

WILLIAM THOMAS,
DICK ARMEY,
Managers on the Part of the House.

CHUCK GRASSLEY,
ORRIN HATCH,
FRANK H. MURKOWSKI,
DON NICKLES,
PHIL GRAMM,
MAX BAUCUS,
JOHN BREAUX,
Managers on the Part of the Senate.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 5 o'clock and 18 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 0651

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. LAHOOD) at 6 o'clock and 51 minutes a.m.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1836, ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107-85) on the resolution (H. Res. 153) waiving points of order against the conference report to accompany the bill (H.R. 1836) to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT OF AMENDMENT PROCESS FOR H.R. 1699, COAST GUARD AUTHORIZATION ACT OF 2001

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

Mr. REYNOLDS. Mr. Speaker, a "Dear Colleague" letter will be sent to all Members informing them that the Committee on Rules will meet the week of June 5, 2001, to grant a rule for the consideration of H.R. 1699, the Coast Guard Authorization Act of 2001. The Committee on Rules may grant a rule which would require that attachments be printed in the CONGRESSIONAL RECORD prior to their consideration on the floor.

The Committee on Transportation and Infrastructure filed its report on the bill on May 24. Members should draft their amendments to the bill as reported by the Committee on Transportation and Infrastructure. Members should use the Office of Legislative

Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain that their amendments comply with the rules of the House.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1836, ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 153 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 153

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1836) to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The yeas and nays shall be considered as ordered on the question of adoption of the conference report and on any subsequent conference report or motion to dispose of an amendment between the houses on H.R. 1836. Clause 5(b) of rule XXI shall not apply to the bill, amendments thereto, or conference reports thereon.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 153.

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 153.

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

Mr. REYNOLDS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), 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.)

Mr. REYNOLDS. Mr. Speaker, the rule provides that the conference report shall be considered as read and further provides for 1 hour of debate equally divided and controlled by the chairman and the ranking member of the Committee on Ways and Means.

Additionally, the rule waives all points of order against the conference report and against its consideration. Further, the rule provides that the yeas and nays shall be considered as ordered on the question of adoption of the conference report and on any subsequent conference report or motion to dispose of an amendment between the Houses on H.R. 1836.

Mr. Speaker, we are in the home stretch. We are in the final stages of bringing about real tangible tax relief to all Americans. With surpluses at an

all-time high, and the fiscal responsibility to match, it is time for a refund.

In testimony earlier this year before the House Committee on Ways and Means, Treasury Secretary Paul O'Neill presented the following argument: "Through hard work and ingenuity, Americans have created a booming economy that has spread prosperity around the world. Individuals have created new technologies that have made our industries more productive and have improved the standard of living for millions of Americans. We have no business continuing to collect more in Federal taxes than the cost of the services the government provides. It's not the government's money, it's the people's money, and we should return it to them as quickly as possible."

Current high rates punish low-income Americans by creating a disincentive to get ahead. We punish thrift and hard work and the innate desire in all Americans to strive to do better, to realize the American Dream. For example, under the current Tax Code a single mom making \$25,000 a year pays a higher marginal tax rate than someone making \$250,000 a year.

Taxes now claim a greater share of the median two-income family's income than food, clothing, housing, and transportation combined. And Americans are spending a greater percentage of income towards taxes than at any time since World War II, essentially comprising the largest share of the gross domestic product. In the land of equality, where is the fairness in that?

This tax package provides relief to every single taxpayer, removing millions of Americans from the tax roll all together. This plan is predicated on the idea that a sensible tax policy will generate high rates of long-term growth. Reductions in marginal tax rates, will encourage greater work ethic and provide more inducement for taxpayers to save, invest, and build business enterprises.

Families need the flexibility to dedicate their resources towards their most pressing concerns. While some may need more to help pay off their debts, others may need extra money to pay tuition for their child or to invest in their retirement. The point is, government should not be making these decisions for them.

Mr. Speaker, I have had the opportunity to speak to my colleagues and the American people on this measure twice before. While its details have most certainly changed, it includes every aspect of President Bush's tax cut proposal. Most important, its essence remains the same: needed tax relief for working Americans.

When I first stood before the House back in March, I spoke of a constituent of mine, Paul Meloon of Batavia. A husband, father, and teacher, Paul warned that, "The people can't afford our high taxes. We can't afford so much year after year on Federal programs. No one asks if the taxpayer can afford a tax hike. It's not a matter of affording a tax cut, we demand it."

To Paul and his family, and millions more like him, I say simply this: we have heard your demand, and we are acting on it. Historic tax relief is on its way. America, this is your money, and you know how to spend it best. I am asking my colleagues to help give you this refund you have asked for.

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, my colleague, the gentleman from New York (Mr. RANGEL), for their hard work to make desperately needed tax relief a reality. Mr. Speaker, I urge my colleagues to give America what they need and what they have earned: responsible, common-sense tax relief. I urge my colleagues to support this rule and the underlying legislation.

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

□ 0700

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

Mr. Speaker, I really wish that I had three little shells to put up here on my podium with a pea under one of the shells, because that is what you need to follow this tax bill. They have done something extraordinarily ridiculous just for starters, and I would like to kind of talk about that before I go into my full statement.

Now, let us say you are a person that wants the estate tax repealed. I have gotten a lot of calls like that from people in my district. They repeal the estate tax for 1 year. 1 year. Let me say this again. You have to die in the year 2010 to be able to pay no estate tax. If you die in 2011, you have to pay the estate tax just the way it is today. They sunsetted their repeal of the estate tax in the year 2010. So you have got a 12-month window to die if you want to avoid the estate tax. Between now and then, of course, they gradually raise the exemption, so if you die between now and 2009 you do not have to pay quite as much in the estate tax and if you die in 2010 you do not have to pay any estate tax. But if you have the good fortune to live until 2011, you pay the full estate tax exactly as it is right now.

Now, let us say you were looking forward to the rate reduction. Right now you have a 39.6 percent rate, you are a wealthy taxpayer, and then over a period of the next few years that rate gradually drops down to 35 percent. But viola, in the year 2011, it goes back to 39.6 percent. That applies, of course, to the other provisions in this bill, too. A very, very strange and peculiar way to legislate.

Why did they do this? They did it because they could not make the numbers work. If you extended this stuff beyond 2010 and you did not sunset it, these numbers do not work. You bust that \$1.35 trillion cap. All of this has been a game to live within the \$1.35 trillion cap that was set in the budget resolution.

