

The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again, who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who at best, knows the triumph of high achievement; and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

Chevene Bowers King the American people will always remember your contributions and we shall always remain in your debt.

Mr. BISHOP. Mr. Speaker, I thank the gentlewoman from Texas (Ms. JACKSON-LEE) for her comments. As we draw this special order to a close, this hour to a close, I am just personally grateful that I had the opportunity to know C.B. King. He made a tremendous impact on my life, as did Howard Moore, Jr. and Donald Hollowell.

I remember attending law school and wondering if the courses I was taking in law school were relevant to the Movement, and contemplating leaving law school to engage in some more direct action and getting the advice and counsel that the gentleman from South Carolina (Mr. WATT) so aptly described, that when people in the Movement are locked up, somebody has got to be there legally to get them out.

Mr. Speaker, I wanted to have a useful skill. I followed in their footsteps, went to New York with the Legal Defense Fund, went back to Georgia to do as my grandmother said, son, try to brighten the corner where you are, improve the community where you live. The South is my home. It is my native land. It is where I belong and where I will do all within my power to make better following the role models of these great giants and, in particular, C.B. King.

C.B. King really is good timber. Just like the tree that never had to fight for sun and sky and air and light, that stood out in the open plain and always got its share of rain, but never became a forest king, but lived and died a scrubby thing.

A man who never had to toil by hand or mind in life's turmoil, who never had to earn his share of sun and sky and light and air, never became a manly man, but lived and died as he began.

Good timber doesn't grow in ease, the stronger winds, the tougher trees, the farther sky, the greatest length, the rougher storm, the greater strength.

By wind or rain, by sun or snow, in trees or man, good timbers grow. C.B. King was good timber. We are all better because he lived and passed this way.

Mr. Speaker, I want to thank our two senators, Senator COVERDELL and Senator CLELAND, for their commitment and their vision in introducing the legislation on the Senate side, which ultimately passed this House, which was a companion legislation to the legislation introduced by the gentleman from Georgia (Mr. LEWIS) and myself here on

the House floor to name the United States Courthouse on Broad Avenue in Albany, Georgia the C.B. King United States Courthouse; what a fitting tribute.

NIGHTSIDE CHAT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, first of all, I would like to address my colleague, the gentleman from Georgia (Mr. BISHOP). Having been here for a while and listened to the remarks of the various people, I wish I would have had the privilege to meet the gentleman. That was fabulous. I thought your presentation was very, very good, and what a remarkable man. I just wanted to tell you. I thought it was terrific.

Mr. Speaker, it is time for another nightside chat from the mountains of Colorado, so to speak. As you know, my district is the 3rd Congressional District in Colorado. There are a number of different areas that I would like to cover this evening.

We have April 15th coming up, Tax Day. And I think there are a number of issues we need to talk about relative to the taxes in this country. Now, look, this is not going to be a horse and pony show. What is important here is to talk about substantive changes, changes that you can take to the bank that have occurred under the Republican leadership.

Mr. Speaker, I can say that tonight it is not my intent to get into a partisan battle with my colleagues, but clearly when it comes to taxes, that is one of the distinguishing elements between the Democratic party and the Republican party.

I would like to go through a few of those elements. Now, again as I said, it is not an attack, but it is a statement to clarify and to highlight what the differences between the parties are when it comes to many of these tax issues. By the way, I want to go through the tax issues, then I would like to cover a little on some of the education issues. Of course, we can mix all of that.

If we have an opportunity this evening, I would like to talk with my colleagues about the jobs and the economy. These jobs, even though we have a very healthy economy today, we cannot ignore the fact that to survive tomorrow, to keep our jobs strong in this kind of an economy, we have to work on our education. We have to have the best education.

This world that we are in is going to become very, very competitive in the years ahead. Fortunately, one of the finest tools you can get your hands on, the United States has it, and that is that next generation behind us.

On a regular basis, I have many high school students through a program

called Close-up and 4H programs, programs like that, excellent programs. I will tell you they come into my office, they visit with me, I give them an opportunity to ask questions. These kids are bright. If we can give them the educational opportunities that they need and that they deserve and that this country needs to preserve its status as the only superpower in the world, we are going to be in pretty good shape, but it is a challenge we have to take. I am going to talk a little bit about that.

If we have time, I would like to talk a little about Microsoft, my feelings on the Microsoft judgment that came down.

RELIGIOUS HYPOCRISY

Mr. MCINNIS. Mr. Speaker, I do want to begin this evening with a little concern I have about some hypocrisy that I think has probably gone on. As many of you know, in the last few weeks, we have had some verbiage, I guess you would say, some talk around the Capitol about the issue of Catholics. I am a Roman Catholic. I am no saint, obviously, but I know something about the church.

I also know that the Roman Catholic Church, it does not matter what color you are, it does not matter what your nationality is. There are Catholics throughout the world. In the last few weeks, there has been kind of a focused effort, primarily from the Democrats, saying that for some reason the Republicans are biased against Catholics. Obviously, you can take a look at that comment on its face, and you know that it is typical political rhetoric during an election year.

I thought it was especially pointed to note, not very many months ago, I stood up here in front of my colleagues and I asked for the support in condemning a museum in New York City that decided to put up a showing of an art piece called Sensation.

□ 2045

It was a painting, a portrait or some structure, of the Virgin Mary.

