

Mr. BEREUTER. Mr. Speaker, today, I was off the Hill on official business and missed roll-call vote 79 (H. Con. Res. 66, Revising and Updating “Women in Congress, 1917–1990”). Had I been present I would have voted “yea.”

**PROVIDING FOR CONSIDERATION OF H.R. 8, DEATH TAX ELIMINATION ACT OF 2001**

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 8 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 111

*Resolved*, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period, and for other purposes. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) the further amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Rangel of New York or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. SUNUNU). The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. REYNOLDS. Mr. Speaker, House Resolution 111 is a modified closed rule providing for consideration of H.R. 8, a bill to phase out the estate tax over 10 years.

The rule provides for 1 hour of general debate, equally divided and controlled by the chairman and the ranking member of the Committee on Ways and Means. Additionally, the rule waives all point of order against consideration of the bill.

The rule provides that the amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted.

The rule also provides consideration of the amendment in the nature of a

substitute, printed in the Committee on Rules report accompanying the resolution, if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered as read and shall be separately debatable for 1 hour equally divided and controlled between a proponent and an opponent.

Furthermore, the rule waives all points of order against the amendment in the nature of a substitute.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, I speak in strong support of this rule and its underlying bill, H.R. 8, the Death Tax Elimination Act of 2001.

Mr. Speaker, the issue before us today is not a new one; the 106th session of Congress voted three times in a bipartisan fashion to eliminate the death tax. In fact, this Congress fell only a handful of votes shy of overturning the Presidential veto.

Once again, we have the opportunity to bury the death tax once and for all. And this time I believe we can do it free from the threat of a Presidential veto.

This tax was initially imposed to prevent the very wealthy from passing on their wealth from one generation to the next. At the time, this well-intentioned tax eased concerns about the growing concentration of money and power among a small number of wealthy families. Later, it was used to fund national emergencies, and it became necessary to maintain these tax rates at high war-time levels during the 1930s and 1940s. But they remained relatively unchanged until the Tax Reform Act of 1976.

Ironically, the death tax today serves little of the purpose for which it was intended. Rather than prevent the concentrated accumulation of vast wealth, the death tax punishes savings, thrift and hard work among American families.

Small businesses and farmers are penalized for their blood and sweat and tears, paying taxes on already-taxed assets. Instead of investing money on productive measures such as business expansion or new equipment, businesses and farms are forced to divert their earnings to tax accountants and lawyers just to prepare their estates.

□ 1045

As has been pointed out by the American Farm Bureau, families own 99 percent of our Nation’s farms and ranches, and those farmers and ranchers pay taxes at a rate much higher than the population at large.

Not long ago, over 100 of some of the richest people in the world, including Bill Gates, Sr., Warren Buffett, Paul Newman, and members of the Rockefeller family, took out a full page ad in The New York Times urging Congress not to eliminate the death tax. It is not, however, these few megamillionaires who most suffer from the pu-

nitive effects of the death tax. Had they spent their lives milking herds or plowing fields, they might understand why the Farm Bureau has made elimination of the death tax its number one legislative priority.

The victims of the death tax are typically hard-working Americans with medium-sized estates; farmers and small business owners. Their enterprises create jobs, growth, and opportunity in our hometown communities, but every year thousands of heirs are literally forced to sell the family farm or business just to pay off their death taxes.

As Farm Bureau president Bob Stallman said during testimony before the Committee on Ways and Means, and I quote, “Farm operations are capital-intensive businesses whose assets are not easily converted into cash. In order to generate the funds that are needed to pay hefty death taxes, heirs often have to sell parts of their businesses. When parts are sold, the economic viability of the business is destroyed.”

Indeed, with penalties reaching as high as 55 percent, these farmers and ranchers are often forced to sell off land, buildings or equipment otherwise needed to operate those businesses. The death tax is turning the American Dream into the “Nightmare On Elm Street.”

Equally disturbing is the fact that the death tax actually raises relatively little revenue for the Federal Government. Some studies have found that it may cost the government and taxpayers more in administrative and compliance fees than it raises in revenues.

Of course, farmers and ranchers are not the only ones facing an unfair and unnecessary burden from the death tax. Not long ago, the Public Policy Institute of New York State conducted a survey on the impact of the Federal estate tax on upstate New York. The findings were alarming. The study found that in a 5-year period, family-owned and operated businesses on the average spent \$125,000 per company on tax planning alone. These are costs incurred prior to any actual payment of the Federal estate taxes. They reported that an estimated 14 jobs per business have already been lost as a result of the Federal estate tax planning. For just the 365 businesses surveyed, the total number of jobs already lost to the Federal estate tax is over 5,100, and that is just in upstate New York.

According to the National Federation of Independent Businesses, nearly 60 percent of business owners say they would add more jobs over the coming years if death taxes were eliminated, more jobs and greater opportunities for our citizens.

As William Beach, director for the Center for Data Analysis at the Heritage Foundation, recently wrote, the death tax cuts across all racial and community lines. “Take the Chicago Defender newspaper, an important

voice for the black community for nearly a century," Beach wrote. "When Defender owner John Sengstacke died recently, his granddaughter was forced to seek outside investors and even considered selling the paper to pay off the death taxes, which totaled \$4 million.

"More blacks can expect the same experience," he continued. "Income levels in black households have tripled over the last 24 years, and the number of black-owned businesses more than doubled from 1987 to 1997. According to a recent survey, the death tax is the most feared Federal tax" among these business owners.

My rural and suburban district in New York is laden with small businesses and farms. They are owned by hard-working families who pay their taxes, create jobs, and contribute not only to the quality of life of their community, but to this Nation's rich heritage. Is it so much to ask that they be able to pass on their industry and hard work, their small business or their farm to their children? Must Uncle Sam continue to play the Grim Reaper?

The fact is they paid their taxes in life on every acre sewn, on every product sold, and every dollar earned. They should not be taxed in death, too.

Mr. Speaker, I would like to commend the chairman of the Committee on Ways and Means, the gentleman from California (Mr. THOMAS); and the ranking member and my colleague, the gentleman from New York (Mr. RANGEL), for their hard work on this measure. I would also like to extend my gratitude to the gentlewoman from Washington (Ms. DUNN) and the gentleman from Tennessee (Mr. TANNER) for their tireless efforts to once again bring this important measure to the House floor.

Mr. Speaker, I urge my colleagues to bury this unfair tax once and for all by approving both the rule and its underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my dear friend, the gentleman from New York (Mr. REYNOLDS), for yielding me the time, and I yield myself such time as I may consume.

Mr. Speaker, to listen to my Republican colleagues singing the praises of this bill, one would think it was going to change the lives of millions of Americans the minute the ink was dry. But before anybody starts spending the inheritance, they should read the fine print, Mr. Speaker. This bill is full of it.

For starters, this bill does not actually repeal the estate tax until the year 2011. To listen to the other side, Mr. Speaker, one would think that repeal was waiting just around the corner; that it was something everyone could plan on. The fact is my Republican colleagues wait another 10 years, just beyond the reach of any budget enforcement, to repeal this estate tax.

