

changes to the immigration law Congress adopted in 1996. I know that I am loath to do anything more than a surgical fix to the underlying statutory scheme. However, I am convinced that the reforms enacted in 1996 were not intended to target nonimmigrant visitors who enter the country to receive preapproved, lifesaving medical treatment. I believe we have an obligation to protect the status of legal international patients who owe their lives to the high-quality medical care they receive in the United States.

Working together in a bipartisan manner, we have taken great strides in strengthening our immigration laws. We should not allow our hard work to be diminished by the unintended consequences of otherwise highly effective immigration reforms.

I urge my colleagues to join me in supporting this important effort. Once again I want to thank the gentleman from Texas (Mr. SMITH) and the gentlewoman from Texas (Ms. JACKSON-LEE) for their assistance on this bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

I would like to again congratulate my colleague from Texas. He has worked very hard on this legislation. I would only offer to say that we hope that the visa waiver program that is intimately connected to this legislation can be passed by the United States Senate so that we can move this legislation along. Additionally, I think it is very important that as we look at the provisions in this legislation that there are 300 allowances, that we have the opportunity to review it and maybe move the numbers up to cover the great need for people to receive medical care.

Ultimately, I think we will have to come to this floor and fix many elements of the 1996 immigration reform law to prevent mandatory detention and other problems that have been with that legislation. I hope this is the first step.

I congratulate the author of this legislation. I would ask my colleagues to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 2961, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□

RIGHT-TO-KNOW NATIONAL PAYROLL ACT

Mr. SAM JOHNSON of Texas. Mr. Speaker, I move to suspend the rules

and pass the bill (H.R. 1264) to amend the Internal Revenue Code of 1986 to require that each employer show on the W-2 form of each employee the employer's share of taxes for old age, survivors, and disability insurance and for hospital insurance for the employee as well as the total amount of such taxes for such employee.

The Clerk read as follows:

H.R. 1264

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Right-To-Know National Payroll Act".

SEC. 2. DISCLOSURE OF FICA AND MEDICARE TAX ON W-2 FORM.

(a) IN GENERAL.—Subsection (a) of section 6051 of the Internal Revenue Code of 1986 (relating to requirement of receipts for employees) is amended by striking "and" at the end of paragraph (10), by striking the period at the end of paragraph (11) and inserting a comma, and by inserting after paragraph (11) the following new paragraphs:

"(12) the total amount of tax with respect to the employee imposed on such person under—

"(A) section 3111(a),

"(B) section 3111(b),

"(C) so much of the tax imposed under section 3221(a) as relates to section 3111(a), and

"(D) so much of the tax imposed under section 3221(a) as relates to section 3111(b), and

"(13) the total amount of tax with respect to the employee for old-age, survivors, and disability insurance and for hospital insurance, which is the sum of—

"(A) each of the amounts shown under subparagraphs (A) through (D) of paragraph (12), plus

"(B) the amount shown under paragraph (6)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 2000.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SAM JOHNSON) and the gentleman from California (Mr. MATSUI) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. SAM JOHNSON).

GENERAL LEAVE

Mr. SAM JOHNSON of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1264.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think every Member would agree that our American workers pay too much in taxes, and with a \$2.2 trillion surplus it is time for Washington to give our workers relief from a crushing tax burden. Unlike most Democrats, I believe our workers have earned a tax refund. I also think they are entitled to know the whole truth about how Washington secretly takes more of their hard-earned money than they might realize.

Many workers simply do not realize the actual tax burden that Washington imposes on them. For instance, as every working American probably knows, each January we get a W-2 form. This W-2 form shows how much money we made and how much we paid in taxes during the previous year. But the W-2 simply does not show the whole picture. It fails to show how much tax your employer pays to Washington on your behalf.

□ 1115

Many people are not aware that half of all of their payroll taxes, which are separate from their income taxes, are paid by the employers. In fact, yesterday I met with communications workers in my district who complained that their payroll taxes were too high and yet they did not realize that Washington takes the same amount from their employer, too. That is because current W-2s do not show the employer's share of the payroll tax burden.

This is a typical Washington sleight of hand. The money they take from an employer is money that could have gone to the employee, either by increasing their take-home pay or providing better retirement or health benefits.

