the change resulted in a committee being established with the gentleman from Iowa [Mr. NUSSLE], I believe, as the transition officer, I suppose. And an administrative officer was selected, in my opinion not in a bipartisan fashion, not with input from the minority, and in my opinion frankly without much discussion perhaps in the majority

party as well. We have a report pending on that, on the performance of the administrative officer in the last Congress and for the first few months of this Congress. We will be discussing that at some time in the future.

The selection of this administrative officer, I think, was done in a proper fashion to the extent that it was done in a bipartisan fashion with input from the chairman of the Democratic Caucus, who has been at the administration of the House for many, many years because he has been in the leadership for over a decade. I have had the pleasure of serving with him in the leadership for over a decade.

□ 1715

I do not know Mr. Eagen. The gentleman from California [Mr. FAZIO] has indicated that he is a man of ability and integrity, and the gentleman from Michigan [Mr. KILDEE], for whom I have great respect indicates a man of fairness. That is the kind of administrative officer this House needs.

So, as I said, I have no intention of opposing the selection of this administrative officer. Suffice it to say, however, that the gentleman from California [Mr. THOMAS] has indicated that there was a national search for an officer. I think that was appropriate because what this House needs in a bipartisan and effectively nonpartisan way, to assure ourselves and the American public that the business of the House, the paying of our bills, the managing of our information system, all of that which has nothing to do with the formulation of policy but everything to do with the effective management of the people's House is being done in a proper fashion. I would hope and expect that that will be the result from this appointment.

With those few words, Mr. Speaker, unless there is anybody who wants additional time, I yield back the balance of my time.

Mr. BOEHNER. Mr. Speaker, I yield such time as he may consume once again to my colleague from California, Mr. THOMAS, the chairman of the Committee on House Oversight.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding this time to me.

I do not wish to revisit the distant past, a time when there were no independent audits, and the first ever chief financial officer on the first decision he made was not backed up and, therefore, resigned because he could not be independent. I wish to revisit the recent past, the past between the resignation of the first CAO and today because frankly someone who has not yet been recognized has performed yeoman service for the House. Jeff Trandahl, who has been the acting CAO for a period longer than he had anticipated, I believe now has a high comfort level as he leaves this temporary office and moves back to the Clerk's office where he is the Clerk's right arm. I just think it is appropriate, as Jay Eagen comes in as the new CAO, for the House to recognize the extraordinary service of someone who was asked to help and who has never said no, and for, as I said, a longer period than anticipated has helped and helped willingly in making sure that the transition to the new CAO is as smooth as it has been, and I want the House to recognize the contribution made by Jeff Trandahl.

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. BOEHNER. I yield such time as he may consume to the gentleman from California [Mr. FAZIO], my colleague and the chairman of the Democrat Caucus and former ranking member on the Committee on House Oversight.

Mr. FAZIO of California. Mr. Speaker, I also wanted to indicate to Jeff Trandahl the support that he has generated on the minority side. Because of the way he has conducted himself, he has been a tribute not only to his employer, the Clerk, Robin Carle, but also to his former employer, one of the more delightful Members to ever have served in the House, the Senator from Kansas, Mr. ROBERTS. He set the right tone in the job that he has performed over the last 6 months and I think has shown the way in which the job can be performed to those who succeed in it, and I want to congratulate him on the performance and indicate that those on this side of the aisle wish him well in his future, short term and long term.

Mr. BOEHNER. Reclaiming my time, Mr. Speaker, let me close this discussion by also congratulating the Acting CAO, Jeff Trandahl. Jeff is a valued employee of the House, and he worked for PAT ROBERTS for many years, and he worked for the Committee on Agriculture and then worked in the Clerk's office over the last 2 years before taking over this temporary assignment. And I think the best tribute to Jeff over the last 6 months, 7 months or so, is that we have not heard one word about the Acting CAO for this period of time that he has been there, and he has done, I think, a marvelous job running the organization, and with that I look forward to the dawning of our new CAO, Jay Eagen.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INTERNATIONAL DOLPHIN CONSERVATION PROGRAM ACT

Mr. SAXTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 408] to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''International Dolphin Conservation Program Act''.

(b) REFERENCES TO MARINE MAMMAL PROTECTION ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361 et seq.).

SEC. 2. PURPOSES AND FINDINGS.

(a) PURPOSES.—The purposes of this Act are—

(1) to give effect to the Declaration of Panama, signed October 4, 1995, by the Governments of Belize, Colombia, Costa Rica, Ecuador, France, Honduras, Mexico, Panama, Spain, the United States of America, Vanuatu, and Venezuela, including the establishment of the International Dolphin Conservation Program, relating to the protection of dolphins and other species, and the conservation and management of tuna in the eastern tropical Pacific Ocean;

(2) to recognize that nations fishing for tuna in the eastern tropical Pacific Ocean have achieved significant reductions in dolphin mortality associated with that fishery; and

(3) to eliminate the ban on imports of tuna from those nations that are in compliance with the International Dolphin Conservation Program.

(b) FINDINGS.—The Congress finds that—

(1) the nations that fish for tuna in the eastern tropical Pacific Ocean have achieved significant reductions in dolphin mortality associated with the purse seine fishery from hundreds of thousands annually to fewer than 5,000 annually;

(2) the provisions of the Marine Mammal Protection Act of 1972 that impose a ban on imports from nations that fish for tuna in the eastern tropical Pacific Ocean have served as an incentive to reduce dolphin mortalities;

(3) tuna canners and processors of the United States have led the canning and processing industry in promoting a dolphin-safe tuna market; and

(4) 12 signatory nations to the Declaration of Panama, including the United States, agreed under that Declaration to require that the total annual dolphin mortality in the purse seine fishery for yellowfin tuna in the eastern tropical Pacific Ocean not exceed 5,000 animals, with the objective of progressively reducing dolphin mortality to a level approaching zero through the setting of annual limits and with the goal of eliminating dolphin mortality.

SEC. 3. DEFINITIONS.

Section 3 (16 U.S.C. 1362) is amended by adding at the end the following new paragraphs:

''(28) The term 'International Dolphin Conservation Program' means the international program established by the agreement signed in LaJolla, California, in June, 1992, as formalized, modified, and enhanced in accordance with the Declaration of Panama.

''(29) The term 'Declaration of Panama' means the declaration signed in Panama City, Republic of Panama, on October 4, 1995.''.

SEC. 4. AMENDMENTS TO TITLE I.

(a) EXCEPTIONS TO MORATORIUM.—Section 101(a)(2) (16 U.S.C. 1371(a)(2)) is amended—

(1) by inserting after the first sentence ''Such authorizations may be granted under title III with respect to purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean, subject to regulations prescribed under that title by the Secretary without regard to section 103.''; and

(2) by striking the semicolon in the second sentence and all that follows through ''practicable''.

(b) DOCUMENTATION REQUIRED.—Section 101(a)(2) (16 U.S.C. 1371(a)(2)) is further amended—

(1) by striking subparagraph (B) and inserting the following:

''(B) in the case of yellowfin tuna harvested with purse seine nets in the eastern tropical Pacific Ocean, and products therefrom, to be exported to the United States, shall require that the government of the exporting nation provide documentary evidence that—

''(i)(I) the tuna or products therefrom were not banned from importation under this paragraph before the effective date of section 4 of the International Dolphin Conservation Program Act; or

''(II) the tuna or products therefrom were harvested after the effective date of section 4 of the International Dolphin Conservation Program Act by vessels of a nation which participates in the International Dolphin Conservation Program, and such harvesting nation is either a member of the Inter-American Tropical Tuna Commission or has initiated (and within 6 months thereafter completed) all steps required of applicant nations, in accordance with article V, paragraph 3 of the Convention establishing the Inter-American Tropical Tuna Commission, to become a member of that organization;

''(ii) such nation is meeting the obligations of the International Dolphin Conservation Program and the obligations of membership in the Inter-American Tropical Tuna Commission, including all financial obligations; and

''(iii) the total dolphin mortality limits, and per-stock per-year dolphin mortality limits permitted for that nation's vessels under the International Dolphin Conservation Program do not exceed the limits determined for 1997, or for any year thereafter, consistent with the objective of progressively reducing dolphin mortality to a level approaching zero through the setting of annual limits and the goal of eliminating dolphin mortality, and requirements of the International Dolphin Conservation Program;'';

(2) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively;

(3) by inserting after subparagraph (B) the following:

''(C) shall not accept such documentary evidence if—

''(i) the government of the harvesting nation does not provide directly or authorize the Inter-American Tropical Tuna Commission to release complete and accurate information to the Secretary in a timely manner—

''(I) to allow determination of compliance with the International Dolphin Conservation Program; and

''(II) for the purposes of tracking and verifying compliance with the minimum requirements established by the Secretary in regulations promulgated under subsection (f) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(f)); or

''(ii) after taking into consideration such information, findings of the Inter-American Tropical Tuna Commission, and any other relevant information, including information that a nation is consistently failing to take enforcement actions on violations which diminish the effectiveness of the International Dolphin Conservation Program, the Secretary, in consultation with the Secretary of State, finds that the harvesting nation is not in compliance with the International Dolphin Conservation Program.''; and

(4) by striking ''subparagraph (E)'' in the matter after subparagraph (F), as redesignated by paragraph (2) of this subsection, and inserting ''subparagraph (F)''.

(c) CERTAIN INCIDENTAL TAKINGS.—Section 101 (16 U.S.C. 1371) is further amended by adding at the end the following new subsection:

''(e) ACT NOT TO APPLY TO INCIDENTAL TAKINGS BY UNITED STATES CITIZENS EMPLOYED ON FOREIGN VESSELS OUTSIDE THE UNITED STATES EEZ.—The provisions of this Act shall not apply to a citizen of the United States who incidentally takes any marine mammal during fishing operations outside the United States exclusive economic zone (as defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802)) when employed on a foreign fishing vessel of a harvesting nation which is in compliance with the International Dolphin Conservation Program.''.

(d) PERMITS.—Section 104(h) (16 U.S.C. 1374(h)) is amended to read as follows:

''(h) GENERAL PERMITS.—

''(1) Consistent with the regulations prescribed pursuant to section 103 of this title and to the requirements of section 101 of this title, the Secretary may issue an annual permit to a United States purse seine fishing vessel for the taking of such marine mammals, and shall issue regulations to cover the use of any such annual permits.

''(2) Such annual permits for the incidental taking of marine mammals in the course of commercial purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean shall be governed by section 306 of this Act, subject to the regulations issued pursuant to section 303 of this Act.''.

(e) INTERNATIONAL NEGOTIATIONS.—Section 108(a)(2) (16 U.S.C. 1378(a)(2)) is amended—

(1) by striking ''and'' at the end of subparagraph (A);

(2) by inserting after subparagraph (B) the following:

''(C) negotiations to revise the Convention for the Establishment of an Inter-American Tropical Tuna Commission (1 U.S.T. 230; TIAS 2044) which will incorporate—

''(i) the conservation and management provisions agreed to by the nations which have signed the Declaration of Panama and in the Straddling Fish Stocks and Highly Migratory Fish Stocks Agreement, as opened for signature on December 4, 1995; and

''(ii) a revised schedule of annual contributions to the expenses of the Inter-American Tropical Tuna Commission that is equitable to participating nations; and

''(D) discussions with those countries participating, or likely to participate, in the International Dolphin Conservation Program, for the purpose of identifying sources of funds needed for research and other measures promoting effective protection of dolphins, other marine species, and the marine ecosystem;''.

(f) RESEARCH GRANTS.—Section 110(a) (16 U.S.C. 1380(a)) is amended—

(1) by striking ''(1)'' in paragraph (1); and

(2) by striking paragraph (2).

SEC. 5. AMENDMENTS TO DOLPHIN PROTECTION CONSUMER INFORMATION ACT.

(a) LABELING STANDARD.— Subsection (d) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(d)) is amended to read as follows:

''(d) LABELING STANDARD.—

''(1) It is a violation of section 5 of the Federal Trade Commission Act (15 U.S.C. 45) for any producer, importer, exporter, distributor, or seller of any tuna product that is exported from or offered for sale in the United States to include on the label of that product the term 'dolphin safe' or any other term or symbol that falsely claims or suggests that the tuna contained in the product were harvested using a method of fishing that is not harmful to dolphins if the product contains tuna harvested—

''(A) on the high seas by a vessel engaged in driftnet fishing;

''(B) outside the eastern tropical Pacific Ocean by a vessel using purse seine nets—

''(i) in a fishery in which the Secretary has determined that a regular and significant association occurs between dolphins and tuna (similar to the association between dolphins and tuna in the eastern tropical Pacific Ocean), unless such product is accompanied by a written statement, executed by the captain of the vessel and an observer participating in a national or international program acceptable to the Secretary, certifying that no purse seine net was intentionally deployed on or used to encircle dolphins during the particular voyage on which the tuna were caught and no dolphins were killed or seriously injured in the sets in which the tuna were caught; or

''(ii) in any other fishery (other than a fishery described in subparagraph (D)) unless the product is accompanied by a written statement executed by the captain of the vessel certifying that no purse seine net was intentionally deployed on or used to encircle dolphins during the particular voyage on which the tuna was harvested;

''(C) in the eastern tropical Pacific Ocean by a vessel using a purse seine net unless the tuna meet the requirements for being considered dolphin safe under paragraph (2); or

''(D) by a vessel in a fishery other than one described in subparagraph (A), (B), or (C) that is identified by the Secretary as having a regular and significant mortality or serious injury of dolphins, unless such product is accompanied by a written statement executed by the captain of the vessel and an observer participating in a national or international program acceptable to the Secretary that no dolphins were killed or seriously injured in the sets or other gear deployments in which the tuna were caught, provided that the Secretary determines that such an observer statement is necessary.

''(2) For purposes of paragraph (1)(C), a tuna product that contains tuna harvested in the eastern tropical Pacific Ocean by a vessel using purse seine nets is dolphin safe if—

''(A) the vessel is of a type and size that the Secretary has determined, consistent with the International Dolphin Conservation Program, is not capable of deploying its purse seine nets on or to encircle dolphins; or

''(B)(i) the product is accompanied by a written statement executed by the captain providing the certification required under subsection (h);

''(ii) the product is accompanied by a written statement executed by—

''(I) the Secretary or the Secretary's designee;

''(II) a representative of the Inter-American Tropical Tuna Commission; or

''(III) an authorized representative of a participating nation whose national program meets the requirements of the International Dolphin Conservation Program,

which states that there was an observer approved by the International Dolphin Conservation Program on board the vessel during the entire trip and that such observer provided the certification required under subsection (h); and

''(iii) the statements referred to in clauses (i) and (ii) are endorsed in writing by each exporter, importer, and processor of the product; and

''(C) the written statements and endorsements referred to in subparagraph (B) comply with regulations promulgated by the Secretary which provide for the verification of tuna products as dolphin safe.

''(3)(A) The Secretary of Commerce shall develop an official mark that may be used to label tuna products as dolphin safe in accordance with this Act.

''(B) A tuna product that bears the dolphin safe mark developed under subparagraph (A) shall not bear any other label or mark that refers to dolphins, porpoises, or marine mammals.

''(C) It is a violation of section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to label a tuna product with any label or mark that refers to dolphins, porpoises, or marine mammals other than the mark developed under subparagraph (A) unless—

''(i) no dolphins were killed or seriously injured in the sets or other gear deployments in which the tuna were caught;

''(ii) the label is supported by a tracking and verification program which is comparable in effectiveness to the program established under subsection (f); and

''(iii) the label complies with all applicable labeling, marketing, and advertising laws and regulations of the Federal Trade Commission, including any guidelines for environmental labeling.

''(D) If the Secretary determines that the use of a label referred to in subparagraph (C) is substantially undermining the conservation goals of the International Dolphin Conservation Program, the Secretary shall report that determination to the United States Senate Committee on Commerce, Science, and Transportation and the United States House of Representatives Committees on Resources and on Commerce, along with recommendations to correct such problems.

''(E) It is a violation of section 5 of the Federal Trade Commission Act (15 U.S.C. 45) willingly and knowingly to use a label referred to in subparagraph (C) in a campaign or effort to mislead or deceive consumers about the level of protection afforded dolphins under the International Dolphin Conservation Program.''.

(b) TRACKING REGULATIONS.—Subsection (f) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(f)) is amended to read as follows:

''(f) REGULATIONS.—The Secretary, in consultation with the Secretary of the Treasury, shall issue regulations to implement this Act, including regulations to establish a domestic tracking and verification program that provides for the effective tracking of tuna labeled under subsection (d). In the development of these regulations, the Secretary shall establish appropriate procedures for ensuring the confidentiality of proprietary information the submission of which is voluntary or mandatory. The regulations shall address each of the following items:

''(1) The use of weight calculation for purposes of tracking tuna caught, landed, processed, and exported.

''(2) Additional measures to enhance current observer coverage, including the establishment of criteria for training, and for improving monitoring and reporting capabilities and procedures.

''(3) The designation of well location, procedures for sealing holds, procedures for monitoring and certifying both above and below deck, or through equally effective methods, the tracking and verification of tuna labeled under subsection (d).

''(4) The reporting, receipt, and database storage of radio and facsimile transmittals from fishing vessels containing information related to the tracking and verification of tuna, and the definition of set.

''(5) The shore-based verification and tracking throughout the fishing, transshipment, and canning process by means of Inter-American Tropical Tuna Commission trip records or otherwise.

''(6) The use of periodic audits and spot checks for caught, landed, and processed tuna products labeled in accordance with subsection (d).

''(7) The provision of timely access to data required under this subsection by the Secretary from harvesting nations to undertake the actions required in paragraph (6) of this paragraph.

The Secretary may make such adjustments as may be appropriate to the regulations promulgated under this subsection to implement an international tracking and verification program that meets or exceeds the minimum requirements established by the Secretary under this subsection.''.

(c) FINDINGS CONCERNING IMPACT ON DEPLETED STOCKS.—The Dolphin Protection Consumer Information Act (16 U.S.C. 1385) is amended by striking subsections (g), (h), and (i) and inserting the following:

''(g) SECRETARIAL FINDINGS.—(1) Between March 1, 1999, and March 31, 1999, the Secretary shall, on the basis of the research conducted before March 1, 1999, under section 304(a) of the Marine Mammal Protection Act of 1972, information obtained under the International Dolphin Conservation Program, and any other relevant information, make an initial finding regarding whether the intentional deployment on or encirclement of dolphins with purse seine nets is having a significant adverse impact on any depleted dolphin stock in the eastern tropical Pacific Ocean. The initial finding shall be published immediately in the Federal Register and shall become effective upon a subsequent date determined by the Secretary.

''(2) Between July 1, 2001, and December 31, 2002, the Secretary shall, on the basis of the completed study conducted under section 304(a) of the Marine Mammal Protection Act of 1972, information obtained under the International Dolphin Conservation Program, and any other relevant information, make a finding regarding whether the intentional deployment on or encirclement of dolphins with purse seine nets is having a significant adverse impact on any depleted dolphin stock in the eastern tropical Pacific Ocean. The finding shall be published immediately in the Federal Register and shall become effective upon a subsequent date determined by the Secretary.

''(h) CERTIFICATION BY CAPTAIN AND OBSERVER.—

''(1) Unless otherwise required by paragraph (2), the certification by the captain under subsection (d)(2)(B)(i) and the certification provided by the observer as specified in subsection (d)(2)(B)(ii) shall be that no dolphins were killed or seriously injured during the sets in which the tuna were caught.

''(2) The certification by the captain under subsection (d)(2)(B)(i) and the certification provided by the observer as specified under subsection (d)(2)(B)(ii) shall be that no tuna were caught on the trip in which such tuna were harvested using a purse seine net intentionally deployed on or to encircle dolphins, and that no dolphins were killed or seriously injured during the sets in which the tuna were caught, if the tuna were caught on a trip commencing—

''(A) before the effective date of the initial finding by the Secretary under subsection (g)(1);

''(B) after the effective date of such initial finding and before the effective date of the finding of the Secretary under subsection (g)(2), where the initial finding is that the intentional deployment on or encirclement of dolphins is having a significant adverse impact on any depleted dolphin stock; or

''(C) after the effective date of the finding under subsection (g)(2), where such finding is that the intentional deployment on or encirclement of dolphins is having a significant adverse impact on any such depleted stock.''.

SEC. 6. AMENDMENTS TO TITLE III.

(a) CHANGE OF TITLE HEADING.—The heading of title III is amended to read as follows:

''TITLE III—INTERNATIONAL DOLPHIN CONSERVATION PROGRAM''.

(b) ADDITIONAL FINDINGS.—Section 301 (16 U.S.C. 1411) is amended—

(1) by striking paragraph (4) of subsection (a) and inserting the following:

''(4) Nations harvesting yellowfin tuna in the eastern tropical Pacific Ocean have demonstrated their willingness to participate in appropriate multilateral agreements to reduce dolphin mortality progressively to a level approaching zero through the setting of annual limits, with the goal of eliminating dolphin mortality in that fishery. Recognition of the International Dolphin Conservation Program will assure that the existing trend of reduced dolphin mortality continues; that individual stocks of dolphins are adequately protected; and that the goal of eliminating all dolphin mortality continues to be a priority.''; and

(2) by striking paragraphs (2) and (3) of subsection (b) and inserting the following:

''(2) support the International Dolphin Conservation Program and efforts within the Program to reduce, with the goal of eliminating, the mortality referred to in paragraph (1);

''(3) ensure that the market of the United States does not act as an incentive to the harvest of tuna caught with driftnets or caught by purse seine vessels in the eastern tropical Pacific Ocean not operating in compliance with the International Dolphin Conservation Program;''.

(c) Title III (16 U.S.C. 1411 et seq.) is amended by striking sections 302 through 306 (16 U.S.C. 1412 through 1416) and inserting the following:

''SEC. 302. INTERNATIONAL DOLPHIN CONSERVATION PROGRAM.

''The Secretary of State, in consultation with the Secretary, shall seek to secure a binding international agreement to establish an International Dolphin Conservation Program that requires—

''(1) that the total annual dolphin mortality in the purse seine fishery for yellowfin tuna in the eastern tropical Pacific Ocean shall not exceed 5,000 animals with a commitment and objective to progressively reduce dolphin mortality to a level approaching zero through the setting of annual limits;

''(2) the establishment of a per-stock per-year dolphin mortality limit, to be in effect through calendar year 2000, at a level between 0.2 percent and 0.1 percent of the minimum population estimate, as calculated, revised, or approved by the Secretary;

''(3) the establishment of a per-stock per-year dolphin mortality limit, beginning with the calendar year 2001, at a level less than or equal to 0.1 percent of the minimum population estimate as calculated, revised, or approved by the Secretary;

''(4) that if a dolphin mortality limit is exceeded under—

''(A) paragraph (1), all sets on dolphins shall cease for the applicable fishing year; and

''(B) paragraph (2) or (3), all sets on the stocks covered under paragraph (2) or (3) and any mixed schools that contain any of those stocks shall cease for the applicable fishing year;

''(5) a scientific review and assessment to be conducted in calendar year 1998 to—

''(A) assess progress in meeting the objectives set for calendar year 2000 under paragraph (2); and

''(B) as appropriate, consider recommendations for meeting these objectives;

''(6) a scientific review and assessment to be conducted in calendar year 2000—

''(A) to review the stocks covered under paragraph (3); and

''(B) as appropriate to consider recommendations to further the objectives set under that paragraph;

''(7) the establishment of a per vessel maximum annual dolphin mortality limit consistent with the established per-year mortality limits, as determined under paragraphs (1) through (3); and

''(8) the provision of a system of incentives to vessel captains to continue to reduce dolphin mortality, with the goal of eliminating dolphin mortality.

''SEC. 303. REGULATORY AUTHORITY OF THE SECRETARY.

''(a) REGULATIONS.—

''(1) The Secretary shall issue regulations, and revise those regulations as may be appropriate, to implement the International Dolphin Conservation Program.

''(2)(A) The Secretary shall issue regulations to authorize and govern the taking of marine mammals in the eastern tropical Pacific Ocean, including any species of marine mammal designated as depleted under this Act but not listed as endangered or threatened under the Endangered Species Act (16 U.S.C. 1531 et seq.), by vessels of the United States participating in the International Dolphin Conservation Program.

''(B) Regulations issued under this section shall include provisions—

''(i) requiring observers on each vessel;

''(ii) requiring use of the backdown procedure or other procedures equally or more effective in avoiding mortality of, or serious injury to, marine mammals in fishing operations;

''(iii) prohibiting intentional sets on stocks and schools in accordance with the International Dolphin Conservation Program;

''(iv) requiring the use of special equipment, including dolphin safety panels in nets, monitoring devices as identified by the International Dolphin Conservation Program to detect unsafe fishing conditions that may cause high incidental dolphin mortality before nets are deployed by a tuna vessel, operable rafts, speedboats with towing bridles, floodlights in operable condition, and diving masks and snorkels;

''(v) ensuring that the backdown procedure during sets of purse seine net on marine mammals is completed and rolling of the net to sack up has begun no later than 30 minutes before sundown;

''(vi) banning the use of explosive devices in all purse seine operations;

''(vii) establishing per vessel maximum annual dolphin mortality limits, total dolphin mortality limits and per-stock per-year mortality limits in accordance with the International Dolphin Conservation Program;

''(viii) preventing the making of intentional sets on dolphins after reaching either the vessel maximum annual dolphin mortality limits, total dolphin mortality limits, or per-stock per-year mortality limits;

''(ix) preventing the fishing on dolphins by a vessel without an assigned vessel dolphin mortality limit;

''(x) allowing for the authorization and conduct of experimental fishing operations, under such terms and conditions as the Secretary may prescribe, for the purpose of testing proposed improvements in fishing techniques and equipment that may reduce or eliminate dolphin mortality or serious injury do not require the encirclement of dolphins in the course of commercial yellowfin tuna fishing;

''(xi) authorizing fishing within the area covered by the International Dolphin Conservation Program by vessels of the United States without the use of special equipment or nets if the vessel takes an observer and does not intentionally deploy nets on, or encircle, dolphins, under such terms and conditions as the Secretary may prescribe; and

''(xii) containing such other restrictions and requirements as the Secretary determines are necessary to implement the International Dolphin Conservation Program with respect to vessels of the United States.

''(C) ADJUSTMENTS TO REQUIREMENTS.—The Secretary may make such adjustments as may be appropriate to requirements of subparagraph (B) that pertain to fishing gear, vessel equipment, and fishing practices to the extent the adjustments are consistent with the International Dolphin Conservation Program.

''(b) CONSULTATION.—In developing any regulation under this section, the Secretary shall consult with the Secretary of State, the Marine Mammal Commission, and the United States Commissioners to the Inter-American Tropical Tuna Commission appointed under section 3 of the Tuna Conventions Act of 1950 (16 U.S.C. 952).

''(c) EMERGENCY REGULATIONS.—

''(1) If the Secretary determines, on the basis of the best scientific information available (including research conducted under section 304 and information obtained under the International Dolphin Conservation Program) that the incidental mortality and serious injury of marine mammals authorized under this title is having, or is likely to have, a significant adverse impact on a marine mammal stock or species, the Secretary shall—

''(A) notify the Inter-American Tropical Tuna Commission of his or her determination, along with recommendations to the Commission as to actions necessary to reduce incidental mortality and serious injury and mitigate such adverse impact; and

''(B) prescribe emergency regulations to reduce incidental mortality and serious injury and mitigate such adverse impact.

''(2) Before taking action under subparagraph (A) or (B) of paragraph (1), the Secretary shall consult with the Secretary of State, the Marine Mammal Commission, and the United States Commissioners to the Inter-American Tropical Tuna Commission.

''(3) Emergency regulations prescribed under this subsection—

''(A) shall be published in the Federal Register, together with an explanation thereof;

''(B) shall remain in effect for the duration of the applicable fishing year; and

''(C) may be terminated by the Secretary at an earlier date by publication in the Federal Register of a notice of termination if the Secretary determines that the reasons for the emergency action no longer exist.

''(4) If the Secretary finds that the incidental mortality and serious injury of marine mammals in the yellowfin tuna fishery in the eastern tropical Pacific Ocean is continuing to have a significant adverse impact on a stock or species, the Secretary may extend the emergency regulations for such additional periods as may be necessary.

''(5) Within 120 days after the Secretary notifies the United States Commissioners to the Inter-American Tropical Tuna Commission of the Secretary's determination under paragraph (1)(A), the United States Commissioners shall call for a special meeting of the Commission to address the actions necessary to reduce incidental mortality and serious injury and mitigate the adverse impact which resulted in the determination. The Commissioners shall report the results of the special meeting in writing to the Secretary and to the Secretary of State. In their report, the Commissioners shall—

''(A) include a description of the actions taken by the harvesting nations or under the International Dolphin Conservation Program to reduce the incidental mortality and serious injury and measures to mitigate the adverse impact on the marine mammal species or stock;

''(B) indicate whether, in their judgment, the actions taken address the problem adequately; and

''(C) if they indicate that the actions taken do not address the problem adequately, include recommendations of such additional action to be taken as may be necessary.

''SEC. 304. RESEARCH.

''(a) REQUIRED RESEARCH.—

''(1) IN GENERAL.—The Secretary shall, in consultation with the Marine Mammal Commission and the Inter-American Tropical Tuna Commission, conduct a study of the effect of intentional encirclement (including chase) on dolphins and dolphin stocks incidentally taken in the course of purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean. The study, which shall commence on October 1, 1997, shall consist of abundance surveys as described in paragraph (2) and stress studies as described in paragraph (3), and shall address the question of whether such encirclement is having a significant adverse impact on any depleted dolphin stock in the eastern tropical Pacific Ocean.

''(2) POPULATION ABUNDANCE SURVEYS.—The abundance surveys under this subsection shall survey the abundance of such depleted stocks and shall be conducted during each of the calendar years 1998, 1999, and 2000.

''(3) STRESS STUDIES.—The stress studies under this subsection shall include—

''(A) a review of relevant stress-related research and a 3-year series of necropsy samples from dolphins obtained by commercial vessels;

''(B) a 1-year review of relevant historical demographic and biological data related to dolphins and dolphin stocks referred to in paragraph (1); and

''(C) an experiment involving the repeated chasing and capturing of dolphins by means of intentional encirclement.

''(4) REPORT.—No later than 90 days after publishing the finding under subsection (g)(2) of the Dolphin Protection Consumer Information Act, the Secretary shall complete and submit a report containing the results of the research described in this subsection to the United States Senate Committee on Commerce, Science, and Transportation and the United States House of Representatives Committees on Resources and on Commerce, and to the Inter-American Tropical Tuna Commission.

''(b) OTHER RESEARCH.—

''(1) IN GENERAL.—In addition to conducting the research described in subsection (a), the Secretary shall, in consultation with the Marine Mammal Commission and in cooperation with the nations participating in the International Dolphin Conservation Program and the Inter-American Tropical Tuna Commission, undertake or support appropriate scientific research to further the goals of the International Dolphin Conservation Program.

