

Agriculture said that we need more than the \$9 billion, we need \$12 billion. The Blue Dogs put that in their budget.

So, indeed, if we find that this ever-shrinking contingency fund is going to meet all this need, this is really going to be a false promise. There is no way that the budget that we have passed can be the budget that will indeed secure the opportunity for having the priorities and the opportunities as we go forward.

We can give a tax cut, and we should give a tax cut, but we also ought to pay down the debt. We ought to be meeting the ever-evolving priorities and those emergencies as we know it. Education, prescription drugs, our defense, our environment, and our agriculture, those are issues we know that are evolving. The energy issues, those are evolving. They will be greater issues, not less of an issue. We see them. We do not have to wait for them.

I come from an area that was flooded 2 years ago. I can tell my colleagues I hope that does not happen to anyone else. But it is going to happen somewhere, maybe even my State. We have not planned for those contingencies. So not only Medicare and agriculture, but all of the priorities and the contingencies that are so necessary to respond to the needs of the American people.

I will say all the money belongs to the American people, not just to a select people. All of the tax revenues belong to all of the American people, not a select people. All working people pay taxes. They may not pay their taxes as income, but they pay Federal taxes in proportion to their income. Many of them pay higher proportion for payroll than some people pay for their income.

So I think it is disingenuous to suggest and to segregate and to make one taxpayer seem less honorable than another taxpayer. If we are going to have a tax break and give a tax incentive, and the President is now saying the tax incentive is to respond to the recession, well, what better way of making that tax break more affordable and accessible to those who would use the dollars and be consumers than to put it back in the economy.

By the way, most of the taxes that we just passed on the tax bill will not be retroactive, not like we passed it. So they would have to do something else to that bill in order to make it effective to stimulate the economy.

So not only is it failing to stimulate the economy, not only are we not being fiscally responsible, not paying down our debt, but, also, we are not having the opportunity to meet our priorities, and we are not making that tax cut as equitable and fair as we have. So it is a misopportunity.

I hope, indeed, that the Senate will improve upon the product that we are sending them. I thank the gentleman from Texas (Mr. BENTSEN) for giving me this opportunity.

Mr. BENTSEN. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. CLAYTON) for giving us her views.

Let me just close, if I might, Mr. Speaker, in making a couple of brief comments. Our Republican friends like to say, "We want a tax cut. We think it is your money, not the government's money. And the Democrats really do not want a tax cut." I think that is wrong.

The Democrats have put forth a tax cut time and again. But we also say, in addition to wanting a tax cut for the American people, we also want to meet the obligations that we have made. We want to be honest about meeting those obligations, be it Social Security, be it Medicare, be it paying down the national debt.

We have had this argument of how much debt we can pay down. The President in his budget said there is \$1.1 trillion, \$1.2 trillion that we absolutely cannot pay down. The Congressional Budget Office said there is about \$880 billion that we think we might not be able to pay down without paying a premium. The Republican budget ended up being closer to the CBO number than the President's number. But, in fact, nobody really knows.

There has been an argument that we would not want to pay any premium whatsoever in paying down the debt when, in fact, that has been our debt management policy for the last several years when we have been buying back debt and paying down debt.

Just like every American who refinances their mortgage when rates come down, sometimes it is economically efficient to pay a slight premium. We should try and pay down every dollar of debt we can as quickly as we can.

But on top of that, we are concerned that the Republicans are overcommitting on the tax side. The \$1.6 trillion tax cut grows dramatically every day, not including interest on the debt. Already, as I mentioned, the income tax rate cut that the House passed a couple of weeks ago is almost \$150 billion greater than what the President proposed in his budget. The estate and gift tax bill that the President proposed has now been scored by the Joint Committee on Taxation as \$400 billion greater than what the President proposed. So, quickly, we are pushing harder and harder against that contingency fund.

What concerns us as Democrats is, not only that we will not meet our obligations, but because of the hard work done by the American taxpayers and the American economy over the last 18 years to dig us out of the hole of debt that quadrupled our national debt when we had deficits as high as \$300 billion a year to now when we are finally seeing blue skies with surpluses and not deficits, that we might miss this window of opportunity so soon before the baby boomers retire and push us back into a much more difficult economic situation in the future.

We have our differences with the Republicans and with the President on this. We believe there can be a tax cut, but we believe we must meet our obli-

gations equally with that tax cut. That is a very distinct difference that we have with the Republicans.

We will continue to work as we spend the rest of this year putting through this budget and trying to put through a budget that, not only gives tax relief to American families, but also ensures that American families will not be saddled with more debt today and in the future.

#### ANGEL OF REBUTTAL

The SPEAKER pro tempore (Mr. CRENSHAW). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, as becoming customary around these facilities, I find myself being the angel of rebuttal. I sat here for the last 30 or 40 minutes and heard my colleagues from the Democratic side of the aisle, I would add from the liberal side of the Democratic side of the aisle, because I think some of the views being espoused by the liberal side of the Democrats does not track with some of those views that are being shared or espoused by the conservative Democrats. So I think we should split that out.

I would like to rebut just a few of the comments that have been made by preceding speakers whom were not rebutted. There was no opportunity to rebut them. Those are the rules. I understand that. This is my chance, however, to explain or at least discuss what I believe are some of the liberal attacks on President Bush's policy.

