

is worthy, but now we are knocking heads with the rich children and the poor children, for most of the tax credit goes to families way beyond your imagination in terms of income.

Those people that are at the lowest income level, who do pay taxes, they only bear 3.5 percent of the benefit of a child tax credit. Twenty-four million children in this Nation would not receive any benefit from the tax credit. What that means simply is we are knocking heads with rich children and poor children. As far as I am concerned, all children are worthy, and there should be an applicable tax credit that goes across the line.

Then the smoke and mirrors that I talked about earlier, because all of the married couples are running to their tax preparers, shouting about the marriage penalty. I believe in family. We should affirm family. It is important that we ensure that people do the right thing, and that is to be married.

But yet this particular tax benefit, in quotes, again the smoke and mirrors game, only provides an average maximum benefit of \$145 per couple, which is less than the current marriage penalty. The average marriage penalty for couples earning between \$30,000 to \$40,000 is \$260, and \$1,540 for couples earning between \$75,000 and \$100,000.

Wouldn't we be better suited to tell you the truth, and tell you that it is more important to invest in your young people, for them to have college loans and work study programs; that we want to ensure that school lunches are maintained; and yes, we want to infuse energy into the economy, so that you will have jobs?

I certainly believe that we must begin to look seriously at making sure that the economy is such that you will want to invest and buy businesses and transfer property. We have to support that. That is the true American dream.

However, let me tell you what happens to this present tax break. For someone earning under \$75,000, oh, you think you are going to get a big lump of money. It will only buy you a couple of tanks of gas for the family car. You only average \$36 a month.

I have been in local government and I have had taxpayers say "The heck with that. I want good parks. I want police. I want fire persons to come to the serious crises, the fires, in the necessary time." Citizens of America believe in government, if it does the right thing, but \$36 a month, a couple of tanks of gas, and then we cut at the very fabric of what we need to ensure that we are good governments.

What does a \$200,000 a year person get? Cadillacs, Mercedes, and BMWs. Let us have the truth be told about this tax cut. Let us tell the American people the real truth and get rid of the smoke and mirrors. Let us work together to get a better tax cut.

#### THE DIFFERENCE BETWEEN REPUBLICANS AND DEMOCRATS

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

Mr. KINGSTON. Mr. Speaker, if we could sum up what we have been hearing for the last hour on the floor of the House, I think you could just say Democrats love taxes. Republicans hate taxes. Democrats love big government. Republicans hate big government. Democrats love the public sector. Republicans like the private sector.

I won't venture to say that maybe Democrats seem to love poor children and hate rich children, but there does seem to be, in the Democrat mindset, a distinction between a rich child and a poor child, as opposed to loving all children equally.

Let us get back to the tax issues. I think the reason why the Democrats are gripping this tax so hard is because they love taxes. We are taking taxes away from them. You don't mess with their toys. They don't like that. So what do we have?

Ms. JACKSON-LEE. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. Certainly.

Ms. JACKSON-LEE. Mr. Speaker, I appreciate the dialog the gentleman is raising.

Mr. KINGSTON. I'm going to yield quickly. Don't make a speech on my time.

Ms. JACKSON-LEE. I fully appreciate the comments you have made.

My question becomes, however, if you tax credit falls in a greater percentage to the higher income persons of this Nation, and none of us will talk about children, and does not equally benefit those working families who have children in the lower income rungs, would you not think out of this logic that this is a tax credit for the rich?

Mr. KINGSTON. Reclaiming my time, Mr. Speaker, I guess one of the big differences in Democrats and Republicans is we are not afraid of achievement. You know, if somebody pulls themselves up and they start out of school, and maybe they go to college and maybe they don't, maybe they serve in the military, maybe they don't, but they get a job, and the man and woman hang together and become a family, and they move up into an income bracket, well, I don't think it is right to suddenly say "Ha, your child is now not worth any money anymore."

I say "Go for it. We want that achievement." I know a lot of government bureaucracies which are affinity groups to the Democrat party want more dependents. They tend to fight success. We want to nurture success. We want to say "Go all the way to the top." That is why we want to return, and not even return, just don't take it away to begin with, people's tax dollars from them.