''(2) SPECIFIC AREAS OF RESEARCH.—Research carried out under paragraph (1) may include—

''(A) projects to devise cost-effective fishing methods and gear so as to reduce, with the goal of eliminating, the incidental mortality and serious injury of marine mammals in connection with commercial purse seine fishing in the eastern tropical Pacific Ocean;

''(B) projects to develop cost-effective methods of fishing for mature yellowfin tuna without setting nets on dolphins or other marine mammals;

''(C) projects to carry out stock assessments for those marine mammal species and marine mammal stocks taken in the purse seine fishery for yellowfin tuna in the eastern tropical Pacific Ocean, including species or stocks not within waters under the jurisdiction of the United States; and

''(D) projects to determine the extent to which the incidental take of nontarget species, including juvenile tuna, occurs in the course of purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean, the geographic location of the incidental take, and the impact of that incidental take on tuna stocks and nontarget species.

''(c) AUTHORIZATION OF APPROPRIATIONS.—

''(1) There are authorized to be appropriated to the Secretary the following amounts, to be used by the Secretary to carry out the research described in subsection (a):

''(A) $4,000,000 for fiscal year 1998.

''(B) $3,000,000 for fiscal year 1999.

''(C) $4,000,000 for fiscal year 2000.

''(D) $1,000,000 for fiscal year 2001.

''(2) In addition to the amount authorized to be appropriated under paragraph (1), there are authorized to be appropriated to the Secretary for carrying out this section $3,000,000 for each of the fiscal years 1998, 1999, 2000, and 2001.

''SEC. 305. REPORTS BY THE SECRETARY.

''Notwithstanding section 103(f), the Secretary shall submit annual reports to the Congress which include—

''(1) results of research conducted pursuant to section 304;

''(2) a description of the status and trends of stocks of tuna;

''(3) a description of the efforts to assess, avoid, reduce, and minimize the bycatch of juvenile yellowfin tuna and bycatch of nontarget species;

''(4) a description of the activities of the International Dolphin Conservation Program and of the efforts of the United States in support of the Program's goals and objectives, including the protection of dolphin stocks in the eastern tropical Pacific Ocean, and an assessment of the effectiveness of the Program;

''(5) actions taken by the Secretary under section 101(a)(2)(B) and section 101(d);

''(6) copies of any relevant resolutions and decisions of the Inter-American Tropical Tuna Commission, and any regulations promulgated by the Secretary under this title; and

''(7) any other information deemed relevant by the Secretary.

''SEC. 306. PERMITS.

''(a) IN GENERAL.—

''(1) Consistent with the regulations issued pursuant to section 303, the Secretary shall issue a permit to a vessel of the United States authorizing participation in the International Dolphin Conservation Program and may require a permit for the person actually in charge of and controlling the fishing operation of the vessel. The Secretary shall prescribe such procedures as are necessary to carry out this subsection, including requiring the submission of—

''(A) the name and official number or other identification of each fishing vessel for which a permit is sought, together with the name and address of the owner thereof; and

''(B) the tonnage, hold capacity, speed, processing equipment, and type and quantity of gear, including an inventory of special equipment required under section 303, with respect to each vessel.

''(2) The Secretary is authorized to charge a fee for granting an authorization and issuing a permit under this section. The level of fees charged under this paragraph may not exceed the administrative cost incurred in granting an authorization and issuing a permit. Fees collected under this paragraph shall be available to the Under Secretary of Commerce for Oceans and Atmosphere for expenses incurred in granting authorizations and issuing permits under this section.

''(3) After the effective date of the International Dolphin Conservation Program Act, no vessel of the United States shall operate in the yellowfin tuna fishery in the eastern tropical Pacific Ocean without a valid permit issued under this section.

''(b) PERMIT SANCTIONS.—

''(1) In any case in which—

''(A) a vessel for which a permit has been issued under this section has been used in the commission of an act prohibited under section 307;

''(B) the owner or operator of any such vessel or any other person who has applied for or been issued a permit under this section has acted in violation of section 307; or

''(C) any civil penalty or criminal fine imposed on a vessel, owner or operator of a vessel, or other person who has applied for or been issued a permit under this section has not been paid or is overdue,

the Secretary may—

''(i) revoke any permit with respect to such vessel, with or without prejudice to the issuance of subsequent permits;

''(ii) suspend such permit for a period of time considered by the Secretary to be appropriate;

''(iii) deny such permit; or

''(iv) impose additional conditions or restrictions on any permit issued to, or applied for by, any such vessel or person under this section.

''(2) In imposing a sanction under this subsection, the Secretary shall take into account—

''(A) the nature, circumstances, extent, and gravity of the prohibited acts for which the sanction is imposed; and

''(B) with respect to the violator, the degree of culpability, any history of prior offenses, and other such matters as justice requires.

''(3) Transfer of ownership of a vessel, by sale or otherwise, shall not extinguish any permit sanction that is in effect or is pending at the time of transfer of ownership. Before executing the transfer of ownership of a vessel, by sale or otherwise, the owner shall disclose in writing to the prospective transferee the existence of any permit sanction that will be in effect or pending with respect to the vessel at the time of transfer.

''(4) In the case of any permit that is suspended for the failure to pay a civil penalty or criminal fine, the Secretary shall reinstate the permit upon payment of the penalty or fine and interest thereon at the prevailing rate.

''(5) No sanctions shall be imposed under this section unless there has been a prior opportunity for a hearing on the facts underlying the violation for which the sanction is imposed, either in conjunction with a civil penalty proceeding under this title or otherwise.''.

(d) Section 307 (16 U.S.C. 1417) is amended—

(1) by striking paragraphs (1), (2), and (3) of subsection (a) and inserting the following:

''(1) for any person to sell, purchase, offer for sale, transport, or ship, in the United States, any tuna or tuna product unless the tuna or tuna product is either dolphin safe or has been harvested in compliance with the International Dolphin Conservation Program by a country that is a member of the Inter-American Tropical Tuna Commission or has initiated and within 6 months thereafter completed all steps required of applicant nations in accordance with Article V, paragraph 3 of the Convention establishing the Inter-American Tropical Tuna Commission, to become a member of that organization;

''(2) except as provided for in subsection 101(d), for any person or vessel subject to the jurisdiction of the United States intentionally to set a purse seine net on or to encircle any marine mammal in the course of tuna fishing operations in the eastern tropical Pacific Ocean except in accordance with this title and regulations issued pursuant to this title; and

''(3) for any person to import any yellowfin tuna or yellowfin tuna product or any other fish or fish product in violation of a ban on importation imposed under section 101(a)(2);'';

(2) by inserting ''(a)(5) or'' before ''(a)(6)'' in subsection (b)(2); and

(3) by striking subsection (d).

(e) Section 308 (16 U.S.C. 1418) is repealed.

(f) CLERICAL AMENDMENTS.—The table of contents in the first section of the Marine Mammal Protection Act of 1972 is amended by striking the items relating to title III and inserting in lieu thereof the following:

''TITLE III—INTERNATIONAL DOLPHIN CONSERVATION PROGRAM

''Sec. 301. Findings and policy.
''Sec. 302. International Dolphin Conservation Program.
''Sec. 303. Regulatory authority of the Secretary.
''Sec. 304. Research.
''Sec. 305. Reports by the Secretary.
''Sec. 306. Permits.
''Sec. 307. Prohibitions.''.

SEC. 7. AMENDMENTS TO THE TUNA CONVENTIONS ACT.

(a) Section 3(c) of the Tuna Conventions Act (16 U.S.C. 952(c)) is amended to read as follows:

''(c) at least one shall be either the Administrator, or an appropriate officer, of the National Marine Fisheries Service; and''.

(b) Section 4 of the Tuna Conventions Act (16 U.S.C. 953) is amended to read as follows:

''SEC. 4. GENERAL ADVISORY COMMITTEE AND SCIENTIFIC ADVISORY SUBCOMMITTEE.

''(a) APPOINTMENTS; PUBLIC PARTICIPATION; COMPENSATION.—The Secretary, in consultation with the United States Commissioners, shall—

''(1) appoint a General Advisory Committee which shall be composed of not less than 5 nor more than 15 persons with balanced representation from the various groups participating in the fisheries included under the conventions, and from nongovernmental conservation organizations;

''(2) appoint a Scientific Advisory Subcommittee which shall be composed of not less than 5 nor more than 15 qualified scientists with balanced representation from the public and private sectors, including nongovernmental conservation organizations;

''(3) establish procedures to provide for appropriate public participation and public meetings and to provide for the confidentiality of confidential business data; and

''(4) fix the terms of office of the members of the General Advisory Committee and Scientific Advisory Subcommittee, who shall receive no compensation for their services as such members.

''(b) FUNCTIONS.—

''(1) GENERAL ADVISORY COMMITTEE.—The General Advisory Committee shall be invited to have representatives attend all nonexecutive meetings of the United States sections and shall be given full opportunity to examine and to be heard on all proposed programs of investigations, reports, recommendations, and regulations of the Commission. The General Advisory Committee may attend all meetings of the international commissions to which they are invited by such commissions.

''(2) SCIENTIFIC ADVISORY SUBCOMMITTEE.—

''(A) ADVICE.—The Scientific Advisory Subcommittee shall advise the General Advisory Committee and the Commissioners on matters including—

''(i) the conservation of ecosystems;

''(ii) the sustainable uses of living marine resources related to the tuna fishery in the eastern Pacific Ocean; and

''(iii) the long-term conservation and management of stocks of living marine resources in the eastern tropical Pacific Ocean.

''(B) OTHER FUNCTIONS AND ASSISTANCE.—The Scientific Advisory Subcommittee shall, as requested by the General Advisory Committee, the United States Commissioners, or the Secretary, perform functions and provide assistance required by formal agreements entered into by the United States for this fishery, including the International Dolphin Conservation Program. These functions may include—

''(i) the review of data from the Program, including data received from the Inter-American Tropical Tuna Commission;

''(ii) recommendations on research needs, including ecosystems, fishing practices, and gear technology research, including the development and use of selective, environmentally safe and cost-effective fishing gear, and on the coordination and facilitation of such research;

''(iii) recommendations concerning scientific reviews and assessments required under the Program and engaging, as appropriate, in such reviews and assessments;

''(iv) consulting with other experts as needed; and

''(v) recommending measures to assure the regular and timely full exchange of data among the parties to the Program and each nation's National Scientific Advisory Committee (or its equivalent).

''(3) ATTENDANCE AT MEETINGS.—The Scientific Advisory Subcommittee shall be invited to have representatives attend all nonexecutive meetings of the United States sections and the General Advisory Subcommittee and shall be given full opportunity to examine and to be heard on all proposed programs of scientific investigation, scientific reports, and scientific recommendations of the commission. Representatives of the Scientific Advisory Subcommittee may attend meetings of the Inter-American Tropical Tuna Commission in accordance with the rules of such Commission.''.

(c) BYCATCH REDUCTION.—The Tuna Conventions Act (16 U.S.C. 951 et seq.) is amended by adding at the end thereof the following:

''SEC. 15. REDUCTION OF BYCATCH IN THE EASTERN TROPICAL PACIFIC OCEAN.

''The Secretary of State, in consultation with the Secretary of Commerce and acting through the United States Commissioners, shall seek, in cooperation with other nations whose vessel fish for tuna in the eastern tropical Pacific Ocean, to establish standards and measures for a bycatch reduction program for vessels fishing for yellowfin tuna in the eastern tropical Pacific Ocean. The bycatch reduction program shall include measures—

''(1) to require, to the maximum extent practicable, that sea turtles and other threatened species and endangered species are released alive;

''(2) to reduce, to the maximum extent practicable, the harvest of nontarget species;

''(3) to reduce, to the maximum extent practicable, the mortality of nontarget species; and

''(4) to reduce, to the maximum extent practicable, the mortality of juveniles of the target species.''.

SEC. 8. EFFECTIVE DATES.

(a) AMENDMENTS TO TAKE EFFECT WHEN IDCP IN FORCE.—Sections 3 through 7 of this Act (except for section 304 of the Marine Mammal Protection Act of 1972 as added by section 6 of this Act) shall become effective upon—

(1) certification by the Secretary of Commerce that—

(A) sufficient funding is available to complete the first year of the study required under section 304(a) of the Marine Mammal Protection Act of 1972, as so added; and

(B) the study has commenced; and

(2) certification by the Secretary of State to Congress that a binding resolution of the Inter-American Tropical Tuna Commission or other legally binding instrument establishing the International Dolphin Conservation Program has been adopted and is in force.

(b) SPECIAL EFFECTIVE DATE.—Notwithstanding subsection (a), the Secretary of Commerce may issue regulations under—

(1) subsection (f)(2) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(f)(2)), as added by section 5(b) of this Act;

(2) section 303(a) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1413(a)), as added by section 6(c) of this Act,

at any time after the date of enactment of this Act.

The SPEAKER pro tempore (during the reading). Without objection, the Senate amendment will be considered as read and printed in the RECORD.

There was no objection.

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

Mr. ABERCROMBIE. Mr. Speaker, reserving the right to object, I will ask the gentleman from New Jersey to explain his request.

Mr. SAXTON. Mr. Speaker, will the gentleman yield?

Mr. ABERCROMBIE. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Speaker, I appreciate the gentleman's reservation in order that we may discuss the history and the provisions of this bill. Both the gentleman from Maryland [Mr. GILCHREST] and the gentleman from California [Mr. CUNNINGHAM] have worked exceedingly hard both in the House and in the Senate. That effort culminated just a few days ago with a 99 to 0 vote in favor of this bill in the Senate. It simply implements most of the provisions which we provided through the Subcommittee on Fisheries Conservation, Wildlife and Oceans.

Subsequently, the Committee on Resources in this House in passage on the floor here, it also implements the Panama Declaration to protect dolphins and sea life. It is a conservation measure which is extremely important to fishermen on the west coast. It is a compromise that was reached with opponents of the bill, and although it is not perfect, I believe it is a good bill and a bill that should be supported by everyone in the Chamber this afternoon.

Mr. ABERCROMBIE. Further reserving the right to object, Mr. Speaker, might I ask? I noticed that the gentleman from California [Mr. CUNNINGHAM], who has been associated with this bill from the beginning is on the floor and at the podium, and I would like to yield to him for remarks he might make while I consider this reservation.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. ABERCROMBIE. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I thank my friend from Hawaii, and we have been friends for a long time, and what I would say is under the same circumstances I probably would have objected also, just receiving the information, not knowing what the bill was. The gentleman from Maryland [Mr. GILCHREST] and myself have been following this thing day by day, working with the senators from my State on the bill who had objection to it originally. There were some agreements made on the Senate side that I would have not wanted in the bill, but were placed there. I, like the gentleman from New Jersey [Mr. SAXTON] and my colleague from Maryland, agree that in the best interests of the country and of the safety of the tuna dolphin that it would be good to pass and push on this bill.

After all, it was supported last Congress. It did not make it to the Senate, it has gone through here, it has gone through the Senate, and I believe the President has lobbied strongly for this bill and will sign it, that we go forth and do that. And I thank my friend for not only his patience, but for his consideration.

Mr. ABERCROMBIE. Mr. Speaker, in order for me to be able to completely understand the situation and to have it on the record, may I ask the gentleman from Maryland, under the bill as it is before us, the conference bill as before us, does the dolphin-safe label change now?

Mr. GILCHREST. Mr. Speaker, will the gentleman yield?

Mr. ABERCROMBIE. I yield to the gentleman from Maryland.

Mr. GILCHREST. Mr. Speaker, the dolphin-safe label does not change now from the way it is.

Mr. ABERCROMBIE. And what would be the earliest date that the label could change? Would that be March of 1999?

Mr. GILCHREST. It will be 18 months after October 1997, whatever that might be, March of 1999.

Mr. ABERCROMBIE. 18 months?

Mr. GILCHREST. Yes.

Mr. ABERCROMBIE. And could the gentleman explain the rationale for those two answers?

Mr. GILCHREST. Mr. Speaker, the reason the label does not change until March of 1999 is a compromise worked out on the Senate side to pursue a very scientific study of what the dolphins go through under this new regime.

Now if the scientific study shows that there is no stress as a result of encirclement and other problems with the dolphins do not arise and one can catch tuna fish by encircling them and releasing the dolphins, if everything scientifically proves out within this 18-month period, then the label will reflect that dolphins can be released without harm in the process of encircling tuna fish and then the label will reflect that.

Mr. ABERCROMBIE. So we will revisit the issue in 18 months at the conclusion of the circumstances the gentleman from Maryland just outlined?

Mr. GILCHREST. Mr. Speaker, I can assure the gentleman from Hawaii that we will not only revisit this in 18 months, but that the gentleman from California (Mr. Cunningham) and myself will visit this issue on a very regular basis during the course of this study.

Mr. ABERCROMBIE. Mr. Speaker, I thank the gentleman from Maryland very much.

Considering the answers, Mr. Speaker, I want to thank the gentleman from California [Mr. CUNNINGHAM] and the gentleman from Maryland [Mr. GILCHREST] and the gentleman from New Jersey [Mr. SAXTON] for the enumeration of the conditions and circumstances of the bill.

Mr. Speaker, as a result of the information I have received, I am going to withdraw my reservation of objection.

Mr. GILCHREST. Mr. Speaker, will the gentleman yield just for a second?

Mr. ABERCROMBIE. I yield to the gentleman from Maryland.

Mr. GILCHREST. Mr. Speaker, I would like to say that I have enjoyed working this bill with the gentleman from New Jersey [Mr. SAXTON], the gentleman from California [Mr. CUNNINGHAM], certainly the Members of the Senate, but I hold the gentleman from Hawaii in high esteem for his seriousness in legislation that comes out of this body.

Mr. MILLER of California. Mr. Speaker, the bill we are considering today—H.R. 408, the International Dolphin Conservation Program Act, as amended by S. 39—is a compromise. Normally, we would consider compromise to be the backbone of the way the congressional process works: Members with various viewpoints, representing very different constituencies from Maine to California, working to find the common ground that is necessary to national legislation.

Unfortunately, this compromise represents something very different. We are brought to this point by pressure from a foreign government, and that is not the way this institution should function.

This is not a bill to which I can lend enthusiastic support, although I will vote for it. I believe that, overall, this compromise represents a far better deal for dolphins than they would have received under the bill originally passed by the House, and that is due primarily to the untiring efforts and the commitment of Senator

BARBARA BOXER of California, who wrote the original dolphin protection law in 1990 and who has stood up to those on both sides of the Rio Grande who have sought to weaken that law.

We vigorously opposed an immediate change in the Dolphin-safe label, as was sought by Mexico and by the Administration, because there is a great deal of concern within the scientific community that the kind of fishing sanctioned by this bill will cause serious harm to dolphins. We insisted that an impartial scientific study be conducted to determine whether, as asserted, it is now possible to fish with purse seine nets and not harm dolphins.

I am therefore pleased to see that on this key point, we have been successful by requiring a three-year study on the impacts of chasing and netting on dolphin populations. Neither I nor the scientists I have consulted are comfortable with an automatic change in the meaning of ''dolphin safe'' after only 1 year of study unless the Secretary determines that chasing and netting dolphins has a significant adverse impact on the animals.

The scientists tell us that these dolphin populations should be growing at 4–6 percent annually, and that anything else should be considered a significant adverse impact. I assume the Secretary will base his decision on objective, independent scientific advice and not succumb to political pressure.

However, this bill now contains new language—not previously reviewed by the House and not subject to any hearings in either House or Senate—which, in my view, sets a dangerous precedent for the future of eco-labeling.

The language of this bill appears to exempt the government-defined ''dolphin safe'' label from FTC standards on truth in labeling. This language prohibits American citizens from suing the federal government over the accuracy and truthfulness of the label that purports to signify ''dolphin safe'' tuna.

The bill technically allows the use of labels other than the government label, which I support, but then contains a plethora of provisions and restrictions designed to ensure that competing labels will be all but impossible to use.

This bill requires the Secretary to make a determination on whether the use of other labels is ''substantially undermining the conservation goals of the International Dolphin Conservation Program,'' and to then recommend to the Congress how to ''correct such problems''. It also contains a provision—added to the last minute at the insistence of tuna companies—making it a violation of the Federal Trade Commission Act to ''use a label in a campaign or effort to mislead or deceive consumers about the level of protection afforded to dolphins under the International Dolphin Conservation Program Act.''

To my knowledge, no other provision of law contains such extensive limitations on the right of the American consumer to know the impacts of their purchases on the environment or anything else, and I am extremely uncomfortable about setting this precedent at a time when eco-labeling or other labeling efforts are under tremendous fire from global big business, without hearings or time to determine the exact extent of these limitations.

I intend to remain very engaged over the next 18 months as we undertake the study to determine the safety of purse seine nets on dolphins, and I know there are many outside Congress who will be watching this study, too. I expect that those who will engage in the study will utilize scrupulous scientific standards, and that the recommendations that result from the study will be scientifically sound rather than motivated by political or trade considerations.

Lastly, let me say that those of us who will be called upon to cast votes in the near future on fast track trade authority or on the expansion of NAFTA and other trade agreements would do well to study the history of this legislation. If there ever was a question that environmental and labor standards should be included as integral components of such agreements, not as side agreement afterthoughts, this legislation provides a clear example of why such provisions should be incorporated.

This legislation is the result of foreign governments telling American consumers and the U.S. Congress that we—and only we—must weaken our domestic product labeling laws because of this international agreement—an agreement, I might add, that not one person in this Congress had any role in drafting or approving. Trade and foreign demands are the engines of this legislation; sound science, mammal protection, consumer information all are being sacrificed on the almighty altar of free trade.

This goes far beyond the issue of tuna and dolphins. It goes to the issue of who makes the laws and the rules that govern this country and our constituents. Do we make decisions based on fact and science, or on the demands of foreign economic competitors?

The best reason to vote for this legislation is that, should this shaky compromise fail, a far worse version is waiting in the wings and undoubtedly will pass. In fact, there is some indication that the Mexican Government is already looking to weaken even this compromise.

So, I thank Senator BOXER and Senators BIDEN and SMITH for their efforts to make this bill less onerous, and I pledge to work with them in the coming year and a half to monitor the study that will determine how the label is to be written in the future.

Mr. ABERCROMBIE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey.

There was no objection.

A motion to reconsider was laid on the table.

HONORING THE LIFE OF BETTY SHABAZZ

Mr. RANGEL. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform and Oversight be discharged from further consideration of the resolution (H.Res. 183) honoring the life of Betty Shabazz, and ask for its immediate consideration.

The Clerk read the title of the resolution.

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

□ 1730

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, and I will not object, I would like to say to my friend from New York, sometimes at 700 knots you have to make a split second decision, and in this case, I think it has worked out for the best.

As I was standing before, I learned of a problem that existed and made a decision. As a matter of fact, I had rose at the other time with the reservation to allow the gentleman and the gentlewoman from New York to make their talk in support of the issue. The issue at hand had nothing to do with Betty Shabazz, and I rise in full and strong support of the gentleman from New York and the gentlewoman from New York and for what they are trying to do in this.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, I thank the gentleman from California [Mr. CUNNINGHAM] for allowing his name to be included among the Members of Congress that take this time before we adjourn to pay great tribute to a great American. I recognize that the gentleman's objections had nothing to do with the life of this great woman, and I appreciate the fact that the gentleman is removing that objection.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 183

Whereas the Nation honors Betty Shabazz as a wife, mother, educator, and advocate for civil and human rights, women, and the poor;

Whereas Betty Shabazz, through her life and deeds, has been an inspiration to people around the world;

Whereas Betty Shabazz was a woman of strength, resilience, perseverance, and grace who overcame the greatest of challenges;

Whereas Betty Shabazz was born Betty Sanders in Detroit, Michigan, on May 28, 1936;

Whereas Betty Shabazz met and married the controversial activist and leader El-Hajj Malik El-Shabazz (Malcolm X) in New York in 1958;

Whereas on February 21, 1965, while pregnant with twins, Betty Shabazz and their four daughters witnessed Malcolm X's assassination;

Whereas Betty Shabazz exhibited her resiliency and determination as a single mother, raising and educating her six daughters, Attallah, Qubilah, Ilyasah, Gamilah, and twins Malikah and Malaak;

Whereas Betty Shabazz found the time to become certified as a registered nurse, and to later earn bachelor's and master's degrees and, finally, a doctorate in education administration from the University of Massachusetts;

Whereas Betty Shabazz joined the administrative staff of Medgar Evers College in Brooklyn, New York, rising to high positions;

Whereas, while preserving the public memory of her late husband, Betty Shabazz earned a reputation of her own, as an educator, public speaker, and advocate for women, education, and civil and human rights;

Whereas on June 23, 1997, Betty Shabazz succumbed to injuries suffered in a tragic fire;

Whereas Betty Shabazz personified the roles of wife, mother, and professional woman; and

Whereas Betty Shabazz will be forever remembered for her love of family, her commitment to humankind, and for the joy and laughter she brought to all those who knew her: Now, therefore, be it

Resolved, That the House of Representatives honors the life of Betty Shabazz.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF COMMITTEE ON SMALL BUSINESS

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Small Business:

U.S. HOUSE OF REPRESENTATIVES
Washington, DC, July 30, 1997.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: As of today's date, I will be taking a leave of absence from the Small Business Committee so that I can continue serving on the Budget Committee.

Sincerely,

BOB WEYGAND,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON BANKING AND FINANCIAL SERVICES

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Banking and Financial Services:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 30, 1997.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I would like to inform you that I am resigning from my assignment on the House Committee of Banking and Financial Services.

Thank you very much.

Sincerely,

CYNTHIA MCKINNEY,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FAZIO of California. Mr. Speaker, I offer a resolution (H. Res. 208), and I ask unanimous consent for its immediate consideration in the House.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

HOUSE RESOLUTION 208

Resolved, That the following named Members be, and that they are hereby, elected to the following standing committees of the House of Representatives:

To the Committee on Banking and Financial Services: Robert Weygand of Rhode Island.

To the Committee on National Security: Cynthia McKinney of Georgia.

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

Mr. ENGEL. Mr. Speaker, reserving the right to object, and I will not object, but I was here on the floor before and wanted to add just a couple of words to the tribute to Betty Shabazz.

Betty Shabazz was my constituent for many years in Mount Vernon, NY, and was truly a friend and a great lady, and I stood up before, but I was not seen, and so I wanted to just very briefly say a few words on her behalf and ask that my words be put into the RECORD behind Mr. RANGEL's remarks.

I last saw Betty Shabazz in my district at a church in a celebration, a ceremony, dealing with United States and African relations and investment in Africa. I have known Betty for many years, am familiar with her work and education and caring about young people and caring about the future of this country.

I want to say that Betty Shabazz was truly a woman of valor, truly a woman who was color-blind and cared about all Americans, regardless of race, creed, color, or religious origin. Her life personified, I think, what makes this country great, how someone can take adversity in their own personal lives and just move themselves forward, going to school and getting her doctorate and sharing what she knew with the community.

I remember sitting next to her last year at the Democratic National Convention, and we chatted about all the things that she cared about, and I just wanted to add my voice to say that we truly miss her already. She was a great woman, but her legacy will live on. She cared not only about the people in my district again, but about all people, and I represent the communities of Mount Vernon, NY and Yonkers, NY in which she lived, and she really made us all proud.

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

Mr. ENGEL. Further reserving the right to object, I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Speaker, if I might just ask the indulgence of the Speaker on behalf of the constituents of the 18th Congressional District of Texas, we admire the fact that New York claimed Dr. Betty Shabazz, but she is truly a national treasure, and for those of us in Texas, we acknowledge that Betty Shabazz was a symbol of motherhood in the fact that she rose as a single mother to raise six daughters and steadfastly continued her work on behalf of all children in this Nation. So those of us in Texas benefitted from her love of education and children as well as her great work at the Medgar Evers College and her great work with Coretta Scott King and Merlie Evers, of course widows who lost their husbands to tragedy, but as well to the cause of civil rights, like her husband, Malcolm X.

So I just wanted to join my colleague from New York [Mr. ENGEL], and on behalf of my constituents. We acknowledge her as a national treasure, and I am very proud to be able to stand here and salute the Honorable Dr. Betty Shabazz through her death. She has helped to consolidate those of us who would support children and be able to continue her fight for equality and justice.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. ENGEL. Further reserving the right to object, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I want to join the gentlewoman from Texas [Ms. JACKSON-LEE] and the gentleman from New York [Mr. ENGEL] for their work on behalf of Betty Shabazz, who has become a mother figure for our entire land, the tragedies she suffered in the loss of her husband, the tragedy in her own life, and yet was able to go through so many wonderful things in her life. She will long be missed, and she has left her mark on our society.

Mr. ENGEL. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LIMITING AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 2159, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1998

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that during further consideration of the bill (H.R. 2159) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1998, and for other purposes, pursuant to the order of the House of July 24, 1997, no other amendment shall be in order (except pro forma amendments offered for the purpose of debate) unless printed before August 1, 1997 in the portion of the CONGRESSIONAL RECORD designated for that purpose in clause 6 of rule XXIII.

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

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, TUESDAY, AUGUST 5, 1997 TO FILE PRIVILEGED REPORT ON TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1998

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Tuesday, August 5, 1997 to file a privileged report on a bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1998, and for other purposes.

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

There was no objection.

The SPEAKER pro tempore. All points of order are reserved on the bill.

CONGRATULATING INDIA AND PAKISTAN ON 50TH ANNIVERSARY OF INDEPENDENCE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the resolution (H. Res. 157) congratulating the people of India and Pakistan on the occasion of the 50th anniversary of their nations' independence, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

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

Mr. BEREUTER. Mr. Speaker, reserving the right to object, and I do not intend to object, but under my reservation I yield to the gentleman from New York to explain the resolution.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Nebraska for yielding.

Mr. Speaker, the gentleman from Nebraska [Mr. BEREUTER], the distinguished chairman of the Subcommittee on Asia and the Pacific, has sponsored this timely resolution, and I welcome his support at this very timely moment.

It is indeed a matter to celebrate when two of the largest democracies in the world, both India and Pakistan, reach their 50th anniversary of independence. In particular, India has had a continuous 50-year tradition of democracy and rule of law and great respect for religious freedom. We very much agree that we look forward to broadening and deepening the United States cooperation and friendship with both nations in the years to come.

Finally, one of the clauses of this resolution notes that the House plans to send a delegation to attend the independence celebrations. It is going to be my honor to lead such a delegation, and I look forward to being able to call to the attention of the House the fact that this resolution was fully agreed to in the House in such a timely manner.

We congratulate both India and Pakistan on their 50th anniversaries of their independence, and I thank the gentleman from Nebraska [Mr. BEREUTER] for bringing this matter before us at this time.

Mr. BEREUTER. Mr. Speaker, I thank the chairman.

Under my reservation, I yield to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Nebraska as well. I thank him for his kindness.

Mr. Speaker, sometimes we tend to give credit to the youth, to what is young. I think it is so very important to acknowledge Pakistan and India for 50 years of democracy. I know the gentleman from New York Chairman GILMAN has been a strong stalwart around this Nation in advocating the understanding of world affairs and applauding our neighbors for them upholding democracy.

Here we have two very fine nations that will celebrate 50 years. I want my colleagues to know that I may not be in India or Pakistan, I am not sure, but I will be celebrating with those citizens of that origin here in this Nation if I am not, and I will be gratified to be with them, because they set a very fine example for what can be, no matter how large a country you might be, that every individual is valued and democracy is valued.

I am proud to be of this Nation, that for the longest period of time has claimed itself as a free and democratic Nation, and I am very happy today to be able to extend my hand of friendship, applause, to both of these gentlemen for raising up this honor of these two very fine nations. They have been democratic, they continue to work for democracy, and they continue to work to have a free society for their people.

Mr. BEREUTER. Mr. Speaker, I thank the gentlewoman for her comments. Under my reservation, I would like to continue very briefly.