Let me begin by saying that I heard repeatedly, especially from the gentleman from Texas, that the Republicans for some reason are mathematically challenged. We do not have time, we do not need to spend our time this evening making those little kind of, in my opinion, cheap shots.

If one wants to take a look at mathematics, it does not take a lot of understanding to understand and to have some kind of comprehension as to what is happening in our stock market, what is happening in our economy.

From my liberal friends from the Democratic Party, this just did not happen in the last 8 weeks since President Bush has had office. This has happened. We began to see the trend several months ago. This is exactly, frankly, what their side of the aisle has handed President Bush.

Now, President Bush has not spent his time out there expressing anger about the economy that the Democratic leadership through Bill Clinton has given to him. Instead, he has gone to their side of the aisle, he has gone to the Democratic side of the aisle and said, "All blame aside, let us keep the ship afloat. Before we decide who put the hole in the side of the ship, why do we not try and patch the hole? Before we put any more water in the bucket, why do we not patch the holes in the bucket. Let us see if we cannot resolve this as a team."

Many of my colleagues on the liberal side of the Democratic Party have been down to the White House to have discussions with President Bush. President Bush in a very professional, non-partisan, bipartisan manner has extended his hand. He is attempting to work with them.

But night after night, they are down here at this microphone bashing President Bush. Night after night, they are down here at this microphone talking about how this will not work and that will not work and this is not going to go, and it is Mr. No on that side of the aisle, from the liberal side of the aisle.

I am telling my colleagues, this economy is in trouble. My colleagues can say what they want, they can say all the feel-good things out there, but take a look at the layoffs that have occurred just in the last 6 weeks. This is not the time to bash President Bush. This is not the time to bash his economic plan simply for the reason of being in opposition, of expressing or being in political opposition to it.

I understand that there is a difference between the Democratic and Republican Party. I understand we have to take political positions. But, look, when the ship could sink, and I am not saying it is sinking, but it has a hole in the side, and when there is a hole in the side, maybe my colleagues should do something other than for the sake of opposition and for the sake of standing at this microphone and bashing this stuff. Why do they not step forward and work in a positive fashion. I think that the President has done that with them. I think the Republican side has done that with them.

Frankly, there are many Democrats, fortunately of conservative leaning, who have accepted that kind of thing, who are working as a team.

Let me talk about a few of the comments. The gentleman from Washington says it is the biggest shell game he has ever seen. That is a quote. It is the biggest shell game he has ever seen.

The very next comment coming from the gentleman from Texas says, now, folks, we are not trying to use fear tactics. We are not trying to scare the senior citizens. We are not trying to use fear in our way to get our point across, but it is the biggest shell game we have ever seen.

Come on. Those kind of tactics are long since past, in my opinion. Again, I am not taking away from the right or the liberal to go ahead and espouse their views. That is what this floor is for. That is what this microphone is for.

But I am saying to them that it is not a big shell game. It is a very serious game out there. It is a game that a lot of people stand to lose by if we do not pretty soon sit down and in a fundamental fashion figure out what we are going to do with this economy, figure out how we are going to get this slowdown in the economy to at least slow down.

I mean, the rate of those layoffs, we have got to curb it. Go and talk to some of those people. Just today look up the business news in the newspaper. Just today, Mr. Speaker, take a look at the layoffs that were announced. Go to some of those people that have got their job layoffs and say, hey, what does a tax cut mean to you.

How much bickering should we have on the House floor? Should we try to go together under our leader and try an economic plan? President Bush is a new President in this country. He deserves, at least for a while, for my colleagues to extend their cooperativeness to move toward some kind of resolution to deal with this economy.

Now, I know that some of my colleagues will never step forward and cross this aisle from the Democrat to the Republican side. I will tell my colleagues that, unfortunately, there are some Republicans who may never cross the aisle to work with Democrats. But there is certainly enough of my colleagues on the Democratic side, combined with enough of us on the Republican side, to come together as a team and work with this President.

Let us resolve the issues of the economy, and then go ahead and go on your partisan snips and your trip that you wanted to take towards that path of partisanship.

But in the meantime, let us get together with this new President. Let us form some kind of coalition to help our economy. This economy is threatened. That is no fear tactic. Take a look at it. Unlike the statement from the gentleman from Texas who talks about fear tactics, unlike the gentleman from Washington who talks about the biggest shell game that he has ever seen, the fact that our economy is having some difficulties is not a shell game.

□ 1945

It is not a fear tactic. All you have to do is open your daily newspaper and see what happened today. Take a look at what happened today. Take a look at what happened to the Dow Jones and Nasdaq and what happened to the S&P, and how about job layoffs that were announced today and the corporate losses today, and you will get some kind of an idea that we ought not to be bickering. And those of my colleagues who have important things to say, and many of those preceding me at the microphone, they carry some weight in these Chambers, in my opinion, they ought to push or pull or throw their weight towards assisting this President to come up with some kind of successful method to rescue our economy.

I heard the comment, it is very interesting, this came from the gentlewoman from Oregon, a priority is education, and what is the first thing that the gentlewoman from Oregon says about education? "The Republicans are putting no money into that program." That is a quote.

The gentlewoman from Oregon says the Republicans are putting no money

into that program. Give me a break. Come on. My colleagues know there are billions of dollars going into education. Ironically, just a few comments later the gentlewoman talks about a 5.7 percent increase in the President's budget for the new programs, but yet two or three sentences before she says, the Republicans put no money into the program of education. No money.