Now, you can argue as to whether the \$1.35 trillion cap amount is a good amount to be cutting taxes. Everybody would like their taxes cut. I would like my taxes cut. I also would like the government to be able to preserve Social Security and Medicare and not use up the money that we need for Social Security and Medicare in order to give the richest Americans a tax cut. I also would like the government to be able to do a lot of things. I would like the government to be able to have a prescription drug plan for our seniors and I would like the government to have enough money to fund our national defense and I would like the government to be able to fund this wonderful education bill that we recently passed but which everyone on that side knows cannot be funded under the budget resolution we passed because of the size tax cut that we are being asked to vote on today.

As I said, I wish I had those little shells that you have at a carnival show, because that is what this is all about. This is a game. This is a game the Republicans are playing with the American taxpayers and they are not being honest with them. Again, if we are going to cut taxes, let us have a tax cut that makes sense, that goes to middle-income taxpayers, that does not go primarily to the wealthy, and let us have a tax cut that the American people can afford so that we can do those other things that we all say we want to do. But let us not engage in a charade. This is a charade at 7:03 a.m. on Saturday morning, after the conference committee dealt with this all night and they suddenly produce something in the wee hours and then we get a little time, maybe an hour to look at it, to try to understand it and to cast one of the most momentous votes that we are going to be called to cast during this session. People have not had adequate time to study this document. But the folks on the other side are not engaged in providing adequate time. They do not want us to be able to really understand it, but I think I understand it enough and we do have a little summary that was provided, summary of provisions contained in the conference agreement for H.R. 1836, provided by the Joint Committee on Taxation.

If you look at that summary on page 13, you will see what I was talking about. I want to read this to you. It says, Roman numeral IX, Sunset. I want to read it to you just so you know I am not making this up. You could not make this up, Mr. Speaker.

“To ensure compliance with the Congressional Budget Act of 1974, the conference agreement provides that all provisions of the bill generally do not apply for taxable plan or limitation years beginning after December 31, 2010.”

In other words, now you see it, now you don't.

Mr. Speaker, I have been in this body for a while. The American people need to be dealt with on the level. I do not

always agree with the things that the other side wants to do. That is what politics is all about. But I believe we should be honest with the American people. I do not think we ought to be telling them we have given you this wonderful tax cut but King's X, it all goes away in 2010, and you better die in the year 2010 if you want to avoid the estate tax because if you happen to plan foolishly enough and happen to hang around until 2011, you are going to pay the full estate tax.

Mr. Speaker, I have a fairly lengthy statement that I want to submit for the record which details all of this. But the hour is early, or late, depending upon your perspective and a lot of my colleagues would like to talk about this particular conference report. And so, Mr. Speaker, at this time, I urge my colleagues to try and understand what we are being asked to do today and to understand how ridiculous and ludicrous this approach is and how shortsighted it is for the American taxpayer, because we are denying the American taxpayer the needed resources for our government to preserve Social Security and Medicare, to provide education funding, to provide for our national defense, and to do the other things we all agree should be done so that we can provide a very large tax cut for the wealthiest of Americans during the next 10 years and then change it all at that time.

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

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

I listened to my distinguished colleague talk about his view of having been part of what the left has been on a growing government, a bigger government, more spending. While I have not been in this body a lengthy time, I have been elected now over a quarter of a century, and I have learned at the town and the county and the State level as well as right here on the Federal level, if you leave a pile of money on the table, it is going to get spent.

The simple fact is that even after we pay down America's debt, strengthen and secure Social Security and Medicare, improve education and bolster America's defense, we still have enough left over to relieve overtaxed and overburdened American families. We are going to do this in the light of day today. We are going to do it with a bipartisan vote, I am willing to predict, as this rule is passed and we move forward with the debate on the tax bill.

But there is also no question that in 1993, the majorities of the two houses and the then President of the United States imposed the largest tax increase in the history of America. It is also true right now that we are paying more taxes now than any time since World War II. The bottom line is that this agreement, a consensus worked out by Republicans and Democrats in this House and in the other body, has brought a result of compromise, what this bill is that is going to be coming

up before us today. I urge passage of the rule and onward with the tax cut.

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

Mr. FROST. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means.

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

Mr. RANGEL. Mr. Speaker, it took so many years for the other body to come up with some plan to jeopardize Social Security and Medicare, these programs that the American people have come to rely on for so many, many years, the pride and the dignity that older folks had that they did not have to depend on their children and their grandchildren for survival.

We knew a long time ago when Mr. Stockman was here with President Reagan that it was not a question of just fiscal irresponsibility, it was not a question of tax cuts. No President has to campaign around the country to encourage the people to support a tax cut. No, the American people knew exactly what was happening. It is, "Get the money out of Washington. Why? Because they will spend it. This is your money. This is not the Congress' money."

Well, whose is the deficit? Is that the Congress' deficit or does it belong to our Nation? Is this what we want which we had after Reagan, a country that was spending more money on interest on our debt than paying for health care? And what about the cases that we have of the education program, the prescription drug program, all of the things that were adopted during the President's campaign but we do not hear anything about that today. No, the real question is that in 10 years, all of this is over. Whatever benefits anyone receives under this tax bill, it is over. Because the Republican accountants and tax writers in the middle of the night came up with the strangest gimmick of all. It is called sunset. And so the big balloon at the end of this tax cut means an increase in taxes. I hope someone figures it out, because the entire bill is sunsetted in the year 2010, and it means that whatever the tax rates are today, they come back. But something else happens. Over 40 million American people will be eligible for health care because they are senior citizens, and they will be eligible for Social Security at the very time that the revenues will not be there. And God forbid if the surplus is not there, then what do we do? We have one of two choices: We can increase taxes, and those of us in 1993 who thought that was the right thing to do because we wanted to get on with the deficit, we wanted to protect Social Security, we wanted to protect Medicare but to do this we had to vote for the Clinton tax increase, and we lost 52 Members by doing the right thing. Everyone wants to enjoy the benefit of a surplus, but

very few want to pay for the surplus. It means sound fiscal policy. Now we are going back to the days of old. I only hope the rule is defeated so we do not do this to our Congress, we do not do this to our country, and we do not do this to the American people.