America's relations with India are strong and are improving, and has in recent years experienced extraordinarily successful elections. The social and economic progress it has achieved in the last five decades is truly remarkable, and it has laid a foundation, a strong one, for India's future. The United States and India have developed into important trading partners. Indian-Americans are making enormous contributions to both countries.

Similarly, Pakistan is an extremely important friend to the United States. Pakistan's commitment to democracy was most recently evidenced in the February 1997 elections, which brought about a change of government. Pakistani-Americans have also made major contributions to American society, and our relationship has proven mutually beneficial.

It is this Member's understanding that the distinguished gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations, will be leading a delegation to India and Pakistan in the coming month, in part to celebrate this momentous occasion. Such a delegation is appropriate and timely, and this Member certainly congratulates the chairman on his decision to lead such an important delegation.

The resolution itself calls for an official appointed House delegation to visit the two countries within the next anniversary year.

Mr. Speaker, House Resolution 157 is a bipartisan effort sponsored by this Member, the distinguished ranking Democrat on the Subcommittee on Asia and the Pacific, the gentleman from California, Mr. BERMAN, the distinguished chairman of the committee on International Relations, Mr. GILMAN, and the ranking Democrat of the Committee on International Relations, Mr. HAMILTON, as well as distinguished members from the House leadership, the gentleman from Georgia, Mr. GINGRICH, House Speaker; and the gentleman from Michigan, Mr. BONIOR, the Democratic whip.

I would urge and expect to have support for this resolution.

Mr. GILMAN. Mr. Speaker, if the gentleman will continue to yield under his reservation, I just want to thank the gentleman from Nebraska [Mr. BEREUTER] for his supporting remarks and for sponsoring this measure. I also thank the gentlewoman from Texas [Ms. JACKSON-LEE] for her support of this measure and for her kind remarks.

Mr. BEREUTER. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 157

Whereas in August 1947 the people of Pakistan and India gained their independence from the British;

Whereas the people of India, Pakistan, and the United States have a common interest in the promotion and preservation of democratic systems of government;

Whereas since independence in 1947 the people of India have maintained the world's largest democracy, one that serves as an inspiration for people throughout the world;

Whereas in recent years the people of Pakistan have reasserted their own strong commitment to building and sustaining a democratic system of government;

Whereas, in addition to democracy, the people of Pakistan, India, and the United States have had many shared values and interests over the past fifty years, including the desire to promote the peaceful development of the South Asian region;

Whereas Indian and Pakistani citizens, who have visited or lived in the United States, and United States citizens, who have visited or lived in India and Pakistan, have done much to improve mutual understanding and build friendship over the past fifty years;

Whereas United States citizens of Pakistani or Indian origin have contributed greatly to the advancement of knowledge, the development of the United States economy, and the enrichment of cultural life in the United States;

Whereas the ties of trade and investment among the United States, India, and Pakistan have grown over fifty years to the great benefit of the people of all three countries; and

Whereas the fiftieth anniversary of the independence of Pakistan and India offers an opportunity for India, Pakistan, and the United States to renew their commitment to international cooperation on issues of mutual interest and concern: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the people of India and Pakistan on the occasion of the fiftieth anniversary of their nations' independence;

(2) looks forward to broadening and deepening United States cooperation and friendship with Pakistan and India in the years ahead for the benefit of the people of all three countries; and

(3) intends to send a delegation to India and Pakistan during this 50th anniversary year of independence to further enhance the mutual understanding among the United States, Pakistan, and India and among the United States Congress and the parliaments of those countries.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 157.

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

There was no objection.

CORRECTING ERRORS IN ENROLLMENT OF H.R. 2014, TAXPAYER RELIEF ACT OF 1997

Mr. ARCHER. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 138) to correct technical errors in the enrollment of the bill H.R. 2014, and I ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the concurrent resolution.

The Clerk read as follows:

H. CON. RES. 138

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 2014), to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998, the Clerk of the House of Representatives shall make the following corrections:

(1) In the amendment proposed to be added by section 1085(c), strike ''section 407(d)'' and insert ''paragraph (4) or (7) of section 407(d)''.

(2) Strike subparagraph (B) of section 1031(e)(2) and insert the following:

''(B) TREATMENT OF AMOUNTS PAID FOR TICKETS PURCHASED BEFORE OCTOBER 1, 1997.—The amendments made by subsection (c) shall not apply to amounts paid before October 1, 1997; except that—

''(i) the amendment made to section 4261(c) of the Internal Revenue Code of 1986 shall apply to amounts paid more than 7 days after the date of the enactment of this Act for transportation beginning on or after October 1, 1997, and

''(ii) the amendment made to section 4263(c) of such Code shall apply to the extent related to taxes imposed under the amendment made to such section 4261(c) on the amounts described in clause (i).''.

Mr. ARCHER (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARCHER] is recognized for 1 hour.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

This enrolling resolution would make two corrections in the tax bill which just passed the House of Representatives, and that is H.R. 2014. The first correction would revise section 1085(c) to cover work experience and community service employment, but not subsidize private sector jobs.

Let me explain why this correction is necessary. The conference agreement intended to prohibit the payment of the earned income tax credit to TANF recipients who were participating in workfare or community service jobs. However, the bill language denies the EITC to individuals in subsidized private employment or on-the-job training where the employer receives wage subsidy funds from the State that are financed by the TAIF funds, as well as to individuals in welfare or community service jobs. This problem appears to have stemmed from the fact that the drafters did not find a definition of the term ''workfare,'' in title IV–A. So they swept in a wide array of work activities, including subsidized private sector employment, and this concurrent resolution would put in place the intent of what Congress was acting to do.

□ 1745

The second correction would revise section 1031 of H.R. 2014 to delay the effective date of certain advance ticket purchases for air transportation beginning after September 30, 1997. The correction is needed to allow the airlines enough time to reprogram their computers for the new ticket pricing system as contained in H.R. 2014.

Mr. KILDEE. Mr. Speaker, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Speaker, I would ask the gentleman, I assume these corrections have been cleared with the ranking member of the Committee on Ways and Means?

Mr. ARCHER. I understand that they have. The gentleman from New York [Mr. RANGEL] has approved these corrections.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the initial request of the gentleman from Texas?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 138

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 2014), to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998, the Clerk of the House of Representatives shall make the following corrections:

(1) In the amendment proposed to be added by section 1085(c), strike ''section 407(d)'' and insert ''paragraph (4) or (7) of section 407(d)''.

(2) Strike subparagraph (B) of section 1031(e)(2) and insert the following:

''(B) TREATMENT OF AMOUNTS PAID FOR TICKETS PURCHASED BEFORE OCTOBER 1, 1997.—The amendments made by subsection (c) shall not apply to amounts paid before October 1, 1997; except that—

''(i) the amendment made to section 4261(c) of the Internal Revenue Code of 1986 shall apply to amounts paid more than 7 days after the date of the enactment of this Act for transportation beginning on or after October 1, 1997, and

''(ii) the amendment made to section 4263(c) of such Code shall apply to the extent related to taxes imposed under the amendment made to such section 4261(c) on the amounts described in clause (i).''.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXPRESSING THE SENSE OF CONGRESS REGARDING MEXICO'S ANTIDUMPING DUTIES

Mr. CRANE. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 43) urging the United States Trade Representative immediately to take all appropriate action with regards to Mexico's imposition of antidumping duties on United States high fructose corn syrup, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

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

Mr. EWING. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Illinois [Mr. CRANE].

Mr. CRANE. Mr. Speaker, Senate Concurrent Resolution 43 expresses the sense of Congress that the government of Mexico should review carefully whether it initiated an anti-dumping investigation against United States exports of high fructose corn syrup in conformity with WTO standards. It urges the United States Trade Representative to take all appropriate measures with regard to the imposition of preliminary anti-dumping duties on U.S. exports of high fructose corn syrup.

These duties, which range from 61 percent to 102 percent, were imposed on June 25 as the result of a petition filed by the Mexican sugar industry. There is a question as to whether the Mexican Government adequately investigated if domestic producers of HFCS in Mexico are supportive of the petition. In light of the fact that United States corn growers and refiners, including many in my State of Illinois, are suffering the serious disruption of potentially prohibitive tariffs on their sales in Mexico, I urge my colleagues to support this resolution.

I also want to pay tribute to my distinguished colleague from down state, he is more corn country than I am, because of his active involvement in getting Senate Concurrent Resolution 43 reported over to the House.

Mr. EWING. Mr. Speaker, I am not going to object, of course, to this resolution being brought, but I want to thank the distinguished gentleman from Illinois [Mr. CRANE], the chairman of the Subcommittee on Trade of the Committee on Ways and Means.

Our colleague, the gentleman from Illinois, GLEN POSHARD, and myself have been most interested in seeing this resolution brought to the floor. I would just rise in strong support of the concurrent resolution, which talks about Mexico's recent decision to impose anti-dumping duties.

Prior to our adoption of the NAFTA treaty, duties on high fructose corn syrup were 15 percent. This year, under a negotiated agreement, they should have dropped to 9.5 percent. Duties now in effect because of this decision are as much as four to five times greater and above the pre-NAFTA level.

Mr. Speaker, this case involves both important matters of international trade policy and vital trade interests of the U.S. agricultural producers.

I would just like do elaborate for a moment. First, the preliminary findings of the Mexican Government were reached in what I believe is in violation of the World Trade Organization code on dumping investigation. The code requires that the government fully investigate allegations brought by private parties before opening government investigations.

In this case, it is my opinion that the Mexican sugar industry presented an inaccurate allegation and that there was no production of high fructose corn syrup in Mexico. I believe this to be wrong, and that the Mexican authorities should have known, if they did not, that it was wrong, and ignored their evidence that might have been available to them.

By itself this is grounds for dismissal of the case. Simply put, the Mexican sugar industry does not have standing under the WTO code to file this case, and the Government of Mexico chose to ignore that fact, for whatever reasons may have been expedient to them.

There is a second flaw. The Mexican authorities have failed to demonstrate that the high fructose corn syrup and the Mexican sugar are like products under the internationally accepted anti-dumping code. Beyond both the technical and the procedural flaws raised in the case, which should require its immediate dismissal, this action raises serious political and economic problems.

Mr. Speaker, I represent one of the four largest corn-producing districts in the U.S. Corn refining adds another $100 million to the value of the corn crop in my district, and I cannot stand idly by and allow others with whom we are trading to deny us access to their important markets. I hope that the Members will join me in supporting our corn farmers and processors, and send a strong message to the Mexican Government that we intend to defend the trading rights we have negotiated. I would ask for the adoption of this amendment.

Mr. EWING. I withdraw my reservation of objection, Mr. Speaker.

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

Mr. POSHARD. Mr. Speaker, reserving the right to object, I rise today in strong support of this concurrent resolution, which criticizes Mexico's recent decision to impose antidumping duties against U.S. exports of high fructose corn syrup.

Prior to NAFTA, duties on high fructose corn syrup were 15 percent and were to be phased out over 10 years. Duties now in effect as a result of the Mexican Government's recent decision are four to five times the pre-Nafta levels.

Mexico would like us to believe that their small sugar mills are being overrun by large U.S. corporations. In reality, however, a small number of individuals own a very large share of the Mexican sugar mills. It is interesting to note that these same individuals rely heavily upon U.S. financial markets to fund their goals in expanding markets. I would suggest to my colleagues that perhaps it is time for Congress to review whether or not we want our financial markets open to those who refuse to compete against U.S. products.

Mr. Speaker, Mexico's action against fructose violates the standards of the World Trade Agreement, of which Mexico and the United States are Members. Important issues of standing and injury have been ignored and the Mexican Government has failed to investigate allegations known to be false.

On procedural grounds alone, this case should be dismissed. However, in addition to its procedural and technical flaws, Mexico's action raises serious economic concerns for this Nation and for my southeastern Illinois district. The 1996 farm bill eliminated traditional price supports available to U.S. corn farmers and replaced them with a phased-down market transition payment. Farmers were told that they must generate their income from the market, particularly the growing international market.

Mexico's decision to impose antidumping duties on U.S. exports of high fructose corn syrup, if left unchallenged, represents in my judgment a breach of faith with Illinois corn farmers, who were assured of their right to pursue markets around the world.

My district is home to several large corn refining plants which provide direct employment for over 2,000 of my constituents. It is estimated that corn refining adds over $70 million to the value of the corn crop in my district. Last year, consumption of high fructose corn syrup represented a market for about 500 million bushels of U.S. corn.

Mr. Speaker, I cannot allow competitive U.S. products to be shut out of this critical market. I hope my colleagues will join me and the other gentlemen from Illinois, Mr. CRANE, and Mr. EWING, in supporting our corn farmers and processors, and send a strong message to the Mexican Government that we intend to defend the trading rights that we have negotiated.

Most importantly, I hope all Members will join us in sending a message to our farmers that we have not forgotten the promises of the 1996 farm bill and that the U.S. Congress will defend their right to export.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Whereas the North American Free Trade Agreement (in this resolution, referred to as ''the NAFTA'') was intended to reduce trade barriers between Canada, Mexico and the United States;

Whereas the NAFTA represented an opportunity for corn farmers and refiners to increase exports of highly competitive United States corn and corn products;

Whereas corn is the number one United States cash crop with a value of $25,000,000,000;

Whereas United States corn refiners are highly efficient, provide over 10,000 nonfarm jobs, and add over $2,000,000 of value to the United States corn crop;

Whereas the Government of Mexico has initiated an antidumping investigation into imports of high fructose corn syrup from the United States which may violate the antidumping standards of the World Trade Organization;

Whereas on June 25, 1997, the Government of Mexico published a Preliminary Determination imposing very high antidumping duties on imports of United States high fructose corn syrup;

Whereas there has been concern that Mexico's initiation of the antidumping investigation was motivated by political pressure from the Mexican sugar industry rather than the merits of Mexico's antidumping law: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the Government of Mexico should review carefully whether it properly initiated this antidumping investigation in conformity with the standards set forth in the World Trade Organization Agreement on Antidumping, and should terminate this investigation immediately;

(2) if the United States Trade Representative considers that Mexico initiated this antidumping investigation in violation of World Trade Organization standards, and if the Government of Mexico does not terminate the antidumping investigation, then the United States Trade Representative should immediately undertake appropriate measures, including actions pursuant to the dispute settlement provisions of the World Trade Organization.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT AS CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE OF REPRESENTATIVES

The SPEAKER. The Chair requests that Mr. Egan come forward and take the oath of office as Chief Administrative Officer.

Mr. Egan appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations. You are now the Chief Administrative Officer of the House of Representatives.

RESIGNATION AS LEGISLATIVE COUNSEL AND APPOINTMENT AS LEGISLATIVE COUNSEL OF THE HOUSE OF REPRESENTATIVES

The Speaker laid before the House the following resignation as Legislative Counsel of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
OFFICE OF THE LEGISLATIVE COUNSEL,
Washington, DC, July 8, 1997.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, U.S. Capitol, Washington, DC.

DEAR MR. SPEAKER: I would like to resign from my position as the Legislative Counsel of the House of Representatives effective July 31, 1997. I would like to continue my service in the Office of the Legislative Counsel as a Senior Counsel.

I will leave my position knowing that my Office is finally fully enabled to provide needed services to the House.

As you know the primary function of the Office is to draft legislation (including amendments and conference reports) which will carry out the policy of the Members involved. Ideally, there would be time for conferences to develop the policy and the persons responsible for the policy would be available. If that can be done it is very satisfactory work to participate in the process. I have taken a real interest in seeing that the Office is able to effectively do its work.

When I joined the Office in 1962 it had 11 attorneys and did not provide services to all the Committees. A good working relationship had been established with only the Ways and Means Committee and the Committee on Commerce. However, through time and the changes in the Committees, the Office has been able to establish good working relationships with all the Committees. Without a doubt, your actions and those taken by your leadership have facilitated the Office in providing services to the Committees and the Leadership. I think it can be said that the House does not act on significant legislation which has not been a responsibility of an attorney in the Office.

The morale in the Office is quite high because of the action you took on the pay comparability with the Senate and also on account of the Committee responsibilities.

The tutorial process the Office follows with new attorneys allows the new attorney to begin Committee work with a fellow attorney in about a year. When the new attorney graduates to Committee work they feel they have been given a special responsibility.

Now an attorney doing Committee work can readily feel that he or she is making a significant contribution to a public measure.

I am encouraged about continuing in the Office. The Office undertook an extensive audit of its work and the problems presented to it in carrying out its work. As a result of the audit some very interesting work has been developed in communicating our services to the Members. The Office has a web site which provides information about the Office and the services it provides. In addition, we will soon have the capacity to fax material directly from our personal computers. That will relieve us of the time needed to make copies and deliver the work. In addition, the Office has developed a team to mediate differences in the Office. Finally, work has been done in improving the working conditions of the clerical/administrative staff. Consequently, I think we are doing well and we know what our difficulties are and we are prepared to deal with them.

I have particularly enjoyed serving as the Legislative Counsel under your Speakership.

Sincerely yours,

DAVID E. MEADE,
Legislative Counsel.

The SPEAKER. Pursuant to the provisions of section 521 of the Legislative Reorganization Act of 1970 (2 U.S.C. 282), the Chair appoints Mr. M. Pope Barrow as Legislative Counsel of the United States House of Representatives, effective August 1, 1997.

The Chair would also like to thank Mr. Meade for his service to the House, and to remind all Members that the work done by the legislative counsels is absolutely essential to the job we do, and without the dedication and hard work and long hours of the legislative counsels, it would be literally impossible to have the legislative process that we now engage in.

□ 1800

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105–113)

The SPEAKER pro tempore (Mr. LAHOOD) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1997, to the Federal Register for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to the stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 31, 1997.*

DEVELOPMENTS CONCERNING NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105–114)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of February 10, 1997, concerning the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order 12722 and matters relating to Executive Orders 12724 and 12817 (the ''Executive Orders''). The report covers events from February 2 through August 1, 1997.

Executive Order 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a United States person. That order also prohibited the importation into the United

States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contracting support of any industrial, commercial, or governmental project in Iraq. United States persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution (UNSCR) 661 of August 6, 1990.

1. In April 1995, the U.N. Security Council adopted UNSCR 986 authorizing Iraq to export up to $1 billion in petroleum and petroleum products every 90 days for a total of 180 days under U.N. supervision in order to finance the purchase of food, medicine, and other humanitarian supplies. UNSCR 986 includes arrangements to ensure equitable distribution of humanitarian goods purchased with UNSCR 986 oil revenues to all the people of Iraq. The resolution also provides for the payment of compensation to victims of Iraqi aggression and for the funding of other U.N. activities with respect to Iraq. On May 20, 1996, a memorandum of understanding was concluded between the Secretariat of the United Nations and the Government of Iraq agreeing on terms for implementing UNSCR 986. On August 8, 1996, the UNSC committee established pursuant to UNSCR 661 (''the 661 Committee'') adopted procedures to be employed by the 661 Committee in implementation of UNSCR 986. On December 9, 1996, the Secretary General released the report requested by paragraph 13 of UNSCR 986, making UNSCR 986 effective as of 12:01 a.m. December 10.

On June 4, 1997, the U.N. Security Council adopted UNSCR 1111, renewing for another 180 days the authorization for Iraqi petroleum sales contained in UNSCR 986 of April 14, 1995. The Resolution became effective on June 8, 1997. During the reporting period, imports into the United States under this program totaled approximately 9.5 million barrels.

2. There have been no amendments to the Iraqi Sanctions Regulations, 31 C.F.R. Part 575 (the ''ISR'' or the ''Regulations'') administered by the Office of Foreign Assets Control (OFAC) of the Department of the Treasury during the reporting period.

As previously reported, the Regulations were amended on December 10, 1996, to provide a statement of licensing policy regarding specific licensing of United States persons seeking to purchase Iraqi-origin petroleum and petroleum products from Iraq (61 Fed. Reg. 65312, December 11, 1996). Statements of licensing policy were also provided regarding sales of essential parts and equipment for the Kirkuk-Yumurtalik pipeline systems, and sales of humanitarian goods to Iraq, pursuant to United Nations approval. A general license was also added to authorize dealings in Iraqi-origin petroleum and petroleum products that have been exported from Iraq with the United Nations and United States Government approval.

All executory contracts must contain terms requiring that all proceeds of the oil purchases from the Government of Iraq, including the State Oil Marketing Organization, must be placed in the U.N. escrow account at Banque National de Paris, New York (the ''986 escrow account''), and all Iraqi payments for authorized sales of pipeline parts and equipment, humanitarian goods, and incidental transaction costs borne by Iraq will, upon arrival by the 661 Committee, be paid or payable out of the 986 escrow account.

3. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. Several cases from prior reporting periods are continuing and recent additional allegations have been referred by the Office of Foreign Assets Control (OFAC) to the U.S. Customs Service for investigation.

On July 10, 1995, an indictment was brought against three U.S. citizens in the Eastern District of New York for conspiracy in a case involving the attempted exportation and transshipment to Iraq of zirconium ingots in violation of the IEEPA and the ISR. The intended use of the merchandise was the manufacture of cladding for radioactive materials to be used in nuclear reactors. The case was the culmination of a successful undercover operation conducted by agents of the U.S. Customs Service in New York in cooperation with OFAC and the U.S. Attorney's Office for the Eastern District of New York. On February 6, 1997, one of the defendants plead guilty to a 10-count criminal indictment including conspiracy to violate the Iraqi Sanctions and the IEEPA. The trial of the remaining defendants is ongoing.

Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to OFAC's listing of individuals and organizations determined to be Specially Designated Nationals (SDNs) of the Government of Iraq.

Since my last report, OFAC collected four civil monetary penalties totaling more than $470,000 for violations of IEEPA and the ISR. The violations involved brokerage firms' failure to block assets of an Iraqi SDN and effecting certain securities trades with respect thereto. Additional administrative proceedings have been initiated and others await commencement.

4. The Office of Foreign Assets Control has issued a total of 700 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Licenses have been issued for transactions such as the filing of legal action against Iraqi governmental entitites, legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes, executory contracts pursuant to UNSCR 986, sales of humanitarian supplies to Iraq under UNSCR 986, the execution of powers of attorney relating to the administration of personal assets and decedent's estates in Iraq and the protection of preexistent intellectual property rights in Iraq. Since my last report, 47 specific licenses have been issued.

5. The expense incurred by the Federal Government in the 6-month period from February 2 through August 1, 1997, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are reported to be about $1.2 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of International Organization Affairs, the Bureau of Political-Military Affairs, the Bureau of Intelligence and Research, the U.S. Mission to the United Nations, and the Office of the Legal Advisor), and the Department of Transportation (particularly the U.S. Coast Guard).

6. The United States imposed economic sanctions on Iraq in response to Iraq's illegal invasion and occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with relevant United Nations Security Council resolutions. Security Council resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, Iraqi recognition of Kuwait and the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. Seven years after the invasion, a pattern of defiance persists: a refusal to account for missing Kuwaiti detainees; failure to return Kuwaiti property worth millions of dollars, including military equipment that was used by Iraq in its movement of troops to the Kuwaiti border in October 1994; sponsorship of assassinations in Lebanon and in northern Iraq; incomplete declarations to weapons instructors and refusal of unimpeded access by these inspectors; and ongoing widespread human rights violations. As a result, the U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continues to violate basic human rights of its own citizens through the systematic

repression of minorities and denial of humanitarian assistance. The Government of Iraq has repeatedly said it will not be bound by UNSCR 668. The Iraqi military routinely harasses residents of the north, and has attempted to ''Arabize'' the Kurdish, Turcomen, and Assyrian areas in the north. Iraq has not relented in its artillery attacks against civilian population centers in the south, or in its burning and draining operations in the southern marshes, which have forced thousands to flee to neighboring states.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The U.N. resolutions affirm that the Security Council must be assured of Iraq's peaceful intentions in judging its compliance with sanctions. Because of Iraq's failure to comply fully with these resolutions, the United States will continue to apply economic sanctions to deter it from threatening peace and stability in the region.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 31, 1997.*

GENERAL LEAVE

Mr. HOEKSTRA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the adoption of the Senate amendments to H.R. 408.

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

There was no objection.

AUTHORIZING THE SPEAKER, THE MAJORITY LEADER, AND THE MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS AUTHORIZED BY LAW OR THE HOUSE, NOTWITHSTANDING ADJOURNMENT

Mr. HOEKSTRA. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Wednesday, September 3, 1997, the Speaker, majority leader, and minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

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

There was no objection.

GRANTING MEMBERS OF HOUSE PRIVILEGE TO EXTEND REMARKS AND INCLUDE EXTRANEOUS MATERIAL IN CONGRESSIONAL RECORD

Mr. HOEKSTRA. Mr. Speaker, I ask unanimous consent that today and tomorrow all Members be permitted to extend their remarks and to include extraneous material in that section of the RECORD entitled ''Extensions of Remarks.''

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 3, 1997

Mr. HOEKSTRA. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 3, 1997.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a joint resolution and a concurrent resolution of the House of the following titles:

H. J. Res. 90. Joint resolution waiving certain enrollment requirements with respect to two specified bills of the One Hundred Fifth Congress; and

H. Con. Res. 136. Concurrent resolution providing for an adjournment of the two Houses.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CONTESTED ELECTION IN CALIFORNIA 46TH DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, a contested election is a very difficult thing. It strains friendships, often friendships between Republicans and Democrats because we all have our political alliances and those are legitimate alliances, and we have our friends and we have our party loyalties and it makes sometimes for a difficult time when we have to decide who won a particular election. Sometimes these things become bitter and sometimes things are said that Members wish later they could have been left unsaid or have been retracted.

The contest between former Congressman, my friend, Bob Dornan and our gentlewoman from California [Ms. SANCHEZ] is not about those two individuals. It is not about Bob Dornan. It is not about LORETTA SANCHEZ. It is about something that is very near and dear to our Nation, to the basis for our democracy, and that is the principle of free and fair elections. Unfortunately in this election, as newspaper reporters uncovered, one organization registered to vote over 300 people. That one organization registered to vote over 300 people who did not have the legal right to vote. Those people who voted did not realize they were committing a felony when they voted. They were urged by political activists to do that, to vote.

I would submit to my friends on both sides of the aisle, Democrat and Republican, including our leadership, Hispanic American leadership in this country, that the real victims of this fraud in that particular part of Orange County were the people who were urged to vote, who were not yet citizens of the United States and who believed these proctors who came around and handed out ballot registration forms to them and said, it is your duty if you want to become an American citizen.

I am citing, I am paraphrasing what they gave back to investigators when asked why they registered to vote when it was illegal to vote. I would offer to my colleagues that they were the victims of this. They were exploited. They were demeaned. Everybody, every community in America should have an interest in having free and fair elections where fraud does not occur.

What happened following that was that a criminal investigation was started, is under way by criminal, by law enforcement authorities in California. A challenge was filed by Mr. Dornan. I want to go over very briefly what the litany of the chronology of actions by this House has been.

On May 14, the Committee on House Oversight subpoenaed the Immigration and Naturalization Service after months of failed attempts to receive information. House oversight asked the INS to perform a match between INS databases and the Orange County voter list. May 21, the Committee on House Oversight receives the INS computer matches. This constitutes a partial compliance with the committee subpoena.

June 13, the Committee on House Oversight receives a list of 4,119 potential matches identified by a computer review by the INS. June 23, the Committee on House Oversight requests that INS check an additional 1,349 persons identified by a manual review by House Oversight staff of INS documents.

June 24, the INS delivers to the committee 3,257 of 4,119 worksheets, summarizing their files. July 3, the INS delivers to the committee 503 more worksheets. July 9, House Oversight receives a list of over 3,000 potential matches between individuals who voted in the 46th Congressional District and individuals that declared that they were not citizens when summoned for jury duty. That means these people said, made written statements saying I am not a U.S. citizen and it appears that they voted. It appears that they voted in the election, and we are checking on that. I think that is a legitimate question.

July 18, INS delivers 500 more of the 4,119 worksheets; 100 remain outstanding.

July 30, INS produces 300 of the 1,349 worksheets. This investigation is ongoing. It is going to be completed hopefully over the break.

Everybody wants to see it end so we can figure out what happened in that

congressional district. But one thing is very clear, enough of a criminal investigation has been done and enough good reporting has been done to show us that there has been some fraud in that district and at least enough to warrant an analysis of who won that election.

Only one thing should dominate our thoughts in this Chamber: That the person who got the most votes in this election from legal voters should win the election and should be seated in the House of Representatives.

The gentlewoman from California [Ms. SANCHEZ] wants to see this thing over and done with. I talked with Mr. Dornan a few days ago. He is tired of seeing himself smeared in the newspapers regularly by people who have brought the race card into this. He wants to see it over with. I think we can handle this in an evenhanded manner and make a term determination within a few weeks. Let us calm down this rhetoric. Let us do the analysis. Let us see who won the election.

SPECIAL TRIBUTE TO MERE BETHAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise to honor the memory of a distinguished Pacific educator and judge the late Seuvaai ''Mere'' Tuiasosopo Betham, former director of education of American Samoa and an associate judge on the High Court of American Samoa, who passed away recently. A dedicated public servant, educator and administrator with more than 43 years of public service, Judge Betham was our first American Samoan woman judge on the High Court, a true pioneer who was also the first woman of Samoan American ancestry to be appointed as Director of Education. It is these and other firsts for which she will always be remembered by the Samoan people.

Judge Betham was someone who cared very much about each and every person she encountered in her personal and professional life. She was someone for whom I had tremendous respect. She was always courteous and helpful to me, firm and helpful to her students and fair and just with those who appeared before her in court. She always extended the hand of friendship. Although our careers never crossed paths, we nevertheless shared many similar concerns, and chief among these concerns was the issue of education in the American Samoa.

I learned from her how to make every person you encounter feel important, how to make every person feel that he or she, too, had something important to contribute to the process. She was the kind of individual who could put a hostile student or any other person at ease by making that person feel important and included in the process. Perhaps this is why she was so successful as a public servant.

Mr. Speaker, Judge Betham exemplified all of the traits of a true Samoan leader. She was decisive yet compassionate, firm and yet not inflexible, and she was a woman of wisdom. Most important of all, she was a humble person who remained close to the people. She served even after she was appointed to high government posts.

Mrs. Betham was born in 1932 in American Samoa. She received her elementary school education in the islands, graduated from the high school in 1950, where she was the only female to graduate with her first class. Shortly after high school, she left American Samoa to attend college in California. She enrolled at the Pomona College in Claremont and later transferred to Geneva College in Beaver Falls, PA, where she went on to receive her bachelor's degree in the field of economics in 1954.

After graduating from college, Judge Betham returned to the islands to begin her career as a secondary schoolteacher. She taught at a high school from 1954 until 1961, the year she was appointed assistant principal. Later on in 1968, she was appointed principal of the only high school then in the territory. Two years after becoming principal, Judge Betham was transferred to the Department of Education in which years later she became the first woman to earn the rank of the director of education. Judge Betham held this position for more than 11 years. In 1985 she retired from the department of education and Samoa's education system underwent major changes in teaching practices, philosophies during her tenure and bringing television as a tool or a means of assisting the educational system in the territory.

Even after she retired from the Department of Education, Judge Betham continued to be active in the field of education. As an educator, Mr. Speaker, Judge Betham touched many lives and she found such joy and pleasure in following the successes of her former students. As a judge, she touched equally as many lives as she found much satisfaction and comfort in making sure the result reached by the court was just and fair.

