

We reiterate that we owe a debt of gratitude to these men and women of the D.C. National Guard and thank them for their service.

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

Mr. NEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FORBES). The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 378.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of House Concurrent Resolution 378, the concurrent resolution just agreed to.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

(Mrs. MORELLA addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. THUNE) is recognized for 5 minutes.

(Mr. THUNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

(Mr. LIPINSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

OIL DISTORTS U.S. FOREIGN POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, the recent events in Venezuela have given the American people yet another example of the way that oil distorts U.S. foreign policy. Most Americans do not realize it, but Venezuela is a crucial supplier of oil to the United States. According to the CIA, petroleum dominates the Venezuelan economy, accounting for approximately one-third of its economy and 80 percent of its export earnings. In fact, Venezuela ranks third on the list of countries that provide with us petroleum, approximately 1.5 million barrels every day, or more than half of its total production.

Stanley Weiss, founder and chairman of Business Executives for National Security, a nonpartisan organization of business leaders, wrote recently in the Los Angeles Times that the United States imports twice as much oil from Canada and Venezuela as it does from the Persian Gulf. And Venezuela is particularly important as a source of reformulated gasoline, which is required in many American cities that are struggling to meet USEPA emission standards for clean air.

Every time an American citizen pulls up to a Citgo gas pump, they are pumping dollars into the Venezuelan national oil company known as Pedevesa. And it was labor unrest at the Pedevesa facilities throughout Venezuela that helped to spur the 1-day coup against Venezuelan President Hugh Chavez.

So important is Venezuelan oil to the world's market that the price of oil dropped precipitously after Chavez was deposed and rebounded just as quickly when he was restored to power by the people of Venezuela.

The Bush administration, which is dominated by oil in much the same manner as the Venezuelan economy, could barely contain its glee when President Chavez was overthrown in a coup d'etat. Meanwhile, every other government in this hemisphere reacted negatively to the overthrow of a democratically elected government. By putting the interests of the oil economy first and democratic rule second, the Bush administration not only found itself out of step with every other government in Latin America but foolishly forfeited the high moral ground.

Now the administration has a lot of sorting out to do. It has to explain to Congress about what really happened in Venezuela. Did the Bush administration actively encourage antidemocratic forces to overthrow a leader with whom we happen to disagree? Did the Bush administration give a wink and a nod to the coup plotters? Under what authority was the Bush administration acting when U.S. military advisers found themselves on the side of the insurgents? When was that action au-

thorized by the Congress of the United States? When did President Bush learn about the attempted coup and direction was given to U.S. diplomats, military officials, and advisers in the region? What did they receive from the White House, the State Department or the Defense Department? What relationship does the President, Vice President, or any of his advisers have with any oil interests in Venezuela? On whose order did the Bush administration officials choose not to speak out against the overthrow of a democratically elected president from a nation that is America's third largest oil supplier?

The United States simply must occupy the moral high ground. We are engaged in a worldwide battle against terrorism and antidemocratic forces. We are trying to show the rest of the world what it means to stand up for democratic values. Not to support a legitimately elected government, no matter how much we may disagree with its president, has damaged the perception of the United States as a standard bearer for legitimate elections and democratic governments.

The Organization of American States took a position diametrically opposed to this country's position. I hope the Committee on International Relations demands a full explanation by the Bush administration so there is no repeat of this sorry performance. President Chavez should understand that Americans believe in democracy and view Venezuela as a friend, not just as an oil well. And the American people can take from this latest sordid experience another lesson in the many ways in which dependence on foreign oil distorts our politics and our policy.

Mr. Speaker, I submit herewith for the RECORD two articles, one from the Toledo Blade that talks about the administration's flip-flop in our policy towards Venezuela, and also a time line and related article from the New York Times on "2 days that Shook Venezuela: The Fall, and Return, of President Hugo Chavez."