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

Mr. FROST. Mr. Speaker, I yield myself 30 seconds. I believe the other side is a little embarrassed about this product and they do not have too many speakers. We have a lot of speakers and we are going to take our full time.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Mr. Speaker, we are discussing a bill that almost none of us have seen, a \$2 trillion plus bill. And where is it? I am not shocked, but I am deeply saddened. The House majority here is hell-bent on this bill even if it means replunging us into the fiscal hell of the deficits of the 1980s.

What you have done is to use the gimmick of all gimmicks. You lop off the 10th year. Who is ever going to believe this is real? Who is ever going to believe this is a \$1.35 trillion bill when you ignore the 10th? We do not have the bill, let alone the real analysis, let alone any critique by the so-called Joint Tax Committee.

□ 0715

Common sense says that if one adds the tenth year, they are going to add \$200 billion. This is a \$1.6 trillion bill, plus the increased interest; \$2 trillion plus. Some of my Republican colleagues have the gall to get up here and talk about a House consensus. The gall. And somebody thanks the gentleman from New York (Mr. RANGEL) for joining with the gentleman from California (Mr. THOMAS) when I do not think he was in any of the discussions.

This is a masquerade. They have added a little bit of sugar amidst a potful of fiscal irresponsibility, fiscal irresponsibility, and they can't hide that by taking one year off. Why do they not take a second year off and make it smaller yet?

They are hurdling this country potentially over a cliff. They are fiscally irresponsible, and it does not matter if they bring this up at 1:00 in the morning, which was their original intent, or 7:00 in the morning. The daylight will show they are fiscally irresponsible, playing with fire, gambling the future of this country, education, prescription drugs. Three hundred bucks a month in pills will cost seniors more than the 300 bucks people might get, as important as that is to some families. When one looks at this altogether, my Republican colleagues are fiscally irresponsible. They are repeating the sins of the 1980s times two.

I urge we defeat this rule.

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

Mr. Speaker, tax relief and tax fairness is not a Republican solution. It is a combined House solution.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

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

Mr. TRAFICANT. Mr. Speaker, I am not embarrassed by this bill. No one should be embarrassed by this bill. I think Congress should be embarrassed for what we have allowed to develop over many periods of years. Anybody in America can see that most Americans, in fact, do not even like the government. They do not even want to be involved with the government. They see the government as a separate entity that hopefully is going to send them their Social Security check and maybe will not audit them or cause them any problem.

This nexus that should exist because it is our government does not exist anymore, and the genesis of it is right here in the House floor; the politics in the Congress. Politics of division, minority versus majority, old versus young, worker versus company, man versus woman. Is it any wonder the country is screwed up?

Look, income taxes started out headed right to the Supreme Court and were struck down as unconstitutional and, my God, I believe they are still. If one looks at the original language and the common sense of America, income taxes are not what the American people ever wanted, nor were they designed to be that which was intended by the Founders.

I give credit to the majority party. Taxes in America are too high and they are trying to reduce them. Yes, there are some things the gentleman from New York (Mr. RANGEL) is doing I certainly can vote for, that is for sure, and I commend him for the fight that he has taken, but taxes are too high.

We should not be penalizing those who marry. My God, we reward people who do not marry. Is it any wonder that we have so many illegitimate children? We subsidize illegitimacy. We reward dependency with a Tax Code that every businessman is in partnership with. They must look at the Tax Code before they decide they are going to make an investment. Beam me up.

Thank God. It may not be perfect, but this is a good bill for America. I stand here today and say, yes, I am going to vote for it and I am going to vote as long as I can to continue to refine and improve the Tax Code of this country.

There should be no disconnect between the American people and our government. It is our government and, quite frankly, there are many things being done in this bill that we the Democrats should have done and we should have done them a long time ago. But there is one thing that all Congress should do, and that is take the American people and the American

government and put them back together again as one unit. This is a good place to start.

Mr. FROST. Mr. Speaker, I yield 2½ minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me this time.

Mr. Speaker, we are going to leave here and go home and participate in Memorial Day celebrations all across the country honoring those who have made our country free, who have stood down the challenge of fascism in World War II, stood down the challenge of Communism by prevailing in the Cold War.

What I had hoped my contribution to the future of this country would be would be not in the national security area, they have already done such an excellent job there, but in terms of promoting the fiscal health of this country, leaving us more financially secure for our children than we ourselves have in this country with the passage of the bill the majority has brought forward. I now deeply regret that that will not be possible.

We will not pay off the national debt to the fullest dimensions possible. We will not fully be in a situation to preserve the Social Security and Medicare trust funds.

Three quick points of analysis on this bill. Is it fair? The top 1 percent gets 37 percent of the break. The bottom 60 percent get a mere 15 percent. That is not fair. It is not fair in any way, shape or form.

Does this bill make sense? This is the phase-ins and phase-outs of this bill. This bill is a matter of here today, gone tomorrow. It is the most screwed up bill we have ever seen in terms of bringing taxes in and phasing them out. Marriage penalty phase-in starts in 2005; fully phased in by 2009, repealed in 2010. Estate tax, it is there in 2009. It is repealed in 2010. It is back in 2011. College tuition deduction starts in 2002, phase-in in 2003; fully phased in 2004 and 2005, and then it is repealed. AMT relief, it is there in 2001. It is there through 2004 and then it is repealed.

One needs certainty in the Tax Code so they can plan, and this is anything but certain.

Does this bill allow for any other national priorities? This bill has been constructed so that it explodes in the next 10 years. \$1.3 trillion, it will actually be more than that, about \$1.6 trillion in the first 10 years to \$4 trillion in the second 10 years, just at the time baby-boomers move into retirement and the cost of Social Security and Medicare escalates.

There is nothing in the measure before us for the additional defense spending we know is going to be coming, and there is insufficient allocation for the resources we are going to need in education.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

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

Mr. Speaker, on this early Saturday morning, on the East Coast, perhaps some folks are blurry-eyed and perhaps a little frustrated. Perhaps they remember the words to the great country song, That Is My Story and I Am Sticking to It, even though the facts would suggest otherwise. In lieu of incendiary rhetoric, let us just go back to the central concept of what we will do in this Chamber today and it is something that I think interestingly has gained bipartisan support.

We have overcharged the American people. We have asked them to pay too much of their paycheck in taxes, and now we are simply giving them a very modest refund. It is not perfect. It is not overly ambitious. It is not risky. In fact, it reaffirms what I think people of goodwill on both sides of the aisle want to do; to understand the truism and the basic wisdom of letting parents and families provide for themselves while maintaining a social safety net and the long-standing commitments that Americans have come to depend on, and indeed we have seen this as a bipartisan initiative through the years.