Do my colleagues know what 10 years means, Mr. Speaker? It means five new

Congresses, and it means at least one, and possibly two, new Presidents. If this bill were signed into law today, all those new political forces would have to agree to stay the course for the estate tax to actually be repealed. I, for one, would not bet the family farm on the many politicians keeping someone else's promise to reduce taxes.

Mr. Speaker, it is not as if this Republican bill would even help most Americans. This bill will not even help the richest of Americans. Under existing laws, fully phased in, the first \$1 million of an estate is completely excluded from taxation. For a couple who does the bare minimum estate planning, the first \$2 million are completely tax free. Or to put it another way, only the richest 2 percent of all Americans pay any estate tax now. In fact, one-half of all of the estate tax revenue collected in 1998 was paid by only 3,000 families. Most ordinary, hard-working families have absolutely no stake in this bill.

However, the President's Cabinet has a stake in it. President Bush and his Cabinet stand to gain \$5 million to \$19 million each if this repeal happens. The 50 wealthiest Members of Congress stand to gain, together, about \$1 billion if this repeal happens. But for the other 98 percent of us, this bill would provide not 1 cent of tax relief. Nothing. Not one penny.

Mr. Speaker, not all millionaires are treated alike under this bill. Leave it to my Republican colleagues to make distinctions among millionaires and to make sure that the wealthiest go to the head of the relief line. This Republican bill would immediately repeal the 10 percent surtax that applies only to estates valued above \$10 million. The Committee on Way and Means Republicans added that provision for the richest of the rich in place of a provision in the introduced bill. The provision they struck would have immediately increased the amounts excluded from the estate tax. That provision would have helped the merely moderately wealthy, family farms, and small businesses.

But Republicans would only let tax relief trickle down to the less wealthy millionaires after a few more years. Your ordinary millionaire, whose estate is worth \$3 million, will not see any relief under the Republican bill until 2004, and then these rates would be reduced to 1 or 2 percentage points until the year 2011.

The problem is that my Republican friends believe in budgetary magic. Last week House Republicans passed their "three-card monte" budget. Just when it looks like you can tell how huge their tax cuts are, they throw a little hocus-pocus at you, and they give the Committee on the Budget chairman authority to increase, but not to reduce, the size of any tax cuts.

Mr. Speaker, do you know why? Because House Republicans believe that \$1.6 trillion is just the starting point. They believe that \$1.6 trillion may

cover President Bush's proposals, but they have a few proposals of their own to throw into the mix. How will they pay for their trillions of dollars in tax relief for the rich? In the budget they propose deep cuts in low-income heating assistance. They slash the growth in education funding; they decimate prescription drug benefits; endanger Medicare, Social Security, defense and agriculture. But then Mr. Speaker, abracadabra, in July, the Committee on the Budget chairman can change all of those spending numbers.

The only thing that they do not say is how all of this would add up. Unfortunately, that is what a budget is supposed to do. This budget illusion is just a variation of an old trick: Make big problems disappear by ignoring them. Republicans believe that they can make the huge cost of repeal disappear if they hold off until the end of the 10-year budget horizon. This is just hoping the big bully will disappear if you do not look at him until the end of recess. Ignoring problems do not work in the playground, and they will not work in the world of public finance. When fully phased in, repealing the estate tax will directly cost Americans \$50 billion each year. It will cost States about \$6 billion each year, and all of that revenue will be made up in fees and taxes, or cuts in services.

Who will pay it? Mr. Speaker, the other 98 percent of Americans. Repeal will simply shift the burden from the shoulders of the very richest Americans to everyone else's shoulders.

Estate tax repeal encourages inequality. It promotes huge disparity in wealth over many generations. Repeal of the estate tax will remove one of the last remnants of progressivity in the Tax Code. The wealthiest Americans report relatively little of their income during their lifetime because most of it is in the form of accrued but unrealized capital gains, or other tax-preferred investments. The estate tax liability for the wealthiest of Americans is, on average, seven times their income tax liability. By removing the estate tax, we will further increase the inequality of treatment between income derived from capital and income derived from a good day's work.

Mr. Speaker, if we repeal the estate tax, we will be left raising all of the government's revenue with only payroll taxes, taxes on wages, taxes on salaries, taxes on cigarettes, liquor and gasoline, and that is just not fair.

Too many family farms and small businesses still pay the estate tax, but that is a small part of the picture. Family farms and small businesses actually represent only 3 percent of the 2 percent, or 0.0006 percent, of all estates subject to the estate tax. The Republican bill switches from step-up basis under the current law, and retained in the Democratic substitute, to carry-over basis.

Mr. Speaker, that is a tremendous price the inheritors will have to pay down the line. Mr. Speaker, they do

not need the promise of a repeal in 10 years, they need immediate relief through expanded exemptions and adjustments for inflation as provided in the Democratic substitute. The Democratic substitute would immediately, and I use the word "immediately," exempt 99.4 percent of all family farms and all small businesses.

The President is fond of saying that he trusts the people. Mr. Speaker, when the people learn that this bill will help only the wealthiest few, when the people learn about the delay and budget gimmickry, I doubt if that trust will be reciprocated. The Republican tax policy is too high-ended to help ordinary, hard-working American families, and it is too back-loaded to be of any help to our sputtering economy today.

Mr. Speaker, I urge my colleagues to defeat the Republican bill and pass the Democratic substitute.

Mr. Speaker, I reserve the balance of my time.

□ 1100

PARLIAMENTARY INQUIRY

Mr. CALLAHAN. Mr. Speaker, I request a point of inquiry. I have a question I need to direct to the Chair and to the ranking member and chairman. It may require them to yield to me 30 seconds each so they can respond.

The SPEAKER pro tempore (Mr. SUNUNU). The gentleman will state his point of inquiry.

Mr. CALLAHAN. My point of inquiry is where can I offer an amendment and where would it be appropriate and would each side support it? As you may know, Mr. Speaker, Warren Buffet, Ted Turner, and Bill Gates, Sr. have all come out against this package. I think that we ought to facilitate them to whatever extent that we can.

The SPEAKER pro tempore. The gentleman does not appear to be making a parliamentary inquiry.

Mr. CALLAHAN. I would respectfully ask that each side yield me 30 seconds so they can respond.

The SPEAKER pro tempore. The gentleman may seek time from either side.

Mr. REYNOLDS. Mr. Speaker, I yield 30 seconds to the gentleman from Alabama (Mr. CALLAHAN).

Mr. MOAKLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Alabama (Mr. CALLAHAN).

The SPEAKER pro tempore. The gentleman is recognized for 1 minute.

Mr. CALLAHAN. My question is, to facilitate these multibillionaires who are against this bill, Mr. Speaker, I want an opportunity to offer an amendment which limits the reductions in this tax to the first billion dollars. I think that this will satisfy them, because they will be able to pay taxes on anything over a billion dollars. Therefore, those that need relief, the poor Americans, would have the opportunity for some relief. It is an honest request. I would respectfully ask the chairman and the ranking member if they would support such an amendment, if they

can answer that and the appropriate time, Mr. Speaker, as to when I can introduce it.