[From the New York Times, Apr. 20, 2002]
2 DAYS THAT SHOOK VENEZUELA: THE FALL,
AND RETURN, OF HUGO CHÁVEZ

The killings at the anti-Chávez demonstration rocked the country, reviving memories of the violent events in 1989, known as the Caracazo, in which hundreds were killed by government forces. Venezuelans across the political spectrum swore that such violence would never take place again.

According to witnesses, shots were fired from several buildings as well as from a bridge one block from the presidential palace, which overlooks the route of the march. One of the buildings that witnesses identified as a source of gunfire contains the offices of Freddy Bernal, the mayor of the borough that includes downtown Caracas and one of the leaders of the Bolivarian Circles.

Eddie Ramirez, an executive with the state oil company, was in a part of the march that came close to the presidential palace. "Shots were fired from a building," he said. "I think there were people there waiting for us, and some crazy person started to shoot."

None of the snipers who fired from rooftops (as opposed to the bridge) have been identified, with pro-Chávez forces arguing that

much of the gunfire was directed at Miraflores Palace and that some anti-Chávez demonstrators were also armed.

Since Mr. Chávez's return to power last Sunday, his followers have sought to place the blame for the killings on the Metropolitan Police, which reports to one of his main political adversaries, Alfredo Peña, the mayor of Caracas. However, after an independent investigation, the country's two main human rights groups concluded that the shootings took place "to minimize the action of the opposition with the acquiescence of organisms of the state," and police and military officers.

Gen. Néstor González, an ally of Mr. Chávez who broke with the president early last week, said that the military high command already had information at midday that there would be an attack on the anti-Chávez march. He said this week that the top commanders learned of the plans from "a general who had personally infiltrated in the Bolivarian Circles."

As the confrontation in the streets raged, Mr. Chávez ordered all television stations to join a national network and began delivering a speech warning Venezuelans "not to fall into provocation." But independent stations split the screen so as to continue broadcasting the violence near the palace. Their transmissions signals were cut, and public opinion began turning against Mr. Chávez.

Feeling vulnerable, Mr. Chávez ordered tanks and troops to move to the palace from army headquarters at Fort Tiuna, in Caracas. But military commanders, fearing a repetition of the 1989 bloodshed, told the president that they would not obey him. "The result would have been a massacre," General González said. Military dissidents who had plotted against Mr. Chávez had sought out business leaders thought to be sympathetic. They included Pedro Carmona Estanga, the president of Fedecámaras, the main national business confederation.

Entreaties were also made to the American Embassy here but it appears they did not meet with encouragement.

"They were always impeccable at the embassy, from the ambassador on down," said a businessman who was a witness to several "what if" conversations. "I can't tell you the number of times they made it clear that they would not countenance a coup. There was no winking going on, either. They would always say, 'We do not want a rupture.'"

Other anti-Chávez groups also traveled to the United States to meet with Mr. Cisneros, the media magnate who has business interests there, and with American officials. The Bush Administration's two top officials for Latin American policy, Assistant Secretary of State Otto Reich and John Maisto, the national security adviser for Latin America, are both former ambassadors to Venezuela and have maintained close ties with business, political and news media leaders here.

So early on Thursday night top military officers, including the army commander, Gen. Efraín Vázquez Velasco, were confident when they delivered an ultimatum to Mr. Chávez: you must quit. Cornered, Mr. Chávez said he was unwilling to resign but would agree to "abandon his functions," a slightly different procedure under Venezuelan law that would require the approval of the National Assembly, in which Mr. Chávez has a majority.

The key figure in the hours of negotiations that followed was the armed forces commander, Gen. Lucas Rincón Romero, whose true loyalties still are not clear. Early on Friday, he announced that Mr. Chávez had "resigned," which led 90 minutes later to Mr. Carmona being named as head of a military-supported transitional government.

That part is still confusing to me," Mr. Carmona said of General Rincón's actions

and statements this week, after he was placed under house arrest and General Rincón was once again at Mr. Chávez side, apparently forgiven by the president. "There are facts that are still in a gray area."

By midmorning on Friday, Mr. Chávez, himself a former army colonel who in 1992 led a failed coup attempt, looked to be finished. He was being held in military custody at Fort Tiuna; Cuba was beginning efforts that would have allowed him to go into exile there, and the Bush administration was already signaling its support for the new government.