Now, in the Catholic religion the Virgin Mary is a very sacred symbol in our church. What happened is this museum allowed, with taxpayer dollars, allowed this exhibit to be shown. What the exhibit was was the Virgin Mary with dung, or cow pie, so-to-speak, in this particular case it was elephant dung, thrown against the picture, clearly degrading, if you want to take a shot at Catholic Church degrading that religious symbol.

What was more appalling to me than this particular art exhibit was the fact that the Board of Directors and other members affiliated with this museum actually stuck up for the artist and said that the artist should be entitled to utilize taxpayer dollars to degrade the Catholic religion by putting the Virgin Mary up there in a portrait that shows the Virgin Mary with crap thrown on the picture. Excuse my language, but that is what it is. It was appalling. It was amazing to me.

Come on. There is a lot of at the Brooklyn Art Museum. Why would they lower themselves to do this? It is not freedom of expression. The issue here is should taxpayer dollars be used by this museum, and then should this museum endorse that kind of degrading art towards a religion?

I want you to know that when I brought that issue up, I did not have very many, in fact, I cannot remember one, Democrat who came up to me and said, "Boy, we are with you. You talk about bias against the Catholic religion. We feel so strongly about protecting the Catholics from bias, that we are going to join you in your criticism of the Brooklyn Art Museum." Not one person on that side of the aisle came up.

I think it is important, not to be overly combative here tonight, but I just want to point out, when I hear members on your side of the aisle criticizing Republicans because we had a Catholic mass last week, that somehow this is some kind after prejudice, and yet when the real test comes, when the real McCoy is out there, and that is that kind of exhibit degrading it, you sat silent. You sat silent.

If that would have been a symbol from the Jewish religion, or a Buddhist symbol, or would have been a symbol against some other type of religion in this country, I suspect all of you would have come off your hands, gone to that Brooklyn Art Museum, you would have had protests and been protesting violently, or "strongly" I guess is a better word. But not one. You sat on your hands when we talked about the Brooklyn Art Museum and the Catholic church and the degrading of that symbol.

So I hope this pro-Catholic, anti-Catholic stuff kind of dies down, because I am telling you, some of you that start to criticize the fact that the Republicans had a Catholic mass, I am telling you that you are not entering this with clean hands.

What needs to happen is this issue ought to just resolve itself. Let everybody in this chamber practice the religion that they wish to practice. I do not think you need to go on an attack, telling a person, whether they hold public office or not, that they are biased against one religion or another. I just do not think it is necessary.

THE BUDGET AND THE DEATH TAX

Let us move off of that issue to an issue that I think is fundamentally more important.

First we have got to talk a little about the process when we work through the budget. We have a process back here in the United States Congress called the annual budget. The President as a guiding tool for Congress proposes his own budget. Now, this is a very complicated document, as is the budgetary document that comes out of the House of Representatives. The budget is very complex. Obviously it involves a lot of money. But when we got the President's budget, of course,

and I am a Member on the Committee on Ways and Means, and the Committee on Ways and Means decides the tax issues. We have the broadest jurisdiction probably of any committee in Congress. We decide the trade issues, very active in that area this year, Medicare-Medicare issues, very active in that area, Social Security issues, very active in that area.

But when the President's budget comes, we analyze that budget. We look at the fine print on that budget. We take a look and see, you know, what is in that budget that we ought to understand. Is it a wolf in sheep's clothing, what is contained in the fine print.

I will tell you what we found in the fine print, we had a lot of debate about it today on the House floor, and that is we discovered there are 84, mark this, 84 new, brand new programs, in the Federal budget under the President's budget. Eighty-four new programs.

I need to tell you, our economy is going well and our constituents are pretty satisfied with the economy. But let us do not try and throw a bunch of new Federal programs on them, because this economy may not stay strong forever.

We know if you look on an historic basis of our economy, you see dramatic shifts throughout the years. At some point in time the big boom we are having, the strong growth that we have enjoyed, it is going to turn. We know that. It is cyclical in its nature and by its nature.

So when the times are good, you have to practice self-restraint. You cannot go out and blow all the money. It is kind of like coming across a windfall of money individually in your own budget. I think it would be a mistake, personally, for you to take a sudden windfall of money and go out and spend it all, or even overcommit yourself to the future, assuming at some point in time you are going to come across another windfall of money.

This is not the time to be building up the size of the Federal Government. This is the time to start reducing the size of the Federal Government and shifting these programs to the state and local government, where accountability is much, much better, where management of their budget is much more accountable to the taxpayer.

That is why today we had some pretty heated debate. We had a very heated debate about these 84 programs. The Democrats, frankly, were trying to defend the programs. In fact, one of the arguments that came across was why do you just bring out the fact that 84 new programs are there? Why do you not bring out the good things in the budget?

Look, our job is to point out things that I think are going to create some problems. That whole budget is not bad. There are some things in that budget that are acceptable, we all know that. But we have an obligation, in fact I think we have a fiduciary re-

sponsibility to the taxpayers of this country, to go through that budget line-by-line and point out what is going to happen.

Somebody said, well, why do you bring it out? The reason we bring it out is I want all of our constituents to know that if we adopt the President's program, the President's budget, they are going to have with the signing of a pen 84 new Federal programs, in addition to what we have right now.

There is also something that I found very alarming in the President's budget. It impacts my district significantly, and I venture to say it impacts every one of my colleagues' districts significantly. Let me tell you what it is about.