In closing, Mr. Speaker, I would like to offer my condolences to Judge Betham's husband, James Rusty Betham and her children. I am sure that the proud legacy which she left will live on in their hearts and in the hearts of all the people of American Samoa.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise to honor the memory of a distinguished Pacific educator and judge, the late Seuvaai ''Mere'' Tuiasosopo Betham, former director of education of American Samoa and an associate judge on the High Court of American Samoa, who passed away recently. A dedicated public servant, educator, and administrator with more than 43 years of public service, Judge Betham was our first American Samoan female judge on the High Court, a true pioneer who was also the first woman of Samoan American ancestry to be appointed Director of Education. It is these and other ''firsts'' for which she will always be remembered by the Samoan people.

Judge Betham was someone who cared very much about each and every person she encountered in her personal and professional life, and she was someone for whom I had tremendous respect. She was always courteous and helpful to me, firm and helpful to her students, and fair and just with those who appeared before her in court. She always extended the hand of friendship. Although our careers never crossed paths, we nevertheless shared many similar concerns, and chief among these concerns was the issue of education in American Samoa.

I learned from her how to make every person you encounter feel important, and how to make every person feel that he or she, too, had something important to contribute to the process. She was the kind of individual who could put a hostile student or any other person at ease by making that person feel important and included in the process. Perhaps this is why she was so successful as a public servant.

Mr. Speaker, Judge Betham exemplified all of the traits of a true Samoan leader. She was decisive yet compassionate, firm yet not inflexible, and she was a woman of wisdom. Most important of all, she was a humble person who remained close to the people she served even after she was appointed to high government posts.

Seuvaai Mere Tuiasosopo Betham was born on April 3, 1932, in Pago Pago, American Samoa. She received her elementary school education in Tutuila and graduated from the High School of American Samoa in 1950, where she was the only female to graduate with that class. Shortly after high school, she left American Samoa to attend college in California. She enrolled at Pomona College in Claremont, CA. She later transferred to Geneva College in Beaverfalls, PA where she went on to receive her Bachelor's Degree in the field of economics in 1954.

After graduating from Geneva College, Judge Betham returned to American Samoa to begin her career as a secondary school teacher. She taught at Samoana High School from 1954 until 1961, the year in which she was appointed assistant principal. Even after she was appointed assistant principal, Judge Betham continued to teach because she wanted to remain close to her students. Seven years later, in 1968, she was appointed principal of Samoana High School.

Two years after becoming principal, in 1970, Judge Betham was transferred to the Department of Education's central office as an education program administrator, where a year later, in 1971, she was again promoted by the DOE to the post of deputy director. Just four short years after being promoted to the post of deputy director, in 1974, Judge Betham was again tapped by the DOE for another promotion, this time to the post of Director of Education. This appointment made her the first Samoan woman to earn this rank and the second Samoan American to undertake this tremendous challenge.

Judge Betham held this post for more than 11 years. In 1985, she retired from the Department of Education. Samoa's educational system underwent major changes in teaching

practices and philosophies during her tenure, and local educators today credit Judge Betham for having revolutionized ''teaching'' in American Samoa.

Even after she retired from the Department of Education, Judge Betham continued to be active in the field of education. A short time after retiring from the DOE, she was appointed director of Catholic Schools. She served as director for several years until she was again called on by the government to serve as an associate judge on the High Court of American Samoa. Judge Betham was sworn in on April 17, 1991, a day which is very significant and special to the people of American Samoa. April 17 marks the date on which the United States first raised its flag over the Islands of American Samoa. The people of American Samoa celebrate the anniversary of this relationship every year on April 17, and it is the biggest holiday of the year.

As an educator, Mr. Speaker, Judge Betham touched many lives and she found much joy and pleasure in following the successes of her former students. As a judge, she touched equally as many lives and she found much satisfaction and comfort in making sure that the result reached by the court was just and fair.

In closing, Mr. Speaker, I would like to offer my condolences to Judge Betham's husband, James ''Rusty'' Betham, and her children. I am sure that the proud legacy which she left them will live on in their hearts and in the hearts of all the people of American Samoa.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 5 minutes.

[Mr. SOLOMON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

□ 1815

SUPPORT HOUSE CONCURRENT RESOLUTION 121, REGARDING PROLIFERATION OF MISSILE TECHNOLOGY FROM RUSSIA TO IRAN

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from Ohio [Mr. STRICKLAND] is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, I rise today to address a very serious issue related to the well-being of our Nation. Recently it has come to the attention of the Central Intelligence Agency that nongovernmental entities within Russia have participated in the proliferation of weapons of mass destruction to the country of Iran.

This specific trade practice threatens the security of the United States and our allies and, quite simply, it endangers our ability to maintain world peace. Furthermore, the advancement of weapons of mass destruction to Iran happens to be in violation of the Missile Technology Control Regime.

For these reasons alone, this trade between Iran and Russia must stop. As history illustrates, Iran has nurtured a reputation for terrorism and has consistently displayed open hostility toward United States' interests.

Although Russia has acknowledged previous weapons trade with Iran, the most extreme action they have taken to end the current proliferation of weapons of mass destruction is to initiate an investigation. As I see it, Mr. Speaker, an investigation does not adequately address this critical situation.

Nevertheless, Russia continues to enjoy foreign aid from the United States and the financial profits of trade with Iran. Russia is enjoying the best of both worlds at the expense of the safety of innocent victims who all too often fall prey to the hostilities instigated from Iran's terrorist regime.

We now have reached a point where agreements and investigations are simply not enough. It is time to eradicate the proliferation of weapons of mass destruction between Russia and Iran. Congress and the President should demand that the Russian government take steps necessary to stop all involvement, including the involvement of nongovernmental entities, in the disbursement of weapons of mass destruction, especially when the country of Iran is involved.

Furthermore, should Russia ignore our request, we must not simply disregard their failure to succumb to peacekeeping efforts, but rather, we must take the most serious and effective steps to end this dangerous activity and impose sanctions on the responsible parties.

House Concurrent Resolution 121 expresses congressional concern regarding the proliferation of missile technology from Russia to Iran, and I strongly urge my colleagues in this House to give their support to this worthy resolution.

TRIBUTE TO IRA POTTARD

(Mr. REDMOND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REDMOND. Mr. Speaker, I rise tonight to pay tribute to a distinguished individual in New Mexico, Mr. Ira Pottard. He lives in Clovis, NM, and he is one of the last living Buffalo Soldiers of the U.S. Army. Coincidentally, he is celebrating his 75th birthday.

Mr. Pottard has reason to be proud of his accomplishments and his contribution to military history. The Buffalo Soldier horse cavalry units played an important but often forgotten role in our national defense.

Buffalo Soldiers attained their name while fighting in the Cheyenne War from 1867 to 1869. Native American warriors referred to the African-American horse soldier troops as Buffalo Soldiers because of their dark-colored dusty coats and the fearlessness which they showed in battle.

Until they were disbanded in 1945, Buffalo Soldiers fought to maintain law and order by guarding the western front of our Nation and pursuing outlaws and cattle thieves. They also played an important role in both World War I and World War II.

During World War II Mr. Pottard served in the Ninth Cavalry stationed in the Burma-India-China Theater. He later served the unit until it was decommissioned, which resulted in the end of a significant era.

At this time I ask my fellow Americans to join me and New Mexico in thanking Mr. Ira Pottard for his years of dedicated military service as a Buffalo Soldier.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. QUINN] is recognized for 5 minutes.

[Mr. QUINN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 5 minutes.

[Mrs. MINK addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. BOEHLERT] is recognized for 5 minutes.

[Mr. BOEHLERT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. HOUGHTON] is recognized for 5 minutes.

[Mr. HOUGHTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

ORDER OF BUSINESS

Mr. PALLONE. Mr. Speaker, I ask unanimous consent to proceed out of order with my special order now.

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

There was no objection.

INDIA'S INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I would like to speak in support of House Resolution 157, which was passed by unanimous consent just a few minutes ago this evening.

It is a great pleasure for me to join with the people of India and the Indian-American community in paying tribute to the 50th anniversary of India's independence, which is one of the things that is mentioned in the House Resolution.

After years of determined and dignified struggle, the people of India finally gained their independence at midnight on August 14, 1947. That midnight hour, evoked by India's first Prime Minister Nehru in a stirring speech to the parliament, marked the beginning of an inspiring effort by the people of India to establish a republic devoted to the principles of democracy and secularism.

In the five decades since then, despite the challenges of sustaining economic development while reconciling her many ethnic, religious and linguistic communities, India has stuck to the path of free and fair elections, a multiparty political system, and the orderly transfer of power from one government to a successor.

Anyone who doubted India's lasting commitment to these values would have had to be converted into a believer in Indian democracy after witnessing the elections of the spring of last year in 1996. In what proved to be the largest exercise in democracy in world history, half a billion people voted to shape their country's direction heading into a new century.

The coalition governments that followed that election in the spring of 1996 have shown their commitment basically not only to democracy but also to representing the broad spectrum of the Indian population and continuing on the path of economic reform.

Although many Americans may not necessarily recognize it, there is a rich tradition of shared values between the United States and India. Just as the United States proclaimed its independence from the British colonial order, so was India born of the struggle for freedom and self-determination. India derived key aspects of its constitution, particularly its statement of fundamental rights, from our own Bill of Rights; and the Indian independence movement, under the inspired leadership of Mahatma Gandhi, had strong moral support from American intellectuals, political leaders and journalists.

In turn, Dr. Martin Luther King, in his struggle to make the promise of American democracy a reality for all of our citizens, derived many of his ideas of nonviolent resistance to injustice from the teachings of Gandhi. Thus, we see a clear pattern of Indian and American democracy inspiring and enriching one another at almost every historical turn.

I happen to be, Mr. Speaker, the founder and also now the cochairman of the Congressional Caucus on India, and I represent in my district in New Jersey one of the largest Indian-American communities in our country. I want to continue to work for stronger ties of friendship and cooperation between the United States and India, in part because we have such a legacy and we are the two greatest democracies.

It is an honor for me to pay tribute to India for 50 years of independence. I know there will be a number of events celebrating the 50th anniversary as we lead up to it in August over the next couple of weeks, some of them in Washington, some of them in almost every major city and a lot of other places in this country. So as we adjourn today in the House of Representatives, I think it is particularly fitting that we pay tribute to the 50th anniversary. Many of us will be joining in these celebrations over the next 2 weeks.

THE CONCLUSION OF A MOMENTOUS PROCESS

The SPEAKER pro tempore (Mr. HUTCHINSON). Under a previous order of the House, the gentleman from South Dakota [Mr. Thune] is recognized for 5 minutes.

Mr. THUNE. Mr. Speaker, it is a great privilege to be here this evening at the conclusion of such a momentous process. For the first time in 30 years we have balanced this country's budget. For the first time in 16 years we are bringing tax relief to the hard-working men and women and families of this country, and we are saving Medicare for the next generation.

These things are so inseparable from my whole objective in being a part of this process and my desire to seek this position in the first place. It was on a fundamental level, because I believe in those values.

And what a difference a Republican Congress can make. These are our values. When we start talking about balancing the budget and lowering taxes and saving Medicare and reforming welfare, those are the things for which we have stood.

The reason we have succeeded today in a bipartisan way, with the support of a lot of Democrats in balancing the budget and lowering taxes and saving Medicare, is because the other side has also figured out that these things are consistent with the values that the American people hold. The reason we were able to succeed in doing this is because the American people, very clearly, sent a message that they believe in a balanced budget, that they want lower taxes, that they want smaller government, that they want more freedom at home. And for the first time in a generation, we are sending more power and control back to the people of this country.

So this is an historic day, and it is a privilege to be a part of this process and be here when all this happens. It is the fulfillment of a goal that many of us have had. And as we look at the progress that we have made in achieving those goals, this has to be the cap stone.

Think about what we have accomplished and what we did today for the first time in a long time. We can talk about the intricacies of tax law, but it is really about people and it is about giving them more control of their economic future. In this Congress we have committed ourselves to doing just that.

When we look at the tax cut and the relief that will go back, and I have likened this in many respects to trying to drive a MACK truck through a car wash, because the gentleman from Texas, Mr. BILL ARCHER, the chairman of the House Committee on Ways and Means, and his colleagues on that committee, had an enormous and daunting challenge, and that is how to find some tax relief, how to take a small amount of revenue and make it go as far as we can in terms of bringing relief to the largest number of people in this country. I think they did that.

We could not afford to build a bigger car wash so we had to come up with a smaller vehicle, and yet the vehicle that we have has a tremendous number of things that will be important to the people in my State of South Dakota. I look at what this bill contains and I am delighted to be a part of this.

I think rural America will fare very, very well in the final analysis. There is death tax relief. My State of South Dakota consists primarily of small businesses and family farms, and we want to encourage people who are on the farm, people who are in those businesses to be able to pass those on to the next generation. This is an important first step.

There will be a health care deduction, deductibility for insurance premiums paid by self-employed people. That also is something that is very pro small business, very pro family farm. And a home office deduction for people who work out of their homes.

The capital gains tax relief. If someone sells a steer or a stock or a home, they will pay a lower rate. In fact, when they sell their home, and it fits within the criteria in this bill, they will not pay any capital gains tax. What a wonderful thing for the homeowners and the families of this country who are trying to pursue the American dream.

And of course education tax relief, the tax incentives that are in here to encourage young people, families, to get the higher education they need that will make us competitive and prepare us as we approach the 21st Century.

These are all things that help enable people to make the decisions that affect their daily lives, and it puts more freedom and more control, and it is a shift of power out of Washington, DC and back home. That is something for which I am, indeed, very, very proud.

If we look at where we have to go, this is an important first step. We have a long road ahead of us, but for the first time in a long time we have recognized how important it is that we take a portion of that which Washington takes from the hard-working people in this country and give it back.

I think there will be a lot of people taking credit for the way this bill has played out. We have heard a lot of discussion on the floor today about various components and parts of that, but take, for example, the family tax credit. The other side has claimed some amount of credit for that, but look at where that originated.

That was in the Contract With America in 1994 that the Republicans, before they were elected to Congress, signed on to. It is an important part of this final package, and it is something that will benefit a whole lot of families in this country, and I am glad that we were able to retain it in there.

We have started down a road on which we have a long ways to go before we reach completion in this battle, and one of the things that I hope to be a part of, as we continue that fight, is simplification of the Tax Code.

□ 1830

One thing that we have done, if nothing else, we have, hopefully, at least started to lower the revenues and made Government smaller, the values that we believe in. But we still have an inordinately complex Tax Code which is in desperate need for simplification. And we have not done anything in this bill that in any way lessens the complexity in the tax bill.

So I hope that as we continue down the road that one of the priorities for this Congress, as we come back here in September, is to continue to bring additional tax relief, but also to come up with a Tax Code that makes sense to the American people who have to comply with that Tax Code. I am looking forward to being a part of that process.

Again, I want to thank my many colleagues who supported this bill today because it is an important first step and it is a critical step for the future of this country.

GRAND JURY PROCEEDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, Members of the House, earlier this week the gentleman from Tennessee [Mr. DUNCAN], a good friend and distinguished Member of the Congress, on the floor of this body, charged that the ongoing Federal grand jury investigation of the gentleman from Indiana [Mr. BURTON], chairman of the House Committee on Government Reform and Oversight, was a political prosecution and was brought because the chairman was trying to do his job. My colleague from Tennessee further accused the Attorney General of politicizing our system of justice.

I would like to examine those remarks for a few minutes to determine whether there is any foundation in these remarks. As the senior member of the Committee on the Judiciary, I have tried to follow the activities of the Department of Justice as carefully as I can, and I am trying to find where the Justice Department is politicized or whether it prefers, as has been alleged, to investigate and prosecute Republicans or in particular the chairman of the Committee on Government Reform and Oversight, the gentleman from Indiana Mr. BURTON.

The first thing I would bring to the attention of Members of the House of Representatives is that this Justice Department has prosecuted numerous Democratic Members, including Messrs. Rostenkowski, Reynolds, Bustamante, and Fauntroy.

And so, I am not sure whether it is fair or not to characterize the Department of Justice's conduct as politicized in the sense that the administration has acted in disregard of its legal obligation when the record to date is that the Attorney General has repeatedly exercised her discretion with very due diligence and has appointed repeatedly independent counsels to investigate prima facie allegations against this administration, its Cabinet officials, and others.

Now what kind of job the chairman of the Committee on Government Reform and Oversight is doing is not in my province this evening. But we are well aware of the objections that the campaign finances and investigation, that the chairman of that committee is conducting has had some problems. I refer particularly to the fact that the general counsel of the committee, who submitted his resignation earlier this month, has indicated that his resignation was based on the fact that he was unable to implement the standards of professional conduct he was accustomed to at the U.S. attorney's office.

In any case, it is not important how well or poorly the chairman may be doing his job. Right now I am concerned about the allegations being raised in his defense, which challenge the integrity of the Department of Justice in this instance. And I would suggest that it is a leap of faith to believe that the coincidence of the chairman's investigation followed by a subpoena of his records mean that the subpoena is a consequence of his investigation.

I do not know the scope of the grand jury that it is alleged concerns itself with his conduct, nor may I be privileged to know the scope. And I would refer the gentleman from Indiana and the gentleman from Tennessee to the Federal Rules of Criminal Procedure, rule 6(e), which quite carefully says no attorney for the Government can disclose what the grand jury is doing. It is at page 36 of the 1997 edition of the Federal criminal code and rules.

For the same reason, I do not know what evidence, if any, prompted any subpoena the grand jury may issue of the grand jury matters are secret in order to protect the person under investigation. For that reason, the Department of Justice may not comment on the scope of its investigation, nor may it publicly justify the legitimacy of the subpoena or its scope.

But the chairman has a remedy, or his counsel. They may challenge the scope and appropriateness of the subpoena.

I would close by pointing out that the gentleman can file a motion to quash or modify the subpoena and indeed he can challenge the entire grand jury proceeding in the Federal district court in which these grand jury proceedings is brought.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, this has been quite a day. Sometimes in the heat of debate the clarity of what has been done has become more confused and a little less evident. So I think it is important today to clarify for the American people and for those who have worked so hard to drive the economic engine of this Nation to clarify for them that this legislation, this tax bill, this tax bill that was truly a creature of a bipartisan effort led by a President who never shies away from the Democratic principles that helped to elect him orchestrated.

It is a time, as well, to be able to applaud those who sat at the negotiating table and to recognize those of us who were soldiers on this floor who said that we would maintain the battle line to ensure that dignity would be given to those citizens who worked every day making $25,000 a year, $30,000 a year, $50,000 a year, and $75,000 a year.

It is important, however, that those of us who advocated that position, those Democratic principles for working men and women not be labeled as not understanding that it is business that adds to the economic engine, it is business which we foster under the capitalistic system that those around the world applaud and admire and try to emulate and imitate.

So it is important in this discussion to say a few things. One, it is valuable to acknowledge, as my colleagues have heard over and over again, the tax credit that will be given to families no matter what their income if it falls under, for example, $75,000. So a $20,000-a-year family making $8,000 maybe the spouse and $14,000 the other spouse, $22,000 they can get the tax credit for their children. The children of the working poor and working families are no less valuable than those making thousands and thousands and thousands of dollars. I am gratified for that.

We stayed on the battle line for that issue and it is very, very important. Then I would like to mention that I voted against the Republican welfare reform bill. Oh, not because I was not the advocate of all of those who want to raise themselves up, all the constituents in any district whose homes did not look as attractive as someone else, when I went to their homes and they were on welfare and they were dependent on public assistance. They said, ''I really want a job. I want to get out of this.'' But I was not going to vote for a bill that did not give child care, give job training.

And yet, now we have a tax bill that gives $3 billion to cities. We bypassed

all the bureaucracy to help move people from welfare to work to help create jobs and yes an amendment that I offered in the 104th Congress to give tax incentives to those good employers who will take those people off the rolls and give them jobs, working mothers like I spent 30 minutes on the phone late at night. A mother who was on crack said, ''I simply want to work and show my daughter it can be done.'' She is going to benefit and the person who hires her is going to be benefit as well by this tax credit that will begin to those who hire former welfare recipients moving from welfare to work and the $3 billion to our cities will help them provide training and help them along.

My airline friends were in controversy, small airliners versus large airliners. There are thousands of employees. The airline industries over the years have become more and more prosperous. I am gratified that we tried to work something out, decreasing the ticket tax, and then sort of working with our international airlines.

But we are not finished yet. I will promise them that I will monitor this so that airlines like Southwest Airlines, that has been so good to Texas, can keep strong, and Continental Airlines and others can work together to keep this industry functioning. We did what we could in this bill, but I think the industry should recognize that we have got to work together on this.

I have studied England, a very small nation that has a No. 3 place in the world in terms of its economy based mostly on the transfer of money over the last couple of years. The reason they have that value in their nation with such a small number of population is because the English have learned to save.

I know America is a country of bounty and we have tended over years not to save. I am gratified that we can clearly point to now real incentives for Americans to save their money, to create savings accounts, to have IRA's, to ensure that those who are frugal and work and save will be able to handle their business well.

Mr. Speaker, as I close, let me simply say that this tax bill is good for small businesses, and Democrats made it good for them, and family farmers by $1,300,000 incentive on the family farms when they are passed on to families.

And lastly, let me commit myself to watching this tax bill so there is not an out explosion on the deficit, because we brought it down as Democrats by voting in 1993 for a budget bill. And as well, I commit myself to simplifying this process of filing your taxes so that Americans can continue to support this system that is based on capitalization and support a system that supports all of America.

DEFICIT AND THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 60 minutes as the designee of the majority leader.

Mr. HOEKSTRA. Mr. Speaker, tonight I come to the floor to celebrate the accomplishments that this House, in a bipartisan way, working along with the other body and working with the President, have accomplished really working over a period of the last 6 months, but really beginning the dialog after the last election, recognizing that we wanted to work together, that we wanted to make progress, that we wanted to address some major problems facing this country, and that we also wanted to get the deficit under control.

Today we passed the second piece of our major legislative package, the tax portion, which, combined with the spending portion, has moved us now, hopefully, the final steps towards getting to a surplus budget when the numbers come out. In the middle of August, I think we will see good news that the deficit for 1997 is going to be somewhere less than $50 billion, which is still a very large number.

As we start taking the look out at where we are going to be in 1998, the real possibility that we will move to a surplus budget in 1998, maybe 1999, but perhaps much sooner than the year 2002, which the bipartisan agreement set as its outside target.

□ 1845

We have made significant progress. The exciting thing about reaching these milestones, saving Medicare, reducing taxes, moving forward, getting to a surplus budget, is that it really now does open us up to consider a number of other issues that we can talk about and we can talk about in the context of saying we have got a surplus budget, now let us talk about some longer range perspectives. We have gotten rid of that nagging problem.

We have shown to the American people that we are serious about getting our House in order, we are serious about making the tough decisions that this country needs to make and hopefully tomorrow, we were supposed to have it ready today to share with Members, we have compiled what we call a journal of ideas. I put this together and I developed this with my former colleague here in the House, Mr. BROWNBACK, but this is a journal of ideas.

It is intended to be a thought-provoking document, a journal that raises some of the issues and some of the topics that I believe we can now talk about in a very constructive way, talking about we have reduced taxes but we have not really done what we want to do with taxes which is, sure, more tax reductions, but we want to move forward now with an overhaul of the tax system. We need tax reform. I do not know whether it is a flat tax, whether it is a national sales tax, but we need something that is fairer and less complex and less intrusive on the American people than the current Tax Code and the current IRS.

This provides us with an opportunity to think about Social Security in new and different ways, to make sure that Social Security is solvent much longer than 2029 which it is currently projected at. We now have the opportunity to go back and take a look at ending corporate welfare. We can now make attempts to have serious discussions about real budget process reform, regulatory reform, campaign finance reform.

The journal of ideas also has some documents in here for some things that I really want to talk about and that I can have the opportunity to work on, which are education reform and workplace reform. These two items are tied very, very closely together. But as I take a look at education, earlier this year we began a process which we call Education at a Crossroads. We have really in that process agreed with our President, when the President said in 1996 that we cannot ask the American people to spend more on education until we do a better job with the money that we have got now or the money that we are spending now.

We have had a number of hearings around the country. We have been in New York, we have been in Milwaukee, Chicago, L.A., Phoenix, Louisville, Cincinnati, Little Rock. We have been around the country, along with hearings in Washington to ask some basic questions:

What is working in education today? What is not working? What Federal programs are working in education? Which ones are not? Our Federal education initiatives, are they fostering the type of change and creativity that we need at the local level, or are they barriers to helping our children get the kind of education that they need? The dollars that we send to Washington, are they helping our kids get the education that they need or are they being sucked up by a bureaucracy in Washington?

We know that as a Nation we are not achieving the kind of results that we would like to be getting. Some of our first hearings that we had in California in January of this year highlighted some of the problems.

We met with some college educators. People are interested in the young people who are graduating from our K through 12 system because they are receiving these children into higher education. When we met with them, the first thing they said to us is, ''Make sure you don't reduce or cut your remedial education dollars, your remedial education programs, the dollars that you are sending to higher education.''

And we kind of sat back and said, well, this is kind of interesting. These are kids who are getting into college, they have graduated from high school, and they are signing up for remedial education? In California it was 26 percent. We went to Arizona the next day

and I said well, that is not bad, in Arizona it is 27 percent. These are kids getting into college.

We say, why do we need remedial education? These kids have been accepted and they are going to college. Twenty-six percent, 27 percent of them are functionally illiterate. What does functionally illiterate mean? It means that they cannot read and write at an eighth grade level.

I think we may be asking the wrong kind of question here, or perhaps proposing the wrong kind of solution. The solution here is not to provide more dollars for remedial education in high school or in college. The issue here is finding out what is going on in K through 12, why these kids are not getting the kind of education that they should be. Why are they not learning in K through 12?

Let us not put a Band-Aid on the system. As a matter of fact, let us not give an incentive to the colleges by saying the more remedial students they get, the more money they get. Let us go back and fix the problem.

Sixty-four percent of 12th graders do not read at a proficient level. SAT scores have dropped nearly 60 points in the past 3 decades. What other things do we see going on? Almost 20 percent of Americans, this is including adults, almost 20 percent of Americans are considered functionally illiterate. Thirteen percent are considered totally illiterate, reading and writing below the fourth grade level.

Between 1992 and 1994 our NAPE reading scores have not improved by more than 2 points. In 1992 United States 14-year-olds scored an average of 535 on a reading literacy test. Eight other countries achieved higher scores. Sixty percent of our 12th graders cannot read at a proficient level. The same thing for math, science and history. These are real problems and real issues that we are facing.

We have had hearings on literacy. As the experts come in and talk about the impact of Federal programs, and there is debate about what works and what does not work, there is one consistent message that comes out. If we do not improve our educational system, if we do not improve what we are doing and how we educate our children, we will face a crisis because we have too many of our children who cannot read, who cannot write. We do know that in today's workplace, in today's environment, if you cannot read, if you cannot write, if you are functionally illiterate, we will lose you as an individual, which is a tragic situation for the individual, but we will also lose you as a contributor to helping America be a better place.

That is what we are here to talk about. That is what we have been working on in our subcommittee. We want to talk about education, we want to talk about education at a crossroads, because we have to pick a path on which way we are going to go.

We are also going to talk about a new project which our oversight subcommittee is beginning, which is talking about the relationship between, if this is what is happening in education, how does that impact our future workforce, a workforce at an opportunity in the global economy where we should be more excited about the opportunities for American workers to maintain and achieve the highest standard of living of any workers in the world. But how do we face that, and what issues do we need to address? And how do we take the changes, the changes in technology, the changes in the type of skilled workers we need, the labor law that we have in place, Federal spending on job training and other job programs, how do we address that to make sure that we will continue to be and have the most productive workers in the world?

Our purpose in education, our purpose in the workforce is to really find out what is going on, where we are, where we are going, and outline a perspective of the types of policy changes that we need to have. This is an ongoing process. We are in the middle of the education process and we are in the beginning phases of the workforce project.

Let me outline some of the lessons we have already learned as we have gone through this process, and have gone around the country and have heard from parents and teachers and administrators at the local level. Some of this, much of it, is not that complex. As some of people listen to this, they will say, ''Wow, we know that,'' and it is kind of like, ''Yeah, I thought everybody here in Washington would understand that as well,'' but I am not sure. Just today in one of our committee hearings on literacy, we heard the need for more Washington involvement, more Federal Government involvement, perhaps even more Washington rules and regulations.

So there is a real contrast and a real conflict and a real contest of ideas here in Washington about how to improve education, whether we move forward in one way by increasing the control that Washington has on our local schools, or by saying perhaps that system does not work and we need a child-centered, I call it a child-centered approach versus a Washington bureaucracy approach. I think there are certain things that lead us to a child-centered approach.

Lesson one that we have learned from our site visits, not complex, parents care the most about their children's education. But there are those here in Washington that would argue with that point. We heard it today. They would say, no, it is more important, they may not say it that clearly, but they are implying that it is more important and that a bureaucrat perhaps cares more about a child's education than what a parent would. Parents care the most about their children's education.

In Los Angeles, we traveled to the Vaughn Learning Center where Dr. Yvonne Chan has blazed a bold new charter school. Here is a woman who was a principal in a public school, and she was frustrated by the process.

''As a public school principal,'' she said, ''I had to worry about the 3 Bs.'' In the hearing we asked, what are the 3 Bs? We know about the 3 Rs, but what are the 3 Bs? She said, ''As a public school principal, I had to worry about busing, budgets and buts.''

We understood the busing part, we understood the importance of meeting budgets, but we did not know what she meant by the buts. She said, ''Well, whenever I focus on my kids in my school and I see something that I think my kids need, and my kids may be a little bit different than the school down the street and my needs may be a little bit different, but I would go to the L.A. unified school district and I would say this is what I would like to do for my kids,'' because I am focused on my kids and I am focused on my kids learning. She said, ''Sometimes I would get the response that it is a good idea, Ms. Chan, but page 15, paragraph C, section 3 says you cannot do that, we cannot let you do it.''

Or it would be, ''That is a good idea, but if we let you do it, we would have to let everybody else do it. And then what would happen?''

And it was clear that when she was talking about educating and focusing on her children, the children in the school and what was best for them, she ran into another approach which was the bureaucratic approach, which was not focused on the kids but was focused on the rules and the regulations.

We saw the same kind of thing when we went to Phoenix. We saw the ATOP Academy, it is another charter school, serves mostly African-American students in an inner city area. It focuses on college prep courses, personal discipline. How do they go into this in a very tough environment and how do they make a difference with these kids?

For the kids to get into this school, parents are asked to agree to the following basic 5 points: Curtail the children's television viewing during the week. Secondly, spend 15 to 20 minutes on school nights reading to their children. Attend all parent-teacher conferences. Attend parental involvement monthly committee meetings. Participate in their children's classroom activities. The parents are required to have an up-front commitment and involvement in their children's education.

It is not only in Los Angeles, it is not only in Phoenix, but we have gone around and we have seen great programs in so many different cities, and it is very interesting what we hear when we ask teachers, parents, students, what is making this school successful? I have yet to hear it is Program ''A'' from Washington, or that what really made this school excel is when Washington came out with this program and told us what to do.

□ 1900

Now it is when parents and administrators and teachers were given the freedom, the opportunity, to put kids first and not bureaucracy.