On Friday morning, the day Mr. Carmona claimed power, Mr. Reich, the assistant secretary, summoned ambassadors from Latin America and the Caribbean to his office. The representative from Brazil read a communiqué that stated that his country could not condone a rupture of democratic rule in Venezuela, diplomats said.

They said Mr. Reich responded that the ouster of Mr. Chávez was not a rupture of democratic rule because he had resigned. "He stressed the position that Chávez was responsible" for his fate, "and said we had to support the new government," said one Latin American envoy.

Almost immediately, though, Mr. Carmona began making the political blunders that would quickly bring him down. After working hand in hand for months with Carlos Ortega, the leader of the Venezuelan Workers' Federation, the country's main labor union group, he named a cabinet that had no labor representatives and was tilted heavily toward a discredited conservative party.

In addition, Mr. Carmona fanned military rivalries by naming two navy officers to the cabinet, including Adm. Héctor Ramírez Pérez as minister of defense instead of General Vázquez Velasco, and none from the army.

"There were many more people with aspirations than space to accommodate them, and they all seemed ready to jump ship when they felt they were being excluded," said Janet Kelly, a political science professor and commentator here.

But the biggest mistake was a decree, announced at Mr. Carmona's swearing-in on Friday afternoon, that dissolved the National Assembly, fired the Supreme Court and called for new presidential elections only after a year. The effect was to suspend the Constitution, which generated immediate opposition to the new government, both at home and in the rest of Latin America.

"In hindsight, it was the most idiotic thing that could have been done," said a person who was at Miraflores for the ceremony. "But we had just come out of an ambush and we were venting our distaste for the people who occupied those positions, so everyone applauded the dissolution."

As Mr. Carmona spoke, military officers were jostling for position behind him, trying to make sure they would appear in photographs in the papers the next day, spectators recalled. But some civilian political leaders were already unhappy with the look of things, and ducked out of the ceremony.

By Saturday morning, it was clear that Mr. Carmona's transition government was floundering. Ambassador Shapiro had breakfast with him at 9 a.m., and told him that dissolving Congress was an error and should be reconsidered.

The government's image was further undermined by raids on the home of some key Chávez supporters. Among those singled out were Tarek William Saab, who as chairman of the congressional Foreign Relations Committee was regarded as Mr. Chávez's main link to Iraq, Iran and Libya; and Ramón Rodríguez Chacín, who as minister of the in-

terior and justice was in charge of the state spy apparatus.

At the same time, though, Mr. Chávez's supporters in the poor neighborhoods of western Caracas were taking to the streets. By early afternoon, thousands were congregating outside Miraflores, demanding that Mr. Chávez be restored.

At Fort Tiuna, though, some 30 generals and admirals were still arguing about who should get what post in the Carmona government. "This was grave for Carmona," said Gen. Rafael Montero, a former minister of defense sympathetic to the anti-Chávez forces. "He didn't have the advice he needed."

With the high command distracted, the presidential guard, which was thought to be loyal to Mr. Chávez but had still not been replaced, was able to retake control of Miraflores. "We never abandoned the president," said Col. Gonzalo Millán a member of the palace guard. He added, "Kings are the only ones who do things by decree, but no one here is a king."

In the interior of the country, unit commanders were also beginning to defy the desk generals and to declare their support for Mr. Chávez. At 1:30 p.m., Gen. Raúl Baduel, commander of a paratrooper brigade in Maracay in which Mr. Chávez himself had once served, and four other senior field officers announced they were rebelling against the new government and began to organize a plan to "rescue" Mr. Chávez from his captors.

Though he had by now been moved from Caracas to a naval base on the coast, Mr. Chávez was still refusing to sign a document of resignation. When a sympathetic corporal named Juan Bautista Rodríguez, a member of the unit watching over the deposed president, learned of Mr. Chávez's position, he offered to smuggle out a message to that effect to encourage the Chávez forces. "I put it at the bottom of a trash can to disguise it," Mr. Chávez said this week. "Later I learned that the soldier had recovered it. I don't know how he did it, but he discreetly transmitted a fax to someone who got the message to Miraflores."