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

I was just going to answer my dear friend from Alabama. If the Democratic substitute fails, I would gladly back his proposal.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. Mr. Speaker, I thank the gentleman from New York for yielding me this time, and I rise in strong support of this rule and the bill to repeal the death tax.

Mr. Speaker, the American dream is about the opportunity of every American to build a better future for themselves and their children through hard work and personal initiative. It could mean building your own business, pouring your own sweat into a small farm just to turn out a profit and saving each day so that you can leave something to your family. Yet it is these Americans who are working hard, playing by the rules and paying taxes all the while who upon their death become victims of an onerous and unfair tax that discounts their dedication, punishes their entrepreneurship, and denies their dying wishes.

Think of the young man who 50 years ago was the first in his family to go to college. He worked hard, he pulled himself up, and he made a better life. Should he not be able to provide a better life for his family, for his children as a result of his lifetime of work and savings? Rewarding hard work and initiative is part of the promise of our Nation. But, no. Instead, the government taxes this initiative, this promise, not once but twice.

Think of the small businesswoman or family farmer. Their money is used to run their businesses, pay their hard-working employees and invest in needed equipment, all the while paying their taxes. To pay the death tax, families must sell off assets, lay off these workers and even sometimes close their doors completely. This is not right. There is no logic or fairness in this tax. Small, family-owned businesses, farms and ranches are integrally connected to our communities and represent the American values that are at the core of our country. Yet many small businesses and family farms and ranches are not passed on and continued after the first generation because of the death tax.

Let us not talk about carve-outs or exceptions that help only some but not all families. It is time to completely eliminate the death tax and reinvest in America so that business owners, farmers and all dedicated individuals can pass on their dreams and ensure that their values live on.

Mr. Speaker, last year I was joined by every single one of my Republican colleagues and 65 of my friends from

across the aisle in voting to eliminate the death tax. We again have a chance to do the right thing and end this tax on the American dream.

Let us bury the death tax.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Speaker, I thank the gentleman for yielding me this time.

There are just a couple of points that I want to make. I want to make it clear to the people at home that the Democratic proposal almost immediately exempts \$4 million and below of estates. Now, I know that to some people in this Chamber that does not mean a lot, but it means a lot in my district. I know a handful of people, and I come from a pretty wealthy district, that have estates worth more than \$4 million. As a fact, there are only approximately 6,300 estates in the entire United States of America on average in a year that are above the \$4 million mark. That is all. Six thousand three hundred estates. If the Democratic proposal is adopted, all but the richest 6,300 people will be exempt from taxation. Period. That is really the bottom line in this debate.

On the Republican proposal, it is just the opposite. We go from the bottom up and they come from the top down. Now, it is funny over the last several years even I from one of the most Democratic districts in the country get questioned, "What's the difference between Democrats and Republicans?" This is it. This is it. When it comes to who is going to get the tax relief, we go from the bottom up. They come from the top down. Now, there is nothing wrong with that. It is just a significant different philosophy, one that I am proud to share.

There are a couple of other questions. There were some points made about the administrative costs of the estate tax. Agreed. If you cut out 85 percent of the people subject to taxation, which is what the Democratic bill does, you cut out the cost of administration. You are now only administering 15 percent of the tax bills. The other point I guess I want to make and I do not think it has been made yet this morning but we will hear it all day long about the rates of taxes paid. The actual tax paid on the richest estate, not the rate, not this, not that, after all the loopholes, after all the deductions, after all the exemptions, the actual tax paid is roughly 20 percent.

In the example we heard earlier about a potential \$4 million tax bill, guess what? Unless that person had no estate plan which of course if they didn't, their family should sue them. Unless that person had no estate plan, that means that person's estate was probably worth on average \$20 million. You do not have a \$4 million tax bill unless your estate is worth \$20 million which means that person walked away, without doing anything, just by the luck of genetics, with \$16 million.

Guess what? I think they will be able to survive on \$16 million. My district is very expensive, but I think I could do okay on \$16 million for the rest of my life, my kids' lives, their kids' lives, and their kids' lives.

This whole concept of coming from the top down is about as anti-American, I guess that is the only way I can think of it, as I can think. I thought America was built from the bottom up. That is all I ever hear about around here. Nobody ever comes and says, "Let's help the rich guys." They say, "Let's help the average American." The average American does not have an estate worth over \$4 million in today's world.

That is why the Democratic proposal is better, that is why it should be adopted, and that is why we should vote yes when the time comes.

Mr. REYNOLDS. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I thank the gentleman for yielding me this time. I rise in support of the rule and of the bill. It is time to eliminate this tax.

I heard my good friend, the gentleman from Massachusetts (Mr. MOAKLEY), earlier today say that 2 percent of the estates in the country are taxed. I think that is an accurate figure. I think we will hear that a lot today. But it is not the 2 percent that most Americans would immediately think it is. It is not the 2 percent that are the wealthiest families in America. In fact, half of all the estates that are taxed, I guess that would be 1 percent of all estates, half of all the estates that are taxed have values of under \$1 million.

Now, we all know there is an exemption for up to \$675,000. I do not know what that tells my colleagues. What it tells me is that half of the people who pay this tax are people who never expected to pay it. Half of the people who pay this tax are people who would be shocked if they were still alive as their families are shocked to find out that their small business, their family farm, is worth more than \$675,000. When that happens, 55 cents out of every dollar goes to the Federal Government. If your estate is worth \$100,000 over \$675,000, \$55,000 of that goes to the Federal Government. That is just wrong.

We just heard, I think, an accurate example, that the average estate pays a 20 percent tax. That is because many estates do not pay any tax at all and many other estates are barely over the exempted amount. If you took that \$900,000 estate and figured out they were losing 55 cents on every dollar worth over \$675,000, you would get a relatively low rate but you are taking their business and their livelihood.

I do a farm tour every year in my district. Last year we stopped at a farm supply store because we talk to people who own farming businesses. We talk to people in agricultural businesses. I asked the people who ran the farm supply store first of all about the efforts

they have made over the years to pass that business on to both of their sons who work in the business with them every day. He is not going to pay an estate tax, but he spent a lot of money to figure out how not to do it with all kinds of insurance and trusts and things like that. He said we have met lots of farmers who never have a problem financially paying their bill until somebody dies and when somebody dies, they have a big problem because they cannot figure out how to keep that asset together and pay that 55 cents on the dollar for everything that is suddenly worth a lot more than they thought it was going to be.

People do not deserve to have everything they paid taxes on all their life taxed when they die. We need to pass this rule. We need to pass this bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. I thank the gentleman for yielding me this time.

Mr. Speaker, I oppose H.R. 8, the third installment of President Bush's fiscally questionable tax package. For nearly a month, this body has discussed and voted on bills that provide tax relief to people least in need while ignoring our Nation's serious needs for education, health care, and the environment and, most important, the fiscal prudence, paying down the debt and meeting our existing responsibilities.

