September and may not properly continue until they are reauthorized.

Authorization for 250 ''S'' visas per year, which are used by the Justice Department to obtain the testimony of informants in international organized crime cases, ran out on September 13, 1999, and no visas may be issued until it is reauthorized.

Since its initiation in 1994, the ''S'' visa has proved to be a valuable tool for law enforcement. According to the Justice Department, the agency is currently involved in a number of ongoing criminal investigations where the ''S'' visa would be useful, and time is of the essence. H.R. 3061 reauthorizes the program, and also expresses the sense of Congress that ''S'' visas should be used in more investigations of alien smuggling, which is a growing and serious problem.

H.R. 3061 also reauthorizes the refugee resettlement program that assists refugees to the United States by providing job training, language training, and other services. The bill creates no new funding or regulatory requirements. It simply reauthorizes two important existing programs.

I urge my colleagues to support H.R. 3061.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Violent Crime Control Act of 1994 created a new ''S'' nonimmigrant visa classification. It permits up to 300 foreign nationals a year to enter the United States to provide information that is needed for the investigation and prosecution of criminal and terrorist organizations.

The Violent Crime Control Act also permits the Attorney General to grant lawful permanent resident status to the foreign nationals who provide this assistance. This is available in cases where the information supplied substantially contributes to the prevention of an act of terrorism or to the success of an important criminal investigation or prosecution. This is necessary because many of these people are in danger in their home countries after they have cooperated with an investigation or testified in a criminal proceeding.

This is also helpful because of the use of our particular law enforcement and justice system that requires the information these individuals may provide us in order to safeguard the lives of the American people.

One of the people who provided information under this program was a flight attendant who was in a plane on which a bomb had been placed. Her testimony led to the conviction of a major terrorist and other members of his terrorist organization. Another person in this program was an individual in a central European capital who provided critical information about Russian organized crime syndicates. Another example is a group of hearing-impaired Mexicans who provided information about being smuggled into the United States by a family-based crime organization. When they arrived, they were forced to work without pay selling trinkets on the street.

The bill also expresses the sense of Congress that the visas should be used in a greater number of alien smuggling investigations than has been done in the past. The ''S'' visa program ended on September 13, 1991. H.R. 3061 would extend the availability of this program for another 2 years, through September 13, 2001.

This bill also reauthorizes the Refugee Resettlement Assistance Program, which is administered by the Department of Health and Human Services Office of Refugee Resettlement. Loss of these funds would be a disaster to the refugees who have come to our country seeking a safe haven from persecution.

Appropriations to fund this program are currently authorized through FY 1991. H.R. 3061 would continue the authorization to FY 2002.

Mr. Speaker, I believe that these are worthy requests being made by H.R. 3061, and it will assist those in our government to protect refugees, but as well, to avoid the devastation of terrorism.

With that, I would urge my colleagues to vote to support this important bill.

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I urge you to vote for this important bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 3061.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

URGING UNITED STATES TO SEEK GLOBAL CONSENSUS SUPPORTING MORATORIUM ON TARIFFS AND SPECIAL, MULTIPLE, AND DISCRIMINATORY TAXATION OF ELECTRONIC COMMERCE

Mr. CRANE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 190) urging the United States to seek a global consensus supporting a moratorium on tariffs and on special, multiple, and discriminatory taxation of electronic commerce, as amended.

The Clerk read as follows:

H. CON. RES. 190

Whereas electronic commerce is not bound by geography and its borders are not easily discernible;

Whereas transmissions over the Internet are made through packet-switching, making it impossible to determine with any degree of certainty the precise geographic route or endpoints of specific Internet transmissions and infeasible to separate domestic from foreign Internet transmissions;

Whereas inconsistent and inadministrable taxes imposed on Internet activity by subnational and national governments threaten not only to subject consumers, businesses, and other users engaged in interstate and foreign commerce to multiple, confusing, and burdensome taxation, but also to restrict the growth and continued technological maturation of the Internet itself;

Whereas the complexity of the issue of domestic taxation of electronic commerce is compounded when considered at the global level with almost 200 separate national governments;

Whereas the First Annual Report of the United States Government Working Group on Electronic Commerce found that fewer than 10,000,000 people worldwide were using the Internet in 1995, that more than 140,000,000 people worldwide were using the Internet in 1998, and that more than 1,000,000,000 people worldwide will be using the Internet in the first decade of the next century;

Whereas information technology industries have accounted for more than one-third of

real growth in the United States' Gross Domestic Product over the past three years;

Whereas information technology industries employ more than 7,000,000 people in the United States, and by 2006 more than half of the United States workforce is expected to be employed in industries that are either major producers or intensive users of information technology products and services;

Whereas electronic commerce among businesses worldwide is expected to grow from $43,000,000,000 in 1998 to more than $1,300,000,000,000 by 2003, and electronic retail sales to consumers worldwide are expected to grow from $8,000,000,000 in 1998 to more than $108,000,000,000 by 2003;

Whereas the Internet Tax Freedom Act of 1998 enacted a policy against special, multiple, and discriminatory taxation of the Internet and electronic commerce, and stated that United States policy should be to seek bilateral, regional, and multilateral agreements to remove barriers to global electronic commerce;