With the balance clearly shifting in favor of Mr. Chávez, who had by now been moved to the Caribbean island of La Orchila, the same military officers who had overthrown him began to distance themselves from Mr. Carmona. At 4:30 p.m. General Vázquez Velasco, still irate at not having been named defense minister, told Mr. Carmona that military support of his government would be withdrawn unless he revoked the offending decree dissolving congress.

Mr. Carmona acted about half an hour later, but by then it was too late. A few blocks away from the palace, the pro-Chávez National Assembly was already convening to appoint Diosdado Cabello, Mr. Chávez's vice president, as interim president, as established by the Constitution.

Around 10 o'clock, Mr. Carmona stepped down and the uprising was effectively over. Four Air Force helicopters headed to La Orchila to pick up Mr. Chávez, who arrived in triumph back at Miraflores around 3:00 a.m. on Sunday.

"I was absolutely sure, completely certain, that we would be back," Mr. Chávez said in a speech to his jubilant supporters. "But you know what? The only thing I couldn't imagine was that we would return so rapidly."

[From the Toledo Blade, Apr. 21, 2002]

DIVISIONS OVER VENEZUELA

FLIP-FLOP PITTS DISLIKE FOR CHAVEZ, ISSUE OF DEMOCRACY

(By Frida Ghitis)

WASHINGTON.—The news from Venezuela blew like a cool breeze on a sweltering summer day for U.S. leaders in Washington following those developments.

Administration officials, tense and tired from watching the unraveling of the Middle East; edgy from suddenly facing domestic criticism that President Bush's policies on terrorism were losing their moral clarity with his call for Israel to stop its actions against Palestinians; weary from threats by Muslim oil producers to suspend oil shipments if the United States didn't get Israel to stop attacking Palestinians, suddenly found reason to rejoice. The word from Venezuela brought a welcome bit of news. The troublesome, often irritating president of the South American country, had moved aside. A new president was taking over. At last, some good news!

Not so fast. What occurred in Venezuela and, more importantly, the way Washington reacted to it, has become a major embarrassment for the Bush administration, which found itself on the defensive, deny charges that, at the very least, it knew about the coup before it happened. Even if those charges are proved to be false, Washington's rejoicing over a bungled coup that kept the Venezuelan out of office for only 48 hours, left the administration open to charges that it turned its back on democracy.

Most think of the Middle East, the Persian Gulf, as the principal source of America's oil. But Venezuela, on the northeastern corner of South America, is one of the world's major oil producers. The country is the third largest provider of oil to the United States, exporting about 1.5 million barrels to America every day. Venezuela, a member of OPEC, long had been one of the organization's least disciplined members, going over its quota frequently and thus making it almost impossible for the oil cartel to control prices. That all changed when the colorful Hugo Chavez came to power.

Mr. Chavez, a former paratrooper who had once led a failed military coup of his own, was elected president democratically with promises of bringing radical change to a country that, although awash in petroleum, suffers from horrific poverty. Just months before he took power in Caracas, a barrel of oil was selling for about \$10, less than half today's price. President Chavez immediately set to transform his country, and to revitalize the oil cartel.

Enjoying enormous popular support, Mr. Chavez tore down and then rebuilt government institutions. He had a new constitution written after his chosen delegates were approved as the drafters of the document. He gained control of the judiciary and the legislature, and he stacked just about every part of government with his supporters, many of them military men. In the process, Mr. Chavez managed to insult the church, calling priests "devils in vestments." He routinely attacked the rich, calling them oligarchs who should move to Miami. Most observers agreed, Mr. Chavez was concentrating powers into his own hands, severely crippling democratic institutions in his country. But he did it all within the law.