Virtually every Member of Congress agrees that the current estate tax needs to be reformed. I have supported increases in exemptions, adjustment for inflation, reduction in rate and protections for closely held family farms and small businesses which are only 9 percent of the total inheritance tax program. I fundamentally believe that reforming the estate tax will allow for more farmland, wood lots and green spaces to be preserved and small business to be protected. Estate tax reform is an essential part of making our communities more livable.

That being said, it is frustrating that despite near unanimity on this issue, my Republican colleagues insist on legislation that provides vast benefits for people who need it the least while stalling on relief for people who need help now, not 10 or 11 years from now but now. The legislation we are debating today costs \$662 billion. That is why the repeal does not take place until 2011.

This is an accounting gimmick that puts the full cost of the bill outside the budgeting window, preventing the Joint Committee on Taxation from scoring the true cost of the bill. Despite the overwhelming cost, this bill does not substantially benefit the small business or the family farm for more than a decade. The Democratic alternative provides far more help for those who need it most in the next 10 years and does so now.

Since coming to Washington over 4 years ago, I have worked to make our world a more livable place, improve bi-

partisan cooperation and maintain our hard-earned fiscal discipline. Unfortunately, H.R. 8 manages to violate all three of those principles. It should be rejected and meaningful reform enacted.

Mr. REYNOLDS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding me this time. I want to congratulate him on the great job that he is doing managing this very important rule, this very important component in the tax package which I know has been authored by our friend the gentlewoman from Washington (Ms. DUNN) and others who understand fully that we are all in this together.

I have listened to my friends on the other side of the aisle engage in that classic class warfare argument, us versus them. "This is from the top down, not from the bottom up. That is the difference between the Republicans and the Democrats."

□ 1115

The real difference is, the Republicans believe that if we are going to bring about fairness, we should be fair to everyone. Now, I know that some have quipped that Warren Buffett and Ted Turner and Bill Gates, Sr., are not proponents of this. The fact is, whether they are proponents of this or not has nothing to do with it because there may be a few other people who have been successful in this economy of ours who believe that they should have some fairness.

So we are going to provide Warren Buffett and Bill Gates and Ted Turner relief whether they want it or not, and it is the right thing to do. But it is also very important for us to note, it is very important for us to note that if we look at the impact that this death tax has had on so many small businesses and family farms in this country, it is the right thing to do for people regardless of where they are on the economic spectrum.

African Americans in this country are the group that is hit hardest by the death tax. Seventy-five percent of businesses, small businesses in this country, fail following the death of the owner. So let us make sure that we understand the difference that exists.

The Republicans want very much to make sure that we provide fairness for every single American. We are not going to pick who is a winner and who is a loser. We want to create an opportunity for everyone to succeed; and that is why we should support this rule, defeat the Democratic substitute, which the rule has made in order, because it again engages in the old class warfare argument, and then pass this very important component, which is pro-growth and will help the working men and women of this country.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from New

York (Mr. RANGEL), the ranking member on the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I wanted to take a minute or two to offer a truce to the gentleman from California (Mr. DREIER) on this class warfare and would agree that we could find some meeting of the mind if we could get into the Republican rhetoric some talk about preserving the Social Security system, talking about the Medicare system, talking about prescription drugs, talking about improving education.

We have here a bill offered by the majority that talks about repealing the estate tax 10 years from today. When I asked the Joint Taxation Committee how much would it cost if we took last year's bill and put it into effect immediately, they said \$662 billion. So I said there is no way in the world for the Republican leadership to maintain the ceiling of \$1.6 trillion that the President has put on the bill. If they have already spent \$953 billion for the marginal rate changes, another \$400 billion for child credits and for removing the marriage penalty, there is \$200 billion left. How are they going to get this \$662 billion foot into this \$200 billion shoe? And they did it; they really did it. They did it by saying if one wants to protect their estate, do not die for 10 years.

What we are saying is that the Republican bill might make some sense if that was the only thing we had before us, but we have an alternative that everybody that can read the bill would know that it makes more sense to get instant relief from the Democratic bill for more people and right away.

It excludes \$4 million estates starting with 2002 and that moves up to \$5 million estates at the end of 10 years. The Republican plan would cost us \$60 billion a year.

It is not class warfare to say how is that money going to be made up; how do we know that the surplus is going to be there; how are we going to protect the entitlement programs that one may not like but they are on the books. We have to protect those people who are going to become eligible in 10 years.

In 10 years, the \$1.6 billion tax cut goes into effect. The \$60 billion that we lose a year on the estate repeal goes into effect. Eighty million people will be eligible for Social Security and Medicare, and this is the time that we expect to get a \$5.6 trillion surplus because the CBO says that might happen. They say that 90 percent of the time it might not happen.

So let us not say that this is class warfare. I do not have that many people running around my district with \$5 million estates; but wherever they are, I would want them protected. I would not want farms lost and small businesses lost because we are taxing the estate. That is why we exclude them instead of opening some of these farms to even more of a tax exposure when we

find that the appreciation in some of the property under the Republican plan is taken into consideration with the taxes that they are going to have, and that is the taxes they are going to have and will continue to have until 10 years passes.

So, Mr. Speaker, I am suggesting this: forget the class warfare and see what makes common sense in terms of 99.04 percent of the United States. Only 2 percent have any liability at all, and we take care of 75 percent of those people, and I ask them to consider the Democrat alternative.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington (Ms. DUNN), the sponsor of this legislation.

Ms. DUNN. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me this time.

Mr. Speaker, I think it is very good that the Democrats want to be bipartisan on this, and I expect in our final legislation we will see that. My great friend and colleague, the gentleman from New York (Mr. RANGEL), has talked about the death tax and why he believes a repeal is not the way to go.

Let me just respond that I think it is very important to be very truthful on what we are dealing with. In the bill that the ranking member discussed, he said that repealing the death tax today would cost \$660 billion. That is accurate, but that is not the bill we are talking about. The bill we are talking about today is H.R. 8. The reason we phased it in is because we want to make it easier to accept the loss in revenue over a period of 10 years.

Obviously, at \$200 billion over 10 years we are not repealing the tax as rapidly as the gentleman from New York (Mr. RANGEL) has suggested. I mean, if we were and we were doing it today, it would be a lot more expensive because each year some of that revenue is lost that is coming in. That is not the bill we are talking about.

The bill we are talking about today is a phase-out of the death tax over 10 years. It will eventually repeal the death tax. Repeal is where we want to go because we all know that if we leave any portion of this tax intact and we are not on the train toward repeal, this tax will grow back. This tax began in 1916, the fourth time in our Nation's history.

At that time, if one were calculating in today's dollars, the exemption amount that the gentleman from New York (Mr. RANGEL) is putting at \$2 million in his bill, his substitute today, the exemption in 1916 is worth \$9 million in today's dollars. So I think his bill is a very lethargic way to go at eliminating this burden, and certainly his description of his other bill does not reflect what we are considering today.

Mr. MOAKLEY. Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin (Mr. KIND).

(Mr. KIND asked and was given permission to revise and extend his remarks.)

Mr. KIND. Mr. Speaker, I thank my friend, the gentleman from Massachusetts (Mr. MOAKLEY), for yielding me this time.

