

bill by changing the provisions relative to IRA's, individual retirement accounts, so that all people have an incentive to put some money away for a rainy day and when they do that, after 5 years, they can take it out tax-free.

That will create the incentive that Americans need to begin saving once again. The whole basis of this country, the free enterprise system, is based on incentive.

In the Contract With America we restore that incentive.

I look forward to that very important bill tomorrow.

BACK TO THE FUNDAMENTALS ONCE AGAIN

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 5 minutes.

Mr. POSHARD. Mr. Speaker, I love baseball. Growing up in farm country in southern Illinois, I always managed with my cousins to start the baseball season this time of the year with some pickup games, and I dreamed of the time that I could become a baseball coach. I went into the Army when I was 17, and I got out at age 20 and started going to the university. I got a bachelor's degree in physical education and became a baseball coach. I started coaching in a small rural high school. After the basketball season had ended my first year of coaching, it was only a few weeks' time that we had to get into the baseball season. In between that and the April showers we did not have much practice time. Lo and behold, the kids had not had the privilege of playing in Little League or Pony League or Legion Ball, so they knew nothing about the fundamentals of baseball.

In our first game of the year we were playing another team in a nearby community. We were behind 9 to nothing in the bottom of the 5th inning. In high school ball there is a 10-run rule. If you are behind 10 runs at the end of the 5th inning everybody goes home. They make the assumption you are not going to catch up; the game is over.

So the opposing team had the bases loaded and nobody out. If the kid on third base scores the game is over and we all go home. So I walked outside the dugout and yelled to my men in the infield. I said, "Okay, men, let's bring the infield in for the play at the plate." I turned and walked back to the dugout and every single kid on the infield followed me straight into the dugout. Well, I was shocked. Derisive laughter came out of the stands. People were guffawing their heads off. I chewed my kids out. But the truth is, on the way home I got a guilty conscience. You see, it was not their fault that I had not taught them a basic fundamental of the game, how to bring the infield in and throw the guy out at the plate. It was my fault. I had forgotten to teach the fundamentals. I want to tell you in

this last baseball strike here lots of fundamentals were forgotten, mainly that baseball is a game. But let me tell you about a labor-management dispute that is not a game.

In my district the United Paper Workers, the United Auto Workers, the United Rubber Workers have been in the midst of a labor-management dispute for some as long as 2 years. These are people that will never make a million dollars in their entire lifetime.

They are not cry babies. But their babies are crying. No jobs, less food on the table, no health insurance. These people do not labor in high-paying, hero-worshipping jobs in right field or center field or even the infield. They labor in coal fields and cornfields and wet-milling plants and making rubber tires and making heavy equipment, tough jobs.

When their complaints of unfair labor practices were filed, some as long as 2 years ago, no one expedited their case in the National Labor Relations Board. When their employers locked them out in the case of the rubber Workers permanently replacing them because they wanted the same contract as this Japanese-owned corporation that their counterparts had received from American companies, no Federal judge said a word. Why? Is their labor less worthy? Are their families less important to the welfare of this country? How can we be so out front for people making \$4 million or \$5 million a year and so reluctant to help people making \$20,000 or \$25,000? I know unions are not in favor today. But I grew up in coal-mining country. I saw young men go down into the mines and come up, at 35 years of age, with black lung and die and leave their families with nothing, until the UMWA organized. I saw the working conditions change so that accidents did not take hundreds of lives.

Mr. Speaker, Mr. President, I am not asking for the administration or the Congress to take sides in this labor-management dispute, but I am asking that the same sense of urgency and concern be given to the working people of this country.

Let us not forget the basic fundamentals of what built this country: Respecting people's work and expecting that their government will go to bat for them no matter their station in life or their position of power and influence in this country.

PASS H.R. 1215

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to support an increase in the Social Security earnings limit and to ask for the repeal of the Clinton tax hike on Social Security benefits. Both are included in H.R. 1215.

Mr. Speaker, the Social Security earnings limit is an unfair and detrimental burden on all senior citizens

who find it necessary to work. A fixed Social Security income alone, or a planned savings program designed to supplement income during retirement, does not in any way provide sufficient financial security for senior citizens to live in the current world of rising prices. Moreover, and equally important, after being accustomed to bring in the work force for various decades, retirement leaves many seniors with a feeling of worthlessness and a lack of identity, hence there need for employment.