Then Mr. Chavez set out to work on the world oil markets. He paid visits to Muammar Kaddafi of Libya, to Saddam Hussein in Baghdad, while continuing to develop a deep personal friendship with Fidel Castro of Cuba, constantly irritating Washington. Mr. Chavez helped OPEC set production quotas and stick to them. He was instrumental in

producing a tightening of oil supplies that brought oil prices to new levels.

It's not surprising then, that when Venezuela announced a few days ago that Hugo Chavez was no longer its president, oil prices took a sudden drop—about 6 percent (They went back up after he was reinstated). The timing, for the United States and many others, could not have been better. Oil prices had gone up 25 percent this year alone, as the American economy picks up steam, and as tensions in the Middle East continue to mount. Only recently, Saddam announced that he was stopping shipments of oil as a gesture of support for the Palestinians, and Iranian President Mohammed Khatami (the "moderate" Iranian) reiterated his country's call for Muslim countries to stop selling oil for 30 days, also in support of the Palestinians.

What superb timing by the masses in Caracas! On April 11, a large protest by Venezuelan workers, angry over Mr. Chavez's installation of a new board of directors of the traditionally independent national oil company, spun out of control. Tensions had been building for months. The country is sharply divided, with Mr. Chavez's populist rhetoric intensifying class differences. Major military figures had come forth calling for his resignation, and what was once a sky-high approval rating had dipped to about 30 percent. When the protests were met with gunfire from Chavez supporters, the military stepped in and took over. They installed Pedro Carmona Estanga, a business leader who didn't last long.

The head of the country's largest business association was declared president, with an announcement that Mr. Chavez had resigned. But Chavez supporters refused to believe their man had folded. A top executive at the oil company said the country would start pumping more oil, probably exceeding its OPEC quota.

It is unlikely that a single Latin American president felt that Mr. Chavez really would be missed. And yet, the Organization of American States condemned the Venezuelan coup. Almost all democratically elected leaders in the Americas made it clear that, like him or not, Mr. Chavez legally, democratically had been elected president. Removing him constituted an affront against the principle of democracy, a principle worth preserving, even when one disagrees with the outcome of the process. The president of Mexico declared that he would not recognize the new government. Statements throughout the hemisphere condemned what appeared to be a coup. The United States, however, did not speak out against the overthrow of a democratically elected president. American officials stated that Mr. Chavez himself was responsible for the events that lead to his ouster.

The United States did itself enormous damage. Latin America and, for that matter, much of the Third World, where the image of America as a nation that supported despotic regimes that suited its goals during the Cold War has been changing very slowly. When the United States sent troops to Haiti to "restore democracy" many in the hemisphere believed perhaps America was truly standing up for the democracy it claimed to hold so dear. That image now has been set back.

Worse yet, many in Latin America believe that the Bush administration, with a sharp focus on controlling oil markets, played an important part in the failed coup. Washington is denying it ever lent even tacit support to plotters although it admits that Chavez adversaries did seek support, and that the man who took office for a short time after deposing Mr. Chavez was, in fact, in contact with Otto J. Reich at the State Department. Mr. Reich is in charge of Inter-American affairs at the State Department.

The government says the United States did nothing to encourage the assault on democracy. And yet, it is guilty, at the very least, of badly mishandling the crisis in Caracas. The mistakes of mid-April may take years to repair.

[From the Toledo Blade, Apr. 21, 2002]

LATIN POLICY CHIEF GIVES LITTLE TO FOES

WASHINGTON.—Reacting to criticism of the reaction to the resignation and revival of Venezuelan President Hugo Chavez, the Bush administration's chief policy-maker for Latin America, Otto J. Reich, came back swinging. "We have reviewed our actions since last Thursday [April 11]," he said. "I find very little that I would do differently."

Such is the confidence of Mr. Reich, a former ambassador to Venezuela whose conservative credentials and combative demeanor have made him popular among Republicans and stirred the suspicions of Democrats.

After a few short months, Mr. Reich is facing his second crisis in Latin America (the first was the collapse of the Argentina economy, and he has taken a hands-off approach to it). He is thoughtful and meticulous, with experience in the region as a development agency official, diplomat, and businessman.