Let me give some very important statistics which I really wish you all would, and I will promise you, any of your Democrats or any of your constituents that would call my office, I will give you a copy of these charts, and I will explain it to you. Let me tell you what these numbers show. When taxes are high, growth goes down. When growth goes down, the deficit increases. If growth and revenue increase, the deficit is lowered.

This is not just JACK KINGSTON and the gentleman from Georgia, NEWT GINGRICH, and the Republican Party, this comes from the Joint Economic Committee, which as you know, is Senate and House Members chaired by, I believe, the Committee on Ways and Means Members, the gentleman from Florida, Mr. GIBBONS on this side, and Mr. MOYNIHAN on the Senate side.

They say "As these increases in productivity, brought about by lower taxes and economic growth, accumulate over time, a gradual expansion of taxable income base generates additional tax revenues." This is straight from here.

Ms. JACKSON-LEE. Mr. Speaker, will the gentleman yield just for a moment?

Mr. KINGSTON. I yield to the gentleman from Texas.

Ms. JACKSON-LEE. I say to the gentleman, I, too, applaud excellence. That is why we must give to those who are making \$30,000 and \$35,000 a year, who are working as hard but are yet not getting the tax benefits.

Mr. KINGSTON. Reclaiming my time, I will be glad to yield when we get back on your time schedule.

Ms. JACKSON-LEE. We must realize that the taxes in this country are low.

Mr. KINGSTON. Mr. Speaker, I want to say to the gentlewoman, and learned, and one of the more intelligent Members on the Democrat side, surely you know the wisdom of the chart shown here earlier, saying the bulk of the tax returns go to people who make under \$75,000 a year. What could be better for the middle class?

It was your President who promised the middle-class tax cut. We are just the party who happens to be keeping its feet to the fire on it. Welfare reform, let's end welfare reform as we know it. The President forgot about that, but we are going to help him out with it. The balanced budget amendment, we are going to help him out. The line-item veto, no mention of it for 2 years, but we are going to help him out.

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

Mr. KINGSTON. I yield to the gentleman from Pennsylvania, but you have been not been yielding to us, and I hope you will yield back when you have the time.

Mr. DOYLE. Mr. Speaker, a quick question. You made the statement that when we have tax cuts, that that causes growth in revenues to the Federal Government and helps lower the

deficit. I would just ask the gentleman, back in the 1980's when we had three tax cuts, I guess the same would hold true back then?

Mr. KINGSTON. Taking back my time, absolutely. In 1980, the total revenue is \$500,000. By 1990, it is \$8 trillion.

Mr. DOYLE. How do you explain the deficit going from \$1 trillion to \$4 trillion during that same time? The deficit quadrupled in that time.

**THE REPUBLICANS' PROPOSED BUDGET WILL SEVERELY UNDERCUT THE OPPORTUNITY FOR AMERICA'S CHILDREN TO ATTEND COLLEGE**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Ms. LOFGREN] is recognized for 5 minutes.

Ms. LOFGREN. Mr. Speaker, I don't have a chart about tax cuts, and I do not plan to give a talk about tax cuts specifically, today, except that we have talked a lot about the need to help the middle class, and there is a big argument on whether this tax cut really helps the middle class or just the wealthy.

Mr. Speaker, I would like to talk about something that really is important to the middle class and to the working families of this country. That is the chance to make sure that your child can go to college after they get straight A's in high school. That opportunity is about to be severely undercut.

The plans in the works are to cut about \$20 billion in student loans over the next 5 years, as well as 750,000 students off the work study program.

□ 1900

I would argue that these cuts are unwise, they are pennywise and pound foolish. We know that we have a lot of problems in this country, but when I think about the problems that I see in San Jose, the kids that are getting in trouble, I know that there are not kids hanging out on the street corner dealing drugs or holding weapons when they are on the honor roll.