Mr. Speaker, are my colleagues telling me that is not fear tactics? Are they telling me there is one Congressman or Congresswoman on this floor who does not support education?

How many Congressmen or Congresswomen can you point out, and I address my colleague from Oregon, show me one Congressperson from either side of the aisle that opposes education. I have never found them. I have been up here for 9 years. I have gone back to my district hundreds of times, and I have traveled hundreds of thousands of miles, and not only have I not found such a Congressman, I have never found a citizen out there who is opposed to education. But let me differentiate between finding someone who is opposed to education and someone who wants accountability in education.

Mr. Speaker, frankly some of the preceding speakers say the answer to educational woes is just writing a blank check. Testing is unfair. Questioning school districts is unfair. Asking for accountability is unfair. Give me a break.

Mr. Speaker, what is fair? What is fair is, number one, every citizen in this country is putting money into the education system. Every citizen in this country cares about education. Every citizen cares about education. Every citizen in this country wants better education for our young people. And yet do you not think that as a part of that formula to come up with better education you have to have accountability? That is exactly what the President's budget does. It does it with education, it does it with the military, with the Department of Agriculture. It does it with foreign affairs.

This President came into the White House and he said, Look, you are not going to get blank checks. I paraphrase that. You are not going to get blank checks. Do not just think you can come to the White House and say, we are surrounded by children or military weapons programs or farmers and ranchers; so, Mr. President, you just write the check.

Mr. Speaker, this President had the guts to step forward and say, you know what, I want to measure results. What are the results? The same kind of thing every one of my colleagues who has spoken critically of the President, every one of you, when you go to buy a car, before you turn the cash over, you say to the dealer, I want to know about the results. By the way, what does Consumer Guide say about the results of

this? What do my neighbors who own this car say about this type of car? What kind of warranty work do you do, and what kind of guarantee do you have that this car is going to produce like you promise it is going to produce?

In other words, when you go to the car dealership, you ask for accountability from the dealership. When you go to the grocery store, opera or to the art museum, you expect to have something in return, and you measure it. You measure it by did you have a good time. Did you feel that there was something that you got out of going to the art museum, or did the product taste good that you got at the grocery store. You ask for accountability.

But when a Republican President takes the White House and asks for accountability, we have some of my colleagues stand up here and say, my gosh, no money for education. No money for the farmers. No money for Medicare. He is taking from Medicare. Come on. Be fair about this.

Mr. Speaker, my bet is that most of the people that I could talk to in my district and across this country would say to you, do not give a blank check to any governmental agency. Every governmental agency, whether it is education where we are surrounded by children and our future, whether it is military where you are surrounded by weapons and the future protection of this country, whether it is agriculture where you are surrounded by farmers and our food and feed and the need to sustain this country for the future, no matter who it is, every one of my constituents that I know of would say, Do not write a blank check to any Federal agency. Ask for accountability.

Mr. Speaker, you know what happens with bureaucracy and the lobbyists and the special interests, the minute you ask for accountability from a Federal program, they attack you like vultures. The minute you say on education, for example, what could be more motherhood and apple pie than education. As I said earlier, everybody to the person in these Chambers, everyone supports education. The liberal left supports education; the far right supports education. Everyone supports education.

But, Mr. Speaker, the minute you ask a question, for example, where are those 100,000 teachers going to go, or how are we going to determine where the money goes for the building of new schools, the minute you ask that question, the special interest groups pounce on you like you are a piece of raw meat for a hungry tiger. You must be against education because you will not vote for this program. What gives you the right to ask a question about what kind of results we are going to get from testing and from 100,000 new teachers?

Mr. Speaker, take a look at that program where we theoretically put 100,000 cops on the streets. Take a look at some of these things. You have a fundamental obligation. It is inherent upon every one of my colleagues to ask

those questions. How do we measure results? What results are acceptable? What results will we get for the dollars we are putting in?

Now, a lot of my colleagues are afraid to discuss the results because they know that the results coming in will not match the dollars going out, and the special interest groups who are hired, by the way, interestingly enough, a lot of lobbyists are paid for by taxpayer dollars to lobby for more taxpayer dollars. Do you think they have the benefit or the interest of the taxpayer, of the working American out there in their mind? No. They are hired by taxpaying entities to come back here to a taxpayer-subsidized or fully supported entity to lobby for more taxpayer dollars. And the minute you ask for results, hey, we are putting this many dollars out; what kind of results are we getting in, oh boy, do they know how to paint a picture in your district that you are antifarming, or you are antieducation, or you are antimilitary, or you are antipeople. That is exactly the game that goes on here.

To the gentleman from Washington State, if he wants to talk about a shell game, that is the shell game. The minute you ask for accountability, the minute you want to know about results, the minute you want to see if the people of our country are benefiting from the dollars that these Federal agencies are spending, woe, woe be you, because here comes the special interest groups. Here comes the paid lobbyists to trash you in any way they can.

Why? Because they do not want those results out; because in many cases, the results do not match, match meaning in proportion to what we expect for results, they do not match. The dollars going out do not match the results coming in. They do not want to be held accountable, because you know what happens if you are held accountable? You will have to change your ways. And there are a lot of people paid a lot of money in Washington, D.C., to make sure the government does not change its ways.