He also is a fierce partisan who cedes little ground to his opponents, particularly those who fail to share his concern over the threats posed by President Fidel Castro of Cuba and, more recently, by Mr. Chavez, who has built close ties with Castro.

In January, after Senate Democrats denied Mr. Reich a hearing on the Latin policy post and refused to confirm him, President Bush granted him a recess appointment, which allows him to serve until the end of the congressional session—and beyond, if reappointed.

Secretary of State Colin Powell fully backs Mr. Reich, said the secretary's spokesman, Philip Reeker, calling him a "key player".

Some of the animus toward Mr. Reich stems from his involvement in what became known as the Iran-control scandal in the Reagan administration. As director of the State Department's Office of Public Diplomacy, Mr. Reich tried to influence public opinion in support of the Nicaraguan contras, the General Accounting Office found, by resorting to "prohibited covert propaganda" like preparing newspaper opinion articles for pro-contra authors.

Mr. Reich has denied wrong-doing and never was charged. Recently, in his first major policy speech as assistant secretary, he made light of the controversy, greeting the "former colleagues" and "unindicted co-conspirators" in the crowd. Then he complained, "That was supposed to get a better laugh than that."

Otto Juan Reich was born in 1945 in Cuba, which he fled as a teenager. He thrived in his adoptive country, earning a bachelor's degree at the University of North Carolina and a master's in Latin American studies at Georgetown University.

His uncompromising views on Cuba have made him a pillar of support for the American trade embargo of four decades.

His appointment was championed by Cuban exiles, who supported Mr. Bush's presidential campaign, and viewed as a setback to advocates of more open contracts with Havana. He has criticized corruption in Latin America and has advocated free trade.

When the crisis flared up in Venezuela, Mr. Reich, who had made no secret of his disdain for Mr. Chavez, was ready to respond. He had been the Venezuela envoy in the late '80s. After that, as a lobbyist he numbered among his clients Mobil Oil, which has interest in Venezuela.

"My entire life I've done things that have prepared me for this job," Mr. Reich said last week.

Mr. Reich said the administration had had no involvement or knowledge—indeed had been operating under an "information blackout" in the first hours of the revolt on April 11.

He defended his decision on the next day to establish contact with Pedro Carmona Estanga, the business leader who sought to replace Mr. Chavez. He said the administration would have been criticized even more harshly had it failed to warn Mr. Carmona of its desire to see democratic processes respected.

"I think it would be irresponsible not to do it," Mr. Reich said.

□ 1945

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3763, CORPORATE AND AUDITING ACCOUNTABILITY, RESPONSIBILITY, AND TRANSPARENCY ACT OF 2002

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 107-418) on the resolution (H. Res. 395) providing for consideration of the bill (H.R. 3763) to protect investors by improving the accuracy and reliability of corporate disclosures made pursuant to the securities laws, and for other purposes, which was referred to the House Calendar and ordered to be printed.

DEATH TAX

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

Mr. MCINNIS. Mr. Speaker, this evening I want to cover a couple of points. Especially, I want to focus tonight on one area, and that is the death tax, and the differences between our parties, between the Republicans and the Democrats when it comes to the death tax. This is clearly reflected by the votes of the last couple of years. When I speak in Special Orders, most of the time I try not to speak in a strong partisan fashion. There are a lot of issues that span both sides of the aisle. There are a lot of issues that are not necessarily a division between Republicans and Democrats, but rather a division between urban and rural areas; or there are issues that partisanship is divided, not Republicans and Democrats, but geographical location in the Nation.

For example, many times I have taken this podium and spoken about water in the East as compared to water in the West, the issues of public lands which are almost exclusively found in the West as compared to the private lands found in the East. There are a number of different issues, so not every issue that we deal with up here falls along partisan lines. But there comes a time when there is an issue that falls

along partisan lines where the majority of one party is on the opposite side of the majority of the other party, and tonight is one of those nights that I want to speak about an issue.