Awhile back we saw another initiative come forward from the White House. Lesson two is that good intentions do not equal good policies. Too often we see a problem, we create a program, put a nice name on it, give it some money and say, yes, we have fixed the problem. No, we have not. All we have done is created a program, gave it some money, gave it a nice name, and we have not necessarily fixed anything.

The Washington approach of good intentions not equaling good policies; this is the chart of good intentions. This is also the chart that demonstrates that we probably are not going to get results. What is this chart? This chart is the Washington response of good intentions trying to solve a very complex problem. What do all these lines and boxes and circles and different colors symbolize in these little boxes in here with numbers? Twenty-one programs, 3, 17, 2, 42, 15. What this is, is a compilation of the 760 Washington programs designed to help education.

And you say, boy, am I glad that we have an Education Department because when we have an Education Department, we can take these 760 programs and we know that they are going through one agency and they are going to be streamlined and coordinated, compliment each other, streamlined to the school districts and the States so that very easily this money flows from Washington, flows to the schools, flows to the classroom, and we really leverage where we need the money to be, which is in the classroom and with the teacher.

Wrong. We do not have one agency where 760 programs go through. We do not have 10 agencies. We have 39 different agencies that develop education programs, that develop criteria, they develop ideas, not always coordinated; most of the time they are not. As a matter of fact, as we had hearings in the Committee on the Budget, we asked different people in the administration as to where is the focal point for bringing these 760 programs together, to bring these 39 agencies together, and by the way, $100 billion? Where is the focal point for this? Is it Secretary Riley at the Education Department? Is it somebody else at another agency? And the answer came back, well, the focal point for 39 different agencies is exactly where you would think it would be. It would be at the President, the presidential level.

Now I think the President is a pretty bright guy, but I do not believe that with all of his responsibilities that he in the Executive Branch at that level can coordinate 760 different programs, and I do not necessarily think that we should ask him at that level to coordinate those programs.

So good intentions do not always equal good policies. I would argue, in fact, that too often good intentions in Washington equal bad policy. We have had so many good intentions, we have got a hundred programs in here that are not even funded. So we keep passing good ideas, we do not have the money or do not know how to get the money down to a classroom, but this is a bureaucracy that has gone out of whack. It just is not working.

As we take a look at this, the Washington mentality now says we know that we are not getting the kind of results that we want to get in the classroom, we need to fix this. If you believe the lesson of good intentions does not necessarily equal good policy, but that is the myth in Washington, that if we have got a problem, create another program, our kids are not learning, we are not satisfied with the results, what would you expect the response to be? The response would be, well, we must need more. If our kids are not learning, let us have a few more literacy programs.

We talk about the literacy issue. We now have some more suggestions about how to have literacy, spending perhaps up to $1 billion more for tutors. So let us put another agency in place, Corporation for National Service, put another program in place so we got 761, 40 different agencies, and put another billion dollars with it, and we got $101 billion. We have not asked the basic question as to why this $100 billion is not enabling our kids to read and learn what they should learn in the classroom, we will just say we will put tutors out there to help them after school.

And think about this process. Kids are not learning, so we need another program, we need another bureaucracy, we need to come up with another set of rules and regulations about what to happen in the classroom. Of course, we need $100 billion. So the taxpayers are going to have to work a little harder to send a little bit more money to Washington and to get a little bit more money and to keep their heads above water. Maybe we are going to have some more parents and some more families that are going to say, wow, we are getting stretched here, Washington needs some more money, maybe one of us ought to take a second job or ought to work a little bit longer, meaning that instead of a parent tutoring their child this parent is going to take a second job so that a tutor can come and take care of their child after school. More is not always better.

The fourth lesson that we have learned so far is education must be child centered. Too often we find that the education and the process is not focused on the child, but it is focused on the bureaucracy and the bureaucrats.

I shared with you this story about Mrs. Chan worrying about the ''buts,'' trying to do what she wanted and thought was necessary for the children and her school, but constantly running into the bureaucracy that said no, a bureaucracy that was not focused on the children and what needed to be done and recognize that for understanding what needed to go on in that school and what needed to happen with these children probably was best understood by the principal, by the teachers and by the parents associated with the kids in that school.

Fifth lesson, new spending equals new tax burden. Just talked about that a little bit. Every time we come up with a new program it equals new tax burden. The disappointing thing about our tax burden is I would love to believe that when we send, and tell you, that when we send a dollar to Washington for taxes that 98, 95, 93 cents made it back to the classroom, made it back to the teacher, made it back to the student. But that is not where it goes. The dollar goes through a whole series of different cycles. To get that dollar local school districts need to spend money to get that dollar back. We estimate that when you send a dollar to Washington, in that process of actually getting it back into a classroom and getting it back to a student, we probably lose about 30 to 40 cents. We do not know the exact number, but somewhere in the neighborhood of 30 to 40 cents of every dollar that comes to Washington, only about 60 to 70 cents of it ever makes it back into a classroom.

We think that is a problem. We think that that whole system, the whole system of 760 programs, 39 different agencies and a hundred billion dollars of spending means that when we walk across the street and we walk back to our offices we like to think that we are walking and crossing Independence Avenue. But when you have got 39 agencies involved in educating our children, 39 education agencies that are based in Washington, that really do not know the difference between what the needs are in my congressional district back in west Michigan versus the differences in New York City versus the differences in Miami, and when you have got 39 agencies in Washington doling out money, when you have got 39 agencies in Washington that are sending out rules and regulations, when you have got 39 agencies that are requiring paperwork and accountability back from local schools, that really what we have done is the street that we cross is called Independence Avenue.

But more appropriately, as we are talking about education, it is Dependence Avenue, that local school districts, local parents, State agencies are dependent on what happens in Washington rather than being independent to create and develop and solve the problems locally, learning from what other people are doing, understanding their needs and their own area and developing the solutions that work best for them.

Too often at the local level people who are involved in educating our children have been reduced to filling out

paperwork, being and reporting back to Washington rather than back to parents. It is a problem that we need to work on, and you know, it really does get to be this is another which we prepared; we call it the Tale of Two Visions, and it very much applies to this issue of education. Is our vision a vision of Washington; we call it the vision of bureaucracy, or are we more attuned to what we believe is most appropriate, which is called a Vision of Opportunity?

We have gone around the country, and we have seen schools that are excelling, and it is not because of the bureaucratic vision, the bureaucratic vision that is symbolized by this photo of Washington, DC, but the vision of opportunity which we see as we have gone around the country, the vision of opportunity of parents, of teachers and administrators at the local level saying give me the opportunity and the freedom to educate these kids. I know their names, I know their needs, and I care more about them than anybody else in this country. I want them to excel. Give me the resources, but also give me the freedom to enable me to achieve the kind of results that every American child is entitled to. Do not take the money from my community, do not send the money to the IRS, do not send it into a bureaucracy that is going to suck up 35 to 40 cents of every precious dollar, taking it away from my children and feeding it into a bureaucracy.

That approach puts the Washington bureaucracy first and puts the child second. We need to flip that equation. We need the child Senate approach first asking why are not children learning before we propose new Washington solutions.

Recognize that perhaps some of the Washington solutions are part of the problem. Parents I do not think want to hear about a million new tutors. I think parents want to ask that basic question: if my kids in school 5½–6½ hours every day, why are they not learning in the classroom? Do not put an over lay Band-Aid on there. Help us solve the problem in the classroom. Take a look at why your federal programs are not working, and take a look at what we need to do to make the local system work and not the bureaucratic system.

Mr. Speaker, what we need and what we know in education is that it is time to act more wisely. We need to be smart. We cannot afford to lose our kids, we cannot afford to spend or send a dollar to Washington and only get 60 cents back to our children.

□ 1915

I was with the Speaker last night and taking a look at a picture he has of Eisenhower looking at Utah Beach, and in 1945 we mobilized, we mobilized and we retook Europe.

What we need to do now is we need to put a major emphasis on saving our educational system, because we need to go out and we need to take and ensure that every child has the opportunity to learn and that we as a Nation cannot afford to lose a single child, which means we have to go back and we have to rethink some of the Washington assumptions.

We really have to rethink the issue about who cares most about our kids. Is it bureaucrats, or is it parents? If it is bureaucrats that care the most about our children, then let us empower bureaucrats. If it is parents, let us empower parents. Let us evaluate the assumption of good intentions. We have 20 years or more of good intentions in Washington and we have not seen improvement. We need to take a look at whether 760 programs going through 39 different agencies, spending $100 billion based in Washington is the best way to help our kids learn. We have to take a look at that assumption, and when we do that, we are going to have to make the decision.

If we believe this works and we still have problems, then the answer is very clear. If this is the way we go, we need more. We need more money, we need more programs and we need more agencies. Or, if we believe that maybe this does not work, we need to streamline this process and move power and authority and responsibility back to the local level, back to parents, and back to the States. We need to analyze the assumption as to whether education, to be successful, can be developed in a manual that says, here is the how-to; we can develop a bureaucratic approach, a bureaucratic how-to manual to help our kids, and if we go to the manual and if we understand the manual and if we follow the rules and the regulations of the manual, we will be able to teach our kids and our kids will learn. This manual will apply to Johnny and Sara and Billy and Brian and Aaron. Or, does every child need a personal development plan, recognizing that they have their own individual needs, individual skills, and there has to be a level of flexibility around that child about how the teachers and the parents and the administrators meet the needs of that child.

We spend more almost than any other industrialized country and we are getting disappointing results. We need to reevaluate this model of education.

What are the implications as we move forward? As we talked about this as a committee, we said, we have responsibility for education; we also have responsibility for work force development. What are the implications as we move forward and we recognize we have this growing group of people, kids coming through the system, who do not have the necessary basic skills perhaps to function in our economy. As a matter of fact, let us take a look at what the economy is, and that is what we said. We need to now go take a look at what the work force requirements are going to be in the year 2000 and beyond. What kind of economy are we moving into? Do we have an economy where kids who are functionally illiterate that they can move into and they can get good paying jobs, where they will be successful. We need to really examine that. The answer, as I think we all know, is no. Take a look at it.

Technology. We are in a rapidly changing environment where technology is just growing. That should be an opportunity for this country. We should not view that as a problem. It is an opportunity that we need to get our young people ready for; it should not be, well, we have these unskilled kids coming in, we better find a way so that they can deal with technology. No, it is a huge opportunity for them and for us as a Nation.

We need to take a look at what happens in terms of global competition. What is the impact of unskilled workers coming in? Will we have the ability to compete on a global basis? I sure hope so. Because the opportunities are tremendous. Markets are opening up around the world, and our workers right now are the most productive in the world, and that is where we want to keep them. So the new project which we have is we call it the American Worker at a Crossroad, building off of education at a crossroads, because we want to take a look at what their skill level needs to be, what the world market opportunities are going to be. Some of the labor law that we have today was developed in the 1930's and the 1940's. Is it still the appropriate model for labor law in the year 2000 and beyond.

We need to take a look at the Federal spending. We give the Labor Department $30 billion to $40 billion each year. We need to take a look at how they spend their money. How do Federal programs on job training work? Federal job training dollars work in such a way that we give people dollars after they lose their job. That might be okay when people are in one job for a long period of time, perhaps only one job their entire career, but in the new economy where perhaps people are going to be going through two, three, four job changes, significant career changes, where their skills need to change, it does not make sense anymore to have a Federal job training system in place that empowers people to learn after they lose a job. I think we maybe need to step back and take a look at how do we encourage and help people continually upgrade their skill levels as they are working so that they can move and evolve into new jobs.

We want education and workplace policies which will create the environment where the American workers can be the most productive, highest paid, and enjoy the highest standard of living of any worker in the world. I am excited about being able to combine the education with the work force project, because even though on education we need to be making changes soon, the work force project allows us a little bit of time to step back and to really take a longer range perspective

on this and say, where do we want to be by the year 2010, and what types of changes do we need to be putting in place over the next 2, 4, 6 years, so that we can gracefully move to the changes and the environment that we want to have.

We know that the American education system is not the benchmark; we know that we need to improve that. We are creating a generation of American workers who are not equipped. We need to fix that problem. What we do know is that if we do not fix that, we are going to have some severe problems. But we are going to work on that and we are going to reassess all of these assumptions.

This also leads us to consider where we are going to go on the work force policy side. The changes need to be made. I flew here a couple of weeks ago and picked up a Detroit Free Press. The front page: Detroit is going to create, over the next 5 to 7 years, 133,000 new jobs, high tech, high quality jobs. Being from the State of Michigan, that is exciting. That should be a great story. It should be a great lead. It should be a great close: 133,000 Michiganites getting high pay, high quality jobs.

There is one problem. The thrust of the story was that we may not have the workers with the skills to fill those jobs. If we do not get those workers and develop their skills to be able to fill those jobs, what happens? That work will have to be done, and there is a good potential that those jobs will move somewhere else. They may not move somewhere else in Michigan; they may not move somewhere else in America, they may move somewhere else.

The job opportunities that we see evolving and developing in Detroit may not be filled by people from Detroit, they may not be filled by people from Michigan, they may not be filled by people from this country. If we do not develop the skills, we do not develop the people, those jobs may move and they may move overseas, and that is a problem.

So we need to create a climate where our young people are learning and where our workers who are working are upgrading their skills and are provided with the opportunity to constantly upgrade their skills.

I also want to talk just a little bit about what I think the new workplace may evolve into and what it may look like. I think we have to look very positively at the future for the American worker. We have to have an optimistic view and a vision of an empowered American worker. They are knowledge workers. They are going to have a great amount of skill and knowledge. They are going to be knowledgeable, responsive, and I think capable of helping their companies compete in a global economy. They will have unprecedented opportunities for personal growth. They will increasingly understand their responsibilities to their jobs, their corporations, to themselves and to their families, and I think they will have and recognize the need to constantly be upgrading their skills to take advantage of the opportunities of an ever-growing economy.

The empowered American worker will see global markets and global competition as an opportunity and a threat, recognizing that in 1997 the American workers are the most productive workers in the world, and that by the year 2010, rather than seeing that gap closing, we should see that gap widening. As we bring in technology, as we increase the knowledge and education of the American workers, as we invest capital and bring the appropriate equipment and machinery into place, as we invest in capital and human capital, we can increase the difference in productivity. As we increase that differential in productivity, it means that our workers will be more valuable and we can pay them more and they will have a higher standard of living.

I think the empowered worker who takes care of and sees responsibility for increasing their knowledge, who sees responsibility and opportunity and helping their companies grow and to meet the challenges of foreign competition, who sees global markets as an opportunity rather than global competition as a threat also need to create an opportunity where workers and management can come together.

As we have taken a look, those roles are very much less defined in 1997 than they were in 1947. There has been a coming together of management and employees and so often it is difficult now to tell the differences, so that we have to evolve and change labor law that enables them to work in a partnership and enables them to work in tame environments to meet the objectives of the corporations and of the individuals that are part of those corporations.

□ 1930

We need to empower employees in very different working environments and work styles, some who are part time, some working at home, some where both parents or both individuals in the family are working, to recognize that they ought to have a whole series of opportunities to choose the work arrangements that they would like to have, the benefits that they would like to have so they can tailor their benefits and their work times and their work schedules to meet their needs and their family needs and their personal needs rather than the needs of the corporation.

It is one of the interesting things in today's society, today's work force, one of the most important ingredients and one of the things that they now measure leisure by, and one of the most important commodities to workers is the amount of leisure time that they get; how much time do they need to spend working to be able to meet their needs, to meet the requirements for their families.

What we have seen, we have seen that increasing. Families are under tremendous stress. Individuals are under tremendous stress because of the work requirements we put on them. We need to increase their skills and give them more flexibility and allow them to change their job arrangements so they have the opportunity to get more leisure time and spend more time with their families.

There is one other way to do that, which is what we did today. We lowered their taxes, which says rather than now spending some of your time to work for the Government, or actually spending a lot of time to work for the Government, we are going to lessen the amount of time that you work for the Government, and you can then decide to take that as perhaps more personal income. Or you can say rather than spending this time working for the Government, I am just going to have some more leisure time.

These are the kinds of issues that we are going to be studying and taking a look at over the coming months, continuing to aggressively pursue the education agenda, continuing to aggressively pursue an agenda which empowers parents, not bureaucracies; which drives toward focusing on the child; which gets dollars into the classroom, not into bureaucrats; focuses on the basics, the reading, the writing, and the math, not all the other extraneous things that go on in education today, but giving the kids the basic skills in K through 12; really putting them into a safe school, dealing with the basics.

We are going to challenge some of the Washington assumptions about what is good for education and what is good for kids. But it is a struggle, it is a debate. It is a wonderful debate, because as we go on through this process, whether we are in Little Rock, whether we are in Cincinnati, whether we are in the Bronx, we have seen kids in every part of society be able to learn. That is exciting. We see kids everywhere over this country who are empowered and are having the opportunity to learn.

It is kind of like when adults and when the bureaucrats and when Washington gets out of the way, man, watch these kids go. Watch these parents and watch these schools excel. When Washington gets in the way, whoa, watch out and see how things start to change focus.

We are going to focus on education. We are also going to do the same kind of thing in the work force, examining where we are, what the changes are, what opportunities the changes in our economy are going to bring, are going to appear, and how Washington at that point in many cases needs to step back and get out of the way so American workers, American companies can employ the skills and the energies that make America such a wonderful place, perhaps the most creative people on the globe, willing to take more risks,

willing to take that creativity and that risk and to work hard. That is why we are the most productive.

So in some of these areas, we need to remove the barriers and let American workers and American companies excel. We are setting the standard today. We need to make sure that we recognize what our skills are, what makes us different, so we can step out of the way and let those skills and those differences bloom, so we can continue to lead the world because of the quality of American workers.

Those are the kinds of challenges we will take up when we come back in September. Those are the kinds of challenges that we can now get our hands around and have a constructive dialogue and debate, as we have kind of changed the shift. We are moving power back to the American people with the bills we have passed today, the bills from today and yesterday, by reducing taxes, by getting the deficit under control and hopefully being at a surplus budget within the next year or two.

We have turned the ship around by saying we are not going to keep moving more power to Washington and getting in the way. We recognize that there is a limit to the kinds of solutions and the extent of the solutions that Washington can bring, and we have come back to recognize the real beauty of America, which is individuals and freedom and opportunity and creativity and entrepreneurship.

We are going to get Washington out of the way, and we are going to go after some of these chronic problems. We are going to move forward. We are going to reassess some of the assumptions that we have had for the last 30 years of moving power to Washington as the way to solve the problems and saying maybe we have gone too far, and it is time to continue to move some of that power back to parents, to school districts, to move it back to workers and management at a local level, providing some wonderful opportunities.

That is why I think that the balance of this Congress and future Congresses, because we have that monkey off our back of the deficit, perhaps we have the monkey off our back of partisan politics, that we have now found a way to work in a bipartisan way, that we are going to have some great days in front of us. We are going to be able to pass some legislation and some new initiatives that really will start to address some serious, nagging problems.

If we do not address them, it will create some huge problems for us in the future. But if we address them, and we no longer have 30 percent of our kids going into college needing remedial education, just think, in 4 years if we went down from 30 percent needing remedial education, think about it; I do not even know how we as a society accept that today, K through 12 turning out 30 to 40 percent of our kids who are illiterate. How do we accept that? Just think, if in 5 years and 8 years we move that down to 5 percent, it is still too high, but boy, we will have come a long way.

Think of the energy, the positive energy and the positive influence that that will bring into our whole economy and our whole society if we raise the threshold from 70 percent literacy to 95, 98 percent literacy, and the positive benefits that we will all receive from those kinds of changes.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 138. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 2014.

The message further announced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2014) ''An Act to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998.''.

IMPROVING CIVIL-MILITARY RELATIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Missouri [Mr. SKELTON]) is recognized for 60 minutes as the designee of the minority leader.

Mr. SKELTON. Mr. Speaker, when he was chairman of the Joint Chiefs of Staff, General Colin Powell often described the men and women he led as an exquisite military force. I do not believe he was overstating the situation. Soldier for soldier, sailor for sailor, airman for airman, marine for marine, the U.S. military today is as fine a fighting force as has ever been assembled, perhaps the best ever.

It is a force that is well trained and well led. It is equipped with modern weapons. It has worked hard to devise and implement a body of military doctrine that multiplies its effectiveness.

The military services are more and more able to work jointly to carry out their missions. It is, above all, a high quality force made up of well-educated, carefully selected, disciplined volunteers. When called upon, the members of this force have served with as much bravery and distinction as American soldiers ever have.

A large part of the reason for this exquisite character of this force is that it is comprised of professionals. As virtually all senior military officers now acknowledge, the all volunteer force, or AVF, that was instituted in 1973 has been a remarkable success.

The all volunteer force, to be sure, took some time to fulfill its promise. In its early years the all volunteer force was plagued by a host of difficulties. Like the country as the whole, the military had to recover from the fissures of the Vietnam era, and adjust to sweeping cultural changes as the baby boom generation grew up.

Both the country and the volunteer force got through it. Nurtured by a cadre of military leaders that matured after the war in Vietnam, the all volunteer force today has shown, first, that a high-quality personal military force can be recruited and sustained by a democratic Nation, and second, that a professional force can exploit modern technology and carry out an extraordinarily broad range of military missions with great loyalty and dedication.

One of the concerns that people had when the all volunteer force was instituted, however, seems to me to deserve some additional attention today, especially as the country makes a transition from the Cold War era to a new period in world affairs. This is the issue of civil-military relations, by which I mean the relationship between the professional military force and the broader society from which it is drawn and which it serves.

Let me be clear at the outset that I am not worried about a loss of civilian control over the military. On the contrary, it is built into the very fabric of the U.S. military to be dedicated to the defense of democratic institutions.

I am only slightly more concerned about the supposed politicization of the military, a situation in which many members of the Armed Forces feel themselves at odds with their elected and appointed leaders in the executive branch. Though this could become a problem, it is incumbent on senior officials in the executive branch and on senior officers in the military to prevent a serious rift from growing.

What I am mainly concerned about is that the professional military may be becoming more and more isolated from the rest of society, to the detriment of popular understanding of the needs of defense. The result will not be the evolution of a rogue military force, but rather, the loss of public support for necessary military preparedness.

Indeed, for most Americans, the military is an institution, as a rule, simply off the screen, unless an international crisis develops, or some military scandal gets on the front pages. Because the military is off the screen for most Americans, it is also increasingly off the screen for Congress.

The solution to this problem, it seems to me, has to be addressed mainly by the military itself. Above all, the military has to try harder to establish and maintain better ties to the communities in which it works.

Mr. Speaker, the reasons for a gap between the professional military and the rest of society are deep-rooted. For most of American history the peacetime standing army was very small, and sometimes quite isolated. After World War II and the Korean conflict,

that changed. For the first time in peacetime, the United States maintained a large standing army, with the bulk of its personnel provided through conscription. As a result, a large part of the male population had direct experience in the military, and, in almost every American family, someone had served.

□ 1945

Moreover, millions of Americans continued their direct involvement with the military after active duty by serving in the National Guard and Reserves.

At least until the war in Vietnam, the large standing force and the draft enjoyed widespread public support. Indeed following World War II, our sense of identity as a Nation involved pride in the global role that our military played in preserving peace. Service in the military was accordingly also a matter of pride. It was a way of serving the Nation as a whole. Pride in the military was a fundamental element of our social and political makeup. Moreover, a key result of the draft was that the service in the military cut across cultural, socioeconomic and regional lines. It was, therefore, an important source of national unity.

Perhaps the most lasting damage caused by the war in Vietnam was that it reversed the unifying effects of military service and aggravated social divisions. The children of the economically and educationally better off often avoided service in the military during the Vietnam War while the children of less privileged families were called up and sent to fight. This left a social and cultural gash across the country which has never completely healed.

The decision to abandon conscription after Vietnam was necessary and ultimately good for the military. The all-volunteer force has been a success, but it has come at a price in civil-military relations. Now the number of people with military service has declined steadily over the time. Many, both within and outside the military, regard the professional military force as something different from the rest of society. As a Nation, we have slowly lost our sense of the military's global role and of service in the military as a key part of our national identity.

In the meantime, public attitudes toward the military have evolved over the years, largely for the better but also in a way that is more difficult to discern, partly for the worst.

After Vietnam many Americans looked on the military in a negative way, even many who supported a strong defense were disdainful, wrongly, I think, of the military's performance in the war while others distrusted anyone in uniform. During the 1970's, military leaders, to their ever lasting great credit, resolved to fix what was broken and to make the new all-volunteer force work. But it was a task made all the more difficult by budget constraints and by hurdles to recruiting top-notch people.

A turning point in public attitudes, I think, came in 1980, with the failure of the Iran hostage rescue mission in Desert One. After that many Americans resolved never again to allow the Nation to be in such a position of apparent weakness. Public support for the military grew dramatically stronger and with public support a rejuvenated officer corps was able to bring to fruition the developments in doctrine, education and training, weapons technology and jointness that had been initiated in the darkest days after Vietnam. The result was a string of military successes, though not without some shortfalls along the way, culminating in the American led victory of coalition forces in the Persian Gulf War. The outpouring of popular enthusiasm following the war was heartening, especially to those who had worked to rebuild the military after Vietnam. General Schwartzkopf said for him that the public reaction to the Persian Gulf War finally healed the psychic wounds he had suffered with ever since Vietnam. It was a moment of national unity that recalled for me the closeness between the military and the public that those of us in the post-World War II generation grew up with. But it is not quite the same.

The difference, I think, lies in the lack of deeper understanding between the professionals who serve in the military and the public that admires the military but does not fully identify with it. The danger is not that any significant part of the public distrusts or disdains the military, as was the case after Vietnam, but that the public does not really know what it is like to serve in the military and therefore neglects things that are necessary to keep the military focused and strong and effective.

Many symptoms of the civil-military gap are apparent. Recently Tom Ricks, an outstanding military affairs reporter for the Wall Street Journal, wrote an excellent article in the Atlantic Monthly entitled The Widening Gap Between the Military and Society. He began by relating interviews with young men and women who had recently begun military service. Overwhelmingly their reaction on returning home for visits was a sense that the military was in many ways different from and, most importantly, better than the civilian world that they had left behind. Repeatedly his respondents cited public disorder, lack of discipline, drug and alcohol use, sloppy appearance, a lack of direction among former peers and a score of other flaws in civilian society.

Ricks acknowledged that the results were due in part to the fact that the military services trained new recruits to have a sense of uniqueness as an aspect of pride in their service.

He sees something deeper in the sentiments of these military recruits, and I agree with his conclusion, that the military increasingly sees itself as apart from and in many respects better than the society it protects. For my part, however, I have been concerned less with the implications of military perceptions of civilian society than with the implications for civilian perceptions of military society.

One implication is this, in the long run a military that sees itself as a cultural elite will at best foster misunderstanding and at worst create public resentment. At the very least, the public will begin to regard unique features of military life as somehow peculiar. Consider the recent public reaction to cases of adultery in the military. From the military's perspective, rules against adultery are not simply a puritanical anachronism. Rather, they follow from the critical requirement that members of the services refrain from activities that undermine good order and discipline. Good order and discipline are essential to a system of command that must be effective when matters of life and death are at stake. That rules against adultery are enforced in some cases and not in others is not necessarily a result of preferential treatment. Rather, the rules are enforced when good order and discipline are threatened.

To many civilians however, these notions are entirely alien. The military for its part has not done a good job of diffusing the sensationalism of much reporting about the issue in part, I believe, because it has not thought it necessary to explain why and how its rules must be unique. For many in the military, it was sufficient to say simply that we have a higher and better standard.

Another symptom of the civil-military gap lies in the sense of grievance that some members of the military services harbor about various issues that affect them. As those who served in the military in the past always knew, it is a deep rooted and innate feature of military life to gripe about almost everything. The old comedy series Mash is as much about the apparent arbitrariness of life in the military and constant griping about it as anything else.

Today, however, there is often something deeper in the complaints in the ranks. Often people in the military today feel that they are being made objects of social experimentation because of sexual integration, rules against sexual and racial harassment or even changes in health care for military dependents and other measures. In fact, the military has done an excellent job over the years in responding to changes in social norms.

Witness the relatively successful racial integration of the military compared to the rest of society. For good or ill, the military is never going to be insulated from battles over changes in social relations, including relations between the sexes. These changes will necessarily create frictions. But if the military feels itself as somehow unique, as if it should be insulated from these social changes, then the

battles themselves will be unnecessarily destructive both within the military and between civilians and the military.

To be sure, there is much for service members to feel aggravated, if not aggrieved about. For my part, I believe the current pace of military operation is putting too much of a strain on military families. I think the solution is to be more selective in committing forces abroad and to maintain an adequate force structure. But legitimate complaints from within the ranks will be unnecessarily divisive if the civil-military gap does not narrow.

Solutions to some of these problems cannot be found solely within the military. For their part senior civilian officials in the executive branch must constantly be aware of the need to prevent the gap from growing wider. For its part, the Clinton administration deserves some credit for working so hard at this when its relations with the military could easily have soured.

Early in the administration, the conflict over gays in the military, apparent disrespect for military officers among some younger White House staff members and I believe, most importantly, a failure to be clear on the military role in Somalia, all created a potentially disastrous lack of trust to develop within the military.

Secretary of Defense Perry, especially, did much to reduce the tension, above all with his focus on the quality of life of people in the service. Moreover the administration has learned that the use of military force abroad must be thought through carefully. In Haiti, in Bosnia, whether one agrees with the mission or not, it is clear that the administration worked to define the goals of the military actions carefully. I am still concerned that the administration is asking too much of people in uniform but at least it is not lightly taking risks with the lives of military service members.

Congress also has a role to play in keeping the civil-military gap in check. Perhaps most importantly it is incumbent upon Members of Congress to seek consensus on social and political issues that might otherwise have a polarizing effect within the military. I think we have done a good job of that in recent years.

For the most part, however, I do not believe the military can look elsewhere to narrow the civil-military gap. Instead it is incumbent on the military leadership to work at reducing this civil-military gap as assiduously as it has worked at leadership development, recruit training, doctrinal improvements, jointness or other key aspects of organizational management. The public is not going to become more understanding of military concerns and the military requirements on its own, rather, the military itself must reach out to the public to create better understanding, even among those who have never served in the military. In carrying out this responsibility, there are several things the military should continue doing and some things it should do much better.

One thing it must continue doing is to educate its own leadership in civilian affairs. One thing that is especially striking to me is the growing portion of the military, both officer and civilian, that comes from military families. According to Professor Eliot Cohen of the Johns Hopkins School of Advanced International Studies, roughly 25 percent of the current force comes from families of service members. This is a startling figure which suggests that the professional military could in time become almost a separate caste unless measures are taken to broaden the experience of military service members to include educational, cultural and social contacts within the civilian community.

I am also struck by the fact that an increasing proportion of the officer corps is being drawn from the military service academies relative to the proportion from ROTC or officer candidate schools. According to a recent Congressional Research Service report, if we exclude officers serving in the health care professions, chaplains and some other categories, about 22 percent of the officer corps in 1995, was comprised of graduates of the military academies, a dramatically higher portion than in the past, when ROTC and OCS sources were relatively greater sources of officers.

Among general and flag officers the proportion from the service academies is even greater, about 36 percent in 1995. I would not suggest because of this that we close or significantly reduce the size of the academies. I do think, however, that it becomes more and more imperative that as a military officer advances, he or she receive education in nonmilitary institutions and that military training institutions make it a point of broadening the intellectual and cultural perspectives of their students.