Unfortunately, Mr. Speaker, instead of repealing the earnings test which he once felt was punitive, President Clinton failed to even increase the earnings limit. Last year, his Social Security Administrator testified that only a \$1,000 increase was possible.

Under current law, senior citizens lose \$1 in Social Security benefits for every \$3 they earn above \$11,280.

The earnings limit translates into an added effective tax of 33 percent, combined with a 7.65-percent FICA withholding tax, and a 15-percent Federal income tax. This combines into a preposterous effective marginal tax rate of 55.65 percent—twice the tax rate of millionaires. This, Mr. Speaker, is outrageous, because it keeps people from working and I feel that no one person should be discouraged from working or, worse yet, penalized for trying to be financially independent. That is why I favor H.R. 1215, which eliminates the bias against older Americans who continue to work in order to help themselves and to create a better future for all.

This legislation phases an increase in the earnings limit to \$30,000 by the year 2000 and allows seniors to earn \$4,000 more each year.

An increase in the earnings limit is synonymous with positive benefits for senior citizens and for the overall welfare of this Nation. An increase in the earnings limit will provide for increased economic growth resulting from the wealth of expertise gained from seniors who possess decades of workplace experience, not to mention a strong work ethic, punctuality, and flexibility. We need the expertise and manpower that our seniors provide, in addition to the billions of dollars in the annual output of goods and services which their manpower renders.

The implementation of the earnings limit is a complicated procedure which requires that seniors produce estimates of their earnings for the upcoming year so that the Social Security Administration can reduce their checks. Any incorrect estimate, however, translates into a lump sum reduction in benefits or, worse yet, increased costs for these seniors if they have to employ tax accountants to determine the changes in their tax rates.

As if these limits to earnings were not enough, Mr. Speaker, current tax laws serve to place even harsher penalties on America's seniors, specifically those who continue to work, be it

for financial or emotional reasons, beyond the age of 65. By requiring America's seniors who earn more than \$34,000 as individuals, or \$44,000 as couples, to pay income taxes on 85 percent of their Social Security benefits, the 1993 Clinton tax hike on Social Security benefits placed a heavier economic burden on millions of middle- and low-income senior citizens.

The bill repeals the Clinton tax hike in a 5-year period. By the year 2000 the percentage of the tax on Social Security benefits will be lowered to 50 percent. This was the amount originally in effect before the 1993 tax increase. H.R. 1215 is designed to grant tax fairness for millions of American families and, more importantly, for those who have made this country what it is today, our elders.

By increasing the earnings limit seniors can receive, and eliminating the 1993 tax hikes to which they are exposed to, this legislation will serve to lift the financial burden of our older Americans and will grant them a feeling of usefulness and contribution as the continue to produce in the workplace.

WHAT ARE OUR PRIORITIES AS A SOCIETY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. WARD] is recognized for 5 minutes.

Mr. WARD. Mr. Speaker, I am proud to join my Democratic colleagues today in speaking out against the proposed cuts in student loans offered under the Republicans' rescission package. Now let me hasten to point out that I am not saying, as you may have heard some Members of the other party say today, that Democrats just want to tax more. It is not a question of taxing more, it is a question of what is going to be cut? It is a question of what are our priorities as a society?

As we have seen in these rescission programs, the priorities that have been reflected in the cuts that have been made are not the priorities that I was elected to Congress to talk about or to promote.

I want to mention one thing that is particularly of concern to me today. This concerns this body, that as a body we should have a rule, as we did in the State of Kentucky where I served in the Legislature, that any conference committee change of a bill has to be explained on the floor of this House.

What we have seen, ladies and gentlemen and Mr. Speaker, is a change in a very simple bill, a simple bill that was passed by a wide margin in the House and in the other body, but with little differences. Those differences were worked out in a conference report. That conference report had the power to add things that were never discussed in either the House or the other body. But with that power what they did in this case was to add one tax break for one very rich individual named Rupert

Murdoch. This tax break, one of 17 that were proposed, relating to the Federal Communications consideration of purchases of minority enterprises, sales to minority enterprises, a tax break that will mean tens of millions of dollars in money directly to that corporate empire, which was not told to us on the floor of this House when it was brought up.