Forty years ago, President Kennedy reminded us a rising tide lifts all boats in terms of fair and equitable tax relief. Twenty years ago, President Reagan made that point.

This is a bipartisan measure, and to the extent there is wailing and gnashing of teeth and setting off of false alarms, I understand that good people can disagree but I believe in the final analysis, Mr. Speaker, people will come to understand that what we do today for the American people is to take a first significant step for letting them put their financial houses in order and in the process putting our entire economy back in order.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, it takes no courage to vote for this bill today. All it takes is a capacity to ignore the greatest opportunity we have had in a generation to really fundamentally improve the quality of public services for every American family. It is incredibly short-sighted.

We have two choices here today. We can either take every dollar of available surpluses available for the next 10 years, or close to it, and use that money to provide individual gratification through the Tax Code primarily for high income people, or we can make that tax cut modest enough in size so that we leave enough money on the table to fundamentally fix long-term our preexisting obligations in the area of Social Security, in Medicare, and in education.

It is incredibly short-sighted and we will regret this moment more than any action that we have taken in the last 17 years.

As far as the appropriations are concerned which will follow, we will probably be able to put enough patches on the innertube to get the car down the road for 2 or 3 miles for one year but in the outyears this package also destroys our ability to rebuild our science base. It destroys our ability to put our dollars where our mouths were just a few days ago on the education bill. It destroys our ability to really do something to deal with the fact that 40 million people in this country have no health insurance.

This essentially says that in terms of providing quality public services, we are satisfied with the status quo and will remain so for the next 10 years.

We can do better. We should have done better. If the majority party in this House had given anything but lip service to the idea of bipartisan cooperation, we would have done better. This deserves to be put together in the dead of night because that is the only way that this package looks good. This is the biggest mistake that we have made since 1981, and it destroys our ability to say to people at the end of this decade that we guaranteed them a secure retirement, we finally brought justice to this country on the health care front and we indeed did do things that were transformational with respect to education.

All of that long-term is gone. So congratulations for the short-term thinking that this bill represents. It is a typical 2-year election vehicle which weakens the country long-term.

Mr. REYNOLDS. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I am delighted to be here at 7:30 in the morning on a Saturday passing a bill that will help Americans.

We have heard a lot of conversation this morning about deficits on the other side of the aisle, and they probably know a lot about them because they created them through their 40-year rule.

They talk about Social Security and restoring it. Well, the other side borrowed from Social Security for generations to pay for ongoing government spending.

□ 0730

Yes, we had deficits, and I have heard the blame cast on Ronald Reagan. However, the majority party at that time was Democrats who had to bring to the floor the bills that the President offered to the American public. Bills do not just become law because the President says so. The exercise over the last couple of weeks demonstrates that the President can merely recommend to Congress. But I am delighted to see that the Senate, some Democrats, some Democrats seeking reelection, are, in fact, supporting this package, because it is a balanced approach.

Mr. Speaker, we can talk about dead of night, deals cut in the midnight hours, but we are here on a Saturday

on a Memorial Day weekend to ensure that the American public recognizes that we are looking out for their interests. Yes, we can increase education funding, as we did on this House Floor last week, and the bill passed in a bipartisan fashion. Yes, we can increase national security; and we can increase money being spent on the environment, as we are doing in Florida on the Everglades. Yes, we can shore up Social Security, and we can restore the fiscal health of Medicare. And we can do that all within the confines of the budget and the tax package being voted on here on the floor today.

What we need to recognize, though, and we have said it many times on this House floor is that the money we are talking about, in fact, belongs to the people not on the House floor, but the people watching us speak this morning, the American taxpayers who work every week and on Fridays they come home and hope they can enjoy time with their families. But no, they often have to work one and two and three jobs to make ends meet and pay taxes well past April. In fact, into May we are paying taxes: excise taxes, unemployment taxes, property taxes, State taxes, sales taxes, income taxes. You name it, it is taxed. Today we are here to give just a little bit of a break over 11 years to the American consumer, over 11 years. One would think the conversation today would indicate we are throwing it out in buckets this morning.

Mr. Speaker, this is a balanced approach. This is a good approach. This provides some real return to the American public. Money back this year, lump sum, to single taxpayers, single parents, married taxpayers.

So let us salute this final agreement made by some great Members of this body, both here and on the other side of the aisle; and let us salute the American public, because they have been waiting a long time for some relief.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Speaker, the gentleman from Florida claimed inaccurately that Ronald Reagan had a Democratic Congress. In fact, for 6 of the 8 years under Ronald Reagan, the Senate was Republican, so he was not faced with a Democratic Congress.

I would have to say, however, that the gentleman's economics makes his history look good. He says under this tax scheme we will have enough for Medicare to restore it. In fact, that is the heart of what we are talking about. People talk about the money belonging to the people, and of course, it does.

People have two sets of needs. They have needs that can best be dealt with individually, but they also have needs that can only be dealt with if we do them together.

In my own district, I am often asked about funding for Superfund, for transportation, for law enforcement. All of these are being cut in the President's

budget. The President tells people that he cannot afford, under his budget with this tax cut, to provide any help on prescription drugs for people who make more than \$17,000 a year. He canceled, because of the need to pay for the tax cut, the Public Housing Drug Elimination program that provides police officers to be in the public housing projects.

In fact, we have a terrible crisis in the provision of medical care, nursing homes, and home health care agencies. Hospitals all over the country are in difficulty, and it is getting worse. We underpay the hard-working people in these facilities. We have a terrible nursing shortage because women are no longer coerced into nursing; and now that they have a better choice of professions, we are not paying enough to attract them.

This bill takes away from the people the funds that they could use to adequately fund Medicare, a prescription drug program, nursing homes, long-term care. None of those can be addressed without the revenues that this bill does away with.

Now, I do understand that it sunsets the tax cuts. That is odd. When the Republicans were facing Bill Clinton as President, they said if they got in power, they would sunset the Tax Code. Apparently they misunderstood themselves, because this bill does not sunset the Tax Code, it sunsets the tax cuts.