□ 2000

Most importantly of all, I believe that the military must take steps to ensure that the military commanders are held accountable for building much better relations with the civilian community.

In my own experience representing a congressional district with large military bases, I know that some military officers are excellent at community relations and others are not. Increasingly there is no substitute for having commanders who are good at it. Even the most mundane community activities are profoundly effective in building public identification with an understanding of the military.

Participation in Lion's Clubs, sponsorship of Little Leagues, and of Boy and Girl Scout Troops, involvement on school and other similar affairs are essential. Community relations should be made a prominent factor in officer efficiency report ratings that determine whether an officer will be promoted.

Military leaders should also vastly expand programs to educate civilians about the military. There should be many more opportunities for civilian community leaders to visit military facilities and interact with military personnel.

One final step is also critically important, and that is for the active duty Army and the National Guard relations to improve. National Guard and Reserve troops are truly a national treasure for the simple reason that they remain true citizen soldiers.

Relations between the active duty force and the National Guard and the Army, however, are laden with distrust. This rift must be healed. The active Army leadership must work on ways to integrate the Guard forces into military plans, and must genuinely rely on the Guard as a key element of the force.

Mr. Speaker, the professional U.S. military force of today is by every measure the best in the world and perhaps the best in history. It is, however, a difficult matter for democracy to maintain a large professional military establishment. To make it work requires that military leaders pay serious attention to the social and political issues that arise.

Both the military and the society as a whole will greatly benefit from the military leadership if the military leadership works more assiduously to prevent a widening rift from developing between civilian and military societies.

A LOOK BACKWARD, A LOOK FORWARD

The SPEAKER pro tempore (Mr. HUTCHINSON). Under the Speaker's announced policy of January 7, 1997, the gentleman from California [Mr. SHERMAN] is recognized for 60 minutes.

Mr. SHERMAN. Mr. Speaker, as probably the last Speaker of this session, at least that portion of the session before we go back to our districts for the summer, I am grateful to have this opportunity to speak tonight.

I know we are all anxious to go back to our districts, and yet we ought to reflect a little bit on some of the things that have gone on in this House over the last 6 months. I am especially grateful for a sufficient amount of time to review these events, because during more hectic parts of our legislative business we are recognized for 1 minute or for 2 minutes, which is often not enough time to go even into one topic, and I have several topics I would like to address.

I know that very few of my colleagues are here in the Chamber. I expect that many are back in their offices finishing things up, perhaps watching these remarks on C-SPAN or cable, and I really have not had a chance to introduce myself to all of my colleagues, only most of them, so I would like to take a minute to do that.

I represent proudly the 24th Congressional District in California, which

goes from Northridge on the north to Malibu on the south. That is why FEMA is my favorite Government agency. From the Northridge earthquakes to the other problems that we have had, certainly we have had more than our share of disasters, we have experienced superb help from that agency.

In addition, my district goes on the west from the city of Thousand Oaks in the Conejo Valley into the east to the city of Los Angeles, as far east as America's best named town, Sherman Oaks, CA.

I never expected to be in this House, and for those of my colleagues I have yet to meet and explain my story, I will take a minute to do that.

I began my career over 20 years ago as a CPA. And after a while, my friends got together and said, ''Brad, you need to find an occupation held in lower public esteem,'' so I went to law school. After 3 years of Harvard Law School and 10 years of practicing business law, these same friends got together and they said, ''Brad, for anyone else we know, law would be low enough, but you must find an occupation held in even lower public esteem.''

They spent some time trying to think of what it might be, and they decided that I had to find some unique combination of occupations held in low esteem. In my State we have an elected tax commission called the State Board of Equalization. With their help, I ran for that board, and for 6 years I was simultaneously a politician and a tax collector.

Those of my friends in California who are already lawyers and aspire to be held in even lower esteem might examine the opportunity of running for the Board of Equalization next year.

These same friends gathered together last year, when our Congressman was retiring, and perhaps they thought that coming to this House would be an occupation held in even lower public esteem than being simultaneously a politician and a tax collector. This year we have proved them wrong.

This year my occupational self-esteem is on the rebound, because while last Congress was noted for deadlock and division, so far in this Congress we are noted for working together, sometimes with some acrimony, sometimes with some division, but eventually coming together in a bipartisan spirit, in a spirit that gives America the government that America voted for last year, a government of the vital center; government not catering to a right wing or to a left wing, but rather balancing those wings with policies that make sense.

It is in that spirit that I would like to review our last 6 months and take a look at the next several months of Congress that will be reconvened this September. I would like to look first at one bill that I have introduced, that I hope people around the country will bring to the attention of their Members of Congress and their Senators, because when people come back in September I would like to have hearings on this bill and I would like to see it pass.

After I review that bill, I would like to review my own efforts on the Committee on the Budget and the Committee on International Relations. But first I would like to address that one piece of legislation, and that is the Child Protection Act of 1997.

There were 425,000 children sexually abused last year. It is time for the Federal Government to do everything possible to protect our children from sexual predators. A good idea came out of California that I would like to see adopted on a national basis, and that is the idea of providing parents with the information they need about adults who may be coming in contact with their children because of their proximity or occupation.

In California there is a 900 number that parents can call, and if they have very specific information about an individual, can ask whether this individual has been convicted, not merely arrested but convicted of a sexual predatory offense. Making use of the data base required by Megan's law, officials of the California attorney general will advise parents whether that person has been convicted.

In fact, there have been 11,000 inquiries to this line and on over 1,000 occasions parents, those who administer day care programs and others with a legitimate interest have been advised, told on over 1,000 occasions that the individual that they were concerned about had, in fact, been convicted of a sexual predatory offense.

For example, there was an amusement park that noticed that an individual would show up by himself every day, would often be talking to children and striking up what appeared to be friendships, and that this individual had purchased a year-long pass, but never came with a child to this amusement park that catered to children.

They checked on this individual and found that the person who had purchased a year-long pass to the amusement park had, in fact, been convicted of a sexual offense involving a child under 14 years of age.

In another circumstance, a parent was concerned about someone who wanted to serve as the new Little League coach, and discovered that that person had been convicted in 1990 and again in 1992 of child molestation.

This system in California works well, but it suffers from two limitations: The data base is statewide and only parents in the State can use it. This line and database should be nationwide. Parents in California who call should be able to get information about convictions that occurred anywhere in the United States. And, likewise, this service ought to be available to parents from Maine to Arizona, not just to those in California.

So I ask my colleagues who may be listening to consider cosponsoring the Child Protection Act of 1997. Already 28 of my colleagues from both sides of the aisle and from all parts of the country, have cosponsored this legislation.

And to those who are watching at home, the next month will be an outstanding opportunity to interact with your own Senators and your own Representatives and, I hope, urge them to support the Child Protection Act of 1997.

With that, Mr. Speaker, I would like to address the work of the various committees that I have been privileged to serve on. The first of these is the Committee on the Budget.

First, I would like to review how it is that well before the deadline and surprising all the skeptics, first the Committee on the Budget and then the House overwhelmingly adopted a bipartisan budget plan for this Nation which balances the budget by the year 2002 and makes sure it remains balanced for at least 5 years thereafter.

Credit must go to prior Congresses because they adopted a fiscal policy for this country and supported the Federal Reserve Board in a monetary policy that has given us unparalleled economic growth, an economic recovery that is the longest in the post-World War II era.

□ 2015

They did their job. As a result, just a few months ago, in predicting the future economic developments of this country, the Congressional Budget Office was able to tell us that they expected $45 billion of additional unexpected tax revenue not only in this year, but in each of the next 5 years.

Our reaction to that news was calm. And we deserve credit, both Democrats and Republicans, and I am particularly impressed by my colleagues, in the mature reaction that we had to that wonderful discovery. Because all around the world, developed countries are running huge deficits because they are slashing taxes on the one hand and coming up with very expensive government programs on the other.

The European Union is trying to create its own European currency, but they decided to do that only when the countries involved are able to reduce their deficit to 3 percent of gross domestic product. We in the United States, even before this budget deal, reduced our deficit to well less than 1 percent of our gross domestic product.

In fact, looking around the world at the developed countries, the only countries that meet the European Union's standards for a new currency are Luxembourg and the United States and arguably Cyprus. Perhaps the United States and Luxembourg should create our own currency, because the rest of the developed world has not mastered the fiscal discipline displayed in this House. The most important thing we did this week is that we did not foul it up. Prior Congresses, when confronted with good news, would have responded with $100 million spending programs,

$200 million tax cuts, attempts to buy votes from this constituency or that, paying a price that the country could not afford. Instead, we acted with restraint.

Yes, we adopted some additional spending programs, more than offset by the spending reductions that we achieved. And yes, we provided tax reductions. But tax reductions that were moderate tax reductions this country could afford, tax reductions that were far less than had been proposed just 2 years ago.

Another area where we did not foul things up is that of the Social Security. Earlier this year we were urged by many to artificially adjust the Consumer Price Index, to tell those who are dependent on Social Security that if the Consumer Price Index said prices had gone up by 3 percent, we were only going to count 1½ percent. That would have been a breach of faith with America's seniors, and this Congress said no. Yes, we are going to balance the budget, but no we are not going to do so by artificially tinkering with the promise that we have made to our seniors to maintain their purchasing power.

Instead, we adopted a spending bill that will extend the Medicare trust fund and its solvency to the year 2007, and that will allow us to provide insurance to children who do not currently have medical insurance. Five million children who now must worry and whose parents must worry about whether they can afford to see a doctor, or if they can get medical care, will be told yes, you can, the door of the clinic is open.

We also adopted very important tax reductions. The most important one for my district is a virtual elimination of the tax on the gain on the sale of a home. We in Los Angeles are blessed with high property values or high housing costs, however you choose to view it. And so many southern Californians are faced with a situation where they are thinking of selling their home now that their children have moved. They have a 3-bedroom, a 4-bedroom, a 6-bedroom home and are still living in it, not because they need the space and not because they want to invite their 20-something children to move back into their old bedrooms, but because they are concerned about the huge tax that they would pay if they sold their home and moved into a smaller one. Today we said yes, people can sell their homes and do not have to pay taxes on the first $500,000 of gain.

And for those in other parts of the country where the gains are smaller, please reflect on the fact that your interest payments are lower, your mortgage payments are lower. We in California spend far more for housing than people in most of the rest of the country.

Just as important, we adopted a $500 tax credit per child so that parents would have some help with the high cost of raising their own children. And we provided tax relief for college students and their parents, a HOPE scholarship that provides a $1,500 tax credit for those who spend $2,000 on tuition during the first 2 years of college. Dollar for dollar, this is not a mere deduction but a credit dollar for dollar on the first $1,000 and a 50-percent credit on the next $1,000 spent during the first 2 years of college. And for those who have gone beyond their first 2 years of college, we have provided a tax credit of 20 percent on the first $5,000 that they spend on college tuition.

America needs to invest in education. Our colleges and universities are still the envy of the world. And if we are to maintain the high living standards that we enjoy compared to the rest of the world, we must encourage people to pursue a college education in their post high school years.

The country benefits. The revenue people benefit. We in the Federal Government are all too happy to benefit when someone gets a college education, earns more, and therefore pays higher taxes. We should be there on the front end providing tax breaks and incentives to encourage people to get that college education. If we are partners in the profits of education, we should be partners in the expense.

Another element that is very important to me in the budget resolution revolves around the Land and Water Conservation Fund. Most people at home and, frankly, some of my colleagues have not focused on the Land and Water Conservation Fund. This is a special fund in the U.S. Treasury, is funded with money received by the Federal Government from royalties on offshore oil drilling. I have always opposed offshore drilling, especially off the coast of California. But wherever there is already oil being produced off our coast and royalties being paid to the Federal Government, those funds should be used to mitigate environmental degradation by providing us with the funding we need to acquire new Federal lands for our national parks and forests.

This year, for the first time in nearly a decade, we are going to live more or less in conformity with the law that established the Land and Water Conservation Fund. I am particularly proud of the work I did in the Committee on the Budget, because in that committee we reviewed a White House-negotiated deal which provided that there should be $700 million of new funds to acquire lands around the country, environmentally sensitive lands, but that that $700 million of new funds should be spread out over the next 5 years. I could see it happen, could see the problem. The problem is that we traditionally spend about $150 million every year, which is not nearly enough, on acquiring environmentally sensitive lands. If we provided for $700 million spread out over 5 years, the new money could simply displace the old money. The $700 million spread out over 5 years could then be the excuse to discontinue the $150 million that we have spent year after year for the last several years.

Instead, in the Committee on the Budget, I proposed an amendment, the only substantive amendment that we were able to get adopted in the Committee on the Budget of this House, which provided first documentation and inescapable documentation, no wiggle room documentation, that $700 million of additional funds should be spent in the next 5 years on acquiring environmentally sensitive land.

Beyond that, the amendment provided that all of those funds should be spent in 1998. That is important for several reasons. The first is that the $700 million will have the greatest purchasing power if spent now before land prices go up. But second, spending the money in 1998 assures that what was supposed to be extra money is in fact extra, that we spend the $700 million extra in 1998, and come 1999, with the support of my colleagues, we should go back to spending at least $150 million year in and year out. And I would urge this House to spend far more.

So we have a budget resolution that is very clear, that has been passed by both Houses of Congress, and that is supposed to be binding on both Houses, providing that an additional $700 million be spent during 1998 on acquiring environmentally sensitive lands.

Unfortunately, the Committee on Appropriations of the House of Representatives did not follow that instruction and adopted an Interior Committee appropriations bill which did not include the expenditure of that $700 million.

The other body, the Senate, did follow the budget resolution, did follow the amendment that I had offered for that resolution, and provided for the $700 million to be spent. I am confident that we will spend that money and that we will acquire environmentally sensitive lands before they are doomed to development and degradation.

I acquire this confidence for one reason. My colleagues are going home. The ladies and gentlemen watching us in this House will have a chance to talk to them about the priorities of this country. We are very close to the end of this millenia. What greater gift could we make to the next millenia than to preserve forever the Headwaters Forest, to preserve forever the Yellow Stone area, and to preserve forever the Santa Monica Mountains National Recreation Area?

I am confident that as the people of America interface with their Representatives, they will say, you have a balanced budget resolution. It provides for $700 million of additional funds to acquire these lands, you have told us that that resolution will give us a balanced budget and fiscal responsibility. If we can protect the lands and be fiscally responsible, we should do it and do it now. And I am confident that when my colleagues return and go into that conference committee that they

will be strong advocates for the environment and strong advocates for protecting lands and adding to our national parks.

I would especially hope that there is attention to the Santa Monica Mountains National Recreation Area. This is the last great chance to have a national park and a great national park just on the fringes of one of America's great metropolitan areas. We are close to being able to acquire the last parcels we need to acquire to complete the backbone trail and provide a 65-mile hike that starts in Santa Monica and continues through unabated wilderness and through nationally-owned and State-owned lands.

□ 2030

We have a chance to preserve for posterity a park that already generates 30 million visitors a year. There are far more visitors to the mountains and beaches of the Santa Monica National Recreation Area than to Yellowstone or Yosemite or any of the other units of the National Park System. We have a chance to complete the construction and acquisition of a park that is already, even in its current form, the most popular element of our National Park System.

And so, if you happen to see my colleagues back in your districts, please tell them now is the time to protect our national treasures.

This completes what I would like to say about the Committee on the Budget. I would like to turn my attention now to my work on and the work in general of the Committee on International Relations. I especially want to turn my attention to the tragic events in Jerusalem of just a few days ago, for these events remind us that the Middle East has not yet achieved peace, that Israel remains surrounded by those who would destroy her and that Israel is not yet secure, and it reminds us of the importance of the eternal city of Jerusalem.

It was not covered much by the press, but a few months ago there was a resolution in the Committee on International Relations to cut aid to Israel. The proponent pointed out that the living standards in Israel are somewhat higher, considerably higher than many of the other countries that receive our aid, and wondered why Israel needed economic aid from the United States.

The answer of the committee was overwhelming. The answer of the committee was clear. As long as Israel must confront hostile neighbors in so many directions, as long as Iran and Iraq swear every day that they will push Israel into the sea, Israel needs both the military aid that it gets from the United States and the economic aid that is necessary so that Israel can afford to spend its own money on dealing with the greatest security threat of any country in the world.

There is only one country in the world where there are millions of people, or at least governments governing millions of people, who question its right to exist and plot its extermination. No other country faces that kind of security threat, and no country has a closer relationship with the United States than the State of Israel which has supported us. Israel has supported us again and again and again when we needed a friend in a very dangerous and very important region of the country.

Particularly I want to point to the fact that this latest terrorist act occurred in Jerusalem, and it was probably committed by those who were trying to destroy the peace process. But it was allowed to occur, or at least not prevented, by a Palestinian Authority that is still trying to negotiate about the status of Jerusalem and has again and again signaled that terrorism, or at least turning a blind eye to terrorism, is a negotiating tactic that it is willing to employ.

We must tell the Palestinian Authority that terror is not an appropriate or tolerable method for negotiation, and we must tell the entire world that the United States recognizes Jerusalem, an undivided and indivisible Jerusalem, as the capital of the land of Israel.

Up until now there has been some question as to American policy. Congress has always been clear. Congress has directed the United States to move our embassy to Jerusalem to signal for the entire world that Jerusalem is the capital of Israel and always will be. So far that embassy has not been moved, but congressional enactment after congressional enactment has instructed the State Department to do just that, and when it comes to the American Embassy, we must say, ''Next year in Jerusalem.''

I do want to talk about several other points that arose involving international relations and the Committee on International Relations. One of those was an idea, a rather bad idea, to transfer free, three Perry class frigates to the Navy of the Republic of Turkey.

Now Turkey does face significant security threats facing Iran and Iraq on its eastern borders, but my question for the Defense Department is: In efforts against Iran and Iraq, how do you deploy the frigates? Obviously, these frigates would be deployed in the Aegean where they would threaten Cyprus and Greece. They should not be transferred, and it is certainly an insult to American taxpayers to think of transferring them to Turkey for free. When you think of the idea of frigates being used to combat the threat of Iran and Iraq, we should reflect that the last oceangoing ships seen in eastern Anatolia, the last such ship was Noah's ark.

The idea of strengthening the Turkish Navy, a Navy whose work in Cyprus and the Aegean we are not overly happy with, is an incredibly bad idea. I am very gratified that Richard Holbrooke, arguably our most accomplished ambassador has been appointed to try to deal with the problem of Cyprus. We look forward to the unification of Nicosia, not the division of Jerusalem. We look forward to peace in Cyprus and a united federal Cyprus joining the European Union.

I also would like to address the unfortunate visit to the United States of the President of Azerbaijan Mr. Aliyev. We met with this individual yesterday. He tried to convince us that Nogorno-karabagh was a natural part of Azerbaijan. He was wrong. The only individual who had a hand in transferring that territory to Azeri sovereignty even for a while was Joseph Stalin. The idea that Azerbaijan would claim a territory populated by Armenians and their only claim to it is Joseph Stalin gave it to us; I think that is a rather weak claim. President Aliyev urged us to repeal Section 907 which prohibits aid to a country that is receiving aid and is blockading another country to which we would like to send aid. The blockade of Armenia must end, and it is time for Turkey and Azerbaijan to provide humanitarian corridors so that food and medicine can reach the people of Armenia and so that Armenia can trade with the world.

Mr. Speaker, this is the 50th anniversary of the reemergence as an independent democracy of the Nation of India, and I would like to take this opportunity as the sun sets on this Congress until September to urge the President, and if that is impossible, then the Vice President or the Secretary of State to go to India to celebrate its independence.

We have more in common with India than is commonly acknowledged. They are the world's largest democracy, we are the worlds greatest democracy. It is time to celebrate Indian independence.

I am particularly proud of the role I played in the Committee on International Relations when one of my colleagues put forward an amendment that was a hidden attack against India, which said that we would end all aid to countries that did not vote with us all the time in the General Assembly of the United Nations. This was a ill considered amendment. Counting votes is not a way to see whether a country shares our values. Many of us here in the Chamber cast votes on a variety of things that are inconsequential, and those who try to judge our values by tabulating votes and producing scores, particularly if they look at every vote as being equivalent and of equal importance will be misled.

Just one example. Every day we vote on whether to approve the Journal. The Journal for the CONGRESSIONAL RECORD I think is professionally prepared, and so I vote to prepare it, to approve the Journal, to say, yes, there are no typos in it that I have been able to find. The Republican leadership votes to approve the Journal in every recorded vote. The Democratic leadership, many of them, vote against approving the Journal. Perhaps they have a keener eye for typos than I do. It

would be rather absurd to decide that I shared more values with the Republican leadership than the Democratic leadership on the basis of such an inconsequential vote, and likewise our Committee on International Relations knows that you cannot judge whether America and other countries share values by tabulating of votes in the General Assembly of the United Nations.

Now on the Committee on International Relations I serve on the trade subcommittee, and again and again my voice is there to say it is time for America to get tough on trade. Unfortunately on trade issues there appear to be only 2 voices, one a protectionist voice that says build a wall around America. That is impossible. The other a, quote, free trade voice that says open America to every import regardless of how that country treats our trade. That is absurd, but unfortunately it is treated as a serious policy by the trade establishment and by the foreign policy establishment of the United States.

We even had a distinguished gentleman testify before our subcommittee that trade deficits do not matter. That is as absurd as the people who 10 years ago told us that budget deficits do not matter.

America runs a huge trade deficit with the world year in and year out every year and it is time for us to focus on that deficit with the same intensity that we focused on the Federal budget deficit.

For all too long our foreign policy around the world could best be described by one sentence uttered by an American diplomat to a diplomat from any of the other countries. America's position was that we would like the honor of defending Europe and Japan for free, defending their territory, their trade routes and their interests, and in return for that honor we were prepared to make trade concession after trade concession.

No country in the history of the world has ever exercised our responsibility or our power around the world. But no great country has survived with such unmitigated generosity. We cannot simultaneously open our markets to Japan and Europe and China while their markets remain closed to us.

Now at least this year we voted in favor of Most Favored Nation status for China, and it is good that we retain a trade relationship with China. But it is time for us to demand that they give Most Favored Nation status to the United States. Perhaps the least audible part of the debate on Most Favored Nation status was the fact that China sends $45 billion of goods to the United States every year and accepts only $11 billion of our exports.

□ 2045

We must restore balance to this relationship. We must insist on parity. We must insist that a country like China, which, whether we like it or not, is a Communist State with a government in control of major economic decisions, make those economic decisions in a way that opens their markets to American goods.

Mr. Speaker, this weekend many of us will get a chance to see a movie, and we should reflect that at least for the area I represent, the movie business is the biggest business and the television business is included in that. We have tolerated for no ascertainable reason a policy that discriminates explicitly, repeatedly and consistently against American television programs and against American movies when we seek to exhibit them in France and other European countries. The French explicitly discriminate and say that one-third of all TV shows, one-third of all movie screens are available only for domestic content. I am not sure of that standard of one-third; it might even be higher.

They say it is not a matter of trade; they say it is a matter of culture. Well, I am from California, where in the south of California culture is Hollywood, but in the north of California culture is exemplified by our fine wines. If the French can tell us that we cannot have our movies and our TV programs in their country because it corrupts their culture, then why are we drinking French wines? Are they not having an equivalent effect on our culture?

Certainly, we should be as aggressive in trade negotiations with the French and we should use every device, including exaggerated cultural sensitivity if that is what we need to get access to their markets, and to deny access to the French where they deny access to us.

Mr. Speaker, in a few weeks I will get a chance to go to Israel with a delegation of our colleagues, and I will have a chance to see for myself what can be done to maintain a strong relationship between the United States and Israel. Our group will meet with Prime Minister Netanyahu and we will also meet with the head of the Palestinian Authority Chairman Yasser Arafat. We will have, I believe, some very pointed questions for Mr. Arafat, for it is his government that announced a death warrant for those people whose crime it was to sell land to Jews.

Mr. Speaker, I have a lot of realtors in my district. Now and then they face some danger in their business, maybe a flat tire on the way to show a house, but the idea that one would assassinate people for engaging in the real estate business strikes me as an all-time low in human rights and human dignity, and an all-time low in an effort to create peace in the Middle East. Likewise, it is the Palestinian Authority which time and again has arrested terrorists, known terrorists, Hezbollah, Islamic Jihad, arrested them and then released them.

Certainly one must take responsibility for the actions of those one facilitates. One must take responsibility for the actions one was obligated to prevent and chose not to prevent. The deal in the Middle East is land for peace, and again and again and again Israel has conceded and provided land.

Lands that Israel came to occupy by defending itself in a war of aggression it returned, not by force of arms of its adversaries, but by a genuine and sincere wish for peace. The land is there, the Sinai has been returned. Gaza is now under the Palestinian Authority. Huge areas of the West Bank have been turned over to Mr. Arafat's government. The land is there. Where is the peace?

We must remember that turnovers of land are permanent, or relatively so. They are ascertainable. Each acre turned over to an Arab government or to the Palestinian Authority can be measured, ascertained and protected. In contrast, the peace which is supposed to be delivered to Israel is ephemeral. There can be peace today and a terrorist incident tomorrow, and then peace the next day.

It is time to insist that peace be delivered, and it is not just peace with the fathers of the Middle East that Israel deserves, because what good is it to have peace with all of those in their 40s and 50s and 60s in positions of power in various Arab States, if the children are educated for hatred and war? It is time for the Middle East peace treaty to reach into every textbook in every Arab land and to begin to teach Arab children the truth: that Israel is a legitimate, permanent, unerasable part of the Middle East; that its presence in the Middle East may well lead to prosperity and enlightenment for much of that region; that lands have been returned because of a pledge of peace.

But instead, Arab children are taught lies. They are taught hatred. There are still textbooks that teach math by asking what happens when you add two dead Jews to three dead Jews.

The answer is that they do not have peace, and it is time for Arab states to deliver the ephemeral by looking at every aspect of their society and saying, have we complied with the peace agreement? Have we provided Israel with the security of knowing that the next generation and the generation after that will accept the borders that Israel has voluntarily retreated to?

So while we take a minute to reflect on those who died in Israel and in Jerusalem just a few days ago, we must reflect on what needs to happen: the reinternment of those that were wrongfully released by the Palestinian Authority, and education for peace among all the Arab States who once were at war. From Morocco to Tehran, Arab and Islamic children should be educated for peace. And until that happens, Israel will have conceded land and will have received only a temporary peace, a peace that may die with the fathers, a war that may be born with the sons.

Mr. Speaker, I want to thank my colleagues for their patience and indulgence, for I have spoken longer than I

had imagined, but it has been a long session of Congress, and we all look forward to returning to our districts.

I look forward to returning to Woodland Hills, where I am available to my constituents at 818–999–1990, and I especially look forward to seeing hundreds of people at a new home-buyer fair, a fair designed to give people, particularly first time buyers, information about buying a new home. We will also have information about the new tax law and how it affects those selling a home. We will convene on Saturday, August 9 at 9 a.m. through 1 p.m. If my constituents cannot be there the whole time, we will have information for people for part of the time. We will be at the Coast Federal Bank in Canoga Park.

I know that all of my colleagues are smiling today. We all get to go home, but none of them deserve to smile more than me. I get to go back to the San Fernando, the Conejo and the Las Virgenes Valleys, and I am looking forward to it.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HUTCHINSON). The Chair will remind all Members to address their remarks to the Chair and not to the viewing audience.

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

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

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

Mr. CONYERS, for 5 minutes, today.

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

Mr. PALLONE, for 5 minutes, today.

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

Mr. HUNTER, for 5 minutes, today.

Mr. SOLOMON, for 5 minutes, today.

Mr. QUINN, for 5 minutes, today.

Mr. BOEHLERT, for 5 minutes, on July 23.

Mr. HOUGHTON, for 5 minutes, today.

Mr. THUNE, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, on August 1.

ENROLLED JOINT RESOLUTION SIGNED

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

H.J. Res. 90. Joint resolution waiving certain enrollment requirements with respect to two specified bills of the One Hundred Fifth Congress.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 90. Joint resolution waiving certain enrollment requirements with respect to two specified bills of the One Hundred Fifth Congress.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 8 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Friday, August 1, 1997, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4479. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Fresh Cut Flowers and Fresh Cut Greens Promotion and Information Order [FV–97–703] received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4480. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Regulations Governing the Fresh Irish Potato Diversion Program, 1996 Crop [Docket No. FV–97–80–02] (RIN:0581–AA93) received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4481. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Buprofezin; Pesticide Tolerances for Emergency Exemptions [OPP–300519; FRL–5732–1] (RIN: 2070–AB78) received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4482. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting on behalf of the President, the Annual Report on the Panama Canal Treaties, Fiscal Year 1996, pursuant to 22 U.S.C. 3871; to the Committee on National Security.

4483. A letter from the Director, Office of the Secretary, Department of Defense, transmitting the Department's final rule—Compensation of Certain Former Operatives Incarcerated by the Democratic Republic of Vietnam (RIN: 0790–AG43) received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

4484. A letter from the Assistant Secretary, Department of Defense, transmitting a letter concerning the mobilization income insurance program for activated Reservists, pursuant to Public Law 104—201, section 1233; to the Committee on National Security.

4485. A letter from the Acting General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Base Closure Community Redevelopment and Homeless Assistance [FR–3820] received July 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

4486. A letter from the Secretary of Defense, transmitting a report on the Demonstration Program to Train Military Medical Personnel in CIvilian Shock Trauma Units, pursuant to Public Law 104—201, section 744; to the Committee on National Security.

4487. A letter from the Secretary of Defense, transmitting a report on Dual Use Application Program Investment Strategy for Fiscal Years 1998 through 2000, pursuant to Public Law 104—201, section 203(g); to the Committee on National Security.

4488. A letter from the Deputy Under Secretary for International and Commercial Programs, Department of Defense, transmitting the annual report to Congress describing the activities of the Defense Production Act Fund, pursuant to 50 U.S.C. app. 2094; to the Committee on Banking and Financial Services.

4489. A letter from the Acting General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Homeownership of Single Family Homes Program (HOPE 3); Streamlining Rule [FR–3857] received July 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4490. A letter from the Managing Director, Federal Housing Finance Board, transmitting the Board's final rule—Amendment of Affordable Housing Program Regulation [No. 97–44] (RIN: 3069–AA28) received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4491. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Investment and Deposit Activities (RIN: 3133–AB73) received July 30, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4492. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Glenrock, Wyoming) [MM Docket No. 96–227, RM–8910] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4493. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Mt. Juliet and Belle Meade, Tennessee) [MM Docket No. 97–97, RM–9047] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4494. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Fife Lake, Michigan) [MM Docket No. 97–25, RM–8981] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4495. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Bear Creek and Pocono Pines, Pennsylvania) [MM Docket No. 96–151, RM–8808, RM–8891] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4496. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, TV Broadcast Stations (Johnstown and Jeannette, Pennsylvania) [MM Docket No. 97–96, RM–8756] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4497. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Centennial, Wyoming) [MM DOcket No. 97–88, RM–9031] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4498. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (SMITH and Reno, Nevada, Susanville and Truckee, California) [MM Docket No. 96–103, RM–8794, RM–8839] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4499. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Atlanta, Louisiana) [MM Docket No. 97–105, RM–9046] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4500. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Parker, Arizona) [MM Docket No. 96–164, RM–8847] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4501. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Earlville, Illinois) [MM Docket No. 97–48, RM–8994] received July 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4502. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers [Docket No. 96F–0051] received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4503. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Compliance with Small Business Regulatory Enforcement Fairness Act [EGM 97–015] received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4504. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the forty-fifth report on the extent and disposition of United States contributions to international organizations for fiscal year 1996, pursuant to 22 U.S.C. 262a; to the Committee on International Relations.