As I say, in the State of Kentucky, there is a specific rule, a requirement that a change of that nature has to be raised on the floor. Had it been raised, Mr. Speaker, there would have been cries of foul from one side of this floor to the other. Had it been raised the bill would have been changed on the floor or defeated and sent back to be changed before it was brought back before us.

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So today I have urged the President to veto that bill, veto that bill because, while it does offer an important tax break to small business people who buy their own health insurance, that is something we can do in an hour and a half after the veto.

Ms. MCKINNEY. Mr. Speaker, will the gentleman yield?

I am so glad that the gentleman is talking about this.

Now I have got a newspaper article here from the New York Daily News where Mr. GINGRICH says, "I'm against affirmative action for rich people," and he was urging the repeal of this tax break.

Now I am also further reading here that the exception cleared by the House leaders was so tightly crafted that, by rearranging the dates in the legislation, it hands the break only to Murdoch.

I ask, "Can you believe that we were duped just like that?"

Mr. WARD. I appreciate the gentleman from Georgia making that point because what it shows is that it is business as usual.

I am a freshman Member; the gentleman from Georgia is a sophomore Member. We were sent here to do things differently that work. We were sent here to change things.

Ms. MCKINNEY. We absolutely were.

Mr. WARD. I yield again.

Ms. MCKINNEY. We were sent here to change things, but, as it stands, nothing is being changed. These people are going too far, the Gingrich revolution has gone too far in the special interests category, benefiting one person, and I cannot believe that we began this hundred days with a discussion about NEWT GINGRICH and Rupert Murdoch with their arms entwined, and now here we are ending this hundred days. What? With the same discussion, about the gentleman from Georgia [Mr. GINGRICH] and Mr. Murdoch with their arms entwined again.

Mr. WARD. Mr. Speaker, I thank the gentlewoman, and the point I want to make is, "If you're going to give up this kind of revenue to the Federal

Government, what are you going to cut to make up for that revenue," and that is what we have seen, especially in the student loan program.

H.R. 1215 WILL RESULT IN A BALANCED BUDGET BY 2002

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from New Jersey [Mr. MARTINI] is recognized for 5 minutes.

Mr. MARTINI. Mr. Speaker, I am pleased to report that when H.R. 1215 comes to the floor, the tax relief bill this week, it will now contain language that clearly states that the tax cut provisions in the bill can only become law as part of legislation that will result in a balanced budget by the year 2002. This provision certainly strengthens the bill and clarifies and reinforces our party's commitment to balancing the budget as well as providing tax relief to the American people. I intend to support the rule and H.R. 1215 and urge the support of all of the Members of the House.

As a freshman this year, this past fall I also ran on a platform committed to reducing the deficit, reducing the size of the Federal Government and, ultimately, balancing the budget, and I think that point of view was shared by the majority of the Members of this House.

Looking at the bill, H.R. 1215, in anticipation of this upcoming vote this week, as originally reported from the committee, it did not contain, in my opinion and in the opinion of several others who have worked very hard in the past week to bring this language to the bill, my colleagues, the gentleman from Delaware [Mr. CASTLE] and the gentleman from Michigan [Mr. UPTON]. In reviewing that bill it would appear to us it did not contain the type of safeguards that deficit reduction would not take place to passage at the cost of the promised tax cuts.

As a freshman going through one rescission bill in the past, a month here as a Member of the House, I quickly began to realize that, faced with the tough decisions, how difficult it is to bring a majority to reducing the size of government, to making government more cost effective and to bringing about the deficits that we so direly need to balance the budget.

We certainly have a responsibility to the American people to take the additional step of tying the tax cuts directly to the passage of budget reconciliation legislation that will balance the budget by the year 2002.

I am pleased to say, as well, our leadership has agreed this requirement in this language should be included in the tax bill that we will be voting on this week. I would like to take a moment just to briefly explain what the three provisions of this language are.

First and foremost, it assures us that there will not be any implementation of a tax package that we vote on this