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

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

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

Mr. Speaker, there is a real plot here in this Tax Code. In 1981, I do not think Ronald Reagan understood what he was doing. It was said for a long time that the Democrats are the party of tax and spend. The Republicans of the 1980s and 1990s turned out to be the party of borrow and spend. From George Washington through Jimmy Carter, the national debt that was accumulated for 200 years when Ronald Reagan took office was a little under \$800 billion. The next 12 years of Republican Presidents and half that time, a Republican Senate, that national debt more than quadrupled to \$4.3 trillion. David Stockman admitted why. He said they knew what they were doing, because only by deliberately creating multi-hundred billion dollar annual deficits can you politically withstand the demand of the American people for more health care, for decent numbers of nurses in the hospitals, for shoring up Medicare and Social Security.

And what does this tax cut do? It is deliberately designed to create multi-hundred billion dollar annual deficits in the future, \$4 trillion of tax cuts in the next decade if it does not sunset, so that we will be able to stand on this floor 10 years from now or 6 years from now and say, we have to cut Social Se-

curity benefits, we have to increase the retirement age, we have to cut back on Medicare, we cannot think about prescription drugs for Medicare, we cannot build the highways and bridges and roads we need, we cannot put the money into education, because we have a \$300 billion annual deficit this year.

Mr. Speaker, that is the purpose of this tax cut, because the people who are doing it really do not believe that government ought to fund Social Security or Medicare or prescription drugs under Medicare and all the other things, because the purpose of this tax cut and the effect of it will be, because it is so huge and we are told we have these huge surpluses for 10 years; 10 year surplus projections are about as reliable as 10-year weather projections.

If we pass this, we are deliberately creating multi-hundred billion dollar deficits in order to justify cutbacks in all of the programs that the people of this country want.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. BLUNT).

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

I rise at 7:40 in the morning on a Saturday morning to get this work done, to get this work done as Americans are going to work all over the country. Those who have the day off may be watching what we do and wondering how it is going to impact their family. The truth is that American families can spend their money for the benefit of their family in almost all instances better than the Federal Government can.

We are going to hear a lot, not only today, but in the future, and just did, about the projections of revenue. We never hear revenue projections questioned when we talk about spending. We only hear revenue projections questioned when we talk about giving the money back to the people who are sending it in. There is a tax surplus; and even after we return this much of that tax surplus, there is still not only money left to grow the government at a rate much faster than inflation, but a contingency fund beyond that and money to secure the trust funds in ways that did not happen here for 29 years.

Mr. Speaker, we are balancing the budget, we are letting government grow at a rate that many Americans would argue is too high, it is higher than their businesses are able to grow, it is higher than their home budgets are able to grow. But what we are doing today is giving the tax surplus, the money we have said in every projection of Federal spending we would need, back to the families that are sending it in.

Mr. Speaker, this is the right thing to do. This is the right day to do it. This gives the American people the ability to plan what they can do for their families, how they can create jobs and growth in their small businesses.

This bill will pass today, it will make a difference in America. It is what we should do.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is about 7:30 in the morning on Saturday morning; and there is no complaint by those of us who choose to work for the people of the United States in being here. There is a question about whether or not democracy equates to participation. I wonder why the ranking member of our caucus and the ranking member of the Committee on Ways and Means failed to be included in a participatory fashion to be able to design a tax plan that will respond to all Americans. Instead, what we have is a tax plan that feeds the top fifth of wage-earners or wealth-owners of the United States, some 1 percent of those, the richest, are the ones that are getting some 36.9 percent of this tax bill.

I beg to differ with my colleague who says that if we cooperate and collaborate, we cannot get a balance between the budget and spending. In 1997, we put forward under the Clinton administration in this Congress a balanced budget. I would have stood here today and supported an economic stimulus, one that would have been about \$40 billion, the same \$300 check and \$600 check for married couples and \$300 for singles that they are going to get if they file their taxes for the year 2000. That is a reasonable response to give to the American people.

But it is not reasonable to tell them that they are getting a marriage penalty deduction when it takes effect in 2009, 2010. It is not reasonable to suggest that they are getting estate tax relief, particularly when we could have done one that would have been more reasonable, if they would know that they have to wait to die in 2010, between 2010 and 2011.

This way, as we spend this money, Mr. Speaker, we do not have the money for the enormous education bill when we said "leave no child behind." Dollars are needed to invest in special needs children, to invest in title I and to invest in paying our teachers. We have no money at the end of this process, because it sunsets, to pay for Medicare and Social Security or energy research and development. There is no money to run the government as the people of the United States, Mr. Speaker, would like us to do. I wish we could have done this together with a reasonable tax cut for all Americans.

Mr. Speaker, I rise in opposition to this conference report process because it is a violent abuse of the House rules, the rights of the minority, the people of the United States, and the entire Congressional budget process.

Since this budget first started moving through Congress, the minority has been shut out of the process, and our voices silenced.

Once again, members of the minority are being forced to vote on a conference agreement without having had time to review or study it. It is shameful that members of Congress should be expected to vote on something as important as the budget for the entire nation which touches each and every American, without actually knowing what's in it.

Mr. Speaker, this manipulation of the rules and departure from standard House procedure has the effect of silencing the voices and usurping the rights of millions of Americans, all for the sake of a tax cut that overwhelmingly serves the wealthiest of Americans.

I cannot believe, after all that has been said of bipartisanship and compassionate conservative idealism, that the majority would pass up this rare opportunity to work together with the minority of this House; the people's house; to come together for all of the American people. President Bush promised to be every American's President. I call on Congress today to truly represent all Americans, and support a budget that is fair for everyone. Sadly, this budget before us is not the one.

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

Mr. MICA. Mr. Speaker, this is a bad day for the tax-and-spenders. They have had a terrible morning. It has sort of been like giving birth to a porcupine. But most of the suffering is over and at least until June 5, the people of this Nation will have an opportunity to have some of their money returned.

Part of the problem they had, Mr. Speaker, is they did not hear the roar. They did not hear the roar. Most of my colleagues were out on that rainy day like this morning when we inaugurated George W. Bush on the west side of the Capitol building and some people did not hear the roar. I remember everyone politely applauded after George W. gave different lines in his inaugural statement, but the people on the platform, the elected officials, some of them did not hear the roar. They all applauded politely. But when the President was giving his inaugural remarks, he pledged a tax cut. He pledged to give people back their own money and there was this huge roar and there was silence among the politicians, because some people did not hear the roar.

So this morning we have an opportunity, today we have an opportunity to hear the roar, to give back a little bit of the money to the people who are out there today and tomorrow working, saving, earning, and sending that money, that hard-earned money to Washington. Some people heard the roar.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

□ 0745

Mr. MORAN of Virginia. Mr. Speaker, we are all entitled to our own opinions, but we are not all entitled to our own facts.

