

past few weeks. You may be surprised to learn that 72 percent of working American families pay more in total Social Security payroll taxes than they pay in income tax.

So I commend to my colleagues a bill that I have sponsored called the Working Americans Wage Restoration Act, H.R. 1333. This bill would allow workers earning less than \$65,400 to deduct their portion of Social Security payroll tax from their Federal income taxes. This would eliminate the current double taxation of the Social Security tax and put workers on the same level as businesses which are allowed to deduct the payroll taxes as a business expense.

According to the Joint Committee on Taxation, my bill would provide the average two-income family with an additional \$1,200. It covers all workers. So I invite my friends on the other side of the aisle, Members who are so concerned about middle income Americans, get on this bill. H.R. 1333.

#### THE REPUBLICAN TAX PLAN

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute.)

Mr. DAVIS of Illinois. Mr. Speaker, the American people are saying in a clear voice, cut us in or cut it out. That is exactly what the Republican tax plan does. It cuts out millions of working people in favor of the rich.

The Republican plan cuts out Ms. Smith who works all day long in a nursing home in Chicago, but cuts in Mr. Jones, a millionaire. The Republican plan cuts in the 5 percent of the wealthiest people in this country while significantly cutting out the other 95 percent.

I say Ms. Smith deserves a break. Under the Democratic plan Ms. Smith would get that break, along with 91 million other low- and middle-income families.

The Republican plan cuts out children, college students and workers who earn less than \$250,000 a year. Under the Democratic plan, these groups are cut in. The Republican plan can be summed up in four words: Show me the money. Those who have it get cut in; those who do not are cut out.

#### NATO EXPANSION

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, the Congressional Budget Office has estimated that NATO expansion is going to cost U.S. taxpayers at least \$4.7 billion. Some estimates are much higher, with many analysts suggesting that \$15 to \$20 billion over the next few years is more accurate. And these estimates were made before it was announced a few days ago that France is not going to pay its share of expansion costs.

All of this really to obligate us to more Bosnia-type situations in the future. Already we have spent many bil-

lions over and above our regular foreign aid in Bosnia, Haiti, Rwanda, Somalia, and other places where there was absolutely no threat to United States security.

If you oppose NATO expansion you are called names like "isolationist," but name-calling is simply a way to avoid the merits or lack thereof. Let us be friends with every nation, but this does not mean we should have to pay the bills for every nation. With a \$5.5 trillion debt, we simply cannot afford to do this.

As columnist Amos Perlmutter said in yesterday's Washington Times, the debate on NATO expansion should "alert the American people to the futility, the dangers, and the high cost of this experience designed to establish the President as a great foreign policy leader at the expense of the national interest."

#### RESERVE FUND

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

Mr. HOYER. Mr. Speaker, if it operates like a slush fund and is administered like a slush fund, then how should we refer to the leadership reserve?

Last week in an a total sham process, the Committee on House Oversight steamrolled through a \$1.4 million allocation from the leadership's \$7.9 million slush fund to investigate organized labor's political activities. The reserve fund is supposed to be used under House rules in, and I quote, "extraordinary, emergency, or high priority circumstances."

The Committee on House Oversight decided not to fund this request in March. What has happened? I ask my friends, what is the emergency? For whom is this investigation a high priority? Is this strictly a research endeavor, as the majority says? Why then a communications director for \$70,000 and a media assistant for \$25,000 and four additional attorneys for the committee?

I do not have all the answers but I will ask one more question: If it walks like a witch hunt and talks like a witch hunt?

#### MEDICARE

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

Mr. DAVIS of Virginia. Mr. Speaker, we have heard other speakers try to explain in simple terms exactly why Medicare is going bankrupt. Today I would like to take the next step: Explain what can be done about it.

First I would like to start with a fundamental principle, a principle that reflects my values and the importance that I would attach to freedom. That principle is: Other things being equal,

individual choice is preferable to collective choice. Said another way, I think I know what is best for me and my family better than the government does. It means that I can spend my money better than the government thinks they can spend my money.

Another principle stems from this principle: To override individual choice requires a compelling reason.

So the first step to reform Medicare is to apply those principles to the system. That is why the first reform is to allow seniors more choices in their Medicare and the option in one case to choose medical savings accounts or MSAs. MSA is the best option for many seniors, and they ought to have the opportunity to choose that. I ask my colleagues to help pass this first test, essential Medicare reform.

#### THE REPUBLICAN TAX PLAN

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

Mr. STUPAK. Mr. Speaker, the Republican majority has approved a tax plan that ignores the facts and ignores the wishes of the American public.

When a U.S. Treasury report revealed that the Republican plan was light on relief for working Americans and heavy on tax breaks for the rich, the Republican response was that the Treasury Department had somehow cooked the books, and they marched on with their plan. When Democrats and 15 million taxpaying families were being cut out of the GOP tax plan, the Republican response was to redefine these families as welfare families, and they marched on with their plan.

House Republicans are marching by themselves. A recent Wall Street Journal/NBC News poll shows more Americans agree with the Democrats than the Republicans on the budget and tax negotiations. This finding was supported by a recent Washington Post/ABC News poll.

Mr. Speaker, it is clear that the only thing being cooked are the tax plans, the GOP tax plans that hurt working Americans and tell untruths about hard working American families. Tax plans that hurt American families shall be rejected by Democrats and America.

#### ANNOUNCEMENT OF ELECTION RESULTS

(Mr. BOEHNER asked and was given permission to address the House for 1 minute.)

Mr. BOEHNER. Mr. Speaker, as chairman of the Republican Conference it is my pleasure to announce that we have two new members of our Republican leadership team.