Why does one think they hide it? Because they know that once the truth is out, bureaucrats cannot keep spending everyone's money to increase the size of government. This bill will change that by showing America the whole truth.

In this legislation, the Right-to-Know National Payroll Act, employers will disclose their share of Social Security and Medicare taxes on each of our annual W-2s. This common sense legislation should have been law last year but the President vetoed it, along with much-needed other tax relief.

So I am pleased that we are able to address this issue once again. Working Americans have a right to know the total amount of their paycheck that goes to Washington and they have a right to know the true extent of their payroll tax burden. It is clear that Washington takes too much money from our workers and it is time to let the sunshine shine on Washington's book of tricks.

Mr. Speaker, I yield such time as he may consume to my friend, the gentleman from Michigan (Mr. HOEKSTRA), the sponsor of this bill.

Mr. HOEKSTRA. Mr. Speaker, I thank my colleague, the gentleman from Texas (Mr. SAM JOHNSON), for yielding me this time.

Mr. Speaker, for 7 out of 10 households, the FICA tax, also known as the payroll tax, is the greatest of all taxes that they pay. Yet half of the payroll tax is hidden from the employee's view.

Current law requires employers to annually issue all of their employees a W-2 form, a written statement that shows their total wages and the amount withheld in taxes for the previous year. However, the information

on American workers' W-2s does not tell the whole story. The 12.4 percent Social Security tax and the 2.9 percent Medicare tax are split equally between employers and employees. Current W-2s disclose only the employee's half of the cost of these programs.

Many workers are probably unaware of this employer contribution to Social Security and Medicare, which my colleague from Texas just pointed out, which also makes them unaware of how much their employment actually costs. It is possible that if the employer were not required to pay payroll taxes, or if the payroll tax was reduced, a portion of this money might go to the employee. Not only does this lack of information hide from employees the true cost of their employment but it also makes them uninformed about how much of their paycheck funds two government programs which are vital for their retirement security, Social Security and Medicare.

The Right-to-Know National Payroll Act would require employers to simply disclose their share of both Social Security and Medicare taxes on each employee's annual W-2. Implementing the right-to-know payroll form is as simple as changing the format of a current W-2 form because employers actually calculate these costs annually. For employers, the right-to-know payroll form helps workers understand the constraints employers face when seeking to create jobs, increase pay and compete effectively in a global economy, and shatters the myth that taxes and mandates can be placed on employers without affecting the workers themselves.

For workers, the right-to-know payroll form allows them to compare the benefits and costs of various government programs and helps to raise the awareness of employment-related public policy and how it affects their jobs.

Language from the Right-to-Know National Payroll Act was included in the Financial Freedom Act of 1999. The concept has been endorsed by the Cato Institute and The Heritage Foundation. I thank the Committee on Ways and Means for bringing it back up today.

The Right-to-Know National Payroll Act came out of discussions I had several years ago with the Mackinac Center of Public Policy in Michigan. The Mackinac Center thought it was important for workers to know the total cost of taxes and government programs and developed the right-to-know payroll form for use by employers. The right-to-know payroll form is now being used by hundreds of businesses across the country and by the State of Michigan.

The purpose of this legislation is simple. For too long, the government has taken taxes from employers and hidden this information from employees. It is time to give employees information about the full cost of their Federal benefits. I urge my colleagues to support H.R. 1264.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield such time as he may

consume to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Speaker, I rise in support of H.R. 1264, the Right-to-Know National Payroll Act, offered by my friend, the gentleman from Michigan (Mr. HOEKSTRA).

In Colorado, there was an employer who at one point in time opened two windows giving his employees payments in cash at one window for all the time. They went to the next window and he took from them the taxes they had to pay back. The fact is that IRS made him stop that practice because it was too truthful. They had to know exactly what was being paid. The employer wanted the employees to know how much they were making, how much it was costing him to employ them so he gave them their total payment in cash. They moved to the next window, as I say, and they had to pay back their income taxes, their State taxes and their Social Security taxes so that they would have a sense of exactly what it was that taxes were costing them.

Now, this only went on for a relatively short time until, as I say, the IRS stepped in and said this cannot be done. They disallowed it. But from my point of view, this proposal, the proposal of the gentleman from Michigan (Mr. HOEKSTRA), H.R. 1264, is in the vein of full disclosure.

