

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

week unless and until this House later this year puts into place a balanced budget or a budget that reflects that we will reach a balance in the year 2002. It further provides, No. 2, a mechanism by which we can focus on that process each year from now until the year 2002, and in the event we do not reach those deficit reductions anticipated for each year, each Budget Committee of the respective Houses of Congress would report to the Congress of policies and recommendations to get us back on to that glide path, but, most importantly, Congress would then have to incorporate those policies and recommendations in that year's annual budget resolution. So there is some teeth to this provision that will force the Members in Congress, as a body, to each year look at the glide path to reaching a balanced budget by the year 2002 and to take the necessary actions to incorporate those provisions into that year's annual budget resolution.

The third part of this, I think, is important because to ensure the responsibility for balancing the budget, as is articulated by all of us here, including the executive branch, that process should be shared by both the legislative and the executive branches, and the third part of the language that will be included in the tax bill will require the executive branch annually to submit, in addition to his proposed, to the executive's proposed, balanced—proposed budget each year, should it not be balanced, the executive branch will be required by this language, as well, to come up with an alternative budget that will reflect how he would or she would envision reaching a balanced budget by the year 2002.

In closing Mr. Speaker, we strongly believe that these provisions strengthen and improve H.R. 1215. In my opinion they will lessen the prospect that each Member of Congress, when faced with the tough deficit reduction decisions that we will have to make later on in this year, that each Member of Congress will not blink in the bright lights of those decisions, but rather will go forward in making those decisions, understanding that, in addition to the good fiscal policies that this bill will now reflect, there will also be a vested interest in the American people to obtain the much needed tax relief that they so rightly deserve. We will make tough spending cut decisions before tax cuts go into effect with this language included in the bill.

In closing, Mr. Speaker, this provision is good policy and is fully consistent and supportive of the Contract with America in providing the necessary tax relief that the American people so rightly deserve. We will support the rule and the bill and recommend its support by other Members of Congress.

REPUBLICAN TAX CUTS— POLITICIAN'S DREAM

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

Mr. DURBIN. Mr. Speaker, during the course of the next 24 to 48 hours there will be an extensive debate on the floor of this House of Representatives about a tax cut bill. Talk about a politician's dream, to stand up in front of the American people and say, "Guess what? I've got a tax cut for you."

Mr. Speaker, people applauded. They say, "You're the greatest elected official in the world. How can you be so generous and so kind?"

Well, there will be some of us who will be questioning this tax cut, and you say, "Wait a minute. Why would any politician in his right mind question the idea of a tax cut? Don't you want to promise people you're going to cut their taxes?"

Well, of course we do, and there are a lot of deserving people in America who should have their taxes cut, but unfortunately the Gingrich Republican tax cut bill is not a fair bill for this country.

First let me tell you this:

This year we have a \$190 billion deficit, \$190 billion more that we will spend than we take in. This tax cut proposed by the Gingrich Republicans is going to add about another \$190 billion more to the national debt over the next 5 years, and, over 10 years, \$630 billion more to the national debt. Why are we doing this at a time when we are cutting school lunches and other programs because of deficits? Why would the Gingrich Republicans want to give tax cuts away and add to the deficit, require us to cut even deeper into spending for education and for school lunches? Well, let me tell you why.

Take a look at what this tax bill does. It tells the whole story. Who is going to get the benefit of this tax cut? Working Americans? Folks who get up every day, pack the lunch box, punch the clock, drop the kids at day care, do the things you have to do? They will get a little bit, but look who the real winners are. Take a look at this chart. Who benefits from the Republican tax bill?

Under a \$30,000 income, if you happen to have a family, making under \$30,000, your average cut for your family is \$124, \$2 and, what, 80 cents a week or so? And then take a look. From 30,000 to 75,000, \$760; 75,000 to 100,000 thousand, \$1,572. Hang on to your hats, folks, when you get over \$100,000. From 100,000 to 200,000 the Gingrich Republicans want to give you \$2,465 in tax breaks, and the superrich, the privileged few over \$200,000, \$11,000 tax break, an \$11,000 tax break to folks making over \$200,000 a year?

Pardon me; what did I miss here? We are in a deficit? We are cutting school lunches? We are cutting back on student loans? We are reducing money for schools and education for our future so

that folks making over 200 grand a year can have an \$11,000 tax break? That does not make any sense.

Let me yield to my colleague from Texas.

Ms. JACKSON-LEE. I thank the distinguished gentleman from Illinois [Mr. DURBIN], and I think what you have just highlighted is a lot of smoke and mirrors. I am confused, and I am asking the same question. You know, we get labeled a lot, liberals and conservatives, conservatives and liberals. The idea is to come here and represent the American people.

I say to the gentleman, You made a good point. People are excited about a child tax credit. Do you realize that 40 percent of the children getting this tax credit are the children of the wealthy, and yet those low income family children will benefit only 3.5 percent?

Then they talk about the marriage penalty. I have had good working people sit in my office, labor folk who work every day. They simply say, "Give us a living wage, give us a job. We'll work with this country. We just want to send our kids to school. We just want to make sure they've got a good meal." And yet, when we think about the marriage penalty, let me tell you what it actually does.

The provision would only help 14 million of the 30 million couples who experienced a marriage penalty. In addition, the average benefit is only \$145 per couple, and the penalty is far more than it is in terms of what we are getting as a benefit, and yet the smokes and screens tell us that we are getting a great benefit for the American people.

I am wondering, What's the rush? What's the rush? This does not account for the 1995 taxes. We need to deliberate and begin to talk about bringing down the deficit because we are going to lose \$650 billion in revenue with this kind of tax cut.

Mr. DURBIN. Let me tell the gentleman she has hit the nail on the head. The reason why there is a rush is the folks making over a hundred grand a year are going to need \$2,465 in tax breaks under the Gingrich Republican bill, and the folks over 200 grand, 11,000. Well, I want to suggest to you, Let's make a deal, and here is the deal, a bipartisan approach, Democrats and Republicans together, and here is what I would like to suggest:

One hundred and six Republicans wrote to Speaker GINGRICH and said, "This is embarrassing. It is embarrassing to be giving this kind of tax break to people at a time when we have a deficit and we're cutting school lunches, student loans." And 106 Republicans said to the Speaker, "Why don't you cut it off at \$95,000? If the families making \$95,000 or less, let's give them the tax break for their kids. Don't give it to the superrich, the privileged few."

Well, those 106 Republicans stood up to Speaker GINGRICH. They made a proposal we can do business with. Let us