Whereas the World Trade Organization, at its May 1998 ministerial conference, adopted a declaration that all 132 member countries ''will continue their current practice of not imposing customs duties on electronic transmissions;''

Whereas the Organization for Economic Cooperation and Development and industry groups issued a joint declaration at an October 1998 ministerial meeting on global electronic commerce opposing special, multiple, and discriminatory taxation of the electronic commerce and the Internet;

Whereas the Committee on Fiscal Affairs of the Organization for Economic Cooperation and Development has stated that neutrality, efficiency, certainty, simplicity, effectiveness, fairness, and flexibility are the broad principles that should govern the taxation of electronic commerce;

Whereas the United States has issued joint statements on electronic commerce with Australia, the European Union, France, Ireland, Japan, and the Republic of Korea opposing special, multiple, and discriminatory taxation of electronic commerce; and

Whereas a July 1999 United Nations Report on Human Development urged world governments to impose ''bit taxes'' on electronic transmissions, raising concerns that U.S. policy against special, multiple, and discriminatory taxation of the Internet may be undermined: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) urges the President to seek a global consensus supporting—

(A) a permanent international ban on tariffs on electronic commerce; and

(B) an international ban on bit, multiple, and discriminatory taxation of electronic commerce and the Internet;

(2) urges the President to instruct the United States delegation to the November 1999 World Trade Organization ministerial meeting in Seattle, Washington to seek to make permanent and binding the moratorium on tariffs on electronic transmissions adopted by the World Trade Organization in May 1998;

(3) urges the President to seek adoption by the Organization for Economic Cooperation and Development, and implementation by the group's 29 member countries, of an international ban on bit, multiple, and discriminatory taxation of electronic commerce and the Internet; and

(4) urges the President to oppose any proposal by any country, the United Nations, or any other multilateral organization to establish a ''bit tax'' on electronic transmissions.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. CRANE) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. CRANE).

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 190.

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

There was no objection.

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

Mr. Speaker, today I join my colleagues in their support of House Concurrent Resolution 190. This resolution urges the President to seek a global consensus in support of a permanent international ban on tariffs on electronic commerce and an international ban on certain e-commerce taxes.

The Internet and electronic commerce are vital to continued global economic growth and prosperity. Information technology is driving the U.S. economic growth, increasing profit, creating higher-paying jobs, and expanding opportunities for all Americans.

As we prepare for the upcoming round of global trade negotiations to be launched next month in Seattle, we face an era of rapid change in global commerce. Increasingly, electronic commerce has supplanted the old transAtlantic cable and telephone lines, and now serves as the preferred method of communication, which in turn facilitates trade.

The number of people in the world using the Internet has grown from 3 million in 1995 to 200 million users today, and may reach 1 billion by 2005.

In the United States, electronic commerce totalled in excess of $50 billion in 1998, and is projected to reach $1.4 trillion by 2003. By 2006, almost half of our work force either will be employed by information technology services and products businesses, or will be intensive users of these businesses. We should refrain from taking measures that could inhibit the growth of e-commerce and access to information technology.

These lines of communication should remain barrier-free, not subject to tariffs or taxes or burdensome regulations. We must seek consensus with our trading partners on this issue.

I understand that some countries who are in earlier stages of economic development have concerns about establishing a permanent moratorium on such tariffs and taxation. I hope that the United States will continue to advocate a permanent ban, instead of a mere extension of the current temporary one. Our response should be to convince these countries that information technology has important applications for speeding growth in developing regions, as Internet access reduces the obstructions entrepreneurs, artisans and small businesses face in finding customers and managing paper flow.

Electronic commerce puts developing countries on an equal footing with developed countries, and it leapfrogs many of the infrastructure barriers that these countries face in traditional commerce.

I further note that it does not help to build this consensus when the United States seeks to put controversial nontrade issues on the Seattle agenda about which devoping countries are justifiably wary. Raising such issues means that the trade aspects of our agenda become more problematic to achieve.

We must seek to develop a lasting consensus among developed and devoping countries alike for the promotion of global trade. The administration must find common ground and forge ahead to increase global trading opportunities, which in turn pave the way to greater prosperity for all.

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

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

Mr. Speaker, I rise in support of the concurrent resolution before us today. The ability to engage in commerce over the Internet has revolutionized the way we and the world conduct business. It has integrated and opened markets and spread consumer products, technological and medical advances to the farthest reaches of the Earth.

Books and magazines are now a touch away for many of us, no matter where we live. Clearly, it has transformed our economy, and is in the process of transforming the economies of the rest of the world. We need to continue this process and this progress and ensure that e-commerce is allowed to grow and develop.

Currently, WTO members have agreed to a moratorium on the imposition of duties on electronic transmissions. That moratorium may be made permanent, as this resolution urges.

I would also urge my colleagues in voting for this resolution to consider how we can ensure that more Americans, including our schoolchildren, are positioned to capitalize on the benefits of this new technology-driven global economy.

According to this resolution, more than 1 billion people will be using the Internet in the next decade. That 1 billion needs to include the entire United States working and school-age population. In fact, that is an issue I think that we should have addressed in this legislation, had this legislation been brought to the floor in the normal House procedure.