As the previous speakers have alluded to, this will help workers understand the constraints employers face when seeking to create jobs, increase pay and compete effectively in a global economy, and it shatters the myth that taxes and mandates can be placed on employers without affecting workers themselves.

More importantly, it allows workers to compare the benefits and costs of various government programs and helps raise awareness of employment-related public policy and how it affects their jobs.

I want to stop there, for the previous speakers have talked about the merits of the legislation. The support and the news articles that it has received from those around the country speak for itself, but I want to turn to the problem of hidden taxes.

Today, the average Federal tax burden is around 20 percent but, of course, it is not the true cost of taxation. We still have State and local taxes, as well as thousands of dollars in so-called hidden taxes; taxes the Americans pay but never see, primarily because they have been added to the cost of goods and services or resulted in a reduction in pay.

These include hotel taxes added to the cost of the hotel room; stadium taxes included in the price of a baseball or football ticket; highway and airport taxes added to the cost of gas and airline tickets.

It also includes the employee's burden of financing Social Security and the Medicare system, for workers are being deceived when taxes are imposed

on business. A careful employee can look at the pay stub and figure out that Social Security and Medicare payroll taxes consume 7.65 percent of his income, but will he or she know that another 7.65 percent is being paid on his behalf by his employer?

This is money that otherwise would go to the employee's paycheck. Sadly, the worker never knows it exists in the first place. It is because of this and some estimate that the average taxpayer, in reality, pays over 40 percent of his or her income in taxes. This is an abomination. As many of my colleagues here in the House know, and I know, I was elected to Congress in an effort to reduce the tax burden on the American families and to reduce the size of government. We are all making strides in this regard.

A great deal of work certainly remains to be done in the area of hidden taxes. The bill we are considering today starts the process of informing the public about hidden taxes and lets them know that both themselves and their employers contribute to the solvency of the Social Security and Medicare funds. I urge my colleagues to support this good government legislation, and I thank my good friend, the gentleman from Michigan (Mr. HOEKSTRA) for bringing the bill to the floor.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was asked about 15 minutes ago to manage this bill. We apparently on this committee could not find anyone to manage this piece of legislation. No one thought it was significant enough to take the time to manage so I kind of am stuck with this responsibility. My understanding of this legislation is that right now on the W-2 forms there is an aggregate number of the FICA tax and the HI tax, and what this basically will do will break it up into employer/employee taxes.

Now, bear in mind that the information is already provided by the Social Security Administration. Beginning this year, the Social Security Administration will be sending out, on an annual basis, to everybody that pays the payroll tax the aggregate amount over the lifetime of the individual of both the HI tax and the payroll tax, the FICA tax, and broken down from management, or the employer and employee side.

So that information is provided. There is no secrecy involved in it. It will be provided to every taxpayer, every employee, on a lifetime basis every year. So there is no secret to it.

In fact, what this will do is probably put an additional small burden on the employer, because now the employer perhaps will have to go back to the computers and make some adjustments, but I guess that is not an unfunded mandate although I am not quite sure. It could be an unfunded mandate, but I do not think anybody will object to it because it is not that big of a deal. Most employers will probably be able to do it.

I might also say, just to have no misunderstandings about this, that we are not going to oppose this legislation. The more information to the public, the better off we are, and if breaking it down from employer, employee side gives more information to the average citizen, more to it.

The only problem is that I did hear on the other side, as I was coming in, that the whole issue of true costs, then people will be able to figure out the real true costs, and obviously rate of return they are going to get but this really will not have any relevance to that because I have done a lot of studies on Social Security. And the fact of the matter is that right now the overhead costs on one's Social Security benefits, the money coming in and going out, is about 1 percent. We have done some studies, had some hearings in the Committee on Ways and Means, the Subcommittee on Social Security, and we find that actually the costs of maintenance, if one privatizes and actually invests in the private market, is about 20 percent, because there are fund managers and all of that, and we are not going to put that on that W-2 form because that would be too much trouble. Then once there are the aggregate benefits in the trust fund and one is ready to retire then they have to amortize the account. That will cost another 20 percent. So we are talking anywhere from 35, 40, maybe even 45 percent, in terms of the overall cost if the Social Security system is privatized; whereas the overall cost is 1 percent in terms of the current Social Security system.