The facts will show in fact that since President Clinton took office, every one of his budgets was less than the Republican Congress, which came in in

1995 actually appropriated. So I think what this is all about is trying to save us from ourselves, from the Republican standpoint.

They are in control of the White House, they are in control of the House, but now what they want to do is to foist upon the American people a true bait and switch tax bill. This is unbelievable. If it did not sunset at the end of 10 years, it would cost \$4 trillion for that next 10 years.

So what do we do? We assume that we are taking savings, and that enables us to have deep tax cuts for the first 10 years.

Let us look at those deep tax cuts. The estate tax, for example, that does not even do a good turn for the very rich. They have to wait 10 years before it is phased in, and then it sunsets in 2010. So in 2009, that is the death bubble year. That is the time they sell their inherited assets, but there is still a tax-free step-up in basis for capital assets in 2009. That is not up until then.

People with real money realized what a step-up basis is. They realize this does very little for them, and in fact it does not take care of the gift tax.

When we look at the marriage penalty, as the gentleman from North Dakota (Mr. POMEROY) said earlier, the marriage penalty starts in 2005. It is fully phased in in 2009. In 2010 it is repealed. How can that be a high priority?

When we look at the pension plan, we all voted in favor of it. That does not become effective until the latter part of this decade.

Mr. Speaker, this is not a good bill for the American people. It is bait and switch. When they see what was foisted upon them, they will know that the right vote is no on this.

Mr. MORAN of Virginia. Mr. Speaker, we are all entitled to our own opinions, but we are not all entitled to our own facts.

The facts will show that every year that President Clinton was in office, and the Republicans were in control of the Congress, the Republicans spent more than the Democratic White House asked for. But now, hypocritically, this Republican Congress is trying to deceive the American people into thinking that we can have it all, all the tax cuts we want and all the government we need.

This tax cut bill is unbelievably irresponsible. If it did not sunset at the end of 10 years, it would cost \$4 trillion for the next 10 years. The only way to get the money for that \$4 trillion of lost tax cut revenue is to take it out of the Medicare and Social Security Trust Funds just as we did to pay for President Reagan's 1981 tax cut.

So what do we do to hide this unavoidable raid on the Social Security Trust Fund? This bill terminates all the tax cuts at the end of the first 10-year forecast period.

Let us look at those deep tax cuts. The estate tax, for example, does not even do a good turn for the very rich. They have to wait 10 years before it is phased in, and then it sunsets the next year. So in 2009, that is the "death bubble" year. That is the only time they can sell their inherited assets, because there

is still a full tax-free step-up in basis for capital assets in 2009. After 2009, the step up basis is reduced.

People with real money realize what a step-up basis is. They realize that for most of the next decade this does very little for them, and in fact it does not take care of the gift tax.

When we look at the marriage penalty, as the gentleman from North Dakota (Mr. POMEROY) said earlier, the marriage penalty starts in 2005. It is fully phased in in 2009. In 2010 it is repealed. How can that be a high priority?

The Alternative Minimum Tax takes back $\frac{2}{3}$ of the benefits of this tax cut for taxpayers through the 99th percentile of income, but only takes back 11 percent of the tax cut for the top 1 percent of taxpayers and the top 400 taxpayers don't have to give up anything to the AMT.

When we look at the pension plan, that we all voted for that does not become effective until the very latter part of this decade.

Mr. Speaker, this is not a good bill for the American people. It is bait and switch, when they see what was foisted upon them, a false promise, they will know that the right vote is a no vote on this. It leaves \$3½ trillion dollars of debt as well as our retirement costs to our kids' generation to pay. Yes, this surplus revenue is our money, but the public debt is also ours, it's not our kids' and it's not fair to stick them with it. This phony unfair bill should be defeated.

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

Ms. DUNN. Mr. Speaker, I want to compliment the people in this body who put together what I believe is a very well-balanced and well-thought-out tax relief proposal.

I believe it is very important for people to recognize at the very beginning that this amount of taxes, \$1.35 trillion in revenue, is provided in tax cuts only after every other part of the Federal government is funded. In fact, in total, the Federal budget is funded at almost 5 percent of an increase.

I think it is very important that we have been responsible in funding the other elements of our government; in fact, giving an 11.5 percent increase to education, setting aside Social Security surpluses, setting aside dollars for Medicare, paying down over the next 10 years, the period of this budget, \$2.3 billion in debt owed to the public.

I think it is also very important, Mr. Speaker, to recognize what people want around the country now. People want, for one thing, a lot more control over their dollars. That is what we are giving them in this tax relief proposal. I want to speak briefly to one provision that I am very interested in; that is, the repeal of the death tax or the estate tax.

The estate tax right now is at the point of putting a burden of up to 55 percent on the backs of people who are basically folks who have bought a home, put money into it for years, provided responsibly for their retirement. This tax rests on the shoulders of middle-income people.

On this estate tax relief, we will find that in the first year, 2002, the rate

goes down from 55 to 50. It decreases over the next 9 years. We get rid of this death tax in 9 years. January 1, 2010, the death tax is gone. Immediately, the rate of deductibility rises to \$1 million. This is a huge change from what we had before. I think that the American public is getting a very good deal with this tax relief bill.

On the death tax, we are sitting there with a farm we have had in the family for generations. The time comes when the owner dies, and within 9 months one has to pay in cash up to 55 percent of the value of that property. What does a farmer do who is cash poor and land rich? He sells his land, often creating a situation where the land does not produce enough to support that family.

The same thing has happened over and over in my neck of the woods, Washington State, with timber properties, and the community loses. This is a very bad thing.

So we have taken into consideration small businesspeople, middle-income people, folks who own farms, people who want to keep businesses in the hands of their families. We have made it easier for them to do that. Everything will phase out by the year 2010, January 1.

I do not know why they are complaining about this. They should have done it years ago. Now we have done it. It is a great plan. I want everybody to get behind it.

Mr. FROST. Mr. Speaker, I yield myself 15 seconds.

To my friend, the gentlewoman from Washington, I would only point out that while the estate tax is repealed in 2010 and 2011, it is back.

Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, we have heard from the others, and it is interesting. They have told us the deficits of Reaganomics are so bad that they try to blame the Democratic Congress. We are told that if there is a large pile of money left in Washington, D.C., it will be spent. They are right. There is \$2 trillion in the Social Security trust fund, and this Congress will spend it on tax cuts for the wealthy and on missile defense.