The death tax. When you take a look at the Federal tax system, probably the most punitive element of our tax system, the element that has the least amount of justification, although it is followed closely by the marriage penalty, is the death tax.

What is the death tax? The death tax means that the Federal Government comes to your estate, i.e., the property left after you pass on, they come to your estate, and if your estate is valued over a certain amount of money, \$650,000 or a little more than that, they then assess what in essence is a very punitive or punishing tax against your estate.

Now, mind you, this is the United States of America. This is the country where we tell our young people, go out and build a fortune, go out, and it does not have to be in money, go out and build a farm, go out and have a ranch, go out and be a great teacher, go out and find the home of your dreams. And yet when they do, if you are too successful, all of a sudden you see your own government saying whoa, whoa, whoa, you have been too successful. You actually were able to build a farm that maybe you can pass on to the next generation. We do not want that to happen. We better punish you for success.

That is exactly what the death tax is about, punishment for success. The incentive that makes our country great, that makes the capitalistic system work, is that you are rewarded for success. You are not punished for success, you are rewarded for success.

This death tax needs to be eliminated. It is in our system today. How did it get in the system? If you look back at the history of taxation, what happened was some people decided, hey, that is the way to transfer wealth. Instead of transferring wealth through the capitalistic system, i.e., you come up with a better idea, or you come up with a product, they decided we need to do it by fiat. We need to go ahead and have the government waive a magic wand and look at people and say hey, you have been too successful, so we are going to penalize you when you die. Instead of allowing your family to continue the operation of your small business or the operation of a ranch or a

farm or for you to have assets, by the way, of which you have paid taxes on your entire life, these are not untaxed assets, these are assets of which you have already paid your taxes on, you have paid your fair share, and the government comes in and says we are going to transfer it.

You know, after a while it begins to bother the person who works, if you continue to transfer things of gain from the person who works and award it to the person who does not. How long do you think a society can continue to operate if you penalize the working person and reward the person that is not working, who, by the way is capable of working? I am not talking about disabled people. I am talking about fully capable of working?

This is a transfer tax. It is a defiance of the capitalistic system. It is a tax that would have Adam Smith turn in his grave. His *Wealth of Nations* has a special chapter devoted to just exactly this problem in a capitalistic system.

But when we discuss the death tax, let us take a look at what the President's budget does with the death tax. The Republicans have a pretty simple proposal: The Republicans say about the death tax, let it meet its death. No pun intended. Let us strike it. Get rid of the death tax. You cannot justify it. It is not fair to the taxpayers.

When you really look at the details of the death tax, the amount of revenue that we collect is not a whole lot more than the amount of revenue that we put in, and when you take a look what the death tax does to the environment in terms of damage, and you say, wait a minute, SCOTT, you are confused. You are saying the death tax has something to do with the environment, it hurts the environment?

I can tell you in Colorado, the 3rd Congressional District, I am proud as the dickens of my district out there in Colorado, proud as punch of the district and proud as punch of the people out there. But our district has been discovered, and we have got a lot of people who want to move out into our district.

I will tell you, we want to sustain our farm and our agriculture base and our ranches out there, it is important, and that open space, beautiful, spectacular. Any of you that have skied in Colorado, you skied in my district, colleagues. You know where it is. It is the mountains, the highest district in the Nation. Many of you would love to live out there. Many of your constituents do live out there.

But what is happening, because of the punitive nature of the death tax and because of the increasing value of the property in my district, we are having families who not in their wildest imagination ever thought that the Federal Government would come in, take the ranch or the farm or the small business they put together and break it up, and break it up. Not because of antitrust, not because of some violation of the law by this family, but

because that family worked too hard and they became, God forbid, successful.

So our government decides to tax it. That is why the Republicans, and there is a distinct line drawn between the parties on this, has said get rid of the death tax.

The President has made it very clear, and the vice president has made it very clear, and the Secretary of Treasury has made it very clear, the Secretary of Treasury as you might remember said about this: "This is selfish for you to talk about getting rid of that. How selfish of you to talk about that." How dare you say to the government, why are you entitled?

Maybe somebody else ought to ask the government, why are you entitled to take this? What gives you the fundamental right to go into a family and take it, a ranching family for example, who for generations struggled to make this go, and, all of a sudden the property goes up in value, and somebody meets an untimely death and the government is able to take it away?

The President's and vice president's position is hey, we oppose doing away with the death tax. The reason? Well, it is unfair. It is unfair. You know, it is unfair to the government to do away with it. Not unfair to the people, but unfair to the government to do away with it.

Well, I have accepted the fact that until we have a change in administration, that Vice President GORE's and President Clinton's policy is going to continue to be to have the death tax. I was not caught off guard by that. They made their statements very clear. The Republicans have made it very clear they want to eliminate the death tax, and President Clinton and Vice President GORE have made it very clear they want to sustain, they want to keep the death tax.

□ 2100

So I was not caught off guard until I read that budget, the President's budget. I feel like they have sold us down the river on this.

Do Members know what they do with the death tax? They keep it, all right. They keep it. They increase it, they do not cross it out. They do not cross it out, they keep it. Then do Members know what they do? Look at this word: Increase the death tax. That is exactly what the President's budget does.

That caught us off guard. We knew the President was going to defend this tax, which I think is indefensible. We knew the Vice President was going to stand right by him, as he has with all the other troubles that the President has had. But we did not expect it, and I am not sure, maybe the Democratic Party expected it, maybe they knew about it in advance, but it caught us off guard.