So this does not give anybody any comparison. Again, as I said, the more information the better off we are and so we are not going to oppose this.

Just in conclusion, it would be my hope that we begin to focus on the real issue of Social Security, is that how do we deal over the next 35 years with the fact that we are going to have a 25 to 30 percent shortfall in the Social Security system? That is a big issue, and we need, on a bipartisan basis, to come up with a solution to that, because that is going to hit us much sooner than we expected. The reality is that we cannot leave the uncertainty in the system that we currently have.

□ 1130

Mr. Speaker, I urge a yea vote on this resolution, and I yield back the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume to just remind my colleagues that we are trying to put sunshine on the issue, and it was a Republican Congress that started this by making the Social Security Administration report at all.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. HOEKSTRA) for closing.

Mr. HOEKSTRA. Mr. Speaker, just to make sure there is no misunderstanding between us and our colleague

from California, currently a W-2 form does not require the employer's share to be reported, so the W-2 form only lists the employee's share.

What this legislation will require is that on the W-2 form, both the employer and the employee's share of the FICA tax will be listed. This will allow employees to fully understand the true cost of their employment. This is a process that a number of people have already taken steps toward; that this is good government. Hundreds of companies are doing this. The State of Michigan has added this in.

Mr. Speaker, I thank my colleague from the other side of the aisle for encouraging a "yes" vote in support of this.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the motion offered by the gentleman from Texas (Mr. SAM JOHNSON) that the House suspend the rules and pass the bill, H.R. 1264.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□

ALFRED RASCON POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4430) to redesignate the facility of the United States Postal Service located at 11831 Scaggsville Road in Fulton, Maryland, as the "Alfred Rascon Post Office Building."

The Clerk read as follows:

H.R. 4430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALFRED RASCON POST OFFICE BUILDING.

(a) REDESIGNATION.—The facility of the United States Postal Service located at 8926 Baltimore Street in Savage, Maryland, and known as the Savage Post Office, shall be known and designated as the "Alfred Rascon Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Alfred Rascon Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4430.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just last week we began what today evolves into a 3-day process of considering and ultimately passing a number of pieces of legislation designed to extend the honor of the naming of a postal facility after what we like to believe and, in fact, do firmly believe are very deserving Americans.

I stated yesterday on the floor of this House that we owe our thanks on the subcommittee to people like the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), and his staff for their efforts, but also to those Members from across the country who I think do such an admirable job in searching out and bringing to us the names of individuals who do, indeed, deserve this particular honor.

It is interesting to me that while all of them are very, very special individuals, they are all very unique. Today, for example, as we consider the first of what we all hope will be four such initiatives, we see the uniqueness of each individual and each nominee that is represented in all of the four bills.

Today, I would like to begin by thanking the gentleman from Maryland (Mr. BARTLETT) for leading us down the right path in that regard.

As the Clerk designated, Mr. Speaker, this legislation was introduced on May 11 of 2000 and seeks to name the postal facility located at 11831 Skaggsville Road in Fulton, Maryland, as the Alfred Rascon Post Office Building.

Mr. Rascon is a very special individual for a number of different reasons, Mr. Speaker, not the least of which is the very successful life that he has led, coming to this country as he did from his birthplace in Chihuahua, Mexico, and ultimately accruing in this, his new homeland, a remarkable record of bravery and of citizenship. In fact, Mr. Rascon was just recently awarded the Congressional Medal of Honor for his heroic efforts as well as the serious injuries he received during his tour of duty in South Vietnam where the record that I have had the honor and the privilege of reading speaks very clearly about his valor, about his courage on behalf of his fellow soldiers and his wounded squad members in his attempts to save their lives.

We do have the main sponsor of this legislation, the gentleman from Maryland (Mr. BARTLETT), with us, so I do not want to go on at great lengths and take away from both the time and, of course, the substance of his comments.

So, Mr. Speaker, with a final word of appreciation to the gentleman from Maryland and a final word of appreciate to a very special man in Mr. Rascon, I reserve the balance of my time.

Mr. FATTAH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4430 for the naming of this post office.