

Senate, and getting the President to sign it. I think the great news is that after going through some of the politics of confrontation, which in my opinion were important because they began to lay the foundations for where we are today, I honestly do not believe that we would have a budget agreement as good as the one we have, had we not been willing to demonstrate in the last Congress that we were willing to stand and fight. I think we would not have had as good a Medicare reform plan as we have today if we had not been willing to demonstrate that we were willing to fight for the principles we believed in.

On the other hand, we had to make some compromises. We could not completely ignore some of the President's priorities. There will be more money in education which I think generally, though, when people begin to analyze it, I think they are going to like some of the stuff that is going to be done for education. I know education, whether we are in Tennessee or Minnesota or wherever, is a very high priority with the American people.

So yes, it is a compromise. It is cooperation. We are trying to work together, because we understand that the greater good is what is really good for the American people.

Mr. WAMP. Mr. Speaker, I appreciate the gentleman yielding to me, and I have enjoyed this discussion immensely. I think it is a worthy effort that we have engaged here in Washington.

Mr. GUTKNECHT. Reclaiming my time, Mr. Speaker, I did want to talk just briefly, and we ought to spend a couple of minutes talking about the tax bill we passed today. I think there has been, just as we had a little bit of disinformation about Medicare, we have heard a little bit of disinformation about the tax plan.

I just want to say, and these are from the Committee on the Budget, the Committee on Ways and Means, I am sorry, but they have all been confirmed by the Joint Committee on Taxation. I would hope that whether people live in Minnesota or in Tennessee, wherever they are, that they would get the facts.

I think the facts speak for themselves. The bulk of the tax relief that is in this package, in fact, I think it is very accurate to say that 75 percent of the tax relief that we passed today is targeted at families that earn less than \$75,000. Despite all the disinformation that has been spread, I think families can figure that out for themselves.

I would like to tell the story, I was going home last week. I was driving into our neighborhood and there was a garage sale. There was a family getting out of a rather beat-up car. They were going up to this garage sale. They had three kids that were able to walk and then there was one chubber that was about maybe 8 or 9 months old that was permanently attached to mom's hip, you know that type.

I thought about our tax relief package in this budget. I really thought,

you know, this is what this is all about, because by balancing the budget we are preserving the American dream for those kids, and by passing this tax relief package we are going to provide real tax relief to families like that, millions of families like that.

This tax relief package will benefit 41 million children in this country, and \$500 times those four kids is \$2,000. That may not seem like a lot of money to some of the folks in Washington, some of the well-paid lobbyists who hang around these halls, but \$2,000 to the typical family with four kids, that is a lot of money.

Take that family at \$40,000 with three kids, and that is \$1,500 plus the educational benefits, so this is a great package for American families. I am proud of it. It is not exactly the plan I would have written, maybe not the plan the gentleman would have written, but it is a great plan for America's families.

Mr. WAMP. If the gentleman will continue to yield, Mr. Speaker, under this agreement, which I now believe at some point will be signed into law and enacted and the people will actually receive this tax relief, 767,000 children in the State of Tennessee alone will qualify so that their parents receive a \$500 tax credit in the coming year. That is incredible, just to think about 767,000 just in the State of Tennessee.

There was a lot of debate on the floor today about who is wealthy and who is not wealthy. Working families in this country, just because you have a job and own a home, a lot of the definition we heard today, if you own your own home you were classified by their definition today as wealthy. I hope you do own your own home, regardless of what it is worth. Home ownership is a great thing in this country, something that should be held up for hope and for opportunity as a goal that people should have.

I do not care if that single mom I was talking about earlier is making \$18,000 a year or \$30,000 a year, but if she has children 16 years old or under she needs that relief right now. That is going to help her, and I think it is going to stimulate our economy.

Then the other two areas of tax relief that I really believe in that are part of this agreement is increasing the level of death tax on families for assets. In my part of the world in Tennessee, many parts of my district are rural, where families own a farm. That farm has risen in value. It is called inflation that brought it up. They did not pay that much for it, but they have had it for a long time. They did not pay that much for it. They did not have that much to pay, but maybe they got it from their parents, and now the farm is worth more than \$600,000, so if their parents die they would have to sell the farm, many of them, in order to pay the taxes, sell the family farm. That is unfair. This is an unfair tax. We should continue to lift that exemption as high as we can take it.

Then the capital gains tax is being reduced, the rate, and it is an unfair tax, too, because it is another tax on inflation. Other industrialized countries that we compete with in a global economy do not even have a capital gains tax rate, like Japan and Germany. We need to not tax inflation. We need to have incentives for people to save and invest that stimulates the economy.

We have an argument in this country over supply-side economics or not, but the fact is tax relief in the right way stimulates the economy and generates more revenue than it ever costs on the budget side. I really believe this is a step in the right direction.

I appreciate the gentleman's time tonight. I have enjoyed our colloquy. I hope the American people maybe better understand what we are trying to accomplish in good faith in this city at this critical moment in our great country's history. I hope the gentleman has a grand Fourth of July back in Minnesota.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman from Tennessee. It has been a great hour. It has gone very fast.