But in years to come, people will look at the back of their tax returns and they will see a huge AMT, alternative minimum tax, added to their tax bill. They will remember a bill that was written at midnight, and they will believe that all the tax benefits went to those less worthy and more wealthy than themselves.

They will be right. Look at what this bill does to the upper middle class. It throws them into the alternative minimum tax. With the change in the Senate, we will not be in a position to fix that. We have almost no AMT relief in this bill.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland (Mr. HOYER).

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

Mr. HOYER. Mr. Speaker, I knew we were on the precipice of triple-digit deficits, a national debt in the trillions, and destructive and profound dislocations throughout the American economy.

David Stockman, David Stockman, admitted the knowledge that he had as he presented the 1981 economic program to the Congress. As it was proposed and submitted to the Congress, it was the same rhetoric that we have heard about giving Americans back their money.

That is good rhetoric. It is politically attractive rhetoric. But we are fiduciaries of that money. They collectively give us that money to apply to the needs of their country and of themselves and of their families.

In the 1980s, the debt that we created was also theirs. As a result of the creation of that debt, they today pay billions, billions of their dollars in interest, and receive essentially nothing in return except what a previous generation bought with that money.

This is a sad day, as was 1981, because, like David Stockman knew, it will be the result of profound dislocations in America in the days ahead. Defeat this rule. Defeat this bill.

Mr. REYNOLDS. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER).

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

Mr. WELLER. Mr. Speaker, I stand in support of the rule. I stand in support of this legislation. I stand in support of this commonsense, balanced package of tax relief that will pass this house with bipartisan support today.

If we think about it, if we look at the big picture, this does make a lot of common sense. We have, thanks to the fiscal responsibility of this Congress, and particularly this House, we have a projected surplus over the next decade of \$5.6 trillion, a tax surplus of extra money. This package takes less than one-fourth of that tax surplus and uses it to help the average family in America, a \$1.3 trillion tax cut.

Our friends in the news media will of course try to determine who the winners are here. Clearly, the biggest winner is the taxpayer. The winners in this room are also those Republicans and Democrats who have worked together to provide tax relief for working families.

I particularly want to commend my Democratic friends, those on the other side of the aisle, who set aside partisanship to work together with the President and with the Republicans to help families by lowering taxes.

I also want to salute the President, who made education and tax relief the number one and two priority of his agenda for his presidency, because this week we passed his education proposal, and today we are going to send to his

desk for signature into law his tax cut proposal. This is clearly a big victory for President Bush.

But who does it help? Clearly this tax cut helps everyone. If anyone pays taxes, they will receive relief. Under this proposal, the across-the-board tax cut helps every American taxpayer.

All of us are concerned about the direction of the economy. The President inherited a weakening economy, and we are all committed to find a way to help ensure that we can boost this economy. Clearly the tax rebate, \$300 for a single, \$600 for a married couple, will put some extra cash in the hands of taxpayers so they can pay off some bills, as well as have extra spending money to meet the needs of their family. That clearly will help our economy.

I also want to note that this legislation helps bring about tax fairness. We have often talked in this House about the need to address the marriage tax penalty. Beginning in 2002, next year, we begin providing relief for the married tax penalty suffered by 28 million married working couples who pay on average \$1,400 more in higher taxes just because they are married. Low-income couples who participate in the earned income tax credit will see their marriage tax penalty relieved.

Lower-income families who do not itemize but use the standard deduction to pay their taxes will see marriage tax relief. And middle-class families who itemize their taxes because they own a home will see marriage tax relief.

It is a commonsense package. It deserves bipartisan support. I am proud to stand here in support of the biggest tax cut we have had in a long time.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. WATKINS).

Mr. WATKINS. Mr. Chairman, I heard mentioned several times about 1981. I was seated on the other side of the aisle in 1981. The time and circumstances are totally different than today.

I remember quite well the budget then was based on deficits. Today we have surpluses. The economic assumptions used in building that budget were in excess. They were very liberal type assumptions that David Stockman put there. This budget is based on conservative estimates, and we are basing it on surpluses, not on deficits.

We are paying more taxes today as a percentage of the GNP since World War II. I think our people, the taxpayers, are entitled to a refund. I think this is not the last day in this Congress. There are a lot of things that can happen. We will probably tweak different things along the way in the next decade.

Is everything in the tax bill that I like? No. The chairman knows that, the leadership knows it. We are not covering everything we should be, but we need to be trying to provide the opportunities for economic and job growth, and this bill would do that. I think it will spur the economic growth of this country.

□ 0800

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

Mr. Speaker, we are in the countdown to real meaningful tax reform for America. It has been said by myself and other speakers today, Americans are spending a greater percentage of their income towards taxes now than any time since World War II, essentially comprising the largest share of the gross domestic product. In the land of equality, where is the fairness in that?

This tax package provides relief to every single taxpayer, removing millions of Americans from the tax roll altogether. This tax plan is predicated on the idea that a sensible tax policy will generate high rates of long-term growth.

Reductions of marginal tax rates will encourage greater work effort and provide more inducement for taxpayers to save, invest and build in business enterprises. America, this is your money, and you know how to spend it best. I am asking my colleagues to give you the refund you have asked for.

Mr. Speaker, I urge my colleagues to give America what they need and what they have earned: responsible, common-sense tax relief. I urge my colleagues to support this rule and the underlying legislation.

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 (Mr. LAHOOD). The question is on the resolution.

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

Mr. FROST. 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.