In any event, Mr. Speaker, I support the legislation before us today. I do hope that the House leadership would find some way of bringing issues that are in the jurisdiction of the Committee on Ways and Means to the committees of jurisdiction so that we can have hearings, we can invite those people that have the responsibility, and handle these in the way that we should.

I am afraid that the suspension calendar more and more is being used as a press organ of the majority, rather than the committees that have been structured for this purpose.

Mr. Speaker, I yield the balance of my time to the gentleman from Michigan (Mr. LEVIN), the ranking Democrat on the Subcommittee on Telecommunications, Trade, and Consumer Protection, and I ask unanimous consent that he be allowed to allocate the remainder of the time.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) will control the remainder of the time.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to our distinguished friend and colleague, the gentleman from California (Mr. COX), the author of this very important piece of legislation, House Concurrent Resolution 190.

Mr. COX. Mr. Speaker I thank the gentleman for yielding time to me. I also thank the chairman of the Committee on Ways and Means, the gentleman from Texas, for permitting this resolution to come to the floor under expedited circumstances. It is, of course, because of the impending meeting of the World Trade Organization in Seattle on November 30 of this year that we wish Congress to be on record now, in advance, on this very important topic.

□ 1045

I would also like to recognize the important contribution to this legislation by a gentleman from the other body, our former colleague, the Senior Senator from the State of Oregon, Mr. WYDEN, who has in fact introduced a resolution identical to this in the other body, Senate Concurrent Resolution 58.

It was just 1 year ago, October of 1998, that he and I worked on the Cox-Wyden Internet Tax Freedom Act, which is now the law of the land.

The initiative we are considering in the House today, House Concurrent Resolution 190, takes the principle of the Internet Tax Freedom Act; that is, that information should not be taxed and we should keep special exactions that discriminate against electronic commerce off of the Internet, and applies to it to the international arena.

This resolution before us has three main elements. First, no tariffs on the Internet. Our legislation calls on the World Trade Organization, which will be meeting, as I said, in late November, 1999 in Seattle, to enact a permanent moratorium on E-commerce tariffs. This will preserve the taxation status quo. It will not take bread off the plate of any nation. Because, at present, none of the WTOs, more than 130 member nations, currently has such a tariff. This is the time to act before bad things happen.

The second important piece of this resolution is that it establishes the principle of no multiple or discriminatory foreign taxes on electronic commerce. Our legislation calls on the OECD, the Organization for Economic Cooperation and Development and its 29 member countries to subscribe to the principle of no multiple discriminatory or special Internet taxes.

Third, our legislation condemns the bit tax proposal of the United Nations and calls for a permanent ban on such Internet specific taxes. A bit tax, for those who have not been following this closely, is literally a tax on every bit of information, all the digital 0s and 1s. The more 0s and 1s, the greater the file size, the greater the tax. It is an obviously discriminatory levy aimed at electronic commerce.

Let me explain why this legislation is so important. Centuries ago, when the Moors still ruled Spain, there was a small seaport about 20 miles from Gibraltar. The Mediterranean seas off of this port were ruled by a ruthless band of pirates. Their success in raiding trading ships was such that merchants who traveled the area began to think of paying tribute to these pirates as just a cost of doing business. So the merchants began to refer to these payments by the name of a nearby seaport, Tarifa. It is from that that we get the name tariff in today's vocabulary.

In the years since then, the practice of imposing tariffs has, of course, become far more commonplace and has been taken over by governments. But a tariff, nonetheless, retains an element of piracy, the unwelcome exaction of unnecessary fees.

Today, the Internet is the vehicle for over $50 billion annually in trade and goods and services. This trade today is conducted free of piracy. The purpose of this resolution is to keep it that way. It is especially important to preserve this no taxes policy since the Internet's commercial potential is greater than that of any previously existing medium of trade.

A global free trade zone on the Internet will have immediate advantages for Americans, for workers who manufacture and for workers who provide services and for consumers, because U.S. firms excel in the information and media services that flourish on the Internet.

Last year, U.S. exports associated with licensing fees and royalties earned $37 billion. U.S. imports in this category were $11 billion. That is the biggest trade surplus we enjoy in any category of our trade.

Americans use the Internet more than citizens of other countries. We in our Nation account for roughly half of the world's usage of the Internet; that is, as of September of this year.

But making the Internet a tariff-free zone will also help our trading partners. As we all know, free trade benefits both buyer and seller. Keeping tariffs off the net, moreover, will accelerate its development in foreign countries and permit the citizens of foreign nations to share in the Internet's benefits and the access to global markets that it provides.

As I said, there is an urgency to the passage of this legislation. This year, the ministerial meeting of the WTO will occur on November 30. At least year's meeting in May 1998, the United States successfully negotiated and achieved a 1-year standstill of the application of tariffs to E-commerce. This was a disappointment to those of us who were urging a permanent ban.

We now have the opportunity to take that 1-year moratorium and extend it and make it permanent; and that is the purpose of Congress going on record today to urge the administration to take this action, and, moreover, to let the ministers of all of the member nations of the World Trade Organization understand that this is the policy, not just of the Executive Branch, but of the United States Congress as well.