Today several Members on that side of the aisle got very aggressive. When we brought that up, they said, why do you bring up the death tax in the

President's budget? Why do Members not bring up the good programs in the President's budget? Because there are a lot of programs that are good programs in the President's budget that we may not have a problem with.

But the Republicans have a real problem with, one, the existence of the death tax, and two, the audacity of the administration through its policies, and the Vice President through his policies, to increase the death tax, increase it.

If we talk about an insult to the working people of America, come on, government. Back off. Do we want to destroy these ranches and family businesses?

It has always been a father's and mother's dreams that some day they could be in a business they could pass on to the next generation, or to the next 50 generations. We all work at that. Every one of us in these chambers think of our demise at some point in the future and we want to build something for our kids. We want to build something to give to them, whether it is a small business or something of a value to help them get a start. We all want that.

The government ought not to be stepping in there to take it away from us, and they sure as heck should not be increasing it. I would hope that every one on the Democratic side would join us on the Republican side and say no to any further increase in the death tax.

It does not take a hero to say no on this thing. It is an easy policy question. It should not have occurred.

I want to move on a little and talk about some of the taxes and the tax breaks and things we talked about.

Every time we have tax season, we hear people get up on both sides and they talk about, well, this is how much taxes have raised. It is true, the biggest bite in the history of the country, I think, or since World War II, the biggest percentage of tax bite in the country exists today. There are a lot of statistics I can tell Members about.

But what I think we need to do, I think we need to say, hey, let us face the music. Let us talk about really what kind of substantive tax changes have taken place that benefit our constituents, the people out there who are working for a living; what really have we done?

I want to take an example of what the Republicans have done. I am very proud of the Republican leadership on taxes. I can tell the Members that there has been a diversion, a red herring thrown out there, so to speak, by the Democrats talking about, well, the Republicans want to cut taxes and they are going to ruin social security, or the Republicans want to cut taxes and it is going to ruin Medicaid or Medicare, or the seniors are not going to be able to eat tomorrow. We hear all that rhetoric.

Let us, though, put the rhetoric aside. Let us talk about the differences, because it is a fair discussion.

It is not under-the-belt politics, it is a fair discussion, what are the differences in taxes.

Another fair question is, since control of the House of Representatives is going to be up in November, another fair question to ask of the Republicans, all right, Republicans, where is your proof in the pudding? What is the proof in the pudding? What have you done for the American people about taxes? What have you done?

Let us go through a few things. The one that I am probably the most proud of is the House. When we took control of the United States Congress, despite opposition from the Democratic Party, we looked out there and said, what is a reasonable tax reduction program that we can do to help the average Jane and the average Joe out there working away? What can we do to give them some help?

We sat down and we had lots of discussions about this. The conclusion we came up with is that there are a lot of people in American that own homes. Even since we had that discussion, the amount of home ownership has gone like this. What a great country. It is a wonderful country that people, most people in this country have the opportunity to own their own home.

That opportunity starts at a very young age. I have employees who owned their own home when they were in their early twenties, 21 or 22 years old. That is great news. But what happens with this house? How can we help the homeowner in this country, which are most of Members' constituents? Most of our constituents own homes out in our districts.

So the Republicans decided as a priority we should get some kind of tax relief for the homeowner. Does it amount to anything more than a hill of beans? You bet it does. You bet it does. This tax reduction that we put in place a couple of years ago is probably the largest tax break that any of our constituents have gotten in the last 20 years. It is a huge tax break if someone owns a home in this country.

What are we talking about? Let us go through a little history on this. Let me talk about the old law before the Republicans changed it. It was our leadership, and I am proud of that. Again, let me just caution, I am not trying to get partisan here, but I am describing somebody that deserves a pat on the back and a distinguishment between the parties. That is fair game, as I said.

The old law on home ownership is that if you bought a home say, for example, for \$100,000, and you were in an area of growth 15 or 20 years ago, although today with the kind of economy we have we see this appreciation in value occurring at a much faster rate, but let us say over 15 or 20 years you bought a \$100,000 house and you sold it for \$350,000. Unless you were over 55 years of age, and even then only once in a lifetime, then you would get an exemption up to, I think, \$125,000.

But what happened, you bought the home for \$100,000. Let us say you are

under 55, or maybe over, but you already took your once-in-a-lifetime exemption. Let us say this is a 40-year-old couple. Let us say they bought a home, using this example here, they bought the home for \$200,000. They bought it 20 years ago. The years are not important, but let us just give the years for appreciation and value of the home.

They sold the home for \$700,000. That means their profit on the home was \$500,000. They made \$500,000 on the profit of their home. Under the old law, they were taxed on the \$500,000 net profit. Under the law that the Republicans passed, and we did have, by the way, support, and initially we had opposition by the Democratic leadership, but they came around when they saw it was going to be a done deal. We did have some support from some Democrats, and some conservative Democrats helped us all along, by the way.

What we did is passed a bill that goes out to couples, individual homeowners as well. It says, we are going to allow you the first \$250,000. The first \$250,000 of profit that you make on the sale of your home, we are going to allow you to have that tax-free. You get to put that first \$250,000 per person, and now remember, most homes are owned by couples, so it is \$500,000 per couple, you get to take that money, put it in your pocket, no taxes.

Under the old law, the only way one could defer the taxes, and they still had to pay the taxes, but the only way to defer the taxes was to go ahead and buy a home of at least the same cost or a greater cost than the price that you sold your home for.