Well, we now have a President who has had enough guts to step up, for example, to the American Bar Association. For 26 years nobody has had enough guts to question their ratings on judges. How dare this President question the American Bar Association? I am an attorney, by the way, so I know a little about the American Bar Association. In my opinion, a lot of the people, or those lawyers, that is the association of lawyers, in my opinion, a lot of them are prima donnas. But how dare a President question the American Bar Association? This President has enough guts to do it, and he has done it.

How dare a President come into the White House and say to the military generals, hey, I am very promilitary, I want a strong military, I want the best military in the world, but I am not going to sign a blank check for every military program out there. You better

justify. You better give me accountability on these weapon systems that you are asking for in the military. You better have some answers for some pretty tough questions. Oh, my gosh, a President has enough guts to do that?

Take a look at foreign affairs. President Bush, he stands up. He says to Russia, do not spy, or we expel your people. He says to China, you have to worry about human rights. He says to North Korea, it is not going to be a giveaway on your nuclear power negotiations.

This President deserves some support. I am not saying he deserves my colleagues' rallying for him. I am not saying the Democrats have to be a cheerleader for President Bush, but I am saying that he deserves some time to try and put this economy back on its rail, because it was derailed when he got to it, and he deserves, instead of my colleagues standing up here in front of this microphone and doing everything they can to object for the sake of objecting, not for the sake of improvement, but for the sake of objection, this President deserves more. And more important than this President deserving it, the American people deserve more, and we ought to deliver it for him.

Let me address a couple of other things. First of all, this tax cut. I like the Johnny-Come-Latelies. Some of the people talking today, well, we are for a tax cut. Well, take a look at the history of those individuals. They did not support tax cuts in the past. All of a sudden the reason they are on is that seems to be the bandwagon in town, and whatever you say, do not say you are opposed to a tax cut, at least say you are for some kind of tax cut. But always say, well, a tax cut that protects all the people, et cetera, et cetera.

Then I heard someone up there saying, well, buying down the debt. By the way, for the gentleman from Texas, who talks about buying down the debt, just for a little accounting information here, when debt is issued, there are different levels of debt that can be issued. If there is no prepayment penalty, which means you can pay off that debt at any time you wish, all you have to do is call up the owner of the debt and say, I am going to pay you tomorrow. You put in what is known as a call provision. I am calling what I owe; I am going to pay it off. That carries less of a return than if you do not have that right.

So what happened with the government, it wanted to maximize its return in many cases, and so it forfeited the right to make that kind of call. So there is a penalty when you pay down that debt. That is basic economics 101. Do not pretend that it is not out there. Do not pooh-pooh the President because the President says, hey, we need to do this in such a fiscal manner that it makes economic sense. Why pay a penalty for debt that is outstanding when we do not have to? It is something we ought to consider.

Let me go on to another point. Let me talk for a couple of moments about the oldest scheme in town, and that is the scheme to come up here to this microphone, and we see it at every level of government, by the way, and talk about how their budgets are being cut. Let me talk about how that contrasts to the American families out there; how it differs.

Let me, first of all, talk about an American family who, let us say, makes \$10. We will forget the percentages here and make it simplified. If an American family has in their family budget \$10 for the year, and the next year the American family, and let us call them Joe and Jane Smith, our American family, and they spent \$10. That is their budget. And the next year that Smith family sits down and they have \$15 in their budget. What would the average American say happened to the budget? It was \$10 last year; it is \$15 this year. Everyone I know, with the exception of government officials and government agencies and lobbyists and special interests, everyone I know would say, hey, if you got \$15 this year, and you had \$10 last year, it is a \$5 increase.

□ 2000

Your budget actually went up \$5, and if you took the \$5 and the \$10, you could say that the budget went up 50 percent; our budget in our family this year increased 50 percent over what it was last year.

Well, here is the old scheme, the old tactic they use in government agencies and government programs. They put in a budget. The budget, again, same thing, \$10 last year. This year that agency says we would like to have \$20. So we meet here in these chambers and we decide, look, we are not going to give the agency \$20. We are going to give them \$15.

Do you know what happens? The agency goes out there and starts to tell its constituency, who generally that constituency are people who benefit from the Federal program, so, for example, if it is agriculture they go out to the farmers, if it is education they go out to the teachers, if it is military they go out to the military people and they say, look, we asked for \$20 and that Republican Congress only gave us \$15. We got cut \$5. We got cut, our budget got cut.

Their budget did not get cut. The budget was increased. It went from \$10 to \$15. We did not give them what they asked. We gave them an increase. Last year it was \$10. This year it is \$15. They get a \$5 increase.

They go out to their constituency, and we heard it this evening from the preceding speakers, and they say it is a \$5 cut.

My colleague, the gentlewoman from Oregon, says there is no money in education, President Bush put no money in the education program, and 2 minutes later or even two sentences later she said it was only a 5.7 percent increase.

Now there it is even more extreme; no money in education because we only have a 5.7 percent increase. How many American workers out there can expect a 5.7 percent increase in their budget this year?

I will say something. There are a lot of American workers who are going to feel very lucky to have their job next year. Take a look at the layoffs. So for us up here as elected officials to stand here and say there is no money for education because it only got a 5.7 percent increase, no wonder there is deep distrust for government, especially when it comes to handling taxpayer dollars.