This resolution calls on the President to work with all nations to enact a permanent moratorium on electronic commerce tariffs at that upcoming WTO ministerial meeting.

Lastly, on this subject of bit taxes, tax collectors around the globe are still talking openly about this special new Internet tax called a bit tax. This is the most discriminatory kind of tax that could be levied against the Internet. It will establish for us in this area what we already know to be true generally that the power to tax is the power to destroy. Outlawing bit taxes worldwide, as we have already done in the Internet Tax Freedom Act for our Nation, is vitally important.

I wish once again to thank my colleagues for attaching the same urgency to this as do I, and my colleague in the Senate, Mr. WYDEN, for acting on this in such an expedited fashion.

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

Mr. Speaker, I rise in support of this resolution. One of the most important, prominent features of the globalizing economy at the dawn of this new century is the rapid rise of the Internet as a mode of commerce.

The Internet is not only a meeting place for buyers and sellers, it is an important channel of distribution. Thus, for instance, computer software can be sent from a supplier to a customer at the speed of light. Providers of services such as information technology can assist customers thousands of miles away.

So far, the Internet has remained free of tariffs and nontariff barriers to trade. Those latter nontariff barriers are important issues to consider in this instance, and in others. Some may be tempted to attach new trade-impeding regulations to this new technology. We should resist that temptation at this relatively early stage in the development of the Internet as a mode of commerce.

This resolution urges the administration to seek a global consensus on making the existing moratorium on special E-commerce tariffs and taxes permanent. I support that endeavor.

While I vote for this resolution, I want to join the gentleman from New York (Mr. RANGEL) in expressing disappointment in the manner by which it is being brought before this body. This House has a constitutional responsibility in the regulation of U.S. trade with foreign nations. That means providing comprehensive guidance to the administration as it embarks on a new round of world trade negotiations.

Fulfilling our constitutional responsibility requires more than considering a single negotiating objective as we are doing today. Rather, we should be considering a broader range of negotiating objectives. There is, for example, a resolution, I believe with over 200 signatures, relating to the vital importance of maintaining U.S. anti-dumping laws. Also, there is the important issue of the role of core labor standards in trade negotiations.

Here I want to express, because it has been mentioned by the chairman of the subcommittee, the need for us to face this issue of core labor standards in trade negotiations. I think they are vitally relevant to them.

At the end of the Seattle Round of world trade negotiations, this House will most likely be called upon to enact implementing legislation. We must not wait until the last minute to provide our input. Instead, we should be working with the administration now to develop and refine our agenda going into the new round. We must not defer this responsibility.

So I urge my colleagues, remembering, though, the need for a broader ring of consideration, to vote for H. Con. Res. 190. I urge all of us to participate in developing a set of objectives for the new round of world trade negotiations that covers the gamut of issues confronting American workers, farmers, and businesses in the global economy.

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

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN. Mr. Speaker, as my colleagues know, the Internet has brought countless improvements to the lives of many Americans in the past several years. One of the most promising uses of the Internet is its ability to connect countless people and businesses at little cost through E-commerce.

Doing business over the Internet allows people all over the world to search for the best deal on a wide range of goods and services, destroying the traditional barriers to free and open competition and comparison shopping. It empowers consumers, especially in rural and remote small communities, to easily reach the marketplaces of the world. These factors have contributed to making E-commerce increasingly popular. It is expected to account for $1.3 trillion in sales by 2003.

So far E-commerce has been allowed to flourish largely without the interference of unfair government regulation. Unfortunately, it is the way of governments the world over to tax and impede the growth of such a new source of prosperity.

Mr. Speaker, I want to strongly support the House Concurrent Resolution 190, which would urge the President to work to prevent discriminatory and harmful taxes on E-commerce in the United States and abroad. This resolution would show the world that the U.S. House of Representatives supports the continued growth of E-commerce free from destructive taxation.

Mr. Speaker, let us make another point very clearly. Let us never allow a tax or tariff on e-mail.

Mr. Speaker, I would like to thank the gentleman from California (Mr. COX), the Committee on Ways and Means, and my colleague from the Senate, Senator WYDEN, for helping bring this important measure to our attention and for their bringing this to the floor.

Mr. LEVIN. Mr. Speaker, it is now my privilege to yield 1½ minutes to the gentlewoman from California (Ms. LOFGREN), who is highly versed in these matters.

Ms. LOFGREN. Mr. Speaker, I support this concurrent resolution. As my colleagues all may know, not one of the 130 members of the World Trade Organization presently imposes a tariff on the Internet. That is a good thing and may account for the Internet's success. I would like this ''no tariff'' policy to become the official policy of the WTO. I know there are some nations thinking of applying various taxes. I encourage the Members of this Congress to go on record against such taxes.

Electronic commerce is made possible by the bits and bytes of information that travel in packets within this country and around the world, across State and national boundaries. There are some who want to tax each bit of information that is transmitted.

Earlier this year, the UN suggested taxing the bits that make up the E-mails we have grown accustomed to sending each other. This may suggest to my colleagues the mischief that could be caused by doing such a thing.