The vote was taken by electronic device, and there were—yeas 213, nays 177, not voting 43, as follows:

[Roll No. 148]
YEAS—213

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert

Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle

Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goss
Graham

Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
Kerns
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo

Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer

Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Trafigant
Upton
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—177

Abercrombie
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett
Berkley
Berman
Berry
Blagojevich
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clement
Clyburn
Conyers
Costello
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr

Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Harman
Hill
Hilliard
Hinchev
Hinojosa
Holden
Holt
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee
(TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Klecicka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)

Markey
Mascara
Matheson
Matsui
McCarthy (NY)
McCollum
McGovern
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Roemer
Ross
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano

Sherman	Stupak	Udall (NM)
Shows	Tanner	Velazquez
Slaughter	Tauscher	Visclosky
Smith (WA)	Taylor (MS)	Watt (NC)
Snyder	Thompson (CA)	Weiner
Solis	Thompson (MS)	Wexler
Spratt	Thurman	Woolsey
Stark	Tierney	Wu
Stenholm	Turner	
Strickland	Udall (CO)	

NOT VOTING—43

Ackerman	Hastings (FL)	Moakley
Baca	Hefley	Oberstar
Barton	Hoeffel	Ose
Becerra	Honda	Quinn
Bentsen	Isakson	Rahall
Bishop	Jones (NC)	Rodriguez
Blumenauer	Kaptur	Rush
Boyd	King (NY)	Scarborough
Brady (TX)	Lipinski	Skelton
Clayton	McCarthy (MO)	Towns
Coyne	McDermott	Walsh
Cubin	McIntyre	Waters
Doggett	Meek (FL)	Waxman
Gillmor	Millender-	Wynn
Hall (OH)	McDonald	

□ 0823

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

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.

Stated for:

Mr. OSE. Mr. Speaker, on rollcall No. 148, I was unavoidably detained. Had I been present, I would have voted "yea."

Stated against:

Ms. MCCARTHY of Missouri. Mr. Speaker, during rollcall vote No. 148, due to difficulties associated with my travel logistics, I was unavoidably detained. Had I been present, I would have voted "nay."

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 1990

Mr. GEORGE MILLER of California. Mr. Speaker, I ask unanimous consent to withdraw the following names of Members as original cosponsors of H.R. 1990. These names were inadvertently included as cosponsors of H.R. 1990. I also ask that the first printing of the bill reflect these changes:

SANFORD BISHOP, Georgia;
 LUIS GUTIERREZ, Illinois;
 DENNIS KUCINICH, Ohio;
 PATSY MINK, Hawaii;
 ELEANOR HOLMES NORTON, District of Columbia;
 JANICE D. SCHAKOWSKY, Illinois;
 DAVID BONIOR, Michigan;
 ELIJAH CUMMINGS, Maryland;
 BENJAMIN GILMAN, New York;
 RUBEN HINOJOSA, Texas;
 SHELLA JACKSON-LEE, Texas;
 STEVE LATOURETTE, Ohio;
 CONSTANCE MORELLA, Maryland;
 MAJOR OWENS, New York; and
 ROBERT C. SCOTT, Virginia.

The SPEAKER pro tempore (Mr. LAHOOD) Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 1836, ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 153, I call up the conference report on the bill (H.R. 1836) to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002.

The SPEAKER pro tempore. Pursuant to House Resolution 153, the conference report is considered as having been read.

(For conference report, see prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

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

Well, the day has arrived. There was a contest for President last year. There were very clear and particular themes underscoring the candidacies of each of the gentlemen running for President. One of them said he wanted to bring a different atmosphere to Washington and he wanted to return some of the taxpayers' money. Governor George W. Bush became President. There is a different climate in Washington, and this morning we are returning some of the taxpayers' money. The conference agreement on H.R. 1836 is clear evidence of that different environment.

I want to thank the Speaker of the House of Representatives, the gentleman from Illinois (Mr. HASTERT). Without his ability to focus, guide, support and nurture, this conference report would not be before us. I want to thank the majority leader, the gentleman from Texas (Mr. ARMEY), for his willingness to stand shoulder to shoulder in trying to produce a responsible product. But probably more important than that, I want to thank the chairman of the Senate Committee on Finance, the gentleman from Iowa, Mr. GRASSLEY, and the ranking minority member of the Senate Committee on Finance, the gentleman from Montana, Mr. BAUCUS, because they decided that the only way legislation as significant and sweeping as this could pass the Senate would be if from the beginning it was a bipartisan effort.

It does not take too much analysis to realize that if you have a Committee on Finance divided evenly between 10 Republicans and 10 Democrats, you are not going to be able to move anything unless it is bipartisan.

□ 0830

But they were committed to returning the taxpayers' money enough that they built a bipartisan product from its instigation in the Senate, carried it through the floor and into conference. And along with the gentleman from Louisiana (Mr. BREAU), we put together a bipartisan product coming out of the conference.

Now, I know there is some consternation because not every member of the conference signed the conference report. What is important to note is there was a bipartisan signature structure because the underlying legislation is bipartisan in itself.

There have been a number of statements about this piece of legislation which I do think need to be addressed. There are individuals who are still using a statistical analysis of a fictitious piece of legislation in terms of the distributional effects on the taxpayers based upon the tax changes.

I would urge my colleagues in a number of places on the floor to pick up the material entitled Distributional Effects of the Conference Agreement for H.R. 1836 prepared by the bipartisan Joint Committee on Taxation to give you some feeling of the way this bill has been constructed. Notwithstanding the rhetoric you are going to hear once again about how this goes only to the wealthy, if you will simply look at the change in Federal taxes and the percent of the benefit going to particular income groups, for example: in those income categories between \$10,000 and \$20,000, in this calendar year, 11.5 percent of the benefits go to the \$10,000 to \$20,000; \$20,000 to \$30,000 9.4 percent; \$30,000 to \$40,000, 6.4 percent; \$40,000 to \$50,000, 5.4 percent; \$50,000 to \$75,000, 4.5 percent; \$75,000 to \$100,000, 3.5 percent; \$100,000 to \$200,000, 2.6 percent; \$200,000 and over, 1.3 percent. In other words, those who have the lowest income get the greatest benefit.

In other words, if your income category is \$10,000 to \$20,000 a year, you get 11.5 percent of the benefit. If it is \$200,000 and over, you get 1.3 percent. In fact, it is a numerical cascading structure in which every increment moves in the direction you would expect if it is a fair distributional structure.

In addition to that, I have heard statements about the fact that this particular package will destroy Medicare, that once again Social Security is under threat. I wonder how long the bumper sticker political rhetoric is going to be continued. The Senate Budget Committee, the House Budget Committee, those responsible for examining the budgetary structure, say in every year of this agreement, the HI or the Medicare Trust Fund is fully protected and the Social Security Trust Fund is fully protected. This agreement meets the requirement of the budget that we passed to protect Social Security and Medicare in every year of the 10 years of the agreement.

Now, let me address the 10 years because that clearly was one of the most popular themes during the rule. I am sure there will be a number of speakers to take the well to say, hey, this agreement is phony because it only lasts 10 years.

This legislation was considered under the budget reconciliation rules that apply to the Senate. Under budget reconciliation, it is possible to pass legislation limiting the rules of the Senate