I would just like to close by saying this, this is an important first step. This was a very important week for American families, because we are beginning to restore accountability to government. We are starting to encourage more personal responsibility. We are sending more of the authority, the responsibility, and the resources back to neighborhoods and communities, and most importantly, to families.

As I said earlier, for 40 years Washington had it wrong. Washington thought that Washington knew best. For 40 years both the bureaucracy and the debt ballooned, and what happened? Our social problems got worse. The real answers to most of our social problems cannot be found here in Washington. They are with our families. That is what this week was about. That is what our budget is about. That is what our tax plan is about. Our families in America are winning now, and with their help, we are going to keep them winning.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YATES (at the request of Mr. GEPHARDT) after 12 noon today, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SERRANO) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Mr. FRANK of Massachusetts, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

(The following Members (at the request of Mr. KNOLLENBERG) to revise and extend their remarks and include extraneous material:)

Mr. CHABOT, for 5 minutes, today.

Mr. SCARBOROUGH, for 5 minutes, today.

Mr. KNOLLENBERG, for 5 minutes, today.

Mr. KASICH, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1553. An act to amend the President John F. Kennedy Assassination Records Collection Act of 1992 to extend the authorization of the Assassination Records Review Board until September 30, 1998.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1306. An act to amend Federal law to clarify the applicability of host State laws to any branch in such State of an out-of-State bank, and for other purposes; and

H.R. 1902. An act to immunize donations made in the form of charitable gift annuities and charitable remainder trusts from the antitrust laws and State laws similar to the antitrust laws.

ADJOURNMENT

Mr. GUTKNECHT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore (Mr. PEASE). Pursuant to the provisions of House Concurrent Resolution 108 of the 105th Congress, the House stands adjourned until 12:30 p.m. on Tuesday, July 8, 1997, for morning hour debates.

Thereupon (at 7 o'clock and 27 minutes p.m.), pursuant to House Concurrent Resolution 108, the House adjourned until Tuesday, July 8, 1997, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3958. A letter from the Acting Administrator, Farm Service Agency, transmitting the Agency's final rule—Livestock Indemnity Program (Commodity Credit Corporation) (RIN: 0560-AF15) received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3959. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Reserve Requirements of Depository Institutions and Issue and Cancellation of Capital Stock of Federal Reserve Banks [Regulations D and I; Docket No. R-0963] received June 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

3960. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by H.R. 1871, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-578); to the Committee on the Budget.

3961. A letter from the Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, transmitting Final Priorities—Research in Education of Individuals with Disabilities Program, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

3962. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the Notice of Final Funding Priorities for programs administered by the Office of Special Education and Rehabilitative Services, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Education and the Workforce.

3963. A letter from the Secretary of Health and Human Services, transmitting the Annual Report for Fiscal Year 1996 of the Administration on Aging, pursuant to 42 U.S.C. 3018; to the Committee on Education and the Workforce.

3964. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; New Jersey 15 Percent Rate of Progress Plan and Phase I and II Ozone Implementation Plans [Region II Docket No. NJ28-2-170, FRL-5850-2] received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3965. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Revisions to the Tennessee State Implementation Plan Regarding Visibility [TN 104-1-9706(b); TN 148-1-9705(b); FRL-5849-1] received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3966. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Acid Rain Program: Phase II Early Reduction Credits [FRL-5845-3] received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3967. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Technical Amendments to Test Rules and Enforceable Testing Consent Agreements/Testing Consent Orders [OPPTS-40030; FRL-5728-5] received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3968. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Medical Devices; Reclassification of the Infant Radiant Warmer [Docket No. 85N-0285] received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3969. A letter from the Deputy Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration,

transmitting the Administration's final rule—Indirect Food Additives: Adhesives and Components of Coatings; and Adjuvants, Production Aids, and Sanitizers [Docket No. 96F-0292] received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3970. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Japan (Transmittal No. DTC-57-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3971. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC-81-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3972. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Saudi Arabia (Transmittal No. DTC-1-97), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3973. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the semi-annual report for the period April 1, 1996 to September 30, 1996 listing Voluntary Contributions made by the United States Government to International Organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on International Relations.

3974. A communication from the President of the United States, transmitting the bi-monthly report on progress toward a negotiated settlement of the Cyprus question, including any relevant reports from the Secretary General of the United Nations, pursuant to 22 U.S.C. 2373(c); to the Committee on International Relations.

3975. A letter from the Acting Assistant Secretary, Bureau of Export Administration, transmitting the Bureau's final rule—Revisions to the Export Administration Regulations: Additions to the Entity List [Docket No. 970428099-7150-02] (RIN: 0694-AB60) received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3976. A letter from the Acting Assistant Secretary, Bureau of Export Administration, transmitting the Bureau's final rule—Revisions to the Export Administration Regulations: Additions to Entity List: National Development Centre, Pakistan; and Indian Rare Earths, Ltd., India [Docket No. 970428099-7151-03] (RIN: 0694-AB60) received June 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3977. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Schedule of Fees for Consular Services, Department of State and Overseas Embassies and Consulates, Diversity Lottery Fee (Bureau of Consular Affairs) [Public Notice 2555] received June 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3978. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12-84, "BNA Washington, Inc., Real Property Tax Deferral Temporary Amendment Act of 1997" received June 25, 1997, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform and Oversight.

3979. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12-