Let us nip this bit tax idea in the bud and support this concurrent resolution that urges a worldwide ban on any bit tax.

Mr. Speaker, I urge all of my colleagues to support the concurrent resolution.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. DOGGETT), who also has been immersed in issues relating to E-commerce.

Mr. DOGGETT. Mr. Speaker, I am pleased to rise in support of this resolution on keeping the Internet a global tax-free zone. We must achieve a global consensus on banning tariffs and discriminatory taxation on electronic commerce.

The gentleman from California (Mr. COX) has provided leadership last year in gaining approval of the Internet Tax Freedom Act. I joined with him then and I believe that all the reasons that we advanced for supporting that moratorium on taxes by 30,000 potential taxing jurisdictions here in America, all of those reasons apply around the globe to the need for a global free trade zone and limitation on taxation.

□ 1100

While currently none of the members of the World Trade Organization are imposing tariffs, it is very crucial that we prevent new barriers from arising.

Clearly, the imagination for new forms of taxation and new restrictions on trade seems unlimited. A bit tax, for example, which could be levied on every bit of digital data that is transmitted over the Internet, would significantly impair the expansion of electronic commerce.

The high-technology community that I represent in Austin, Texas, has been a driving force for growth throughout our State. Fortune Magazine calls Austin the best place in the country to do business. And in large measure this is the product of the environment we have created with high technology.

Meanwhile, the United States is the world leader in high-technology research and development. The actions that have already been taken by this Administration and the actions that this resolution urges will solidify our Nation's competitive edge in the world economy.

In 1995, I believe there were about 3 million people who were Internet users. Today, we are at about 200 million. And within 5 years we are expected to have a billion Internet users around the globe.

Clearly, an Internet Global Free Trade Zone will foster continued growth, and not only benefit one of the most important engines driving our strong economy, but it will also benefit consumers at home and abroad, who will be encouraged to get connected. And this also means more good high-paying jobs here in the United States, and it means more opportunity for the citizens of the world to share in this important new revolution in technology.

We need no tax on e-mail and no tariffs or other trade restrictions on the Net.

I applaud the Administration for what it has already done in placing this important agenda item on the list of top priorities when the World Trade Organization convenes in Seattle, I thank the gentleman from California (Mr. COX) for his continued leadership to ensure that government does not impede continued expansion of electronic commerce.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of this resolution and to congratulate

my colleague, the gentleman from California (Mr. COX), for introducing it.

This important resolution would direct the U.S. representatives to the upcoming World Trade Organization summit in Seattle, Washington, to advocate making the moratorium on Internet taxation that was adopted at the 1998 WTO conference a permanent Internet tax moratorium.

Mr. Speaker, I worked closely with the gentleman from California to move legislation through the House in 1998 that placed a moratorium on new taxes on the Internet. This important legislation set the standard for other nations around the world to follow. As a result, the Internet remains relatively free from the burdens of special and new taxes, and we must continue to put pressure on our fellow nations that would seek to tap this booming economic resource and destroy much of its momentum.

Mr. Speaker, we cannot stand by and assume that the rest of the world holds the same distaste for taxing the Internet. That is why we must continue to work actively through measures such as this one to keep the Internet free from new taxes. This includes monitoring the ongoing deliberations of the commission set up by the Internet Tax Freedom Act passed by Congress in 1998. This commission, chaired by the governor of my home State of Virginia, Jim Gilmore, will hopefully return to Congress next year with recommendations to retain the no-new-tax policy that has made this medium so successful.

In the meantime, Mr. Speaker, we must send a message to our fellow nations gathering in Seattle next month that to permit taxation of the Internet is to infect it with a virus that will slowly sap its strength, weakening and ultimately destroying the extraordinary growth that has revolutionized the way we live, work, and learn.

I urge my colleagues to support this important resolution.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentleman for yielding me this time. I obviously have a bias on this issue. I represent a district that is the most wired in the country, which probably means it is the most wired in the world, with 59.9 percent of all the households in the northern Virginia area wired with the Internet. So, obviously, I do not want any taxation on Internet transactions.

We know that ''wired communities'' are going to be at the cutting edge of the enormous growth of this industry. The resolution itself says that electronic commerce between businesses is going to grow to $1.3 trillion in another 3 years and that, in fact, the electronic retail sales are going to amount to about $108 billion. With 200 different nationalities with their own different sovereign forms of government, I cannot imagine how we could implement a bit tax. We do not want it. It is going to impede the progress of spreading information technology throughout the world.

We do need to keep in mind, however, that this is still an open issue. Legislatively, it is still an open issue before us. There is only a moratorium on Internet taxation. There is a commission that we put together to address the long term issues surrounding internet taxation composed of businesses, States, localities and Federal officials, determining what we do about a couple of major problems. One of them is what do States and localities do when Internet, e-commerce, takes over from traditional retail commerce? What do they do with the loss of revenue? How do we make it up to our schools, our roads, our public safety, et cetera? They are currently dealing with that issue.

The other issue is what do we do with the retail centers of activities in our cities and towns? If e-commerce is going to be the way that we normally purchase a product, it has profound implications for the physical centers of our communities across the country. We have to deal with those issues.