4505. A letter from the Director, Office of the Secretary, Department of Defense, transmitting the Department's final rule—Privacy Program [32 CFR Part 311] received July 30, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4506. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's final rule—Releasing Information (RIN: 3052–AB77) received July 29, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4507. A letter from the Office of Special Counsel, transmitting the Annual Report of the Office of the Special Counsel (OSC) for Fiscal Year (FY) 1996, pursuant to Public Law 101—12, section 3(a)(11) (103 Stat. 29); to the Committee on Government Reform and Oversight.

4508. A letter from the Secretary of Commerce, transmitting a report on the Plan for Census 2000, pursuant to Public Law 105—18, title VIII (111 stat. 217); to the Committee on Government Reform and Oversight.

4509. A letter from the the Acting Chief Administrative Officer, the U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period October 1, 1996, through December 31, 1996 as compiled by the Chief Administrative Officer, pursuant to 2 U.S.C. 104a; (H. Doc. No. 105—112); to the Committee on House Oversight and ordered to be printed.

4510. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting notice on leasing systems for the Western Gulf of Mexico, Sale 168, scheduled to be held in August 1997, pursuant to 43 U.S.C. 1337(a)(8); to the Committee on Resources.

4511. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Greenland Turbot in the Bering Sea Subarea [Docket No. 961107312–7021–02; I.D. 072297D] received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4512. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Amendment 12 [Docket No. 970318059–7148–02; I.D. 022197B] (RIN: 0648–AI82) received July 28, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4513. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Wild and Scenic Rivers Act to designate a segment of the Upper White Salmon River in the State of Washington as a component of the National Wild and Scenic Rivers System; to the Committee on Resources.

4514. A letter from the Deputy Executive Director, Reserve Officers Association, transmitting the Association's financial audit for the period ending March 31, 1997, pursuant to 36 U.S.C. 1101(41) and 1103; to the Committee on the Judiciary.

4515. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend Title 17 to implement the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty; to the Committee on the Judiciary.

4516. A letter from the Treasurer, The Congressional Medal of Honor Society of the United States of America, transmitting the annual financial report of the Society for calendar year 1996, pursuant to 36 U.S.C. 1101(19) and 1103; to the Committee on the Judiciary.

4517. A letter from the Chairman, United States Sentencing Commission, transmitting the 1996 annual report of the activities of the Commission, pursuant to 28 U.S.C. 997; to the Committee on the Judiciary.

4518. A letter from the Secretary of Health and Human Services, transmitting the Twentieth Annual Report on the Child Support Enforcement Program, pursuant to 42 U.S.C. 652(a)(10); to the Committee on Ways and Means.

4519. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the implementation of the Waste Isolation Pilot Plant Land Withdrawal Act, pursuant to Public Law 102—579, section 23(a)(2); jointly to the Committees on National Security and Commerce.

4520. A letter from the Board of Governors, Federal Reserve System, transmitting the Board's mid-year Monetary Policy Report to the Congress, pursuant to 12 U.S.C. 225a; jointly to the Committees on Banking and Financial Services and Education and the Workforce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DREIER: Committee on Rules. House Resolution 206. Resolution waiving points of order against the conference report to accompany the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998 (Rept. 105–221). Referred to the House Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 1211. A bill for the relief of Global Exploration and Development Corp., Kerr-McGee Corp., and Kerr-McGee Chemical Corp.; with an amendment (Rept. 105–222). Ordered to be printed.

Mr. LEACH: Committee on Banking and Financial Services. H.R. 1370. A bill to reauthorize the Export-Import Bank of the United States; with an amendment (Rept. 105–224). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 1502. A bill to designate the U.S. courthouse located at 301 West Main Street in Benton, IL, as the ''James L. Foreman United States Courthouse'' (Rept. 105–225). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 1484. A bill to redesignate the Dublin Federal courthouse building located in Dublin, GA, as the J. Roy Rowland Federal Courthouse; with amendments (Rept. 105–226). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 1479. A bill to designate the Federal building and U.S. courthouse located at 300 Northeast First Avenue in Miami, FL, as the ''David W. Dyer Federal Courthouse''; with amendments (Rept. 105–227). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 994. A bill to designate the U.S. border station located in Pharr, TX, as the ''Kika de la Garza United States Border Station'' (Rept. 105–228). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 962. A bill to redesignate a Federal building in Suitland, MD, as the ''W. Edwards Deming Federal Building'' (Rept. 105–229). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 892. A bill to redesignate the Federal building located at 223 Sharkey Street in Clarksdale, MS, as the ''Aaron Henry United States Post Office'';

with amendments (Rept. 105–230). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 643. A bill to designate the U.S. courthouse to be constructed at the corner of Superior and Huron Roads, in Cleveland, OH, as the ''Carl B. Stokes United States Courthouse'' (Rept. 105–231). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 613. A bill to designate the Federal building located at 100 Alabama Street NW, in Atlanta, GA, as the ''Sam Nunn Federal Center''; with amendments (Rept. 105–232). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 595. A bill to designate the Federal building and U.S. courthouse located at 475 Mulberry Street in Macon, GA, as the ''William Augustus Bootle Federal Building and United States Courthouse'' (Rept. 105–233). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 548. A bill to designate the U.S. courthouse located at 500 Pearl Street in New York City, NY, as the ''Ted Weiss United States Courthouse'' (Rept. 105–234). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 81. A bill to designate the U.S. courthouse located at 401 South Michigan Street in South Bend, IN, as the ''Robert K. Rodibaugh United States Bankruptcy Courthouse'' (Rept. 105–235). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 2204. A bill to authorize appropriations for fiscal years 1998 and 1999 for the Coast Guard, and for other purposes; with amendments (Rept. 105–236). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 998. A bill for the relief of Lloyd B. Gamble (Rept. 105–223). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CRANE (for himself, Mr. ARCHER, Mr. THOMAS, Mr. RAMSTAD, Ms. DUNN of Washington, Mr. HAMILTON, Mr. BEREUTER, Mr. DREIER, Mr. KOLBE, and Mr. CAPPS):

H.R. 2316. A bill to amend trade laws and related provisions to clarify the designation of normal trade relations; to the Committee on Ways and Means.

By Mr. ABERCROMBIE (for himself, Mr. EVANS, Mr. FILNER, Mr. FALEOMAVAEGA, Mr. UNDERWOOD, Mr. FROST, Mr. MILLER of California, Mrs. MINK of Hawaii, Mr. MCDERMOTT, Mr. BONIOR, and Mr. RANGEL):

H.R. 2317. A bill to amend title 38, United States Code, to make permanent the Native American Veteran Housing Loan Pilot Program; to the Committee on Veterans' Affairs.

By Mr. ABERCROMBIE (for himself, Mr. YOUNG of Alaska, and Mrs. MINK of Hawaii):

H.R. 2318. A bill to repeal the provisions of the Taxpayer Relief Act of 1997 which change the rates of the airline ticket taxes and impose a separate tax on domestic segments of air transportation; to the Committee on Ways and Means.

By Mr. BARRETT of Wisconsin (for himself, Mr. FRANK of Massachusetts, Mr. VENTO, Mr. LAFALCE, Mr. GUTIERREZ, Mr. HINCHEY, Ms. CARSON, Mr. KIND of Wisconsin, Mr. KLECZKA, Mr. MCHUGH, Mr. TRAFICANT, and Mr. MCHALE):

H.R. 2319. A bill to amend the Electronic Fund Transfer Act to safeguard consumers in connection with utilization of certain debit credit cards; to the Committee on Banking and Financial Services.

By Mr. BROWN of California (for himself and Mrs. MORELLA):

H.R. 2320. A bill to establish an education satellite loan guarantee program to facilitate the development of an integrated, national and global telecommunications system dedicated to instruction and used soley for communications among Federal, State, and local instructional institutions and agencies and instructional resource providers; to the Committee on Education and the Workforce.

By Mr. BURTON of Indiana (for himself, Mr. FALEOMAVAEGA, Mr. BUYER, Mr. GILCHREST, Mr. BARTLETT of Maryland, Mr. NORWOOD, Mr. BOEHLERT, Mr. KING of New York, Mr. MCHUGH, Mr. KASICH, Mr. SESSIONS, Mr. PACKARD, Mr. CASTLE, Mr. OXLEY, Mr. CLEMENT, Mrs. MORELLA, and Mr. QUINN):

H.R. 2321. A bill to amend the Internal Revenue Code of 1986 regarding the treatment of golf caddies for employment tax purposes; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 2322. A bill to suspend the duty on the organo-phosphorus compound ACM until January 1, 2000; to the Committee on Ways and Means.

By Mr. METCALF (for himself, Mr. LAZIO of New York, and Mr. KANJORSKI):

H.R. 2323. A bill to allow depository institutions to offer negotiable order of withdrawal accounts to all businesses, to repeal the prohibition on the payment of interest on demand deposits, to require the Board of Governors of the Fedeal Reserve System to pay interest on certain reserves, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. CASTLE:

H.R. 2324. A bill to suspend the duty on the synthetic organic coloring matter C.I. Pigment Yellow 109 until January 1, 2000; to the Committee on Ways and Means.

H.R. 2325. A bill to suspend the duty on the synthetic organic coloring matter C.I. Pigment Yellow 110 until January 1, 2000; to the Committee on Ways and Means.

H.R. 2326. A bill to suspend the duty on the organic chemical parachlorobenzonitrile until January 1, 2000; to the Committee on Ways and Means.

By Mr. COMBEST (for himself, Mr. GREEN, and Mr. MARTINEZ):

H.R. 2327. A bill to provide for a change in the exemption from the child labor provisions of the Fair Labor Standards Act of 1938 for minors between 16 and 18 years of age who engage in the operation of automobiles and trucks; to the Committee on Education and the Workforce.

By Mr. CONDIT (for himself, Mr. CRAMER, Mr. SISISKY, Mr. PETERSON of Minnesota, Mr. TURNER, Mr. BILBRAY, Mr. DOOLEY of California, Mr. DOOLITTLE, Mr. FILNER, Mr. GOODE, Mr. POMBO, and Mr. RADANOVICH):

H.R. 2328. A bill to amend the Clean Air Act to impose certain requirements on areas upwind of ozone nonattainment areas, and for other purposes; to the Committee on Commerce.

By Mr. CRANE:

H.R. 2329. A bill to establish the National Dividend Plan by reforming the budget process, and by amending the Internal Revenue Code of 1986 to eliminate the double tax on dividends, to allocate corporate income tax revenues for payments to qualified registered voters, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. DELAURO (for herself, Mr. GREEN, Mr. KENNEDY of Rhode Island, Mr. FORD, Mr. BONIOR, Mr. FROST, Mr. OLVER, Ms. CHRISTIAN-GREEN, Mr. MCGOVERN, and Ms. PELOSI):

H.R. 2330. A bill to authorize the Secretary of Transportation to make direct loans and provide lines of credit to finance surface transportation projects, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. EVANS (for himself, Mrs. MEEK of Florida, Mr. HASTINGS of Florida, Mr. KIND of Wisconsin, Ms. RIVERS, Mr. FROST, Mr. PETRI, Mr. BONIOR, Mr. HINCHEY, Mr. MCGOVERN, Mr. FOGLIETTA, Mr. BARRETT of Wisconsin, Mr. MASCARA, Mr. DOYLE, Mr. OLVER, and Mr. LEWIS of Georgia):

H.R. 2331. A bill to amend title 5, United States Code, to provide that civilian employees of the National Guard may not be required to wear military uniforms while performing civilian service; to the Committee on Government Reform and Oversight, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EVERETT (for himself, Mr. ADERHOLT, Mr. BARCIA of Michigan, Mr. BOEHNER, Mr. BONO, Mr. BOYD, Mr. CALLAHAN, Mr. CAMPBELL, Mr. CRAMER, Mr. DEAL of Georgia, Ms. DEGETTE, Mr. DELLUMS, Mr. DUNCAN, Mr. FARR of California, Mr. FILNER, Mr. FOLEY, Mr. HINCHEY, Mr. HUNTER, Ms. KAPTUR, Mr. KUCINICH, Mr. MCHUGH, Mr. MCNULTY, Mrs. MEEK of Florida, Mr. MILLER of California, Mr. NEY, Mr. POSHARD, Mr. RILEY, Ms. RIVERS, Mr. ROHRABACHER, Mr. SOUDER, Mr. SPRATT, Mr. STUMP, Mr. TANNER, and Mrs. THURMAN):

H.R. 2332. A bill to amend section 304 of the Tariff Act of 1930 to require the marking of frozen produce with the country of origin on the front panel of the package for retail sale; to the Committee on Ways and Means.

By Mr. FOX of Pennsylvania:

H.R. 2333. A bill to provide improvements for the financial and emotional security of seniors; to the Committee on Ways and Means, and in addition to the Committees on the Judiciary, Banking and Financial Services, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRELINGHUYSEN:

H.R. 2334. A bill to suspend temporarily the duty on ferroboron; to the Committee on Ways and Means.

By Mr. GOODE (for himself, Mr. GOODLATTE, Mr. BOUCHER, Mr. PICKETT, and Mr. DAVIS of Virginia):

H.R. 2335. A bill to amend the Internal Revenue Code of 1986 to repeal the 1993 Federal income tax rate increases on trusts established for the benefit of individuals with disabilities; to the Committee on Ways and Means.

By Mr. HEFLEY:

H.R. 2336. A bill to temporarily decrease the duty on certain industrial nylon fabrics; to the Committee on Ways and Means.

By Mr. HILL:

H.R. 2337. A bill to authorize funds to further the strong Federal interest in the improvement of highways and transportation, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. HINCHEY (for himself, Mr. GILMAN, and Mrs. KELLY):

H.R. 2338. A bill to amend title 38, United States Code, to require that health-care professionals of the Department of Veterans Affairs be assigned to facilities of the Department only in States in which they are licensed to practice, and to require that the Secretary of Veterans Affairs follow State requirements concerning the filing of death certificates; to the Committee on Veterans' Affairs.

By Mrs. JOHNSON of Connecticut (for herself and Mrs. KENNELLY of Connecticut):

H.R. 2339. A bill relating to the tariff treatment of nuclear fuel assemblies; to the Committee on Ways and Means.

By Mrs. KELLY (for herself and Mr. CUNNINGHAM):

H.R. 2340. A bill to provide for mandatory prison terms for possessing, brandishing, or discharging a firearm or destructive device during a Federal crime that is a crime of violence or a drug trafficking crime; to the Committee on the Judiciary.

By Mr. KIM (for himself, Mr. GILCHREST, Mr. GILMAN, and Mr. CARDIN):

H.R. 2341. A bill to amend title 23, United States Code, to authorize Federal participation in financing of projects to demonstrate the feasibility of deployment of magnetic levitation transportation technology, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Science, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KLECZKA:

H.R. 2342. A bill to amend title 18, United States Code, to permit gunsmiths to obtain a Federal firearms license without having to comply with State or local laws relating to zoning of firearms businesses; to the Committee on the Judiciary.

By Mr. LEACH:

H.R. 2343. A bill to abolish the Thrift Depositor Protection Oversight Board, and for other purposes; to the Committee on Banking and Financial Services.

By Mrs. LOWEY:

H.R. 2344. A bill to expand the enforcement options under the Federal Meat Inspection Act and the Poultry Products Inspection Act to include the imposition of civil money penalities; to the Committee on Agriculture.

By Mrs. LOWEY (for herself, Mr. FOGLIETTA, Mr. BARRETT of Wisconsin, Mr. BROWN of Ohio, Mr. DEFAZIO, Ms. FURSE, Mr. KENNEDY of Massachusetts, Mrs. MALONEY of New York, Mr. MCGOVERN, Mr. MILLER of California, Mr. MINGE, Mrs. MINK of Hawaii, Mrs. MORELLA, Mr. OBERSTAR, Mr. OLVER, Mr. RANGEL, Mr. SABO, Mr. STRICKLAND, Mrs. TAUSCHER, Mr. TORRES, Mr. TOWNS, Ms. WOOLSEY, and Mr. YATES):

H.R. 2345. A bill to prohibit the sale, lease, or other transfer of attack, bomber, or fighter aircraft to Latin American countries; to the Committee on International Relations.

By Mrs. LOWEY:

H.R. 2346. A bill to amend title 18, United States Code, to prohibit desecration of veterans' memorials; to the Committee on the Judiciary.

By Mrs. MALONEY of New York (for herself and Mr. HORN):

H.R. 2347. A bill to ensure the accuracy of information regarding the eligibility of applicants for benefits under Federal benefit programs; to the Committee on Government Reform and Oversight.

By Ms. MILLENDER-MCDONALD (for herself, Mr. DELLUMS, Mr. HASTINGS of Florida, Mr. JACKSON, Mr. MARTINEZ, Mrs. MEEK of Florida, Mr. WYNN, Mr. DIXON, Ms. CHRISTIAN-GREEN, Mr. FORD, Mr. FLAKE, Mr. JEFFERSON, Mr. CLYBURN, Ms. KILPATRICK, Mr. OWENS, Mr. MILLER of California, Ms. HARMAN, Mr. FAZIO of California, Ms. BROWN of Florida, Ms. WATERS, Mr. SCOTT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WATT of North Carolina, Mr. TOWNS, Mr. RANGEL, Mr. THOMPSON, Mr. CLAY, Mr. DAVIS of Illinois, Mr. FARR of California, Mr. BERMAN, Mr. RUSH, Mrs. CLAYTON, Mr. WAXMAN, Ms. CARSON, Mr. CUMMINGS, Mr. HILLIARD, Ms. JACKSON-LEE, Mr. LEWIS of Georgia, Mr. CONYERS, Mr. TORRES, Ms. LOFGREN, Mr. CONDIT, Ms. WOOLSEY, Ms. ROYBAL-ALLARD, Ms. PELOSI, and Mr. FILNER):

H.R. 2348. A bill to redesignate the Federal building located at 701 South Santa Fe Avenue in Compton, CA, and known as the Compton Main Post Office, as the ''Mervyn Dymally Post Office Building''; to the Committee on Government Reform and Oversight.

By Ms. MILLENDER-MCDONALD (for herself, Mr. DIXON, Ms. ROYBAL-ALLARD, Mr. FAZIO of California, Ms. PELOSI, Ms. WOOLSEY, Ms. LOFGREN, Mr. CONDIT, Mrs. MEEK of Florida, Mr. WYNN, Ms. NORTON, Mr. WATTS of Oklahoma, Mr. BROWN of California, Ms. BROWN of Florida, Mr. LANTOS, Mr. MILLER of California, Ms. KILPATRICK, Mr. DELLUMS, Mr. OWENS, Mr. FILNER, Mr. JACKSON, Mr. MARTINEZ, Mr. FLAKE, Mr. FORD, Mr. WAXMAN, Mr. TORRES, Mr. CLYBURN, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. HARMAN, Mr. JEFFERSON, Ms. CHRISTIAN-GREEN, Mr. SCOTT, Mr. WATT of North Carolina, Mr. TOWNS, Mr. RANGEL, Mr. THOMPSON, Mr. CLAY, Mr. DAVIS of Illinois, Mr. RUSH, Mrs. CLAYTON, Mr. FARR of California, Mr. BERMAN, Ms. CARSON, Mr. CUMMINGS, Mr. HILLIARD, Ms. JACKSON-LEE, Mr. LEWIS of Georgia, and Mr. CONYERS):

H.R. 2349. A bill to redesignate the Federal building located at 10301 South Compton Avenue, in Los Angeles, CA, and known as the Watts Finance Office, as the ''Augustus F. Hawkins Post Office Building''; to the Committee on Transportation and Infrastructure.

By Mr. MILLER of California:

H.R. 2350. A bill to authorize certain uses of water from the Solano Project, California; to the Committee on Resources.

By Mr. MILLER of California (for himself, Mr. VENTO, Mr. OLVER, Mr. FARR of California, Ms. JACKSON-LEE, Mr. HINCHEY, Mr. BLUMENAUER, Mr. SANDERS, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Mrs. MORELLA, Ms. PELOSI, Mrs. MALONEY of New York, Mr. SHAYS, Mr. FRANK of Massachusetts, Mr. WAXMAN, Mr. STARK, Mr. MARKEY, Ms. CHRISTIAN-GREEN, Mr. YATES, Mrs. LOWEY, Mr. DICKS, Mr. DELAHUNT, Mr. LANTOS, Ms. RIVERS, Mr. GEJDENSON, Mr. SERRANO, Mr. SKAGGS, Mr. SHERMAN, Ms. KILPATRICK, Mr. BERMAN, Mr. FALEOMAVAEGA, Ms. FURSE, Mr. THOMPSON, Mr. BONIOR, Ms. DEGETTE, Mr. NEAL of Massachusetts, Mr. BARRETT of Wisconsin, Mr. DELLUMS, Mrs. MEEK of Florida, Mr. WEXLER, Ms. SLAUGHTER, Mr. MORAN of Virginia, Mr. ADAM SMITH of Washington, Mr. CARDIN, Mr. TIERNEY, Mr. MCNULTY, Mr. HASTINGS of Florida, Mr. MEEHAN, Mr. MCGOVERN, Ms. WATERS, Mr. ENGEL, Ms. CARSON, and Mr. PALLONE):

H.R. 2351. A bill to amend the Endangered Species Act of 1973 to ensure the recovery of our Nation's declining biological diversity; to reaffirm and strengthen this Nation's commitment to protect wildlife; to safeguard our children's economic and ecological future; and to provide assurances to local governments, communities, and individuals in their planning and economic develpoment efforts; to the Committee on Resources, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MORAN of Kansas (for himself, Mr. RYUN, Mr. HUTCHINSON, and Mr. BOB SCHAFFER):

H.R. 2352. A bill to amend the National Trails System Act to require local approval of designations of railroad rights-of-way for interim use as trails; to the Committee on Resources.

By Mr. NADLER:

H.R. 2353. A bill to amend title 18, United States Code, to prohibit certain conduct relating to civil disorders; to the Committee on the Judiciary.

By Ms. NORTON (for herself, Mr. MANTON, and Mr. ENSIGN):

H.R. 2354. A bill to amend the Professional Boxing Safety Act of 1996 to provide an additional safety provision; to the Committee on Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ORTIZ:

H.R. 2355. A bill to extend the repayment periods for the repayment for Nueces River reclamation project; to the Committee on Resources.

By Mr. PORTER (for himself, Mr. ARCHER, Mr. BAKER, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. BEREUTER, Mr. BILBRAY, Mr. CALLAHAN, Mr. CANNON, Mrs. CHENOWETH, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. DOOLITTLE, Mr. GOODLATTE, Mr. GOSS, Mr. HERGER, Mr. HILLEARY, Mr. HORN, Mr. HUNTER, Mr. KIM, Mr. KING of New York, Mr. KNOLLENBERG, Mr. LATHAM, Mr. LAHOOD, Mr. LIVINGSTON, Mr. LIPINSKI, Mr. MCCOLLUM, Mr. MCKEON, Mr. NEY, Mr. NORWOOD, Mr. PACKARD, Mr. PETRI, Mr. ROHRABACHER, Mrs. ROUKEMA, Mr. SENSENBRENNER, Mr. SHAYS, Mr. TAYLOR of North Carolina, and Mr. WELDON of Florida):

H.R. 2356. A bill to amend the Voting Rights Act of 1965 to eliminate certain provisions relating to bilingual voting requirements; to the Committee on the Judiciary.

By Mr. RIGGS (for himself, Mr. RAMSTAD, Mr. CUNNINGHAM, Mr. MCKEON, Mr. CAMPBELL, and Mr. BILBRAY):

H.R. 2357. A bill to amend the Fair Labor Standards Act of 1938 to provide that a State or local government may not, in their minimum wage laws, ordinances, regulations, or orders, preclude a tip credit or require a certain tip credit; to the Committee on Education and the Workforce.

By Ms. ROS-LEHTINEN (for herself, Mr. KING of New York, Mr. ROYCE, Mr. COX of California, Mr. GIBBONS, Mr. GILMAN, Mr. HUNTER, Mr. SAM JOHNSON, Mr. MCINTOSH, Mr. ROHRABACHER, Mr. SHADEGG, Mr. SMITH of New Jersey, Mr. SOLOMON, and Mr. SPENCE):

H.R. 2358. A bill to provide for improved monitoring of human rights violations in the People's Republic of China; to the Committee on International Relations.

By Mr. ROTHMAN (for himself, Mrs. LOWEY, Mrs. ROUKEMA, Mr. YATES, Mr. DELLUMS, Mr. STARK, Mr. FILNER, and Mr. WEXLER):

H.R. 2359. A bill to require the Secretary of the Treasury, acting through the Director of the Bureau of Alcohol, Tobacco, and Firearms, to issue minimum safety and security standards for dealers of firearms; to the Committee on the Judiciary.

By Mr. SAXTON:

H.R. 2360. A bill to mandate price stability as the primary goal of the monetary policy of the Board of Governors of the Federal Reserve System and the Federal Open Market Committee; to the Committee on Banking and Financial Services.

By Mr. SCHIFF (for himself, Mr. MCCOLLUM, Ms. DUNN of Washington, Mr. CALVERT, Mr. BEREUTER, and Mr. REDMOND):

H.R. 2361. A bill to amend title 18, United States Code, with respect to the ''three strikes'' life sentence; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself, Mr. CONDIT, Mr. CONYERS, Ms. LOFGREN, and Ms. SLAUGHTER):

H.R. 2362. A bill to guarantee a republican form of government to the States by preventing paramilitary violence; to the Committee on the Judiciary.

By Mr. SESSIONS (for himself, Mr. BARTLETT of Maryland, Mr. COMBEST, Mr. NORWOOD, Mr. SMITH of Texas, Ms. GRANGER, Mr. DELAY, Mr. BONILLA, Mr. ADERHOLT, Mr. SALMON, Mr. HALL of Texas, Mr. PAPPAS, Mr. CRANE, Mr. THOMAS, Mr. PETERSON of Pennsylvania, Mr. CALVERT, Mr. BURTON of Indiana, Mr. FOX of Pennsylvania, Mr. MCCRERY, Mr. TRAFICANT, Mr. LATOURETTE, Mr. HULSHOF, Mr. LAZIO of New York, Mrs. EMERSON, Mr. LARGENT, Mr. NUSSLE, Mr. GIBBONS, Mr. SCARBOROUGH, Mr. HUNTER, Mr. CALLAHAN, Mr. PORTMAN, Mr. MICA, Mr. BOEHNER, Mr. BOB SCHAFFER, Mr. COLLINS, Mr. SHADEGG, Mr. ROGAN, Mr. MCINTOSH, Mr. BARR of Georgia, Mr. BAKER, Mr. HASTERT, and Mr. COOKSEY):

H.R. 2363. A bill to amend the Controlled Substances Act to provide a mandatory life penalty for certain offenses involving methamphetamine; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHAYS:

H.R. 2364. A bill to reduce Federal spending in several programs; to the Committee on National Security, and in addition to the Committees on International Relations, Science, Agriculture, Transportation and Infrastructure, Resources, Education and the Workforce, Veterans' Affairs, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON (for himself and Mr. MCHUGH):

H.R. 2365. A bill to reduce acid deposition under the Clean Air Act, and for other purposes; to the Committee on Commerce.

By Mr. STENHOLM (for himself, Mr. SKEEN, Mr. WISE, Mr. COMBEST, Mr. LUCAS of Oklahoma, Mr. GOODE, Mr. PICKERING, Mr. EWING, Mr. CANADY of Florida, Mr. ETHERIDGE, Mr. BALDACCI, Mr. FARR of California, Mr. BERRY, Mr. MORAN of Kansas, and Mr. POMEROY):

H.R. 2366. A bill to transfer to the Secretary of Agriculture the authority to conduct the census of agriculture, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STUMP (for himself, Mr. EVANS, Mr. QUINN, and Mr. FILNER):

H.R. 2367. A bill to increase, effective as of December 1, 1997, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans' Affairs.

By Mr. TAUZIN (for himself and Mr. GILLMOR):

H.R. 2368. A bill to promote the privacy of interactive computer service users through self-regulation by the providers of such services, and for other purposes; to the Committee on Commerce.

By Mr. TAUZIN (for himself, Mr. MARKEY, Mr. OXLEY, Mr. GILLMOR, Ms. ESHOO, and Ms. MCCARTHY of Missouri):

H.R. 2369. A bill to amend the Communications Act of 1934 to strengthen and clarify prohibitions on electronic eavesdropping, and for other purposes; to the Committee on Commerce.

By Mr. UNDERWOOD (for himself, Mr. MILLER of California, and Mr. ABERCROMBIE):

H.R. 2370. A bill to amend the Organic Act of Guam for the purposes of clarifying the local judicial structure and the office of Attorney General; to the Committee on Resources.

By Mr. VENTO:

H.R. 2371. A bill to amend title II of the Social Security Act to require that contracts entered into by the Commissioner of Social Security and the States and local governments providing for furnishing the Commissioner with death certificate information require that such information be furnished within 30 days after the death involved; to the Committee on Ways and Means.

By Mr. WHITE (for himself, Mr. BOUCHER, Mr. TAUZIN, Mr. OXLEY, Mr. COX of California, and Mr. LAZIO of New York):

H.R. 2372. A bill to ensure that the development of the Internet and interactive computer services is unfettered by Federal and State regulation; to the Committee on Commerce.

By Mr. DIAZ-BALART:

H.J. Res. 90. Joint resolution waiving certain enrollment requirements with respect to two specified bills of the 105th Congress; considered and agreed to.

By Mr. BARR of Georgia (for himself, Mr. CALLAHAN, Mr. BOYD, Mr. ADERHOLT, Mr. BACHUS, Mr. BISHOP, Ms. BROWN of Florida, Mr. CANADY of Florida, Mr. CHAMBLISS, Mr. COLLINS, Mr. CRAMER, Mr. DAVIS of Florida, Mr. DEAL of Georgia, Mr. DEUTSCH, Mr. EVERETT, Mr. FOLEY, Mrs. FOWLER, Mr. GINGRICH, Mr. GOSS, Mr. HILLIARD, Mr. KINGSTON, Mr. LEWIS of Georgia, Mr. LINDER, Mr. MCCOLLUM, Mrs. MEEK of Florida, Mr. NORWOOD, Mr. RILEY, Mrs. THURMAN, and Mr. WEXLER):

H.J. Res. 91. Joint resolution granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact; to the Committee on the Judiciary.

By Mr. CALLAHAN (for himself, Mr. BARR of Georgia, Mr. ADERHOLT, Mr. BACHUS, Mr. BISHOP, Mr. CHAMBLISS, Mr. COLLINS, Mr. CRAMER, Mr. DEAL of Georgia, Mr. EVERETT, Mr. HILLIARD, Mr. GINGRICH, Mr. KINGSTON, Mr. LEWIS of Georgia, Mr. LINDER, Mr. NORWOOD, and Mr. RILEY):

H.J. Res. 92. Joint resolution granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact; to the Committee on the Judiciary.

By Mr. GOODE:

H.J. Res. 93. Joint resolution proposing an amendment to the Constitution of the United States relating to the power of the several States to propose amendments to the Constitution; to the Committee on the Judiciary.