The reason I bring this up is because of the impact it has on my district in Colorado, and the impact that it has on the American dream and throughout this Nation, not necessarily the people from Colorado, but the people from the other 49 States, and it is the death tax. It is a tax that the Democrats, time and time and time again, go back to their districts and talk about how terrible it is and come back here and vote to support it, to keep the death tax in place. I am tired of it. This thing is killing people out there, no pun intended.

This death tax is devastating to a lot of American citizens. It is of little benefit to the government. Our government gets very little tax revenue from this death tax; but time and time and time again, the Democrats continuously through their leadership continue to support the death tax. Every time we talk about it, they make it look like we are talking about the Gates families or the Ford families or those kinds of families out there. They completely ignore the fact that the wealthiest families in this country which they say that the death tax is directed at, those families have estate lawyers and trusts. Those families have life insurance to take care of a death and the costs related to that and the cost related to the death tax.

What the Democrats do ignore time and time again is what it does to the middle class in this country. What do I mean by the middle class? Look at what one has to own today to be subject to the death tax. If you are in construction, you are not a wealthy person. Let us say you are a woman. And women in business, by the way, have jumped dramatically, so the impact against women that this death tax has also jumped dramatically. You will see the Democrats jumping up and down about women in business and we are for women in business.

Next time you hear one of your Members from your district say that, you have to be prepared to defend. Why do I vote for the death tax and why do I support the death tax which has an inappropriate impact on women in business? Let us say you have a woman who owns a couple of dump trucks, a backhoe and a small office building, not a big office building, just small. Let us say she has a trailer and a semi to haul the backhoe around on. She is now subject to the death tax upon her death.

What is the death tax and how does it work? That is what we are going to talk about this evening, because I want Members to understand clearly how negative the impacts are. Tonight I intend to read a few letters from families, diverse in their interests, farm families, small business families, contractors, children of families who have

had businesses go from one generation to the other, which as we know in this country is significantly diminished in large part due to the death tax. Let me just kind of point out a couple of things to start with.

Last year the President, with the help of the Congress, we put together a tax reduction package. No matter how hard we tried, we could not get the Democrats, and we had 58 of the Democrats in the House who came across, but the real impact, their leaders, we begged them to join us. We asked them, come on, let us get rid of this death tax. Look what is happening to middle America. Look what this does. But we could not get them to budge.

The best we could do last year in our effort to eliminate the death tax was to get a compromise to lift the exemption. Here in 2004 it works its way up to \$2 million. In 2006, it works its way up to \$3 million; and 2010, it works its way up to \$4 million, actually \$3.5 million. But guess what happens in 2010? Here is what the exemption is. In other words, if you have an estate worth \$3.5 million, the first \$3.5 million is exempt from the death tax.

Then in the year 2010, look what happens in 2010. In the year 2010, the exemption is zero, because guess what happens for 1 year? For 1 year the death tax goes away. Zero. Then what happens? Then all of a sudden it goes back to normal in 2011 because we could not make it permanent. The reason we could not make it permanent is we did not have enough Democratic votes in our conference committee to come across.

Let me say again, colleagues, I do not like to be partisan every time I speak up here, I rarely am, but tonight the issue demands it because it is a clear distinction between Democrats and Republicans. The Democrats continually support the continuation of that death tax; the Republicans on a continual basis oppose the death tax.

Last year we were able to get a compromise to at least lift the exemption. The exemption, as my colleagues know, is that amount of money that you get before the government starts to tax your estate. It has been \$675,000 before the tax package agreement. So we had the tax package agreement which does not do away with the death tax initially, but allows you to lift the exemption. And that is what this chart reflects, from \$675,000 on up to \$3.5 million, and then the death tax actually goes away for 1 year. But then it sunsets.

What is sunset? Sunset, as my colleagues know, this tax bill evaporates and we go back to the same taxes we had in 2000. In other words, we are back to a \$675,000 exemption which takes that woman contractor that only owns a backhoe, a dump truck, and some other equipment and maybe a small office building, it makes her estate subject to the Federal death tax.

Let us talk about what the Federal death tax is, and we need to make this