Now, I am admitting a bias. I do not want taxation on any e-commerce, because that would be in the interest of my constituency. But we have also got to listen to the State and local officials who can see what is coming from places that, while they may be wired, are desperately in need of the tax revenue from retail transactions that will be made uncompetitive if our economy goes the way of e-commerce. It is far more convenient and it is less expensive. E-commerce, in fact, is always going to be less expensive compared to traditional sales if it is not taxed. It is not fair to have retail establishments taxed, yet people who are selling the same product on the internet are not taxed because we prohibit taxation of those products. That has got to be resolved.

If we go in this direction, which I think ultimately we will, how do we make up for the loss of revenue to our States and localities? We have to deal with this. We are the Nation's leaders, and it is incumbent on us to resolve these issues now before we make permanent such a profound change in our private retail and public revenue structures.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. OXLEY).

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

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

Mr. Speaker, as we send Ambassador Barshefsky to the WTO Ministerial in Seattle next month, the world is on the verge of a crucial decision for electronic commerce. Will it remain duty and tariff free?

We are here today to say, yes, it should. That is the consensus here in the United States about what is best for the growth and development of e-commerce. But other countries in the world are not so sure, and that is why we are backing Ambassador Barshefsky in her efforts that will be undertaken at the WTO Ministerial meeting in Seattle 5 weeks from now at a session that many of us will be attending.

This week, I am circulating a letter to Ambassador Barshefsky for Members' signatures that share the same spirit as the Cox resolution. We need strong congressional support to show the world that the United States stands firmly opposed to any taxation of e-commerce.

The imposition of tariffs and duties on electronic services or information will only mean that they will become less available to the world. Unless cyberspace is tax free, how will people in developing nations have consumer choice? In my view, the tariff moratorium should be made permanent. It should be as broad as possible to cover the wide array of what is available electronically.

This decision in Seattle is no doubt going to be a difficult choice for developing nations strapped for revenue while watching the Internet grow exponentially. It is the principled choice, however, and I believe the right conclusion will be reached in Seattle with the leadership of our delegation and others who agree with this policy.

The U.S. leads the world in the software industry. The fact is that we live in an age where the downloading of software is an export directly to a consumer. It has never touched the hands of a government agent at a post office, a shipping port, or an airport. That freedom of government intrusion is what we hope to protect.

Mr. Speaker, if the world fails here, we will see an immediate rash of tariffs, customs duties, and other trade barriers. The only possible result is the limitation of available information and services, and that cuts to the very heart of what the Internet does so well.

I ask strong support for the Cox resolution.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. FOSSELLA).

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

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman from Illinois for yielding me this time, and I compliment the gentleman from California (Mr. COX) for his steadfast efforts to keep everybody's paws off economic commerce, or e-commerce.

I think this is an essential resolution, and it is a signal to other folks around the world just to say no to imposing taxes on Internet sales. We have seen the development and unprecedented growth of the Internet and e-commerce and what it means to the American taxpayer, what it means to the person sitting at home who now has the luxury that several years ago

was only a dream. And what we are saying is we want to continue that growth; we want to continue the opportunities that occur daily. People sitting across this country and, indeed, across the world recognize the endless possibilities of what the Internet means to e-commerce.

So many governors across this country, so many people recognize when we tax something unnecessarily, we are hurting commerce, we hurt growth, and we destroy opportunity. What we want the WTO to do, and what we want our ambassador to do is to send a signal to everyone around the world to keep their paws off consumers' wallets.

There are those who say, well, if we do not tax e-commerce then we will affect sales tax revenues and miss out on the windfall. I have got some words for those folks. We are taxed too much. I see it every day in New York. People go across the bridge to New Jersey because there is no sales tax on clothing. That is the way people think. They go to where they can find the cheapest price. That is human nature.

So, if anything, we should build a wall here not to impose taxes on e-commerce and hope that other folks around this country will start lowering the tax burden on hard-working folks with families. But in spite of that, the last several years what we have seen and witnessed in this country, as e-commerce has grown, so too have sales tax revenues.

So I think those concerns are misplaced. And, if anything, we should be dedicating our efforts to reducing the tax burden on hard-working Americans while at the same time prohibiting new taxes on e-commerce.

Mr. LEVIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CRANE. Mr. Speaker, I yield myself the balance of my time to conclude with one final observation, and that is, in response to the concerns expressed by our ranking minority member on the full Committee on Ways and Means, the gentleman from New York (Mr. RANGEL), and the ranking member on the Subcommittee on Trade, the gentleman from Michigan (Mr. LEVIN), about the failure to have held hearings on this issue.

We have been under tight constraints, but let me just remind everyone that this is not mandating anything. It is simply urging the U.S. to seek a global consensus on this issue. I am sorry that we did not have the hearings that the gentleman said he would have liked to have seen; but hopefully, as we go down the line, we will have increased opportunities for that. But right now I would urge all my colleagues to support this measure.

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

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

Mr. RANGEL. I say this with all deference and respect to my dear friend from Illinois, Mr. Speaker. It is not just this one bill that we are talking about. We expect that another tax issue will be coming up on the suspension calendar. If I thought it was just a question of time, I would not resent it.

