

time pandering to the American people, we ought to be tough. The American people are tough. They can handle a tough choice.

The fact of the matter is that we are standing there telling the American people "We can have tax deductions, tax reductions, at the same time that we are going to be facing \$200 billion a year deficits." It is not right. The people can handle it, and we ought to say the truth.

REPEAL THE ONEROUS TAX INCREASE ON SENIOR CITIZENS' INCOMES

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

Mr. COX of California. Mr. Speaker, I hope it is not considered pandering to the American people, as the previous speaker suggested, to permit our senior citizens who are receiving Social Security benefits to keep something of what they earn.

In 1993, in the context of the largest tax increase in American history, President and the then Democrat Congress imposed a 70-percent income tax rate increase on senior citizens who work. An important part of the bill that we are now bringing to the floor is going to roll that back.

It was criticized as a tax increase on seniors who are rich, on rich retirees, on rich Social Security beneficiaries. In fact, the 70-percent income tax rate increase on Social Security benefits started for senior citizens who work and who make as little as \$30,000 a year. They are not, in my book, the rich. I do not think they are anywhere else in America. I hope all of us will take this opportunity to repeal that onerous tax increase.

THE TAX BILL AND CUTS IN PROVISIONS FOR EDUCATION BENEFITS

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

Mr. KENNEDY of Rhode Island. Mr. Speaker, the question before us today is what kind of tax relief are we going to give the American people. The difference could not be clearer. The Republicans' tax break would benefit 76 percent of those families earning \$100,000 or more. If you look at the Citizens for Tax Justice, they say 71 percent of the total capital gains tax breaks go to those making in excess of \$200,000.

Who pays the bill? It is young people who pay the bill. It is those who want to go out and get those well-paying jobs that the Republicans talk about. However, how can we expect them to get those well-paying jobs if they cannot first afford the higher education that they are going to need to get if they are to land those jobs?

Mr. Speaker, it was wrong to repeal the interest deduction on student loans in the 1986 tax reform bill, and it is worse that the Republicans have rescinded the amount of the money for subsidizing those student loans that allow them to get an education, and not have the interest on those student loans accrue until after they graduate. That is not right.

Members know that the cost of higher education is going up, and we should not make it more difficult for students.

THE TAX BILL WILL STRENGTHEN AMERICAN FAMILIES

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

Mr. FOX of Pennsylvania. Mr. Speaker, the fact of the matter is that American people are going to have with this Contract With America \$180,000,000,000 in deficit reduction, \$190,000,000,000 in spending cuts, and Mr. Speaker, the tax reduction bill is the third part that the American people are waiting for.

The Republican majority is offering a \$500-per-child tax credit. We believe one of the most important things Government can do for American families is to take less of their earnings. Republicans recognize the profoundly positive impact stronger families can have on our Nation.

We believe the basic family unit can be stronger if it is able to keep more of its own earnings and make its own decisions about how those earnings should be spent.

We also respect the contributions of our senior citizens and their right to continue being a productive partner in building a better America. That is why this week Republicans will remove the tax burden placed on Social Security earnings last year by the Democrats.

Finally, Americans believe in the future. We know America's future depends on America's being able to save more and invest more in new jobs and new productivity. That is why we will reduce the capital gains tax cut, which will help all Americans.

Seventy-five percent of the tax cuts will benefit those with incomes less than \$100,000. Please vote for the bill.

A BETTER CAPITAL GAINS DEAL FOR THE WEALTHY

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

Mr. DEFAZIO. Mr. Speaker, the reason we are still doing 1-minutes is because the Republican leadership is twisting the arms of their caucus to try to get the votes for this tax giveaway, the same arms that they did not twist last week when term limits was on the floor.

There was a shameful time in this country in the mid-1980's when the largest, most profitable corporations in

the land paid no income taxes, and we are about to turn back the clock. This bill repeals a modest income tax on the largest, most profitable corporations in this country, so they can go back to paying zero.

People who earn over \$200,000 a year, they can get capital gains at 14 percent. That is half of the tax bracket for middle income Americans. Is it not a great country when people, Members of Congress earning \$133,000 a year, can vote themselves a wonderful juicy tax break, because they are in a big enough tax bracket to take advantage of it?

When the dust settles, average Americans are going to get it stuck to them again, and the rich are going to be drinking champagne and eating caviar.

REPUBLICANS READY TO INTRODUCE TAX LEGISLATION

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

Mr. GOSS. Mr. Speaker, responding to the previous speaker, I would just like to announce that I do not believe anybody on our side asked him to take a 1-minute, or anybody else over there to take a 1-minute. We are ready to go. We are ready do the Nation's business on the rule.

The minute the 1-minutes are over, we will be very happy to proceed.

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

Mr. GOSS. I am happy to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, we are so excited to bring up this last of the contract promises. Let's go.

Mr. GOSS. Reclaiming my time, Mr. Speaker, I would point out that the sooner we start, the better prospects are, the sooner we will get out.

THE \$63,000 TAX GIVEAWAY TO RUPERT MURDOCH

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

Mr. GIBBONS. Mr. Speaker, I yield to the gentleman from Florida.

Mr. DEUTSCH. Mr. Speaker, I have the opportunity now to respond to some of the charges that the gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means, raised previously.