By Mr. GOSS:

H. Con. Res. 136. Concurrent resolution providing for an adjournment of the two Houses; considered and agreed to

By Mr. GILMAN (for himself and Mr. PORTER):

H. Con. Res. 137. Concurrent resolution expressing the sense of the House of Representatives concerning the urgent need for an international criminal tribunal to try members of the Iraqi regime for crimes against humanity; to the Committee on International Relations.

By Mr. ARCHER:

H. Con. Res. 138. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 2014; which was considered and agreed to.

By Mr. BEREUTER (for himself, Mr. OXLEY, Mr. PICKETT, and Mr. HAMILTON):

H. Con. Res. 139. Concurrent resolution expressing the sense of Congress that the United States Government should fully participate in EXPO 2000 in the year 2000, in Hannover, Germany, and should encourage the academic community and the private sector in the United States to support this worthwhile undertaking; to the Committee on International Relations.

By Mr. MCINNIS:

H. Con. Res. 140. Concurrent resolution expressing the sense of Congress that before the consideration of any legislation regarding the comprehensive tobacco settlement each plaintiff attorney shall fully disclose the attorney's anticipated fees as a result of such settlement agreement; to the Committee on the Judiciary.

By Mr. BOEHNER:

H. Res. 207. Resolution electing the Chief Administrative Officer of the U.S. House of Representatives; considered and agreed to.

By Mr. FAZIO of California:

H. Res. 208. Resolution designating minority membership on certain standing committees of the House; considered and agreed to.

By Mr. FOX of Pennsylvania:

H. Res. 209. Resolution amending the rules of the House of Representatives to take away

the power of the Committee on Rules to report rules or orders waiving the germaneness requirement; to the Committee on Rules.

By Ms. KAPTUR:

H. Res. 210. Resolution to express the sense of the House of Representatives on consideration of comprehensive campaign finance reform; to the Committee on House Oversight.

By Mr. KNOLLENBERG:

H. Res. 211. Resolution expressing the sense of the House of Representatives regarding the conditions for the United States becoming a signatory to any international agreement on greenhouse gas emissions under the U.N. Framework Convention on Climate Change; to the Committee on International Relations.

By Mr. LEWIS of Georgia (for himself, Mr. BOEHLERT, Mr. BROWN of Ohio, Mr. BERRY, Mr. CAPPS, Ms. CHRISTIAN-GREEN, Mr. CLEMENT, Mr. EVANS, Mr. FLAKE, Ms. JACKSON-LEE, Mr. MATSUI, Mrs. MEEK of Florida, Ms. NORTON, Mr. PAYNE, Mr. RAMSTAD, Mr. ROTHMAN, Mr. SANDERS, Ms. SLAUGHTER, Mr. TIERNEY, Mr. TRAFICANT, Mr. VENTO, Mr. WEXLER, and Mr. WYNN):

H. Res. 212. Resolution recognizing suicide as a national problem, and for other purposes; to the Committee on Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

159. The SPEAKER presented a memorial of the General Assembly of the State of California, relative to Assembly Joint Resolution No. 19 memorializing the President and Congress of the United States to endorse and support the Southwest Defense Complex, and the efforts of the Southwest Defense Alliance in furtherance of the Southwest Defense Complex; to the Committee on National Security.

160. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 36 requesting the President of the United States to take all actions necessary, within the considerable limits of the resources of the United States, to protect on an equal basis all peoples and resources of this great Union from threat of missile attack regardless of the physical location of the member state; to the Committee on National Security.

161. Also, a memorial of the House of Representatives of the State of New Hampshire, relative to House Joint Resolution 5 urging the United States Congress and the United States Environmental Protection Agency to make certain changes in the Clean Air Act which would result in more cost effective air pollutant emission reductions; to the Committee on Commerce.

162. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 40 requesting the United States Congress to amend the Federal Food, Drug, and Cosmetic Act; to the Committee on Commerce.

163. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 30 urging the United States Congress to amend the Social Security Act so that the higher cost of living in Alaska is reflected when the per capita income of the state is used as a factor in determining the federal share of Medicaid costs; to the Committee on Commerce.

164. Also, a memorial of the House of Representatives of the State of Maine, relative to a Joint Resolution memorializing the United States Postal Service to issue a stamp commemorating Joshua Lawrence Chamberlain; to the Committee on Government Reform and Oversight.

165. Also, a memorial of the Legislature of the State of Texas, relative to House Concurrent Resolution 168 requesting the Congress of the United States to conduct thorough oversight hearings of the Office of the Inspector General audit process sufficient to ensure that the rights and protections inherent in the nation's legal code are maintained and upheld in the process; to the Committee on Government Reform and Oversight.

166. Also, a memorial of the General Assembly of the State of California, relative to Assembly Joint Resolution No. 12 memorializing the President and the Congress to appropriate federal funds to be used to preserve and protect the Bolinas Lagoon; to the Committee on Resources.

167. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 26 supporting enhancement of visitors access to Denali National Park and Preserve through development of a northern railroad route corridor access to the vicinity of Wonder Lake; to the Committee on Resources.

168. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 20 urging the legislature of each state of the nation to ratify a balanced budget amendment that is passed by the United States Congress; to the Committee on the Judiciary.

169. Also, a memorial of the General Assembly of the State of Tennessee, relative to House Joint Resolution No. 32 post-ratifying Amendment 15 to the Constitution of the United States of America guaranteeing the right of citizens to vote regardless of race, color, or previous condition of servitude; to the Committee on the Judiciary.

170. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 27 relating to the creation of a new United States Court of Appeals for the Twelfth Circuit; to the Committee on the Judiciary.

171. Also, a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 19 requesting the United States Congress to accommodate Alaska's unique wetlands circumstances by amending the Clean Water Act to modify the wetlands regulatory program and to recognize Alaska's outstanding history of wetlands conservation; to the Committee on Transportation and Infrastructure.

172. Also, a memorial of the Legislature of the State of Texas, relative to House Concurrent Resolution 137 urging the United States Congress to create a NAFTA Trade Impact Fund under the Intermodal Surface Transportation Efficiency Act to provide border states and communities with funding for transportation infrastructure for the facilitation of free trade and NAFTA-generated passenger and commercial traffic; to the Committee on Transportation and Infrastructure.

173. Also, a memorial of the General Assembly of the State of California, relative to Assembly Joint Resolution No. 5 memorializing the President and Congress of the United States to continue efforts to ensure that veterans of the Gulf War are appropriately cared for, to do everything possible to understand and explain Gulf War illnesses, to put into place those military doctrines, personnel, and medical policies, procedures, and equipment that will minimize any future problems from exposure to biological or chemical agents or other environmental hazards, and to use all means necessary to ensure that Gulf War veterans who placed themselves in harm's way on behalf of all Americans, are provided the assistance, support, and care they deserve; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. MCGOVERN.
H.R. 38: Mr. STENHOLM.
H.R. 56: Mr. LAZIO of New York.
H.R. 96: Mr. KINGSTON.
H.R. 123: Mr. GIBBONS and Mr. RADANOVICH.
H.R. 135: Mr. KIND of Wisconsin.
H.R. 192: Mr. STENHOLM.
H.R. 216: Mr. MANTON.
H.R. 218: Mr. GOODLATTE and Mr. GOSS.
H.R. 234: Ms. CHRISTIAN-GREEN and Mr. BONIOR.
H.R. 282: Mr. SOLOMON.
H.R. 306: Mr. KANJORSKI and Mr. WISE.
H.R. 371: Mr. GILMAN and Ms. FURSE.
H.R. 399: Mr. ENGEL.
H.R. 414: Mr. STENHOLM.
H.R. 458: Mr. SCHIFF.
H.R. 526: Mr. STUMP.
H.R. 543: Mr. BOUCHER, Mr. FILNER, Mr. CHRISTENSN, Mr. CAMPBELL, and Mr. HALL of Texas.
H.R. 559: Mr. WATTS of Oklahoma.
H.R. 598: Mr. FARR of California.
H.R. 610: Mr. BARR of Georgia.
H.R. 612: Mr. ROEMER.
H.R. 628: Mr. PASTOR.
H.R. 634: Mr. HERGER, Mr. SESSIONS, and Mr. NETHERCUTT.
H.R. 674: Mr. EHLERS, Mr. CAMP, Mr. UPTON, Mr. SMITH of Michigan, Mr. HOEKSTRA, and Mr. KNOLLENBERG.
H.R. 678: Mr. BAESLER, Mr. BLAGOJEVICH, Mr. BOUCHER, MR. CLAY, Mr. CLEMENT, Mr. CLYBURN, Mr. COSTELLO, Mr. ENGEL, Ms. ESHOO, Mr. FORD, Ms. FURSE, Mr. GREEN, Mr. HALL of Texas, Mr. HASTINGS of Florida, Mr. HILLIARD, Mr. HINOJOSA, Mr. JACKSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LEWIS of Georgia, Mrs. MCCARTHY of New York, Mrs. MINK of Hawaii, Mr. OWENS, Mr. PASTOR, Mr. RAHALL, Mr. ROEMER, Mr. ROMERO-BARCELO, Ms. SANCHEZ, Mr. SCOTT, Mr. SKELTON, Mr. THOMPSON, Mr. WATT of North Carolina, Ms. WOOLSEY, Mr. WYNN, Mr. YATES, Mr. BALLENGER, Mr. BARRETT of Nebraska, Mr. BARTLETT of Maryland, Mr. BEREUTER, Mr. BUYER, Mr. CAMP, Mr. COBLE, Mr. COBURN, Mr. COLLINS, Mr. COX of California, Mrs. CUBIN, Mr. DUNCAN, Mrs. EMERSON, Mr. EWING, Mr. FAWELL, Mr. GANSKE, Mr. GILCHREST, Mr. GOODLING, Mr. GREENWOOD, Mr. HAMILTON, Mr. HILL, Mr. HOUGHTON, Mr. HYDE, Mr. JENKINS, Mr. KLUG, Mr. LAZIO of New York, Mr. LINDER, Mr. LIVINGSTON, Mr. NEUMANN, Mr. NORWOOD, Mr. ROGAN, Mr. ROHRABACHER, Mr. DAN SCHAEFER of Colorado, Mr. BOB SCHAFFER, Mr. SESSIONS, Mr. SHAW, Mr. SHIMKUS, Mr. SMITH of New Jersey, Mr. SPENCE, Mr. SOUDER, Mr. TALENT, Mr. WHITFIELD, Mr. WHITE, Mr. WOLF, Mr. BOEHLERT, Mr. FRELINGHUYSEN, Mr. GORDON, Mr. MCDADE, Mr. REDMOND, Mr. FOLEY, Mr. WELDON of Florida, Mr. WALSH, Ms. DANNER, Mr. GONZALEZ, Mrs. MALONEY of New York, Mr. MANTON, Mr. MENENDEZ, Mr. OBERSTAR, Mr. SISISKY, and Mr. MCHALE.
H.R. 690: Mr. KUCINICH.
H.R. 715: Mr. FORD.
H.R. 725: Mr. BISHOP, Mr. BEREUTER, Mr. PICKERING, and Mr. WHITFIELD.
H.R. 755: Ms. WOOLSEY, Mr. GANSKE, and Ms. DEGETTE.
H.R. 789: Ms. DANNER.
H.R. 793: Ms. FURSE.
H.R. 805: Mr. PETERSON of Minnesota.
H.R. 836: Mr. HUNTER.
H.R. 859: Mr. BARR of Georgia and Mr. CALVERT.

H.R. 890: Mr. MARTINEZ, Mr. STEARNS, and Mrs. LOWEY.
H.R. 900: Ms. CARSON.
H.R. 974: Mr. ACKERMAN.
H.R. 991: Mr. KING of New York, Mr. FROST, Mr. COYNE, Mr. MCNULTY, Mr. KENNEDY of Massachusetts, and Mr. BERMAN.
H.R. 1010: Mrs. EMERSON, Mr. PARKER, and Mr. PICKERING.
H.R. 1060: Mr. BEREUTER.
H.R. 1062: Mr. WOLF.
H.R. 1070: Mr. KENNEDY of Rhode Island.
H.R. 1100: Mr. GIBBONS.
H.R. 1114: Mr. TOWNS and Mr. FAWELL.
H.R. 1126: Mr. FAZIO of California, Mr. PARKER, and Ms. FURSE.
H.R. 1129: Mr. WEXLER.
H.R. 1153: Ms. STABENOW.
H.R. 1165: Mr. HEFLEY.
H.R. 1215: Mr. FAZIO of California, Mr. PAYNE, Mr. ENGEL, and Mr. MCHUGH.
H.R. 1246: Ms. FURSE.
H.R. 1290: Mr. GILCHREST.
H.R. 1302: Ms. FURSE.
H.R. 1318: Mr. RAMSTAD, Mr. FOLEY, and Mr. BOSWELL.
H.R. 1320: Mr. KUCINICH.
H.R. 1371: Mr. TURNER.
H.R. 1373: Ms. CHRISTIAN-GREEN and Mr. KUCINICH.
H.R. 1391: Mr. ABERCROMBIE.
H.R. 1398: Mr. HILL.
H.R. 1404: Ms. MALONEY of Connecticut, Mr. MEEHAN, Mr. MATSUI, Mr. OWENS, Ms. WATERS, Mr. FORD and Mr. CAPPS.
H.R. 1427: Ms. ROYBAL-ALLARD.
H.R. 1450: Mr. MCINTYRE and Mr. BROWN of California.
H.R. 1453: Mr. LEWIS of Georgia and Mr. KUCINICH.
H.R. 1456: Mr. BARTON of Texas.
H.R. 1493: Mr. STUMP, Mr. HAYWORTH, and Mr. COOK.
H.R. 1497: Mr. FURSE.
H.R. 1507: Mr. MURTHA and Mr. ENGEL.
H.R. 1514: Mr. LEWIS of Georgia.
H.R. 1521: Mr. BROWN of California and Mr. PACKARD.
H.R. 1524: Mr. PICKETT and Mr. SCOTT.
H.R. 1526: Mr. CASTLE.
H.R. 1529: Mr. BROWN of Florida.
H.R. 1531: Ms. WOOLSEY.
H.R. 1534: Mr. STUMP, Mrs. LINDA SMITH of Washington, Mr. LIVINGSTON, Mr. BARR of Georgia, Mr. SMITH of Texas, Mr. PETERSON of Minnesota, Mr. LATHAM, Mr. GRAHAM, Mr. RADANOVICH, Mrs. FOWLER, Mr. BROWN of California, Mr. WELDON of Pennsylvania, Mr. STENHOLM, Mr. CHABOT, Mr. WATTS of Oklahoma, Mr. EDWARDS, Mr. FRANKS of New Jersey, and Mr. CRAPO.
H.R. 1542: Mr. SHADEGG, Mr. RADANOVICH, and Mr. MCKEON.
H.R. 1544: Mr. SANDERS.
H.R. 1573: Mr. STRICKLAND, Mr. FALEOMAVAEGA, and Mr. ENGEL.
H.R. 1574: Mr. GIBBONS.
H.R. 1583: Mr. KUCINICH and Mr. BLUMENAUER.
H.R. 1595: Mr. MCINTOSH, Mr. GRAHAM, and Mr. WICKER.
H.R. 1619: Mr. PICKERING.
H.R. 1625: Mr. PARKER, Mr. COOKSEY, Mr. DICKEY, Mr. CUNNINGHAM, Mr. MCCOLLUM, Mr. CALVERT, Mr. CAMPBELL, Mr. CANADY of Florida, Mr. BEREUTER, Mr. BOB SCHAFFER, Mr. HUNTER, Mr. MANZULLO, Mr. PACKARD, and Ms. GRANGER.
H.R. 1636: Mr. ABERCROMBIE, Ms. MILLENDER-MCDONALD, Mr. STOKES, and Mr. GREEN.
H.R. 1683: Mr. NORWOOD.
H.R. 1685: Mr. NEUMANN, Mr. ABERCROMBIE, Mr. TIAHRT, Mr. STARK, Mr. PASTOR, Mr. BARTON of Texas, Mr. BUNNING of Kentucky, Mr. UNDERWOOD, Mrs. CUBIN, Mr. HEFLEY, Mr. STUPAK, Mr. TORRES, Mr. ACKERMAN, Mr. HALL of Texas, Mr. PICKERING, Mr. KNOLLENBERG, Mr. SOLOMON, Mr. WICKER, Mr. LAHOOD, Mr. KUCINICH, Mr. GREEN, and Mr. MCKEON.
H.R. 1710: Mr. KIM, Mr. FRELINGHUYSEN, Mr. REYES, Ms. SANCHEZ, Mr. CAPPS, and Mrs. CHENOWETH.
H.R. 1711: Mr. SESSIONS.
H.R. 1712: Mr. MINGE and Mr. BOB SCHAFFER.
H.R. 1719: Mr. PARKER.
H.R. 1748: Mr. UNDERWOOD and Ms. RIVERS.
H.R. 1799: Mr. DEFAZIO.
H.R. 1806: Mr. EHLERS.
H.R. 1815: Mr. EVANS, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. KUCINICH.
H.R. 1824: Mr. ACKERMAN and Mr. ENGEL.
H.R. 1839: Mr. SNYDER, Mr. PICKERING, Mr. DUNCAN, and Mr. ROEMER.
H.R. 1842: Mr. BARTON of Texas.
H.R. 1872: Mr. WHITE, Ms. ESHOO, and Mr. CANADY of Florida.
H.R. 1891: Mr. RAMSTAD.
H.R. 1903: Ms. RIVERS, Mr. ROHRABACHER, and Mr. ROEMER.
H.R. 1909: Mr. SAM JOHNSON and Mr. GRAHAM.
H.R. 1913: Mr. RODRIGUEZ and Mr. LOFGREN.
H.R. 1951: Ms. RIVERS.
H.R. 1975: Mr. BORSKI, Mr. DELAHUNT, Mr. DELLUMS, Mr. EVANS, Mr. FILNER, Mr. GEJDENSON, Mr. KUCINICH, Ms. ROYBAL-ALLARD, and Mr. STARK.
H.R. 1984: Mr. DOOLITTLE, Mr. BOSWELL, Mr. BOB SCHAFFER, Mr. DEAL of Georgia, Mr. MCCRERY, Mr. HUTCHINSON, Mr. WATKINS, Mr. LARGENT, and Mr. PARKER.
H.R. 1991: Mr. MORAN of Kansas.
H.R. 2004: Mr. PARKER and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 2009: Mr. CONDIT, Mr. LEWIS of Georgia, Ms. ESHOO, Mr. GUTIERREZ, Mr. DUNCAN, Mr. EVANS, Mr. FROST, Mr. DELLUMS, Mr. MCDADE, and Mr. ROTHMAN.
H.R. 2011: Mrs. EMERSON.
H.R. 2064: Mrs. KELLY.
H.R. 2070: Mr. COBURN.
H.R. 2090: Mr. SMITH of New Jersey, Mr. LANTOS, Mrs. ROUKEMA, Mr. BONIOR, Mrs. THURMAN, Mr. OWENS, and Mr. FLAKE.
H.R. 2094: Mr. DELAHUNT.
H.R. 2095: Mrs. EMERSON, Mr. UNDERWOOD, Mr. BENTSEN, and Mr. SNOWBARGER.
H.R. 2112: Mr. KUCINICH.
H.R. 2113: Mr. GRAHAM and Mr. BONIOR.
H.R. 2121: Ms. DELAURO, Mr. CUMMINGS, Ms. FURSE, Mr. NADLER, and Mr. SMITH of New Jersey.
H.R. 2122: Ms. FURSE and Mr. PARKER.
H.R. 2124: Mrs. MYRICK, Mr. CAMP, and Mr. SAM JOHNSON.
H.R. 2129: Mr. KASICH.
H.R. 2139: Mr. MCDADE, Mr. BOYD, Mr. MARTINEZ, and Mr. BOSWELL.
H.R. 2167: Mr. OLVER, Mr. MANTON, Mr. GEJDENSON, Mr. FROST, and Mr. ACKERMAN.
H.R. 2168: Mr. WHITFIELD.
H.R. 2183: Mr. CAMBELL, Mr. DICKEY, Ms. STABENOW, and Mr. GOODE.
H.R. 2185: Mr. FARR of California, Mrs. KENNELLY of Connecticut, Mr. PASTOR, Ms. FURSE, Ms. SLAUGHTER, Ms. WOOLSEY, Ms. VELAZQUEZ, Ms. ESHOO, Ms. LOFGREN, Mr. PAYNE, Mr. CUMMINGS, Mr. DAVIS of Illinois, Mr. FORD, Mr. JEFFERSON, Ms. MILLENDER-MCDONALD, Mr. RUSH, Mr. FLAKE, Mr. RANGEL, and Mr. STOKES.
H.R. 2191: Mr. DEAL of Georgia, Mr. RIGGS, Mr. HALL of Texas, and Mr. NORWOOD.
H.R. 2198: Mr. LOBIONDO.
H.R. 2206: Mr. COOKSEY.
H.R. 2211: Mr. DAVIS of Illinois.
H.R. 2221: Mr. FOX of Pennsylvania, Mr. TRAFICANT, and Mrs. MYRICK.
H.R. 2234: Mr. STARK, Mr. HASTINGS of Florida, and Mr. KENNEDY of Massachusetts.
H.R. 2248: Mr. KLINK, Mr. BLAGOJEVICH, Mr. CAPPS, Mr. WEYGAND, Mrs. MORELLA, Mr. HAMILTON, Mr. GILMAN, Mr. LANTOS, Mr. WOLF, Mr. BLILEY, Mrs. KELLY, Ms. ROS-LEHTINEN, Mr. ENGEL, Mr. YOUNG of Florida, Mr. SPENCE, Mr. ACKERMAN, Mr. MCGOVERN, Mr. KENNEDY of Massachusetts, Mr. LOBIONDO, Mr. FRANK of Massachusetts, Mr. DELLUMS, Mr. PAPPAS, Mr. TIERNEY, Mr. EVANS, Mr. LEVIN, Mr. PALLONE, Mr. BOYD, Mr. LAFALCE, Mr. KENNEDY of Rhode Island, Mr. HASTINGS of Florida, and Mr. DINGELL.
H.R. 2253: Ms. FURSE.
H.R. 2272: Mr. BARRETT of Wisconsin and Ms. LOFGREN.
H.R. 2283: Mr. FALEOMAVAEGA, Mr. HAYWORTH, and Mr. ADERHOLT.
H. Con. Res. 19: Mr. ACKERMAN, Mr. BROWN of California, Mr. KING of New York, Mr. FRANK of Massachusetts, Mr. PORTER, Mrs. MALONEY of New York, and Mr. DELLUMS.
H. Con. Res. 38: Ms. KAPTUR.
H. Con. Res. 65: Mr. MENENDEZ, Mr. COYNE, Mr. PARKER, Ms. HOOLEY of Oregon, Mr. MCHALE, Mr. KENNEDY of Massachusetts, and Mr. ORTIZ.
H. Con. Res. 68: Ms. FURSE.
H. Con. Res. 80: Mr. GIBBONS, Mr. SHERMAN, Mr. STARK, Mrs. MCCARTHY of New York, Mr. SANDERS, Mr. KUCINICH, Mr. KIND of Wisconsin, Mr. COYNE, Mr. JENKINS, and Ms. SANCHEZ.
H. Con. Res. 83: Mr. DELLUMS and Mr. FROST.
H. Con. Res. 91: Mr. KUCINICH and Mr. BALDACCI.
H. Con. Res. 96: Mr. ENGEL.
H. Con. Res. 106: Mr. TORRES and Mr. CAMPBELL.
H. Con. Res. 109: Mr. STENHOLM, Mr. PAUL, and Mr. SHUSTER.
H. Con. Res. 112: Mrs. MORELLA, Mr. OWENS, Mr. BOYD, Mr. DELLUMS, and Mr. CALVERT.
H. Con. Res. 114: Mr. TALENT, Mr. STARK, Ms. BROWN of Florida, Mr. DELLUMS, Mr. FALEOMAVAEGA, and Mr. CLEMENT.
H. Con. Res. 120: Mr. KLINK, Mr. BLAGOJEVICH, Mr. FRANK of Massachusetts, and Mrs. MORELLA.
H. Con. Res. 121: Mr. PACKARD, Mr. SKELTON, Mr. SPENCE, Mr. GEJDENSON, Mr. SOLOMON, Mr. ACKERMAN, Mr. NEAL of Massachusetts, Mr. DOOLEY of California, Mr. STRICKLAND, Mr. HALL of Ohio, Mr. FRANK of Massachusetts, Mr. BLAGOJEVICH, Mr. MENENDEZ, Mr. DEFAZIO, Mr. FRELINGHUYSEN, Mr. HUTCHINSON, Mr. HAYWORTH, Mr. CANADY of Florida, Mr. ROHRABACHER, and Mr. HUNTER.
H. Con. Res. 126: Mr. SMITH of New Jersey.
H. Con. Res. 129: Mr. CUMMINGS, Mr. MICA, and Ms. FURSE.
H. Con. Res. 134: Mr. NEY and Mr. PORTER.
H. Con. Res. 37: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BOUCHER, Mr. LAMPSON, and Mr. PASCRELL.
H. Res. 110: Ms. FURSE, Mr. OBERSTAR, and Mr. NEAL of Massachusetts.
H. Res. 119: Mr. REYES and Mr. VENTO.
H. Res. 173: Mr. KENNEDY of Massachusetts, Mr. OLVER, Mrs. CLAYTON, Mr. DAVIS of Illinois, Mr. PASTOR, Mr. TORRES, Ms. LOFGREN, Mr. WELDON of Pennsylvania, Mr. NEY, Ms. ESHOO, Mrs. KENNELLY of Connecticut, Mr. TOWNS, Mr. QUINN, Mr. ABERCROMBIE, Mr. CLEMENT, Ms. HOOLEY of Oregon, Mr. THOMPSON, Mr. KLECZKA, Mr. MCNULTY, Ms. FURSE, and Mr. ENGEL.
H. Res. 200: Mr. SAWYER, Mr. GREEN, Mr. BOUCHER, Mr. KLINK, and Mr. GUTIERREZ.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 303: Mr. CANADY of Florida, Mr. WATTS of Oklahoma, and Mr. OLVER.

PETITIONS, ETC.

Under clause 1 of rule XXII,

20. The SPEAKER presented a petition of the City and County of Honolulu, relative to Resolution 97–150 urging the United States Congress to proceed with the funding of the new aircraft carrier known as CVN–77 and to designate Pearl Harbor as the Home Port of the new carrier or one of its sister carriers; which was referred to the Committee on National Security.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

Treasury and Postal Service, FY 1998

OFFERED BY: MR. MORAN OF VIRGINIA

AMENDMENT NO. 1: Strike Title IV, Section 413, and replace with the following:

SEC. 413. REPEAL OF COOPERATIVE PURCHASING BY STATE AND LOCAL UNITS OF GOVERNMENT; AUTHORIZATION FOR SUCH PURCHASING FOR INFORMATION TECHNOLOGY ONLY.

(a) REPEAL OF COOPERATIVE PURCHASING AUTHORITY.—(1) Effective on the date of the enactment of this Act—

(A) paragraph (2) of section 201(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b)(2)) is repealed; and

(B) section 4309 of the Clinger-Cohen Act of 1996 (Public Law 104–106; 110 Stat. 670; 40 U.S.C. 481 note) is repealed.

(2) Section 201(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b)) is further amended by redesignating paragraph (3) as paragraph (2).

(b) AUTHORITY FOR USE OF FEDERAL SUPPLY SCHEDULES FOR INFORMATION TECHNOLOGY.—Section 201(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b)(2)), as amended by subsection (a), is further amended by adding at the end the following new paragraph:

''(3)(A) The Administrator may provide for the use of the Federal supply schedules described in subparagraph (B) by any of the following entities upon request:

''(i) A State, any department or agency of a State, and any political subdivision of a State, including a local government.

''(ii) The Commonwealth of Puerto Rico.

''(iii) The government of an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))).

''(B) Subparagraph (A) applies only to the Federal supply schedules of the General Services Administration for general purpose automated data processing equipment (including firmware), software, supplies, and support equipment (as listed in Federal supply classification code group 70, as contained in the December 1993 product and service codes list of the Federal Procurement Data System).

''(C) Subparagraph (A) may not be construed to authorize an entity referred to in that subparagraph to order existing stock or inventory from federally owned and operated, or federally owned and contractor operated, supply depots, warehouses, or similar facilities.

''(D) In any case in which an entity listed in subparagraph (A) uses a Federal supply schedule, the Administrator may require the entity to reimburse the General Services Administration for any administrative costs of using the schedule.''.

(c) REPORT.—

(a) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Administrator of General Services shall submit to Congress and publish for public comment a report on the implementation of section 201(b)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b)), as added by subsection (b). The report shall include the following:

(A) An assessment of the effect on industry, including small businesses and local dealers, of providing for the use of Federal supply schedules by the entities described in section 201(b)(3)(A) of that Act.

(B) An assessment of the effect on such entities of providing for the use of Federal supply schedules by those entities.

(2) SUBMISSION OF COMMENTS TO CONGRESS.—Not later than 60 days after submitting the report under paragraph (1), the Administrator of General Services shall submit to Congress all public comments received on the report.

H.R. 2264

OFFERED BY: MR. HEFLEY

AMENDMENT NO. 25: Page 79, line 13, after the dollar amount, insert after ''(reduced by $50,000,000)''.

H.R. 2264

OFFERED BY: MR. PETERSON OF PENNSYLVANIA

AMENDMENT NO. 26: At the end of title II, insert after the last section (preceding the short title) the following section:

SEC. 213. Of the amounts made available in this title for Federal Administration under the account ''HEALTH CARE FINANCING ADMINISTRATION—PROGRAM MANAGEMENT'', $2,296,000 is transferred from such account and made available, under the account ''HEALTH RESOURCES AND SERVICES ADMINISTRATION—HEALTH RESOURCES AND SERVICES'', for the program under section 330A of the Public Health Service Act (relating to rural outreach grants).

H.R. 2264

OFFERED BY: MR. PETERSON OF PENNSYLVANIA

AMENDMENT NO. 27: Page 69, line 26, after the first dollar amount, insert the following: ''(increased by $85,000,000)''.

Page 69, line 26, after the second dollar amount, insert the following: ''(increased by $85,000,000)''.

Page 73, line 15, after the first dollar amount, insert the following: ''(decreased by $85,000,000)''.

H.R. 2267

OFFERED BY: MR. BASS

AMENDMENT NO. 9: Page 49, strike lines 7 through 13.

H.R. 2267

OFFERED BY: MR. SCOTT

AMENDMENT NO. 10: Page 29, line 10, insert after the amount ''(reduced by $258,750,000)'' and on page 34, insert after the amount in line 13 the following: ''(increased by $258,750,000)''.

H.R. 2267

OFFERED BY: MR. SCOTT

AMENDMENT NO. 11: Page 117, insert after line 2 the following:

SEC. 617. DEATH REPORTING.—Any person who receives any funds appropriated under this Act or any subsequent appropriation for the Department of Justice shall report to the Attorney General the occurrence of the death of any individual who has been placed in custody in connection with an arrest. Such a report shall include—

(1) the name, gender, ethnicity, and age of the deceased;

(2) the date, time, and location of death; and

(3) the circumstances surrounding the death.

The Attorney General shall make an annual report to the Congress giving a statistical report of the information provided in the reports to the Attorney General.