Mr. WU. Mr. Speaker, I rise today in strong support of H. Con. Res. 190, a bill to place a moratorium on electronic commerce taxation. It is crucial that Congress works to provide a tax-free environment for the Internet to grow.

Mr. Speaker, during this past decade, the United States has witnessed the longest peacetime economic expansion in recent memory. Indeed, e-commerce has contributed to much of this decade's economic growth. It is estimated that over 140 million people worldwide are now online. In the United States alone, the information technology industry accounted for more than one-third of the real growth in the gross domestic product over the past 3 years, employing more than 7 million workers.

In my home State of Oregon, ''the Silicon Forest,'' in communities like Portland, Beaverton, and Hillsboro—e-commerce has been responsible for a remarkable economic recovery, and boom, over the past decade. We in Oregon have benefited from the strong growth of the information technology industry. Oregon companies, large and small, have benefited from the growth of the Internet.

Although electronic commerce still constitutes a relatively minor part of global trade, technological advances and key trade policy decisions will surely facilitate the further growth of this important industry. In the upcoming years, electronic commerce is expected to grow by leaps and bounds. Congress must commit itself to work with the international community to pave the way for this important industry to grow.

Furthermore, like all other business transactions, it is crucial to achieve uniformity within the information technology industry, such as a universally accepted form of electronic signature. By encouraging and developing a system of standards, Congress can further assist the growth of e-commerce.

Mr. Speaker, I strongly support this important legislation. Let's continue to encourage the growth of the information technology industry and America's economy. I urge my colleagues to support H. Con. Res. 190.

Mr. DAVIS of Virginia. Mr. Speaker, I rise today in favor of H. Con. Res. 190, a resolution which extends the work initiated by my colleague, Mr. COX, last year, on extending the moratorium on Internet taxation to the international arena. This important piece of legislation urges the United States to seek a global consensus now that supports a moratorium on tariffs and on special, multiple, and discriminatory taxation of electronic commerce. It does so by calling on the World Trade Organization to enact a permanent moratorium on e-commerce tariffs at its Seattle ministerial meeting next month. With none of the WTO's 130 members currently taxing Internet commerce, it is imperative that we implement a global strategy that ensures that the Internet remains tax free before such barriers are erected.

With Internet use and global electronic commerce growing at an astronomical pace, it is inarguable that the Internet is emerging as the most unique and the fastest-growing tool of communication known to mankind. The Internet facilitates not only economic growth but the easy dissemination of ideas and information from almost any spot in the world. We are at the tip of the iceberg in terms of the potential that the Internet can offer both cheaply and quickly. Yet an ever-present concern plagues many of us who—like my colleagues standing with me here today—understand the need to foster its continued growth by minimizing the amount of government regulation and taxes that will interfere with the transformation of the Internet into the repository of global communications for the 21st century. H. Con. Res. 190 is a critical component of ensuring that government does not inhibit the growth of the Internet, whether intentionally or unintentionally. Various schemes of taxation introduced by governments across the world will make the internet an unpredictable environment for even simple communications; much more so for conducting online business. Such a development would most certainly discourage the easy and efficient use that the Internet now provides for users worldwide.

Last year, we enacted the Internet Tax Freedom Act which codified a policy against special, multiple, discriminatory Internet taxation and urged the United States to seek international agreements that would concertize those same principles globally. With the July 1999 United Nations Report urging sovereign states to impose ''bit taxes'' on electronic transmissions, it is incumbent now more than ever for Congress and the United States to take the lead in opposing any taxation of electronic commerce globally that would inhibit the continued economic and social growth of the Internet. The resolution specifically urges the President to oppose a United Nations or any other international organization's proposal to establish a ''bit tax.''

It is also important that we utilize every available opportunity to press for an Internet tax moratorium and for this reason, H. Con. Res. 190 also calls on the Organization for Economic Cooperation and Development to adopt the principle of ''no multiple, discriminatory, or special taxes'' on the Internet or on electronic commerce.

Each of the principles expressed in this crucial measure are equally important to the future of the Internet. I want to thank my colleagues, Mr. COX and Mr. SESSIONS, for introducing this resolution and for moving it forward quickly. I urge all Members to vote in favor of H. Con. Res. 190.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the motion offered by the gentleman from Illinois (Mr. CRANE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 190, as amended.

The question was taken.

Mr. CRANE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1115

SENSE OF CONGRESS THERE BE NO INCREASE IN FEDERAL TAXES TO FUND ADDITIONAL GOVERNMENT SPENDING

Mr. HAYWORTH. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 208) expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending.

The Clerk read as follows:

H. CON. RES. 208

Whereas Federal taxes are at their highest peacetime level in history, taking 20.6 percent of the gross domestic product;

Whereas the typical American family pays 36 percent of its income in Federal, State, and local taxes—more than it spends on food, housing, and clothing combined;

Whereas in 1999 governments at all levels will collect $10,298 for every man, woman, and child in the United States;

Whereas since 1989 the Federal per capita tax burden has increased 27 percent;

Whereas the Congressional Budget Office forecasts that the productivity of American workers—and controlled Federal spending—will create a non-Social Security surplus of $996,000,000,000 over the next 10 years;

Whereas the House of Representatives voted on May 26, 1999, to protect Social Security and Medicare by passing the Social Security lock box by a vote of 416 to 12; and

Whereas Congress must protect Social Security and Medicare by controlling Federal spending, rather than by increasing taxes on any Americans: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending.