So what we did is went out to every homeowner in this country, and we have said, if you have had any kind of value growth in your home and you sell that home recognizing that value growth, or in other words, you sell that home for a profit, that profit, up to \$250,000 goes right into your pocket.

Mr. Speaker, my colleagues have had many of their constituents, probably, who have sold homes in the last 2 years. Members ought to go see what kind of smile is on their face because of the fact we went out to the homeowner, and it did not break the government, and despite what the administration says, it did not break social security, it did not cost us money in education, it did not impact in any kind of negative fashion the health care delivery in this country.

What it did do is it went out to people, and in most cases this is our constituents' largest asset in their holdings, is their home. We went out to their largest asset for the average American and said, look, when the time comes that you can sell that home for a profit, you get to keep as an individual up to \$250,000, and you get to put it right in your pocket and walk away from the deal. If you are married, you each get to keep up to \$250,000.

What else is great about this? It does not happen once in a lifetime. The old

law says you get to do it once. The new law says you get to do it every 2 years. You can take the money, go buy another home, and let us say a more reasonable approach, let us say you sell a home today as a couple, you make a couple of hundred thousand dollars profit, tax-free, put it in your pocket. Let us say you go buy another home. You buy a \$100,000 home. You live in that home for the next 2 years. Let us say that the economy continues to grow stronger and you sell it for \$175,000, so you have made \$75,000 profit.

Two years have gone by, you get to take that \$75,000, which, by the way, it is your money, and you get to put it in your pocket tax-free. That is probably the most significant tax break that our constituents have received in the last 20 years. By gosh, I am proud to be a Republican and I am proud to say it was under our leadership that we got that done.

Let us talk about another tax bill that we got done out of this House, and I am confident it is going to move out of the Senate. It was done under Republican leadership, despite opposition by the administration, although now the administration says they will sign it. Why? They see the writing on the wall. It is fair. How can anyone argue against it? That is the conclusion, in my opinion, that the White House reached.

What is it? Remember some of the great things that have made our country such a superpower, a superpower in many definitions of the word? We can start it by talking about family. Family is a fundamental pillar in this country. Religion is a fundamental pillar in this country. Freedom is a fundamental pillar in this country. Education is a fundamental pillar in this country.

Let us talk about one of those pillars: Marriage. This country as a policy should encourage marriage, should encourage families. Families are what have made this country great. We have an obligation to build as strong families as we can. In the government, we have an obligation to encourage families, encourage marriage.

What did this government do? They penalized people who got married. Our tax rate in many cases was higher simply because of the fact that you were married. For no other reason besides the fact that you were married you paid a higher tax than if you were to file as two single individuals.

Is that intelligent thinking? Is that how we encourage people to go out and get married, is to penalize them for getting married? We just talked about what we do, we penalize people, their survivors, when they die. But that was not enough for this government. They had to go out and hit in the other end, as soon as they die, and in between we are going to nail them again and again.

The marriage penalty, this House passed it. Again, I am proud of the Republican leadership. We took the lead

on that. We should feel no shame in going out to our constituents and talking about the fact that we want to get rid of that death tax, that it is unfair; that the marriage penalty that we lead on, we are going to get rid of that. The homeowner tax break that we put in place, there was that. We are giving homeowners an opportunity. Those are three major pieces of legislation that have been accomplished under Republican leadership.

But we are not done. We are not done. What else happened in the last couple of years?

□ 2215

A big factor, a big thing. Almost it is somewhere pushing, I think certainly over 50 percent, but years ago not very many people owned stock in the stock market. That really was kind of a rich man's, a rich woman's, game. It was a sophisticated operation. It still is sophisticated, but really one only saw the upper echelon of our society in economic categories investing in the stock market. That has changed dramatically just in the last 10 years.

Today, Mr. Speaker, well over 50 percent of our constituents have investments in the stock market. Now a lot of them may not realize they have investments in the stock market because they own shares of a mutual fund or they do not know that their retirement monies are invested in a stock market, but they are. They also do not realize that when these investments are sold that this government has another tax they pull out of the sky called the capital gains taxation.

Where did this tax come from? Let me say, first of all, most of the European countries do not have it or if they have it it is at a much lower rate. Why? Because it does not create capital. It defies the system of capitalism. It encourages nonproduction. It encourages people to sit on their duff and not do anything because if they do do something the government comes in as a partner that did not participate much and takes a big chunk out of it, what is called capital gains taxation.

What we did in the Republican leadership, and again I am proud of it, and I do have to say there were some conservative Democrats that joined us, but frankly the Democratic leadership did not. They opposed us. They said it was a rich man's game. Well, let me say, if this is a rich man's game I have a lot of rich people in my district playing a rich man's game, and these rich people happen to be everything from stocker at the local grocery store to teachers and so on and so forth. They are not wealthy as far as an asset category is concerned. They may be wealthy in their profession and wealthy in love and so on, but this covers a lot of people.

We felt an obligation to lower that tax which at one time was 28 percent. It was 28 percent when we got our hands on it. We lowered it to 20 percent. We wanted to get rid of it but the

President would not hear of it. The President insisted it stay at 28 percent. We were able to compromise. We got it down to 20 percent and it was signed into law.

Now one says 8 percent. Come on, what is 8 percent? What kind of a difference does 8 percent make? It makes a lot of difference and it makes a lot of difference to our constituents. Take 8 percent off that tax bite and that means something. Those are a lot of dollars.