It is just absolutely absurd. There is not one person in this building, in this district, in this country that believes Senator BRAUN on her own was able to provide the obscene, sleazy \$63 million gift to Rupert Murdoch. It just defies credibility.

There is an expression that I have used, and I think everyone in this country has heard previously. It is look like a duck and it smells like a duck and it walks like a duck and it talks like a duck, it is probably a duck. To

think that the Speaker and the chairman of the Committee on Ways and Means did not know about this special deal is absurd.

I am about to offer once again a concurrent resolution which would take out that provision. The Speaker of this Chamber has publicly stated that he supports taking it out. I have asked the gentleman from Texas [Mr. ARMEY]. I have followed the rules to this Chamber to get unanimous consent.

Mr. Speaker, I ask unanimous consent to take up Concurrent Resolution 55, which would take out the tax provision provided for Mr. Murdoch.

The SPEAKER pro tempore. Under the Chair's guidelines, the gentleman is not recognized for that purpose. The gentleman's time as expired.

NOTICE OF INTENT TO OFFER RESOLUTION REGARDING CONSTITUTIONALITY OF TARGETED TAX BENEFIT

Mr. DEUTSCH. Mr. Speaker, under the rule IX, I rise to serve notice that I intend to offer the following resolution and read it into the RECORD.

The SPEAKER pro tempore. The gentleman is recognized.

Mr. DEUTSCH. Resolution: To preserve the constitutional role of the House of Representatives to originate revenue measures.

Whereas, rule IX of the Rules of the House of Representatives provides that questions of privileges shall arise whenever the rights of the House collectively are affected;

Whereas, under the precedents, customs, and traditions of the House, pursuant to rule IX, a question of privilege has arisen in cases involving the constitutional prerogatives of the House;

Whereas section 7 of article 1 of the Constitution require that revenue measures originate in the House of Representatives; and

Whereas the conference report on the bill, H.R. 831, contained a targeted tax benefit which was not contained in the bill as passed by the House of Representatives and which was not contained in the amendment of the Senate; Now, therefore be it

Resolved, that the Comptroller General of the United States shall prepare and transmit, within 7 days after the date of the adoption of this resolution, a report to the House of Representatives containing the opinion of the Comptroller General on whether the addition of a targeted tax benefit by the conferees of the conference report on the bill, H.R. 831 (A bill to amend the Internal Revenue Code of 1986 to permanently extend the deduction for the health insurance costs of self-employed individuals, to repeal the provision permitting nonrecognition of gain on sales and exchanges effectuating policies of the Federal Communications Commission, and for other purposes) violates the requirement of the U.S. Constitution that all revenue

measures originate in the House of Representatives.

The SPEAKER pro tempore. The gentleman's notice will appear in the RECORD.

TAX CUTS AND DEFICIT REDUCTION FOR THE FEDERAL GOVERNMENT

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

Mr. MARTINI. Mr. Speaker, in sitting here this morning and listening to this debate, it reminds me of a debate less than 2 years ago in my home State of New Jersey. At that time, when the then-newly elected Governor Whitman spoke about tax cuts and cutting spending at the same time, then, as now, the same naysayers rose and complained and said it could not be done.

I am pleased to report today, Mr. Speaker, that less than 2 years into her term, she has accomplished two-thirds of her tax cut, with sufficient deficit reduction, and what we have witnessed in New Jersey is an increase in revenues, jobs, and a healthy economy.

I am confident that with the passage of today's bill and rule, we will accomplish the same things here for the Federal Government, and with the linkage and language that exists today in this tax bill, the linkage which assures that we will have sufficient deficit reduction with tax relief, I am even more confident that we can accomplish that goal.

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

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 128, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 128

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and the amendment in the nature of a substitute made in order as original text and shall not exceed four hours, with two hours equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and two hours equally divided among and controlled by the chairman and ranking minority members of the Committee on the Budget and the Committee on Commerce. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute

consisting of the text of H.R. 1327, modified by the amendment printed in part 1 of the report of the Committee on rules accompanying this resolution. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. No amendment to that amendment in the nature of a substitute shall be in order except the further amendment in the nature of a substitute printed in part 2 of the report, which may be offered only by Representative Gephardt of Missouri or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the further amendment in the nature of a substitute are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1300

The SPEAKER pro tempore (Mr. GOODLATTE). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

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

Mr. SOLOMON. Mr. Speaker, the resolution before us is a rule providing for the consideration of the bill H.R. 1215, which is the Contract With America Tax Relief Act of 1995. The bill is appropriately entitled the Tax Fairness and Deficit Reduction Act of 1995 because it combines the tax relief provisions of H.R. 1215 with various spending reductions from other committees, both to offset the cost of the tax cuts and to begin us on a downward glide path toward a balanced budget. Have we not waited forever for this?

The rule provides for a Democrat substitute printed in part 2 of the Rules Committee report if offered by the gentleman from Missouri [Mr. GEPHARDT], the minority leader.

Finally, the rule provides for 1 motion to recommit with or without instructions.

Mr. Speaker, this rule represents the final major procedural hurdle to fulfilling our Contract With America and, oh, what an exciting, successful run this 100-day contract period has been. Did you ever think it would get here?

The bill this rule makes in order is certainly an appropriate closing to that contract. It addresses both the