The SPEAKER pro tempore (Mr. KOLBE). Pursuant to the rule, the gentleman from Arizona (Mr. HAYWORTH) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. HAYWORTH).

GENERAL LEAVE

Mr. HAYWORTH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 208.

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

There was no objection.

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

Mr. Speaker, I am pleased to be here today to speak in favor of House Concurrent Resolution 208.

I would like to commend my good friend and colleague, the gentleman from Pennsylvania (Mr. TOOMEY) for introducing this important legislation that forces us to focus on the choices we need to make in order to maintain fiscal discipline.

As my colleagues know, House Concurrent Resolution 208 expresses the sense of this Congress that we should not raise taxes in order to fund additional Federal spending.

Indeed, as I understand it, Mr. Speaker, it is the sentiment of this commonsense, conservative majority in this House through another legislative vehicle later on our Calendar to propose that we work to realize a savings of 13 cents for every $10 of Federal spending, because we need to keep in mind the bigger picture here. Taxes are at their highest peacetime level in the history of our country. The average American family pays more in taxes than in food, shelter, and clothing combined.

Mr. Speaker, we cannot continue to burden working Americans with higher and higher and higher taxes. We must be willing to find savings by reducing wasteful Washington spending so that we can maintain fiscal discipline without asking the American people to hand over more of their hard-earned money to the Federal Government.

Mr. Speaker, I ask unanimous consent to yield the balance of my time to my friend, the gentleman from Pennsylvania (Mr. TOOMEY) and that he be permitted to yield further blocks of time.

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

There was no objection.

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

Mr. Speaker, this is stupid. An issue like this should either be brought to the floor by leadership for discussion, or someone ought to take a course in Economics 101.

Now, I know the difficulty it is to count when they are trying to put together a budget. It is something like what is, is; and how many months in a year; and what is an emergency. I know the difficulty they are having. But it cannot be so bad that they are going to make a mockery out of the entire legislative process by asking this floor to feel good by saying that we are not going to raise Federal taxes in order to fund additional Government spending.

There are only three things to do if they are going to spend. If they are going to have additional spending, for whatever purpose, they have to go to the majority. Now, I know it does not feel comfortable being in the majority, but they are the majority. They are the leadership. And so, they have to find out what they want to spend. And I guess they would go to the Committee on Appropriations. But we do not spend here in the minority. Majority spends.

So what is the solution? The solution is that they either increase taxes, which the resolution they are dictating to the Speaker and to the Republican leadership that they cannot do that, they go into the Social Security Trust Fund. And then they put on commercials on TV that they are not doing that, even though the Congressional Budget Office says that they are.

Or the third thing that they do is come to the floor and say, I never put my hand in the cookie jar in the first place.

This is no way to deal with the problems that we face as a Nation. We do not come on the House of Representatives floor with a sense of Congress. We legislate in this House. We send these issues to the respective committees. We have hearings. And we do something about it.

If, on the other hand, they are in a continuous resolution mode and they are not involved anymore in legislation and they just want the President to be their partner so that the Government does not close down, then go to the White House and tell him what to put in the bill. Because clearly, the President is going to have issues in the omnibus bill that has never come out of the committees that have been set up in this Congress.

So I know maybe they want to have something to vote on. And who knows, maybe the public really thinks this is on the level. Maybe they really think that we are coming down here voting against Federal taxes. Normally they wait until April 15 to do something this stupid. But, no, now they are saying here on the brink of the Government about to close down because of the inability to pass the appropriations bills that they are going to take the Suspension Calendar, which says that it is noncontroversial, and then we are going to mandate and see who has the nerve to vote against something which says that we are not going to have an increase in Federal taxes.

Do my colleagues not know that, if we could do this, nobody in the United States would ever have to pay taxes? We should have 435 Members on the floor every day passing resolutions that we do not need any taxes. We can pull up the Code by its roots, just pass the resolution. We can stop spending tomorrow. Pass a resolution.

But one thing they will not do, they will not come up with any concrete ideas to cut back spending or any ideas how we can avoid having Social Security be a problem in the future.

So, Mr. Speaker, there are so many things that we should be doing, individual minimum tax, increases in minimum wage, even the extensions which are so important to the American people, questions of education, patients' bill of rights, a variety of things. But in lieu of a press release, we are now going to use the Suspension Calendar to say we do not want any further increases in Federal taxes to fund additional Government spending.

Mr. Speaker, I want other people to make some type of observations on this historic piece of legislation that has now come before the House of Representatives, even though I wish the chairman of the Committee on Ways and Means was here so that we could have an exchange as to how we could deal with these tax issues. But I will deal with the Committee on Rules until we can find out how we are going to do this.

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

Mr. TOOMEY. Mr. Speaker, I yield myself 4½ minutes.