Now let us speak for a moment about the surplus. I know people keep banting around the surplus. What they are trying to do, do not kid yourself, do not kid yourself, there are some of you on this floor who want the surplus kept in Washington, D.C., not to reduce the debt. Now, that is the front you put on it. That is the picture that you paint, look, we want to keep the surplus in Washington, American people. Trust us. We want to reduce the Federal debt. Trust us. That is why we want it in Washington.

You know, as well as I know, that a lot of you have the true intent that that money should be used for new programs.

Let us talk about some of the new programs that come before Congress. We very rarely, and I say this after years of service in elected office, I very rarely, in fact I cannot recall one time when somebody came into my office asking for a new program that was a bad program. In my case, every program that has been proposed to me has merits to it. Our decisions up here are never between good and bad programs. That is an easy choice. Our decisions are always between good and good programs.

Just the other day, in one day, in one day, I had requests for about \$1 billion. They wanted a couple hundred million more for this increased spending. They wanted four or five hundred million here for the new space program; increased spending. They wanted another couple million here for flood control; increased spending. They wanted another couple hundred million here for a new program for children.

These demands for those dollars will continue to come in as long as there are elected officials and as long as we have constituencies.

So to come up here and say that you think you have the ability, with those kind of demands from our constituents, to hold a big pot of money in surplus is wrong.

We have a program in Colorado for the uranium miners. These people were poisoned producing uranium for this Nation to fight its wars and to have the kind of weapons that we needed. The United States conceded the claims to those people, conceded the claims to those people. That money is due and owed to those people. The United States Government has agreed, they

have acknowledged that, they have admitted to the claim. They have yet to pay the claim, and the first thing that comes up is, gosh, there is a surplus. So why are these claims not being paid? Whether there is a surplus or not, those claims ought to be paid.

The fact is this: Everybody out there in education, in farming, in the military, in new highways, in new welfare programs, in new health care programs, in expansion of Medicare, in expansion of Social Security, everybody out there has got their eyes on this big surplus and they have ideas of how to increase the size of the government.

Now, in some cases we as a collective body establish priorities. For example, President Bush in his education budget decided that a 5.7 percent increase in a massive education budget was necessary, and we needed to expand the program. I am not standing here this evening saying that we should deny any expansion of Federal programs, but I am saying that do not mislead the American people by saying that if we keep a surplus in Washington it will not be spent; it will be used to reduce the debt.

The fact is, Mr. Speaker, and I think you have an obligation to tell your constituents, that any dollars left in Washington, D.C. is like putting a cookie jar in a kitchen in front of a bunch of kindergartners who have not had lunch. What are you going to expect? Of course you are going to expect those kids to go to the cookie jar. I would lead the pack.

Back here in Washington, D.C., if you leave a pile of money called a surplus, what do you think is going to happen? Every special interest group back here, a lot of lobbyists will be paid big, big dollars and a lot of agencies will go out there and gather the softest, most emotional aspect of their constituency, like children for education, or farmers in farming, or military, et cetera, and they will go after that cookie jar. That is why when you have a surplus the size of the surplus that now exists, we must make a decision, especially in light of the fact that we have very difficult economic times ahead if we do not get ahead of this train. That is why when we have that here, that is why we must decide do we leave this money here and create new programs or make additional commitments for more Federal spending, that when the economic bad times come and our surplus evaporates we will not have the money to continue them?

We tried this many years ago in the State of Colorado in the 1970s. By the way, Mr. Speaker, as a reminder, my district is Colorado. I represent the mountains of the State of Colorado, almost all the mountains, the Third Congressional District. In Colorado, in the 1970s, we had a big surplus. In 1982, they called it Black Sunday; Exxon announced its pullout of Colorado out of the oil shelf development. Colorado went into a recession. Our budget was a tough budget.

I was in the legislature at the time. We even figured out what the cost of opening a door with an electric switch was. That is what dire straits we were in economically, because in Colorado, thank goodness, somebody had the foresight to require a balanced budget years before. So in Colorado we had to have a balanced budget. We had to cut some things.

People began to say, wait a minute. In the early days of the 1970s when there was a big surplus in Colorado, the Colorado legislators returned that money to the taxpayers. Had they not returned that money to the taxpayers in the State of Colorado in the 1970s that money would have been committed for an expansion of government programs in the State of Colorado. When the recession came in the early 1980s, we would have been in more dramatic trouble because we could not meet larger commitments made because the surplus was not returned to the taxpayers.

Now all of us agree that some of the surplus here will be consumed by programs that are considered by this collective body as a necessary expansion of a Federal program. For example, we know we have a lot of baby-boomers. We know that every day more people turn 62 or 65. So we know that whether you want to expand a program or not, the fact is Social Security is going to have to expand every day because you have more people turning 62 or 65. Those programs we have to take the surplus, parts of the surplus, and fund those programs. But if we have programs that are not essentially necessary, not what people want because every constituent out there wants something out of a Federal surplus, there are a lot of good programs that people want, the fact is that we cannot fund them all. Even if we could fund them all today, we may not be able to fund them tomorrow when this economic downturn takes hold.

This surplus is coming in for a little while so we may create and spend that money at the government level today, but we may not, again to repeat we may not, tomorrow have the money to pay for it. Then people will really suffer when the government does not have the money to follow through on its commitments.

