

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.

□ 1130

#### 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

sides of the aisle that want to help working families. Let us not get confused by the calculations that are being used to determine whether people are rich or not.

We know whether people work or not, we know whether they pay taxes or not. Americans would be amazed to find out that the calculations that are being used to determine their wealth include the rental value of their home. If they own their home or are making payments on their home, the payment on their home is less than their home would rent for. Suddenly, they get a big rental value added to their income. Those things that their employer may have given them as benefits are added to their income.

More than half of the family incomes of teachers, of construction workers, of mechanics would be classified as rich if we calculate family income the way the White House wants to. We cannot do that.

Let us be fair, let us work with each other, let us help working families make ends meet.

#### LABOR DEPARTMENT INVESTIGATION IS POLITICAL WITCH-HUNT

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

Mr. KIND. Mr. Speaker, as a new member of the Subcommittee on Oversight and Investigations of the Committee on Education and the Workforce, I was surprised to learn last week that the Speaker had just awarded the subcommittee \$1½ million out of a political slush fund to conduct an emergency investigation on labor unions and working men and women around the country. First of all, when we are trying to balance the budget, where are we coming up with an additional \$1.5 million for a political witch-hunt that will send us on a fishing expedition all over the country. Just another investigation.

Here is a novel idea, if the Committee on Education and the Workforce has an additional \$1.5 million, why do we not spend it on education and worker training such as the TRIO Program. That is a program that goes to low-income students to prepare them for higher education learning.

In fact, the two largest universities in my district in western Wisconsin, Eau Claire and La Crosse, service roughly 2,000 low-income students in the TRIO Program. Another \$1½ million will double that amount.

I think we should use our taxpayer dollars wisely instead of going on another fishing expedition conducting an unlimited investigation on unwarranted charges.

#### UNCLE SAM CAN GET BY ON LESS FROM MIDDLE CLASS FAMILIES

(Mr. RADANOVICH asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. RADANOVICH. Mr. Speaker, if we had a rich uncle and we were barely making ends meet, would we be giving him more of our paycheck every 2 weeks? I think that is what we are doing. We are giving Uncle Sam more and more of our hard-earned money every year. Is it not time the rich uncle started letting us keep a little more?

Republicans in Congress think so. We have a tax relief plan that gives taxpayers a break at every stage of life. It helps middle-class families who have been hit hardest by expanding government these past 40 years. It helps middle-class families save for college by providing tax incentives for kids to go to college. It lowers the tax on savings and investment, which means a stronger economy and more jobs. And it reduces the death tax, which means that fewer families will have to sell the family farm or family businesses when the owner dies.

Uncle Sam can get by with a little less. Let us support the Republican tax package that provides tax relief to middle-class families at every stage of life.

#### INDEPENDENT CONTRACTOR PROVISION IN TAX BILL WILL HURT MIDDLE-INCOME WORKERS

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

Ms. SLAUGHTER. Mr. Speaker, there is a real snake in the woodpile in this tax bill that nobody is talking about. There is a little provision in there that says an employer can declare an employee an independent contractor. That \$500 tax credit per child will not mean a heck of a lot to a taxpayer if suddenly they find out they are responsible for all their own health insurance, paying their own FICA, and paying their payroll tax.

This is something that will also cost the American taxpayer an estimated \$2.2 billion over the next 10 years. Let me quote Secretary of the Treasury, Robert Rubin, and what he has to say about this one provision.

"The provisions for independent contractor status would permit employers to avoid essential worker protections." Think about this, constituents. I want everyone to know about this one. At a time when we are trying to expand health and pension coverage, this proposal could lead to widespread shifting of employees to independent contractor status.

No longer an employee, but on their own. They would take away the protections such as pension and health coverage and, consequently, wage and hour protections, unemployment insurance benefits, and compensation for work related injuries. Wake up America, it is coming.

#### TREASURY DEPARTMENT NOT BEING STRAIGHT WITH AMERICAN PEOPLE

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

Mr. CAMP. Mr. Speaker, the Treasury Department is not being straight with the American people. The Treasury Department is using misleading, bogus information about the bipartisan tax relief package.

For example, they use something called family economic income. Now, people are probably wondering what is family economic income? That is the imputed rental value of a home, even though one does not plan to rent it; inside buildup on a pension or benefits one may receive at work.

That is a definition of income that was dropped by the Joint Tax Committee, which is a bipartisan committee, Democrat and Republican, House and Senate, and they dropped that definition of income when the Democrats were in control of the Congress.

I think those who are calling family economic income the correct definition will have a hard time explaining to the schoolteachers, truck drivers, waitresses, factory workers, farmers, and nurses in my district that they are rich.

According to the Treasury Department's absurd calculation, family economic income would take someone earning \$45,000 a year and, for purposes of that calculation, say they earned \$75,000 a year. I guess anything to deny middle-class tax relief.

#### REPUBLICAN TAX RELIEF—TAKE A TURN ON THE WEB

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

Ms. DeLAURO. Mr. Speaker, yesterday Speaker GINGRICH stood in the well of this House and he invited the American people to visit the House Republican web site, calculate their estimated tax savings under the Republican plan.

So I thought, let us see how an average working tax-paying mom with two kids would fare under the Republican plan. Let me just say I received an error message saying they could not calculate her savings. Perhaps that is because this family would get a big fat zero. No tax break at all under the Republican plan.

Then I entered in the data for someone making \$1 million a year, half of that in capital gains. The Republican calculator had no problem figuring out their tax break: \$40,000.

That is true. A millionaire gets \$40,000 back and a working taxpaying mother in this country gets zero.

The Washington Post editorial this morning hit it right on the nose. "The Republicans have written a tax bill