Mr. Speaker, I rise today in strong support for estate tax relief. The estate tax should be modified to protect family-owned small businesses and family farms from the threat of having to be sold just to pay the tax. It should also be updated to reflect the economic growth many Americans experienced in recent years, but any reform of the estate tax should be fair and fiscally responsible, taking into consideration the impending baby boom generation early next decade and their retirement and not based on highly speculative budget surpluses 11 years from now.

Mr. Speaker, H.R. 8, however, is a weather forecast. I do not believe, it is a fair or fiscally responsible way to go. It is asking the American people to plan their picnics 10 years from now because the economic skies are going to be clear, sunny and bright. Yet in order to pay for it, it is based on projected budget surpluses that may or may not be there 8, 9, 10 years from now.

It has been said that God created economists in order to make weather forecasters look good, and if any family would bet their economic prosperity on surpluses or what will be happening 8, 9 years from now, I would like to meet them. The other thing that it does not take into consideration is something that we do know today, and that is the majority of the surpluses over the next 10 years are coming out of the Social Security and Medicare trust funds. But no one is talking about the second decade, when the baby boom generation starts to retire.

What this graph illustrates is what happens in that second decade. Over the next 10 years, we are running some surpluses in the Social Security and Medicare trust funds, but in the second 10 years we have unfunded liabilities that are going to come due; and by backloading these tax cuts as we are doing with the estate tax, which will not be fully repealed for 10 more years, as we did with the marriage penalty relief, as we did with marginal tax rate relief, we are setting up the next generation of leadership in this body, and we are setting up our children for failure, because they will not be able to have the fiscal resources in order to deal with an aging population and their retirement in the next decade.

The point is this: we could afford as a Nation in 1981 to take the chance with large tax cuts that led to annual structural deficits because back then we only had a trillion dollars worth of debt instead of \$5.7 trillion today, and we also back then were not faced with a crisis with the aging population and the impending retirement of baby boomers in the second decade. I am afraid if we embark upon this course of action today with the overall tax plan in this body, we are setting up the next generation of leadership for failure and taking a huge gamble with our children's future by making it impossible

for them to deal with the fiscal realities that we know today we have to contend with tomorrow.

Mr. Speaker, H.R. 8 would fully repeal the estate tax and that I believe is simply unaffordable given the need for debt reduction and all of the competing tax relief and investment priorities that exist and the uncertain surpluses available to pay for them. It is fiscally irresponsible and is so back-loaded that its full repeal cost would not show up until after 2011. It reduces the rates on the largest estates first, while providing no tax relief to the smaller estates, so that estates of less than \$2.5 million get no relief until 2004. And once the estate tax is fully repealed, more than half of the benefits would go to the largest 5 percent of estates.

Furthermore, H.R. 8 would cost \$192 billion over 10 years. Combined with the first two tax cuts passed by the House this bill raises the total tax cut to \$1.55 trillion over 10 years. And including debt service costs, the total budget cost is nearly \$2 trillion.

I am concerned, however, that the alternative offered by Representative RANGEL does not go far enough. The alternative would increase the current exclusion to \$4 million per couple as of January 1, 2002 and gradually increase the exclusion to reach \$5 million at a lower cost of \$40 billion over 10 years. While I strongly support the increased exemption effective immediately, I believe that we must go further and lower the estate tax rates, which the alternative bill does not address. This would restore fairness to this area of the tax code in a fiscally responsible manner and it would ensure that those who are most affected by the estate tax are given immediate relief and do not have to wait for a phase-in of benefits that is lengthy and complicated.

While, I am in favor of addressing negative effects of the estate tax, as evidenced by my past votes, I believe that we should also concentrate on using the emerging budget surplus to address our existing obligations, such as investing in education and defense, providing a prescription drug benefit for seniors, shoring up Social Security and Medicare, and paying down the \$5.7 trillion national debt.

In January, Federal Reserve Chairman Greenspan testified before the Senate Budget Committee and confirmed that the rosy budget projections are "subject to a wide range of error." He also noted that when considering the emerging budget surplus, "debt reduction is the best use for the added revenue." Nonetheless, the administration and House leadership are still pushing large tax cuts above debt reduction.

Mr. Speaker, reform of the estate tax is a bipartisan issue. My colleagues on both sides of the aisle recognize that the estate tax needs to be reformed and updated. H.R. 8, unfortunately, is not the result of bipartisanship. It is my sincere hope that we will be able to reach a compromise in the conference report that will better address estate tax reform by increasing the exemption to at least \$5 million and decreasing the estate tax rates.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me this time.

Mr. Speaker, I rise today in strong support of this important legislation to

completely repeal the death tax once and for all. The death tax is itself the leading cause of death for over one-third of small family-owned businesses. Similarly, heart attacks are the leading cause of death among individuals.

It would not surprise me at all if there are some small business owners back in my hometown of Orlando who have almost had heart attacks when they found out that they would have to pay a death tax of 55 percent in order to keep the family business alive.

This is an unfair tax because the money has already been taxed once on the income level. Let me just give one example of the devastating impact the death tax would have on one of my constituents back in Central Florida. Mr. Bruce O'Donohue is the owner of a small family-owned business called Control Specialists in Winter Park, Florida. His company sells and installs traffic lights, and he happens to employ 25 people in his small company.

The company has been in the O'Donohue family for 35 years. If by some unfortunate and tragic accident Mr. O'Donohue and his lovely wife were taken away from us today, his business would collapse under the tax load that he estimates to be nearly half of the business' worth, and Control Specialists would have no choice but to lay off all of its two dozen employees.

It is important for my House colleagues to realize that the death tax does not just affect small business owners. It impacts the families that are employed by small business owners as well.

Now, those who say they like the death tax say that it is needed to bring in money to the Federal Treasury. The truth of the matter is that the Federal Government spends more money to administer the death tax than it brings in.

Repealing the death tax will bring some fairness and common sense into the system and will create an additional 200,000 extra jobs per year, according to the Wall Street Journal. I urge my colleagues to vote yes to completely repeal the death tax once and for all.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding me this time.

Mr. Speaker, this is truly one of the most bizarre debates that we have had here in the House. We are at a time of economic slow down, an economic slow down that began about the time that President Bush began talking down our economy, and so Republicans tell us they want to stimulate the economy. Well, they have about the same chance of reviving the economy with this bill as they do reviving the dead.

□ 1130

This bill is not designed to stimulate the economy; it is designed to stimu-

late the financial statements of America's billionaires.

Then they parade out the horrors of all the people across America that are subject to the estate tax—all 2 percent of them—the family farms being shut down, the small businesses unable to continue. We Democrats come forward and say, let us get together now to resolve that problem. Let us proceed 8 months from now, in January, to repeal the estate tax for 77 percent of the small number of people that are even subject to the estate tax in this country. Let us eliminate it for small businesses and family farms and eliminate it promptly.