I think the gentlewoman from Oregon says when you make a promise like this, you have to keep that promise. Let me say, when you obligate those surplus dollars for expansion of Federal programs, the beneficiaries of those Federal programs considered that a promise. When you cannot fund it because your surplus is evaporating, when you cannot fund it because you do not have the dollars, the people who are the beneficiaries of those programs consider it a broken promise, and you are about to set yourself up for this. If you do not return to the taxpayer a substantial amount of those dollars that are not needed for the necessary programs, you are setting yourself up

for a broken promise because this government, in my opinion, this economy, in my opinion, cannot sustain the kind of growth rate that we have experienced over the last several years, at least for a short period of time, maybe a longer period of time. So do not set yourself up for those broken promises.

By the way, I heard one of the preceding speakers say, well, the Republicans, and obviously this was one of our liberal colleagues, want to return taxpayer dollars to people that will not use it. How does a taxpayer who gets taxpayer dollars back not use the money?

There is one way, two ways, I guess. You destroy the money, you go out in your backyard, you light a match and you burn the money up; you destroy it. You are not using the money. You destroyed it. Or I guess you could go out in the backyard and dig a hole. You do not destroy the money but you put the money in the hole. Other than that, every taxpayer, or every person that gets a dollar back, but in this case it should be taxpayers because they are the ones who pay taxes, it is not a welfare program, it is a refund to the people who paid the taxes in should get the taxes back, the excess back, every one of those people will use those dollars. I do not care if they are in the 10 percent bracket. I do not care if they are one of the wealthiest families in America. Every one of those people will use those tax dollars. They will either put it in the bank, in which case the bank will turn around in the community and make loans to the community to people who are trying to make a business a success, and hire people in the community. They may go out and buy a brand new TV. They may go out and make a payment on a credit card debt to reduce their debt. They may use the money as a contribution to a charity, or as a contribution to help sponsor something at the local school district. Every taxpayer that gets a taxpayer dollar back will use those dollars. It just happens.

So to stand up here, as the preceding speaker did, and say, well, the Republicans only want to return tax dollars to those who will not use it, I cannot make sense of that kind of comment.

This evening, Mr. Speaker, I intended to speak about the death tax and its ramifications, and I also wanted to speak about water in the West, but next week I intend to return to this podium and speak about water in the West.

□ 2015

It is a very critical issue. In the east, basically, the problem with water is getting rid of it. In the west, our problem is trying to store it and obtain it. Colorado, the State that I represent, is very unique. In fact, the district that I represent is especially unique. My district is the third congressional district of Colorado. That district is the highest district in elevation in the Nation. We live at the highest elevation of any

of the population of any of the districts in this country. Our water all runs downhill. As you can imagine, when you are at the high point, your water runs downhill. In my particular district in my particular State, that district gets 80 percent of the water and 80 percent of the population resides outside of it. Water storage, water for power generation, water for protection of our environment, water for human consumption, water for agriculture. It takes on different particularities in the west than it does in the east. There is a clear differential between water issues of the west and water issues of the east.

Mr. Speaker, although I intended to address it this evening, next week I intend to take this podium and speak specifically about the water issues of the west and the east. But this evening, I felt it necessary to rebut some of the remarks and some of the attacks that were directed towards the President's program on economic recovery, some of the remarks that were being made about the surplus, some of the false pretenses, in my opinion, that may have been created as a result of an impression that allowing surplus money to stay in Washington means that surplus will automatically reduce the debt. I felt we had to address that.

However, there is another issue I think we need to address tonight called the death tax. I have talked about this a number of times. Some of my colleagues say, oh, boy, here it goes again, the death tax. Well, do my colleagues know why I keep coming up here about the death tax? Because I have a lot of families, and these are not the Gates, these are not the wealthiest families of America that I am speaking of. I have a lot of families in my district that are suffering because the government has taken it upon itself to go in upon the death of a family member and consider death a taxable event and take money from that family, money in the form of property from that family, despite the fact that all of the taxes have been paid on that property. It is called the death tax, and it is fundamentally unfair. I have heard repeatedly from this floor, well, it is just the rich people, and they ought to have to give back to the community. By the way, the death tax is not giving back to the community, the death tax is a taking. It is forcing you to take.

By the way, my second point, when the government comes in and imposes a death tax upon the estate of a member of one's family, we should not kid ourselves that for one minute that money goes back to the community. Do my colleagues know where that money goes? It comes to Washington, D.C. for this collective body to redistribute throughout this fine country. And how many of those dollars do we think go back to the little community or even the large community under which that person was a citizen or where that person resided prior to their death. Do not let people tell us that by

going and attacking a person's estate, that those dollars are given back to the community. It does not go back to the local community.

I think the best way to express it, and, by the way, Bill Gates I think has taken opposition to the death tax, but his father who spoke from a foundation headquarters, his foundation was created to get around death taxes. It was some of the wealthier families. Some of the wealthier families may not have, but some of the wealthier families in this country who said that the death tax is a good tax, keep it in place, those families have already created their foundations, they have already hired their attorneys, they have already secured their life insurance, so that they have minimal impact when they pass on. We can bet our bottom dollar that every one of those wealthy families who recently signed an ad saying keep the death tax in place, we can bet every dollar we have that they have already arranged to make sure that the next generation of their family will have a very comfortable living.