In our country, I was on the county board of supervisors in Santa Clara County until January 4 of this year and I can attest that there is not a single "A" student in the juvenile hall. The more we put into education, the more we put into achievement for our young people, the more we will see problems resolved and a country that is full of excellence and hope instead of despair. I think the cuts that are proposed in the student loan program have a lot to do with that and I am hearing about the middle-class cuts and the \$500 per family and how that will help. I am cognizant that the cut per student that is proposed for 4 years of undergraduate education is about \$5,000, and if you have 2 kids, as is common, going to college, that is over \$10,000 in cuts that you are looking at as a family. The \$500 is not going to make it. It will take 21

years of \$500 tax credits to make it up. I know. My children are 10 and 13. I do not have 21 years to save up that money at that rate.

I heard the Speaker say that we should be a country of excellence, we should be a country that rewards those who work hard and try to get ahead, and I think back on my own life and the opportunities that this country gave to me.

I worked the night shift in a factory in my last year in high school. My parents were working people, they were great people, but they did not have a lot of money. We just barely made ends meet. Through working and through student loans and through scholarships, I was able to go to college and I was able to have a part of America that I would not have had otherwise.

I remember several years ago I was out visiting Overfelt High School in east San Jose, an area that educates the children of blue-collar families, working families, and I gave a talk to three combined classes and encouraged them to get A's in school and look ahead and go to college, and then I left. About 2 years later, I was invited back and I was talking to the students and afterwards a young girl came up to me and she said, "You changed my life." I was shocked. I did not remember her. She said, "You told me I could go to college and not to worry about how to pay for it. I have just been admitted to the University of California, I am going to major in physics and here is my honor roll." She got on the honor roll because she believed if she worked, if she got A's she would have a chance to go to college. That is what this country has been all about and that is what a \$20 billion cut in student loans will destroy.

We say that we are for the middle class. If we are for the middle class, let's take care of the thing that matters most to each of us and that is our children. Along with that, I think about the benefit for this country. After World War II, a whole generation of men were given the opportunity to go to college through the GI bill. At the time, it was looked upon as a benefit for veterans, but in fact in addition to a benefit for veterans, it was a benefit for the country, because a whole group of people whose parents were not rich had the chance to get an education, and those people became engineers, they became scientists and they built Silicon Valley and the affluence that they built through their education carried the economy of this country to this day.

If we were to put that kind of emphasis on the middle class, on the children, on the future, and our need to develop high-technology jobs and a highly skilled work force, we would not have to be worrying about the deficit or the future.

What we need to do is to invest in the future, and I would argue this and relate this story. A gentleman came to me in San Jose 2 weeks ago and said,

"Don't give me a tax break. Put it all in education. Let's give this country a future."

**REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1215, CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995**

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-100) on the resolution (H. Res. 128) providing for consideration of the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs, which was referred to the House Calendar and ordered to be printed.

**H.R. 1215, TAX FAIRNESS AND DEFICIT REDUCTION ACT**

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

Mr. BUNNING. Mr. Speaker, I want to extend my thanks to all the Members who have worked so hard on Congress' contract with senior citizens—our commitment to bring economic equity to the older generations of Americans.

Serving as chairman of the Social Security Subcommittee and working with many of my colleagues who share my concerns about the welfare of seniors has been a fulfilling and challenging experience.

We have accomplished a lot in just 3 short months. This week we will see our efforts pay off. This week is a turning point for America's senior citizens.

On the first day of this Congress, I, along with Mr. HASTERT, Mrs. KELLY, and Mrs. THURMAN, introduced the Senior Citizens Equity Act, H.R. 8.

Four of the provisions under the Senior Citizens Equity Act have been incorporated into the Tax Fairness and Deficit Reduction Act which will be on the floor tomorrow.

The Social Security Subcommittee has worked diligently on two of these—the repeal of the 1993 Social Security tax increase and a three-fold increase in the earnings limit for Americans over age 65.

Our subcommittee held hearings and heard from real Americans—working seniors who are unduly burdened by Government policy.

That's what this contract is about—real Americans, working Americans. And giving them the ability to work and earn.

Just as important as the ability to work is the ability to keep what they have spent a lifetime building.

When we made a Contract With America, we also made a promise to senior citizens to restore financial equity and fairness.

Now we are going to keep that promise, by relieving older Americans of some of the major financial burdens