The Republicans say, no, we do not want to do that. We want to "repeal" the death tax, and in order to repeal the death tax for the billionaires, we must impose upon and hold hostage every one of these small businesses and family farms that we are so concerned about, we will hold them hostage and make them subject to tax for the next 10 years. We will continue to assess them a 53 percent tax next year and still a 39 percent tax in the year 2010. Republicans are continuing to impose that tax and refusing to exempt one family farm, refusing to save one family business for the next decade here in America, because they are so committed to reducing taxes for the billionaires of this country.

Mr. Speaker, this bill does not have to do with the millions, it has to do with the billions, and the billionaires. They talk about class warfare, they are winning the class warfare. They are saying to the small businesses, to the family farms across this country, we will not do anything about your estate taxes and repeal them all for you next January, as Democrats are ready and eager to do. We are so intent on protecting the billionaires in this society, and we do not care if it wrecks the budget, we do not care if it jeopardizes Social Security and Medicare, we do not care if it undermines our ability to assure educational opportunity for young people in this country; we do not even care if it means imposing the so-called death tax on small businesses and family farms for the next decade, because we will not actually repeal it for anyone until the year 2011. And even though you Democrats, even according to today's Wall Street Journal, offer small businesses and family farms a better way, a better, speedier form of estate tax relief than Republicans, we have to do it the Republican way or no way to assure full benefit and protection for the billionaires. And that is wrong, and that is why the Democratic substitute must be adopted.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. KERNS).

(Mr. KERNS asked and was given permission to revise and extend his remarks.)

Mr. KERNS. Mr. Speaker, I rise in support of the repeal of one of the most unfair taxes in our country. This tax is

known throughout the State of Indiana as the “death tax.”

I am fortunate to represent Indiana’s Seventh Congressional District, and I am pleased to be a cosponsor of this important piece of legislation that will help farmers and business owners throughout Indiana and across the United States.

Currently the Internal Revenue Service can impose high rates on the value of Hoosier family businesses or farms when the owner dies. In order to pay these unfair tax bills, Indiana families are forced to sell their property that has been in families for generations.

The death tax is a form of double taxation. A farmer or small business owner pays taxes throughout his lifetime and is assessed another tax on the value of his property upon his or her death. This is wrong.

Studies indicate a very high likelihood that family businesses do not survive a second generation and have an even smaller chance to make it through a third generation. Now is the time to reverse this trend.

Mr. Speaker, I came to Congress with the intent of working for family-friendly legislation. I believe this bill is a step in the right direction and will help families achieve the American dream. I join the cosponsors in urging my colleagues to support this important piece of legislation.

I can tell my colleagues that back in my district in a little town of Clinton, Indiana, there was an Irish-American family that came to this country and built a business, the Randici family. The entire family has worked their entire life to build that business, and they are not rich, but they have an infrastructure they have built. If we do not repeal this unfair tax, their family will pay the consequences and suffer the consequences.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. KLECZKA).

Mr. KLECZKA. Mr. Speaker, remember the old song, the rich get richer and the poor get poorer? Well, we are about to take a giant step to make that a truism today. People come to the floor today and will say that it is time to eliminate this tax. I ask them, why? It is part of our progressive tax system. Those who are worth the most and make the most pay a little more than the rest of us.

The fact remains that the Republicans have manipulated this issue to the point where not only do they change the name of the tax, for there is no death tax, it is an estate tax, but they have also convinced every American that they are going to pay it, and that’s false. The fact is 2 percent of the wealthiest Americans ever are subjected to the estate tax. In the State of Wisconsin, in 1998, there were 45,000 deaths, 45,000 deaths. Of all of those estates, 828 paid a tax. If, in fact, our proposal to raise the exemption to \$5 million would pass in the State of Wisconsin, only 51 estates would pay this tax.

Mr. Speaker, I agree with Bill Gates, Sr. He says, do not do this. There is a reason for this tax. And the reason, and I quote him from Senate testimony when he said, “Without the estate tax,” Gates told the Senators, “there would be an aristocracy of wealth that has nothing to do with merit.” He argued that “paying the tax is the price of being a U.S. citizen.”

What do we do with the money? We help people like the students that were just in the gallery get to college with Pell grants. But we are told this year we do not have enough money, we cannot provide a sizable increase. We are told for the seniors we cannot afford a drug benefit, but we can spend in this bill today \$200 billion for the wealthiest of the wealthy people in this country.

Wealthy people have come forward to us and said, do not do this. This is sheer nonsense. This is not for the working men and women in my district in Milwaukee; this is for the Republican contributors, and it is payback time today, my friends, payback time.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, may I inquire of the gentleman from New York (Mr. REYNOLDS), my good friend, how many speakers he has remaining?

Mr. REYNOLDS. Mr. Speaker, I think the minority debate might prompt how many speakers would remain. At this point we could close if the gentleman from Massachusetts is prepared to close.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri (Mr. GEPHARDT), our Democratic leader.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, I rise to ask Members to vote against this estate tax bill, and I ask Members to vote for the Democratic alternative that will be sponsored by the gentleman from New York.

I firmly believe that we should cut estate taxes for family farms, for small businesses, and for very wealthy individuals. I think we have the only bill that achieves this goal in a sensible and responsible and evenhanded way. Our bill eliminates taxes for individuals with estates worth more than \$2 million, and couples worth more than \$4 million. We exempt 99 percent of all farms. As the Wall Street Journal reported today, we give more relief, relief to estates valued at less than \$10 million through the year 2008. I quote from the article: “An estate tax plan by Democrats offers speedier relief than the Republican proposal.”

The Republican bill does not repeal the estate tax for another 10 years and hides the true cost of this tax cut. It is a gimmick. This is not an honest tax cut. It is an attempt to white out the cost and keep the numbers down so they can continue to argue that their tax cut is reasonable when the exact opposite is true.

This bill creates loopholes that people will use to evade income taxes. It is tilted to the top 374 estates in America, and it is so unreasonable, given the other needs in our country and our budget, that many Americans who stand to make the most from the Republican bill do not even support it. The best off in our society have formed a coalition against this Republican proposal. Bill Gates, Sr., Warren Buffett, George Soros and many others have said, do not give us this big tax cut. We do not want a huge windfall. We can afford to pay a reasonable estate tax. We recognize that America is a community, and people who have profited the most, in their view, have a responsibility to give something back.

This is a message of fiscal responsibility, discipline, moderation, and we support it. Today we hit the \$2 trillion mark. In less than 3 months, the House of Representatives has passed \$2 trillion in tax cuts, including interest. It is so much money, it makes one’s head spin. It busts the budget. It gobbles up the available surplus, raids Medicare and Social Security, crowds out all kinds of other priorities.

We will not be able to make the necessary investment in education if we want to give all of our children a first-rate, excellent public education, if we really want to leave no child behind. We will not have the resources to hire more teachers, build more classrooms, create more preschool and after-school programs. We will not have an affordable Medicare prescription drug program. We will not be able to extend the solvency of Medicare and Social Security so it will be there 9 years from now when the baby boomers start coming to ask legitimately for their benefits that they have been paying taxes for years to support.

Now, let me finally say that when we add up these three, we are at \$2 trillion. I am told there are more coming, and we are going to get to \$3 trillion. I will say one more time for anybody that will listen that what we are doing here is something we did in 1981, and it took us 15 years to correct the problem.