What about those people like a lot of people in my district who cannot afford the team of attorneys, who have no idea how to create a foundation, who do not have the money to do the kind of estate planning that allows one to hire and pay huge premiums for life insurance. What about those families? By the way, those families could be a family of a deceased person, a person deceased who had a dump truck, a bulldozer and a backhoe free and clear and a garage. In my district, that puts one in estate tax territory, in death tax territory.

Well, I think the best way to pass this on to my colleagues is to read some of the expressions that have been related to me through letters from people who have heard me from this microphone speak about the death tax and the inequity of death tax and how it has devastated families in this country. It is fundamentally the most unfair tax that we have in our entire system of taxation.

Let me start out, this one is from a gentleman, Mr. Marshall Frasier. "Dear Congressman McINNIS. I was encouraged by President Bush's State of the Union in his outline of his proposed budget and the tax relief. I am President of the Colorado Livestock Association and elimination of the death tax is our members' number one tax priority.

"We have operated as a family partnership since the middle 1930s. My parents died about 5 years apart in the 1980s, and the estate tax on each of their one-fifth interest was 3 to 4 times more than the total cost of the ranch which was purchased in 1946."

In other words, the estate tax on one-fifth of the interest of his father and one-fifth of the interest of his mother's interest in the ranch, the estate tax on that totaled more, each of them, individually, that one-fifth, the tax on that one-fifth totaled more than the entire

purchase price of the ranch in 1946, and we call that equity, we call that fairness. This is a ranch, by the way, where all of the taxes have been paid.

Let me continue. "Eliminating the death tax and marriage penalty and reducing the tax rates will go a long way towards providing jobs and bolstering the national economy. This, in turn, will enable hard-working families in the Colorado cattle industry to pass their heritage on to the next generation."

Let me stop here for a moment. A lot of this is not about passing money to the next generation; a lot of this is about passing a way of life to the next generation. In this letter Mr. Frasier says, to pass our heritage. My in-laws happen to be ranchers. They love the land. They do not make any money on the ranching operation, but they love the land. They have been on that land since the 1880s, since the 1880s. What is their goal in life? One, they are proud of their heritage, they are proud of what they do, and they want to have the opportunity to pass it on for 100 generations to come. Why should not a family be able to pass on the family farm for 100 generations to come. Why should the government have a right to come in to somebody like Mr. Frazier and his parents and say to his father who has a one-fifth interest in the ranch, the tax on your one-fifth interest in the ranch is going to be more than the total purchase price of the ranch.

Mr. Speaker, this should be a country that encourages heritage and family operations to go from one generation to the next. This should not be a country that discourages family business or farms or ranches from going from one generation to the next.

Let me continue. "I have 3 sons involved in our operation and a grandson starting college next fall and it is important that we keep agriculture viable, to keep our beef industry from becoming integrated as pork and poultry have become. We need to make it possible for our youth to be able to stay on our ranches and farms."

Mr. Frazier, you are right.

Nathan Steelman, another constituent of mine. Now, this is interesting. This is not an old-time rancher writing to me, this is not a well-polished politician writing me, this is not somebody in their 40s or 50s writing me after they have had an opportunity for a career; this is a college student, this is a letter from a college student, Nathan Steelman.

"Dear Congressman. I am a college student at the University of Southern Colorado in Pueblo which is in your district. I grew up in a family which has lived and thrived in agriculture for many years. My parents and grandparents are involved in a typical family farm, a farm that has been in the same family for more than 125 years. My grandpa is 76 years old and in the last years of his life. My parents have been discussing this situation for the

last several months. My parents worry about the death tax. They worry about how they are going to be able to keep the farm running once grandpa passes away. The eventual loss of my grandpa will trigger this tax upon my family's inheritance. My parents hope that they will be able to pay this tax without having to sell part of our family operation that my family has so hard worked in maintaining over many years. The outcome, however, does not look good. Farmers and ranchers are having enough trouble keeping family operations running the way it is. Statistics show that 70 percent of all family businesses do not survive a second generation, and 87 percent do not survive a third generation. My family has worked very hard to keep the family farm running this long. We feel as if we are being penalized for the death of a family member. From what I understand, the opposition is concerned about are many individuals who are being affected by the death tax are those that are theoretically very wealthy people. Statistics show, though, that more than half of all people who pay death taxes had estates that are valued at less than \$1 million. My family falls under this same category. That just does not seem fair to me.

"Mr. McINNIS, my family's farm is not located within your district, but when I moved to Pueblo, I felt like I needed to express my concerns to someone who might be dedicated to abolishing this death tax. I hope that you do this."

Let me go through a couple other letters. Generally, I do not read up here. Generally I like to make my comments without reading, but these letters are very moving. These letters were not solicited by my office, by the way. These letters were sent in on their own volition.

This letter is from Chris Anderson. "Dear sir, my name is Chris Anderson. I am 24 years old and I currently run a small business. It is a mail order business. I am not a constituent. I currently reside in New Jersey. However, I listened with great interest as you spoke this evening on the topic of the death tax, as you called it. I in all likelihood will not face the problems you were outlining."

Let me point that out. This gentleman writing this letter says in all likelihood, I am not going to face the problems that you have outlined, at least not in the near future.

"I am not in line to inherit a business. However, I am soon to be married and look forward to having a family and perhaps one day my children will want to follow in my footsteps. I hope and pray they will not be faced with the additional grief caused by a death tax. A 55 percent tax is, at best, a huge burden on a family business and the loved ones of the deceased. At worst it can be a death blow that ruins what could otherwise have been the future of yet another generation."