I have had several constituents come up to me and say, wow, thanks. That was terrific. Know what happened when we lowered the capital gains taxation rate? We did not break Social Security. We did not cause anyone to get less delivery in health care. We did not have all of these kind of nightmare scenarios that people that are opposed to legitimate, logical tax reductions, we did not see the sky fall in, not at all.

Now let me say, some of the people who criticized some of the ideas for tax reduction, some of their criticisms are right with particular ideas. Some ideas work the opposite way. I mean, our government has to have taxes to operate. We all acknowledge that, but we acknowledge that the government ought to be accountable with those tax dollars. We think the government ought to have individual responsibility in this country and the government should not go under the days of the great society like we had under Lyndon Johnson where the government provided for everything; that they felt that the individual power and responsibility should be shifted to a central government in Washington, D.C. It was a huge failure. It was an experiment that failed.

There are some ideas that are pretty wild about tax reduction. Some people would like to have no taxes at all. Logic, your gut, your gut reaction says that is not going to work. We have to approach this in a fair and in a balanced manner. That is what we have done.

Let me again go through these tax reductions. Number one, we need to get rid of that death tax summarily. That death tax is punitive and it is unfair, and eliminating the death tax, certainly opposing the President and vice president's proposal in their budget this year to raise the death tax, to increase the death tax, is a non-starter.

I wish the vice president and the President would work towards elimination of the death tax, not towards increasing their dependence on it and hiking it up. We are going to continue that fight. With the proper changes in November, I hope we can eliminate the death tax but in the meantime we have to fight this proposed increase by the Clinton-Gore team to raise the death tax.

The second thing we have done, we repealed the capital gains tax on the sale of that home. Remember I talked about that, the capital gains, when someone sells their home we give them

a \$250,000 per person renewable every two years tax break. One gets to keep that income, gets to put it in their pocket.

Take a look at the marriage penalty. Out of this House we said and it was under Republican leadership, it is not fair to punish people that are getting married. We eliminate that marriage penalty tax. It is not right. I think we are going to get that to the President in the not too distant future and I think the President who originally opposed it is going to sign it.

Our capital gains reduction program, remember that we have taken capital gains from 28 percent down to 20. It was a logical move.

If one wants to see what had a major impact and boosted this economy over the last 3 or 4 years, I think we can tie a great portion of that gain directly to the fact that we freed up capital by reducing the capital gains taxation. That was a smart, logical tax reduction.

The sale of one's own personal residence is a smart, logical tax deduction. Elimination of the death tax is not only smart, it is not only logical, it is punitive to keep it. It is unfair to keep it. The marriage penalty, if we want to encourage families, it is a logical, fundamentally fair path to take by eliminating that.

Now some people have said, hey, what about seniors? What is going to be done about seniors, Republicans? It is interesting how in an election year all of a sudden we hear bashing, Republicans do not care about seniors. That is ridiculous. I do not know one Member on this floor, Democrat or Republican, I do not know one Democrat or Republican, in fact I do not know anybody anywhere, who is going to stand up and say I do not care about seniors. Yet that statement is a political statement that actually picks up some votes, perhaps, for people making the statement.

I mean really, think about it. How many people do any of us know, Mr. Speaker, that do not want to help seniors; that want to just abandon seniors; that do not want seniors to have health care? Well, I can say that in the 40 years when the Democrats held control of this House, they did not eliminate the death tax. In fact, it was put in place. They did not eliminate the homeowner tax. In fact, it was put in place. They did not eliminate the marriage penalty. In fact, it was put in place. Now when they talk about seniors, there is a delineation again.

It is the Republicans, after repeated opposition by the President and the vice president and the Democratic leadership on the floor, it is the Republicans who stepped forward and said, wait a minute, we have something wrong in our tax system as it deals with seniors. Let us talk about what is happening to seniors out there, specifically seniors between 65 and 69 years old.

Under the current tax system, if one is a senior and there are 800,000 out of

them out there, if one is a senior in that age bracket and they go to work, the government, after they make more than \$17,000, punishes them for working. What? Yes. Let us repeat that. The government says if seniors want to work and they are between 65 and 69 years old, we are only going to allow them to make \$17,000 and no matter how hard they work, no matter how badly they need seniors to fill this job, we are going to penalize them \$1 for every \$3 they make. That is right, we are going to penalize them \$1 for every \$3 that they make.

How can something like that come into being? Logically, what brought that about? What happened is many, many decades ago there were not enough jobs. Today we face just exactly the opposite scenario; there are too many jobs. I guess we can never have too many jobs. Let us say there are too many jobs that are not filled. Back then, there were not enough jobs so once again Washington, the think-tank back here in the Potomac, turned on the light and said, well, this is what we will do, let us penalize, let us force seniors, let us push them out of the job market. Let us get those old fogies, let us move them out of there, by gosh.

It is not right, but that is what happened. The policy adopted just like the great society in the sixties, which was a great failure, and I guess we cannot call a failure great, it was a huge failure, this, too, has become a huge failure. Why would we push senior citizens out of the labor market?

Well, under Republican leadership I am proud to say, and it is interesting to note, that after all of the years that we have tried to get this done and we have had objections from the other side of the aisle, from the Democrats, it is interesting to note that when we finally, when we finally put it up so that this bill could face the music, when we really put the challenge up there and the vote had to be registered on this board up here, I think that left the House a week or so ago unanimously. I do not think there was a no vote in the Chamber. I do not think there was a no vote in the Chamber.