At the time, in the early 1980s, there was a book written by a man by the name of David Stockman called *The Triumph of Politics*. He was the OMB Director for Ronald Reagan. He served in this body. And the gist of this book is that the mistakes that were made in the early 1980s were very hard to correct and caused immeasurable economic difficulty in this country.

I read from the end of his conclusion in this book at page 394. He is arguing at the end of the book for a tax increase to solve the fiscal problems that we faced. He said, “In a way, the big tax increase we need will confirm the triumph of politics. But in a democracy, politicians must have the last word once it is clear their course is consistent with the preferences of the electorate.” He said, “The abortive Reagan revolution proved that the

American electorate wants a moderate social democracy to shield it from capitalism's rougher edges. Recognition of this in the Oval Office," he said, "is all that stands between a tolerable economic future and one fraught with unprecedented perils."

I quote David Stockman to this House of Representatives. If we do not learn from history, we are forced to repeat it. This is a mistake that we will pay for for years to come. One can break the tax cut into parts, but one cannot break its effect on the overall deficit and the overall economic policy of this country. We should not make this mistake. We made it before. We do not need to do it again.

We talk about responsibility. We need every citizen in this country to be responsible. But if we expect the people of this country to be responsible, we as the leaders of this country need to be responsible.

Mr. Speaker, enacting this tax cut, along with all the others, is totally irresponsible and should not stand. I beg Members to vote against this proposal and vote for the Democratic proposal, which is responsible, is fair, and is consistent with a low deficit, fiscally responsible policy for this country.

□ 1145

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. Goss), the distinguished vice-chairman of the Committee on Rules.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, I wanted to bring us back to the reality of the vote that is immediately before us, which I presume will be a vote on the rule. I would like to urge support for the rule. I think the Committee on Rules has crafted a very fair and good rule for a matter of this type.

As we did with the budget process, as I recall, we had three Democratic substitutes. In this case, we have two bites at the apple for the Democrats, their substitute and the motion to recommit, so I do not think anybody can say that this is not an extremely fair rule.

I would urge Members' support for the rule, in case there is any confusion about that.

As for the substance of the bill and so forth, I think that the gentleman from Missouri made a very good statement about responsibility. I think that every American craves responsibility to make our country better and look out for our fellow citizens. I think that is an individual responsibility.

I certainly welcome that Mr. Soros and Mr. Buffett and Mr. Gates have the capability and the desire to look out for their citizens and others in the community as their responsibility, not as a mandate from the Federal government.

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

As we now have the rule shortly for a vote, I rarely make a prediction of what this House will do, but I see bipartisan support for the rule, and hope we would achieve that. We see some minority members talk about no repeal, some talk about repealing with their plan, and some cosponsors of H.R. 8 as it comes before us.

This rule is fair, and the underlying legislation as it comes out for further debate today will allow an opportunity for America to judge that. It is no longer a debate of whether there will or will not be a death tax passed out of here and likely signed into law by the President, but how much and how it plays out, based on versions.

That is an important step, because America watched Democratic control with 40 years of big spending, big government. Maybe Mr. Stockman, as quoted by the minority leader, might have spent too much time in the majority-driven Congress of big spending, versus the amount of time seeing the result from 1981 to the year 2000, where we are going to pay down that debt, where we are going to invest in America's future, and we can still give money back to the American people in their pockets, rather than having a big government spender, whether it comes out of Congress or out of the White House, that would drive up spending and taxes for the American people.

This plan is part of the overall plan that puts money back in America's pockets and takes the number one issue of NFIB and the American Farm Bureau and puts it to rest, where it is buried once and for all, and that is elimination of the tax bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 of rule XX, this 15-minute vote on House Resolution 111 will be followed by a 5-minute vote on H.R. 642.

The vote was taken by electronic device, and there were—yeas 413, nays 12, not voting 6, as follows:

[Roll No. 80]  
YEAS—413

Abercrombie	Baker	Bass	Blagojevich	Gallegly
Ackerman	Baldacci	Bentsen	Blumenauer	LoBiondo
Aderholt	Baldwin	Bereuter	Blunt	Lofgren
Akin	Ballenger	Berkley	Boehlert	Lowey
Allen	Barcia	Berman	Boehner	Lucas (KY)
Andrews	Barr	Berry	Bonilla	Lucas (OK)
Armey	Barrett	Biggert	Bonior	Luther
Baca	Bartlett	Bilirakis	Bono	Maloney (CT)
Bachus	Barton	Bishop	Borsell	Maloney (NY)
			Boucher	Manzullo
			Boyd	Markey
			Brady (PA)	Mascara
			Brady (TX)	Matheson
			Brown (FL)	Matsui
			Brown (OH)	McCarthy (MO)
			Brown (SC)	McCarthy (NY)
			Bryant	McCullum
			Camp	McCrary
			Calvert	McDermott
			Campbell	McGovern
			Cannon	McHugh
			Cantor	McInnis
			Capito	McIntyre
			Capps	McKeon
			Capuano	McNulty
			Cardin	Meek (FL)
			Carson (IN)	Meeks (NY)
			Carson (OK)	Mica
			Castle	Millender-McDonald
			Chabot	Miller (FL)
			Chambliss	Miller, Gary
			Clay	Miller, George
			Clayton	Mink
			Clement	Moakley
			Clyburn	Mollohan
			Coble	Moore
			Collins	Moran (KS)
			Combest	Moran (VA)
			Condit	Morella
			Conyers	Murtha
			Cooksey	Myrick
			Costello	Napolitano
			Cox	Nethercutt
			Coyne	Ney
			Cramer	Northup
			Crane	Norwood
			Crenshaw	Nussle
			Crowley	Oberstar
			Cubin	Olber
			Culberson	Ortiz
			Cummings	Osborne
			Cunningham	Ose
			Davis (CA)	Otter
			Davis (FL)	Oxley
			Davis (IL)	Pallone
			Davis, Jo Ann	Pascarella
			Davis, Tom	Pastor
			Deal	Paul
			DeGette	Payne
			Delahunt	Pelosi
			DeLauro	Pence
			DeLay	Peterson (MN)
			DeMint	Peterson (PA)
			Deutsch	Petri
			Diaz-Balart	Phelps
			Dicks	Pickering
			Dingell	Pitts
			Doggett	Platts
			Dooley	Pombo
			Doolittle	Pomeroy
			Doyle	Portman
			Dreier	Price (NC)
			Duncan	Pryce (OH)
			Dunn	Putnam
			Edwards	Quinn
			Ehlers	Radanovich
			Ehrlich	Rahall
			Emerson	Ramstad
			Engel	Rangel
			English	Regula
			Eshoo	Rehberg
			Etheridge	Reyes
			Evans	Reynolds
			Everett	Riley
			Farr	Rivers
			Fattah	Rodriguez
			Ferguson	Roemer
			Flake	Rogers (KY)
			Fletcher	Rogers (MI)
			Foley	Rohrabacher
			Ford	Ros-Lehtinen
			Lewis (CA)	Ross
			Lewis (GA)	Rothman
			Lewis (KY)	Roukema
			Linder	Royal-Ball-Allard
			Frost	Lipinski