Let me repeat that. At worst, it can be a death blow that ruins what could otherwise have been the future of yet another generation. This is a 24-year-old young man talking about trying to preserve the future of another generation and talking about what the death tax does to threaten that next generation.

□ 2030

He is 24 years old and he is already thinking about the next generation. This letter is not a plea for help.

“I just want you to know that although I am not a victim of this tax, I appreciate the fight against it. I firmly believe that Congress and the government at large need to recognize that America’s future is and will always be firmly rooted in the success of small business. Many of these businesses are family-owned and need the next generation to be able to continue them into the future.

“I spent a few years working for a small family-owned business. Not just myself but several workers depended on the income they derived from working for this small family business operation. I fear for those workers when the tax man comes knocking. This tax has claws that rip at many people, and many more people than the immediate family of the deceased. It also has a huge impact on the employees of the family business.

“I hope your constituents recognize this and they will continue to work to get rid of this tax.”

Now, remember, what this letter focuses on is not his particular situation, but what it does to the employees of a small business who may not themselves inherit the business but who depend on that farm of another family or depend on that business of another family for their living.

Recently, we had a death in my district in a small community, and this individual was hit with the death tax, the estate was. Do Members know what it did to that community? That individual was the largest employer in the community, the largest contributor to charities, the largest contributor to his local church, the largest owner of real estate in that community.

Do Members know what happened to that community? All of those assets and those jobs, that money that supported many, that had to be accumulated in a pot. The majority of that money, the majority, this is not an exaggeration or an embellishment, the majority of that money had to be wired to Washington, D.C. for redistribution throughout this country.

Do Members think any of those dollars went back to that little community in the State of Colorado, or it could have been in the community of Missouri, or out in Michigan, or in California, New York, or Virginia? This hurts those communities. It does not just devastate families, it hurts people that are related to that small business, that work for that small business.

Again, a lot of the big businesses and wealthy people have planned around this. They have purchased premiums for life insurance.

Fundamentally, this death tax is not only unfair, it has consequences that were never intended by the drafters of our Constitution. If the people that dreamed of America, if the frontiers-people of our country, if the Founders of our country, if those people who fought in the Revolutionary War ever imagined that at some point this government, which theoretically encourages creativity, encourages small business, theoretically encourages freedom, if they could believe or if they would hear that the government itself would tax death as an event, and that the government would take that money from a community and transfer it to the Nation’s capital, to a central authority for redistribution, they would turn in their grave. They would not believe it. It defies the dream of being a success in America. It defies the American dream.

That is not to say somebody should not pay taxes. I need to remind the Members that these death taxes are on property that has already had its taxes paid. It is simply a way to generate money.

When the government and the bureaucracy needs to figure out how to generate money, they have to figure out an event. If we buy a car, there is a reason to generate revenue, sales tax. If we make money, there is income tax. If we buy gasoline, there is fuel tax. So they figure, “What are we going to do? There is a pot of money out there that maybe we ought to have. Let us get our hands on it.”

If we take a look at the origins of the death tax, we will see that it was a theory of people that redistribution in this country was what we should do. We should move from a capitalistic society to a socialistic society, where central authority redistributes the dollars. As a vendetta against the Fords, the Carnegies, and Rockefellers, they imposed this tax way back then.

Look, that theory failed. This country does not believe in redistribution of wealth, it believes in the capitalistic type of system. It should get rid of this tax. This tax only punishes these young people, this 24-year-old and this young man and his wife who have a mail order business. Why punish them? Let us encourage the next generation.

Let me conclude by saying we have covered two subjects this evening.

One, I spent the first part of my remarks rebutting what was being said about the surplus in the budget and so on. Mr. Speaker, I want to say to the Members, they need to say to their constituents, if we leave dollars laying around in Washington, D.C., the special interest groups and some of the highest paid professionals in this country, the lobbyists, are waiting for those dollars to be sitting here so they can put them into new programs. It is not going to go back to the taxpayers, it is going to

create a larger and bigger government. Some day we will pay the price for letting the government grow too big.

So I talked about that, and rebutted some of the comments made earlier by some of my colleagues.

The second part was this death tax. We have an opportunity to reduce or eliminate or significantly alter this punishment tax. That is exactly what it is.

Do not listen to some of these wealthy families who signed an ad, like Ted Turner and some of those people, and in my opinion he is one of the most pompous people I ever met, who said, “Let us keep this in place,” et cetera, et cetera. Listen to that 24-year-old who has a small operation. Listen to the young man who has no business, and he is not going to inherit anything. Listen to what he says about the next generation.

I ask Members to take their time this weekend when they go back to their districts to talk to those people that are not the billionaires, those people who just barely are getting by, but they want to pass heritage from one generation to the next generation.

I think Members have an obligation to do that. If they really do it, I think they will come back here next week ready to vote with us to eliminate or reduce the death tax and the burden it puts on the American people.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. BALDWIN (at the request of Mr. GEPHARDT) for today on account of family illness.

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of personal business.

#### SPECIAL ORDERS GRANTED

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

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

Mr. HONDA, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Mr. BALDACCI, for 5 minutes, today.

Mr. KANJORSKI, for 5 minutes, today.

Mr. RODRIGUEZ, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

Ms. KILPATRICK, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. CLAY, for 5 minutes, today.

Ms. KAPTR, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

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