At a conference of Republican Members this morning, we elected a new vice chairman of the Republican Conference, the gentlewoman from Washington, Ms. JENNIFER DUNN. And we

elected the gentlewoman from Ohio, Ms. DEBORAH PRYCE as secretary to the Republican Conference.

We have a unified Republican effort here with these new elections to bring about what the American people are expecting of us: to balance the Federal budget for the first time in 27 years, to reduce taxes for middle income American families, and to solve the impending crisis with Medicare.

It is my pleasure today to bring this news to the House. I look forward to working with Members on both sides of the aisle to do what the American people sent us here to do, and that is their agenda.

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#### TAX FAIRNESS FOR WORKING FAMILIES

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, 2½ years ago the Republicans stood on the steps of the Capitol and signed the Contract With America. Item 5 of the contract was not a bad idea. It called for a \$500-per-child tax credit and promised to provide middle class tax relief. I must ask my Republican colleagues why they broke their promise to working families.

These families work hard, pay taxes, and are entitled to tax relief. The Republicans not only made a promise to them, they signed a contract. Now my colleagues across the aisle are trying to say that item 5 of the Contract With America does not apply to everyone. The American Dream Restoration Act, as they call it, will remain just another broken promise.

The Democrats want to provide tax relief to all working families. It is just that simple. I challenge my Republican colleagues to join us in this effort.

#### TREASURY DEPARTMENT USING DISHONEST ACCOUNTING

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

Mr. SOLOMON. Mr. Speaker, trying to get the truth from the Clinton administration about who benefits from the tax cut package is about as elusive as getting truth from John Huang about fund-raising illegalities in the last election. In both cases we would have to dig a hole from here to China before seeing any daylight.

The numbers being cited from the other side about tax cuts for the wealthy are hogwash. They are phony and dishonest.

Try to explain imputed rental income to my constituents, I ask my liberal friends on the other side of the aisle. Try to explain about their share of unreported and underreported income that the Treasury Department is as-

signing to all taxpayers, lumping honest Americans who play by the rules with tax cheats.

Try to explain the Wall Street paper profits that the Treasury Department is using to score the plan, whether or not we realize a capital gain or whether or not we even have any stock at all.

Try to defend the scoring that assumes that all the changes are put in effect immediately, even if they know full well that many of them are phased in over many years.

What are we trying to do to the American taxpayers?

#### REPUBLICAN TAX PLAN FAVORS THE RICH

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

Mr. PALLONE. Mr. Speaker, Democrats have been saying for some time that the Republican tax plan favors the rich at the expense of working Americans. Republicans have tried over and over again to deny the truth, but the media and the American people are catching on.

I want to make reference to sections in an editorial in today's Washington Post entitled "Tax Trash." It says the Republicans have written a tax bill tilted heavily toward the better off. The Democrats, led by the President, have rightly called them on it.

The Republicans, in turn, have adopted a new technique. Rather than argue, as they may have done in the past, about the virtues of the bill, they engage in distortion. The people who wrote this bill are not defending its distributional consequences, they are denying them.

The plain facts are that the bill, over time, would not just mainly benefit the better off but would cost the Government revenues it cannot afford. The bill is certainly written in such a way as to make the revenue loss look small at first and then it soars.

It is not just the Treasury Department that says so. The Congressional Research Service and the vast majority of other analysts are saying the same thing.

Mr. Speaker, we should listen to the Washington Post because it says it all about what the other side is doing.

#### TREASURY DEPARTMENT'S USE OF FAMILY ECONOMIC INCOME IS A FRAUD

(Mrs. KELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KELLY. Mr. Speaker, the Treasury Department's use of family economic income is bizarre, unusual, ill-conceived, unconventional, unorthodox, irregular, deceptive, misleading, dishonest, aberrant, divorced from reality, fanciful, factually challenged, preposterous, outrageous, inaccurate,

unsupported by common sense, unconscionable, unsubstantiated, brilliantly calculated to distort the truth about the Republican tax plan and, alas, oh so typical of this administration.

In short, the Treasury Department's use of family economic income is a fraud.

Mr. Speaker, what I am hearing from the other side this morning about tax cuts for the wealthy is an insult to the middle class constituents that I represent.

Can we just imagine my going back to my district and scornfully attacking middle class families as "the rich," as somehow morally deficient for thinking they know better how to spend their own money than the politicians in Washington?

I have gotten used to listening to the complete incapacity to understand elementary economics on the other side, but today marks a new low.

A portrait of George Washington hangs behind us. I wonder what he would think about family economic income.

#### REPUBLICANS DECISION TO INVESTIGATE LABOR DEPARTMENT IS ABUSE OF SLUSH FUND MONEYS

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, well, here we go again. Last week, in the Committee on House Oversight, of which I am a member, with less than a 24-hour notice, which is an abuse of the rules, I find out when I walk in that the House Republicans had decided to spend \$1.4 million to investigate the Labor Department, America's hard-working men and women and how they work for their companies.

There has been over \$10 million spent this year on investigations by Republicans. Unfortunately, these same leaders in our Congress have cut Medicaid, Medicare, nutrition services, and we can go on and on.

Mr. Speaker, I am a Member of this Congress because I want to work for good jobs and opportunity for young people. I want to stop the witch hunts. And when we can use an abusive slush fund, set aside for just that, to investigate, to the tune just this Congress in this 6 months \$10 million, I think the people ought to be outraged.

Let us get to the work of the people.

#### CONGRESS SHOULD WORK TOGETHER TO HELP WORKING FAMILIES MAKE ENDS MEET

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

Mr. BLUNT. Mr. Speaker, we are here today as part of an effort to really help working families. We need to work together. There are people on both