Royce	Smith (NJ)	Toomey	Brady (PA)	Graves	McCarthy (MO)	Scott	Stenholm	Upton
Ryan (WI)	Smith (TX)	Towns	Brady (TX)	Green (TX)	McCarthy (NY)	Serrano	Strickland	Velazquez
Ryun (KS)	Smith (WA)	Trafciant	Brown (FL)	Green (WI)	McCollum	Sessions	Stump	Visclosky
Sabo	Snyder	Turner	Brown (OH)	Greenwood	McCrary	Shadegg	Stupak	Vitter
Sanchez	Solis	Udall (NM)	Brown (SC)	Grucci	McDermott	Shaw	Sununu	Walden
Sanders	Souder	Upton	Bryant	Gutierrez	McGovern	Shays	Tanner	Walsh
Sandlin	Spence	Velazquez	Burr	Gutknecht	McHugh	Sherman	Tauscher	Wamp
Sawyer	Spratt	Visclosky	Burton	Hall (OH)	McInnis	Sherwood	Tauzin	Waters
Saxton	Stark	Vitter	Buyer	Hall (TX)	McIntyre	Shimkus	Taylor (MS)	Watkins
Scarborough	Stearns	Walden	Callahan	Hansen	McKeon	Shows	Taylor (NC)	Watt (NC)
Schaffer	Stenholm	Walsh	Calvert	Harman	McKinney	Simmons	Terry	Watts (OK)
Schakowsky	Strickland	Wamp	Camp	Hart	McNulty	Simpson	Thomas	Waxman
Schiff	Stump	Waters	Cantor	Hastings (FL)	Meehan	Skeen	Thompson (CA)	Weiner
Schrock	Stupak	Watkins	Capito	Hastings (WA)	Meek (FL)	Skelton	Thompson (MS)	Weldon (FL)
Scott	Sununu	Watt (NC)	Capps	Hayes	Meeks (NY)	Slaughter	Thornberry	Weldon (PA)
Sensenbrenner	Sweeney	Watts (OK)	Capuano	Hayworth	Menendez	Smith (MI)	Thune	Weller
Serrano	Tancredo	Waxman	Cardin	Hefley	Mica	Smith (NJ)	Thurman	Wexler
Sessions	Tanner	Weiner	Carson (IN)	Herger	Millender-Lee	Smith (TX)	Tiahrt	Whitfield
Shadegg	Tauscher	Weldon (FL)	Carson (OK)	Hill	McDonald	Smith (WA)	Tiberi	Wicker
Shaw	Tauzin	Weldon (PA)	Castle	Hilleary	Miller (FL)	Snyder	Tierney	Wilson
Shays	Taylor (MS)	Weller	Chabot	Hilliard	Miller, Gary	Solis	Towns	Wolf
Sherman	Taylor (NC)	Wexler	Chambliss	Hinchey	Miller, George	Souder	Trafciant	Wu
Sherwood	Terry	Whitfield	Clay	Hinojosa	Mink	Spence	Turner	Wynn
Shimkus	Thomas	Wicker	Clayton	Hobson	Moakley	Spratt	Udall (CO)	Young (AK)
Shows	Thompson (CA)	Wilson	Clement	Hoefel	Mollohan	Stark	Udall (NM)	Young (FL)
Simmons	Thornberry	Wolf	Clyburn	Hoekstra	Moore			
Simpson	Thune	Wynn	Collins	Holden	Moran (KS)			
Skeen	Thurman	Young (AK)	Combest	Holt	Moran (VA)	Akin	Paul	Stearns
Skelton	Tiahrt	Young (FL)	Condit	Honda	Morella	Coble	Royce	Tancredo
Slaughter	Tiberi		Conyers	Hooley	Murtha	English	Scarborough	Toomey
Smith (MI)	Tierney		Cooksey	Horn	Myrick	Flake	Schaffer	
			Costello	Hostettler	Nadler	Jones (NC)	Sensenbrenner	

## NAYS—12

Baird	Kleczka	Owens
DeFazio	Lee	Thompson (MS)
Filner	McKinney	Udall (CO)
Hilliard	Nadler	Wu

## NOT VOTING—6

Becerra	Kirk	Rush
Kennedy (RI)	Latham	Woolsey

## □ 1208

Mr. STRICKLAND and Ms. SCHAKOWSKY changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

---

CHESAPEAKE BAY OFFICE OF NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION AUTHORIZATION

The SPEAKER pro tempore (Mr. SUNUNU). The unfinished business is the question of suspending the rules and passing the bill, H.R. 642, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. GILCHREST) that the House suspend the rules and pass the bill, H.R. 642, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 406, nays 13, not voting 12, as follows:

[Roll No. 81]

YEAS—406

Abercrombie	Barcia	Bilirakis	Gephart	Lofgren	Royal-Allard		
Ackerman	Barr	Bishop	Gibbons	Lowey	Ryan (WI)		
Aderholt	Barrett	Blagojevich	Gilcrest	Lucas (KY)	Ryun (KS)		
Allen	Bartlett	Blumenauer	Gillmor	Lucas (OK)	Sabo		
Andrews	Barton	Blunt	Gilman	Luther	Sanchez		
Baca	Bass	Boehlert	Gonzalez	Maloney (CT)	Sanders		
Bachus	Bentsen	Bonilla	Goode	Maloney (NY)	Sandlin		
Baird	Bereuter	Bonior	Goodlatte	Manzullo	Sawyer		
Baker	Berkley	Bono	Gordon	Markey	Saxton		
Baldacci	Berman	Boswell	Goss	Mascarda	Schakowsky		
Baldwin	Berry	Boucher	Graham	Matheson	Schiff		
Ballenger	Biggert	Boyd	Granger	Matsui	Schrock		

## NAYS—13

Baird	Kleczka	Owens
DeFazio	Lee	Thompson (MS)
Filner	McKinney	Udall (CO)
Hilliard	Nadler	Wu

## NOT VOTING—12

Becerra	Kirk	Rush
Kennedy (RI)	Latham	Woolsey

## □ 1221

Mr. HILLIARD changed his vote from "nay" to "yea."

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. KIRK. Mr. Speaker, on rollcall No. 81, I voted "yea." The voting machine recorded the vote but I was later informed that it was not recorded. I was present and I voted "yea."

---

DEATH TAX ELIMINATION ACT OF 2001

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 111, I call up the bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LINDELL). Pursuant to House Resolution 111, the bill is considered read for amendment.

The text of H.R. 8 is as follows:

H.R. 8

*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 "Death Tax Elimination Act".

**TITLE I—REPEAL OF ESTATE, GIFT, AND GENERATION-SKIPPING TAXES.**

**SEC. 101. PHASEOUT OF ESTATE AND GIFT TAXES.**

(a) REPEAL OF ESTATE AND GIFT TAXES.—Subtitle B of the Internal Revenue Code of 1986 (relating to estate and gift taxes) is repealed effective with respect to estates of decedents dying, and gifts made, after December 31, 2010.