What does it do? We now say to seniors between 65 and 69 years old, guess what? The government has changed its policy. We have determined that it is not a good policy to punish seniors for staying in the labor market. So every one of us on both sides of the aisle can go back, but I have to say while I say on both sides of the aisle, in fairness when my colleagues go back to their constituents they ought to say it was Republican leadership that got it done. Democrats had 40 years to do some of these things: The house credit, the capital gains reduction, the death tax, the marriage penalty and now the seniors. But they deserve some of the credit. After all, they voted for it when it came up. We did not have any no votes on the House Floor.

The fact is this: Seniors, 800,000 of them between 65 and 69, they have good

news headed their way. The President is going to sign that bill and they are not going to pay taxes, they are not going to be punished because they want to work in the labor force. In fact, we encourage them to be in the labor force. I think it makes them live longer. I think it is great for them and I think they provide a terrific asset to our economy.

Well, let me move from all of these taxes. The reason I have hit taxes in our night side chat this evening so intensely is because we have April 15 coming up but it is time for a new topic.

AMERICA, THE ONLY SUPERPOWER IN THE WORLD

Mr. MCINNIS. Mr. Speaker, I have had an opportunity to travel fairly extensively throughout the world, and there are a few things I want to talk about regarding the United States of America, Mr. Speaker. First of all, we are the only superpower in the world, and we are the superpower because of American ingenuity, because of American energy, because of patriotism within our borders and friendliness and strength demonstrated outside of our borders. That is why we are a superpower.

When I travel in the world I carry a little index card about a fourth the size of this, and on that index card I have an American flag; actually, a little picture of an American flag. When I travel to different countries, I make it a point of getting away off the regular path and kind of going down an unknown path. As they say, never walk the same path twice. I go down an alley or find a merchant and show them that index card. I have yet to find one person anywhere in the world that cannot identify the flag of the United States of America.

People know the strength of the United States of America, but it did not just fall out of the skies. Many of our European colleagues have a much, much longer history. Speaking from an industrial aspect, they have a lot longer history. Most of the countries in the world are much older than our country but no country in the world even comes close to matching our country. Why? Because we have a few principle beliefs that we push, and one of them, one of the fundamental ones, happens to be education. There are others. Health care, a strong military. One can never be number two in the military. The stronger one is in the military, the less fights they are going to get into. Religion, family, we could talk and on about those, but let us just go down to a couple of them.

First of all, let me say that also in my travels throughout the world I have an opportunity not because of SCOTT MCINNIS but because of the position as a U.S. Congressman, I have an opportunity to meet people in other countries that are very wealthy. I have had opportunities to meet kings and queens and members of parliament and members of respected governments and

prime ministers. I have had those opportunities. To the best of my recollection, when I have asked the question, whenever somebody in some other country other than the United States wants to send their kids to college, a lot of the time they send those kids to be educated where? In the United States of America.

What else? When those families have somebody who has a deadly disease or a terrible disease like cancer, most of those wealthy people, what their choice is, they send them for health care to the United States of America.

Our country is a leader in health care. We are number one in the world. Our country is number one in the world on education. Now, sure, we have test score problems, we have areas we have to shore up on. We have to rededicate ourself to the proposition that the most important person in the classroom is the student and that the resources going to that classroom should be focused on the student, not on all kinds of Federal programs, not on all kinds of Federal bureaucracies that we find in the Department of Education and other areas. We have to focus on the student. Education is an important issue but there are some concerns that I have out there.

□ 2130

One of the concerns that I have about education in our country is discipline in the classroom. Our country, again, another fundamental pillar to our success, is that we exercise and we expect individual responsibility; and that if an individual did not carry out that responsibility, there were consequences. There were consequences for their lack of action.

It is the same thing in the classroom. There was a book, and for the life of me, I cannot think of the title of it, a lot of my colleagues out here will remember this book, I cannot remember, but anyway the book compared the 10 most serious discipline problems 30 years ago or 40 years ago. In that list, chewing gum, talking out loud in the classroom, talking out of turn, not answering the teacher "yes, ma'am", "yes, sir". It was those kind of things. I remember that. That is what I used to get in trouble for.

Then it talked about the 10 most common discipline problems in today's classroom. I will tell my colleagues, I think one can draw a coalition between chewing gum and drugs. I think one can look in there and see that the government, not the teachers, the teachers, in my opinion, for the most part, have done a commendable job. Unfortunately, we keep bad teachers, and we are not rewarding the good teachers in my opinion. But if one drew a line, I think one can draw a direct coalition between the discipline, between the fact that our society, our government all of a sudden is starting to say, look, we should not have consequences.

It is interesting, the other day I read about or heard about some students

that got in a fight at their school. For the first time, I heard a term, "third-year freshman". I thought, third-year freshman? What is a third-year freshman?

I asked my sister Kathleen, she is a school counselor, what is a third-year freshman? Oh, that is somebody who has been in high school three years and does not have any high school credits. What? In the old days, look, if one did not want to try in school, if one were not going to make an effort at it, get out. We have got a lot of students in our schools that want to make an effort at it. We have got a lot of students in our schools that want to succeed.

Our society has become so politically correct in education that discipline has almost all but been taken away from our teachers. How can we expect teachers and instructors that will deliver the kind of product that will continue to make this country a superpower if we do not give them the tools they need? One of those tools happens to be discipline, to make our students accept responsibility for their actions and to have consequences for the actions that they take. That is where we are going to increase production out of our schools.

I have been very excited lately because, frankly, in the State of Colorado, in my opinion, we have ended up with a darn good Governor, and he has been very aggressive on education reform. It is very interesting. He came out and said we are going to grade schools.

What was interesting about the criticism, a number of people from schools, school administrators, and people dealing with the schools came out and said, "Governor, how could you possibly use grades, grade schools?" It is pretty interesting. I always thought, "Wait a minute, schools. That is what you do. You use grades to grade students. Why should we not use grades to see whether your school is doing what it ought to be doing?"

We have got a Governor in Colorado who stood up to some pretty tough opposition from people in my opinion who do not want to change the status quo and people in my opinion that I would question whether the focus is on the student or on the well-being of some bureaucrats that have opposed this plan.

But this plan was signed into law. This is a good plan. Who is the winner? The winner are the students. When students win, who else wins? The teacher wins. The teachers. I will tell my colleagues, most teachers I know are very proud. Most teachers dedicate a lifetime to a career of seeing success in their students.

My sister, for example, or my aunt, Jewel Geiger, down there in Walsenburg, Colorado, they take great pride, not in the money they make, they do not make much money as teachers, they take great pride when years after they have sent a student on their way, the student comes back and

has a remarkable pattern of success because they were taught responsibility at the lower levels of school.

I will tell my colleagues I am excited about education. I have got to tell my colleagues I had a group of students in today. We had some students from Ouray, Colorado. We had some students from Steamboat Springs, Colorado. I had some 4-H students, one from Grand Junction, Delta. So I had several communities in my district represented today, and not all at once. So I had three or four meetings with these students. Canyon City students.

I asked the students, I said, let us open it up for questions. I am telling my colleagues, they have experienced it, my gosh, these questions were solid, well-thought-out questions. Their thoughts on policy were well thought out.

We have got a great bunch of young people coming up behind us. This next generation is going to have multitudes of more opportunities than any generation that has ever preceded them. This generation has more possibilities, more capabilities than any other generation that preceded them. But this generation could be handicapped by being too politically correct in our schools, by being too politically correct to say to our students they have individual responsibility. They have certain behavior that they have to recognize. There are consequences for misbehavior.

If we can give this generation with so much hope and so much promise, if we can set aside the politically correct stuff and just react from our gut and let our local people work on their school boards, I will tell my colleagues this, there is nothing that will stop this next generation. They will lead our country to continue to be the greatest country the world has ever known.

We can be safe knowing that, when we turn our country over to this next generation, that we are turning it over to a better management team, to a management team that will make our results look somewhat slow.

But we have got to give these young people the tools. It is as good for them as it is for our society to teach individual responsibility.

Mr. Speaker, let me wrap up, then, by my conclusion. Number one, I want to caution my colleagues, I am not trying to use this floor for a partisan attack, but we do have in this country, we do have a balance of powers. I spoke tonight about the Republican program, the tax reduction on capital gains, the tax reduction for the homeowners in this country, the tax reduction on the marriage penalty, our pursuit to eliminate the death tax and our elimination of the earnings limit on seniors. We have hit every category out there that I can think of. I am proud of that as a Republican. I think that we should go out, and when we talk to our constituents, we should remember these programs, because what we have done is give incentive to the capitalistic system.

Now, everybody out there, regardless of their economic category, wants success. Government only impedes success with taxes that are unfair or punitive or have no sense on their face. We have recognized that, and the Republicans have taken the lead to do something about it.

I thank my conservative colleagues on the Democratic side who have joined us. I also thank all of my colleagues who, when the real vote came up there, when it came time to face the music, we had all "yes" votes to eliminate for the seniors that earnings limitation.

This country is a great country. But we must resolve to be fair to our taxpayers. We must resolve to deliver the best educational product that we can to our next generation, our young people. We must resolve to keep the foundations, the pillars in our foundations strong, those of a strong military, of a strong education system, of a strong health care system, and of a strong military.

HMO REFORM

The SPEAKER pro tempore (Mr. VITTER). Under a previous order of the House, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes.

Mr. GANSKE. Mr. Speaker, tonight we will talk about two aspects of health care that are important. The first will be about the conference committee that is going on in regards to the HMO reform bill that passed both the House and the Senate. For our colleagues and constituents, it should be noted that the bipartisan Managed Care Reform Act of 1999, the Norwood-Dingell-Ganske bill passed the House back in October 275 to 151. The Senate bill had passed sometime before that.

So the Speaker of the House and the Majority Leader in the Senate, as well as the minority leaders in both bodies, appointed Members of Congress to meet together to iron out the differences between the bill that passed the House and the bill that passed the Senate. Once that is done, then the unified bill is brought back, both to the House and to the Senate for a vote. If it would pass in both Houses, then it would be sent to the President for signature and become law.

Now, the conference committee has been meeting for some time. I am told that they are currently working on internal and external appeals. Even though I helped write the bill, I unfortunately was not named to the conference, and I cannot be more specific than that. I would note that, of all the Republicans from the House that were named to the conference, only one actually voted for the bill that passed the House with such a large margin.

But I want to talk about one particular aspect of the Managed Care Reform bill that is crucial to getting it right, and that is on the issue of whether the HMO at the end of the day can