

a previous order of the House, the gentleman from Washington (Mr. INSLEE) is recognized for 5 minutes.

Mr. INSLEE. Mr. Speaker, I believe it was Mark Twain who said that humans were the only species that had the capability of feeling embarrassment or needed to, and I think that we are going to see many of my friends across the aisle in the Republican Caucus who have sincere and legitimate embarrassment about what they did at about 1 a.m. awhile back when they passed the tax cut that is so grievously unfair to 12 million children and 8 million families in this country.

You have heard, Mr. Speaker, previous Members here address the fact that this child care tax credit was left out for these families earning \$10,000 to \$26,000 a year. I think in doing so, the Republican Caucus has given a new meaning, a new definition to the term women and children first. The "women and children first" principle used to mean that you take care of those who are least capable of caring for themselves first. But the Republican Caucus has given a new definition of that term. It means that you cut out and you give tax cuts to everyone else first and children last.

Because what happened here is pretty obvious. It is pretty clear that the Republicans had a choice to make. They decided that they were only going to do a tax cut with a total cost to the Treasury of \$350 billion, and they had to make a decision at the last instant who to deprive of the tax cut. They had a clear choice to make. They could cut .1 percent, or 1/1000th of the amount of the tax cuts given to millionaires, or they could decide to deprive it and not give children the benefit and those families earning \$10,000 to \$26,000 a year. They decided to deprive the children of that benefit rather than the millionaires who were paying these taxes.

They now are rightfully, sincerely, and I think greatly, embarrassed by this disclosure that has now come out from this middle-of-the-night tax cut that was passed. And why did that happen? Why did that happen? It is not because the Republicans are not good folks. It happened because this tax cut and its bottom line, its basic theory, was not an economic principle or an economic plan; but rather it was a knee-jerk fixation, an ideological predisposition to starve the government and to do a disproportionate tax cut that is not in keeping with the needs of working families.

What I mean by that is if you were going to do a tax cut that had an economic theory behind it, you would give tax benefits to these working families that are going to turn that money around and get it right back into the U.S. economy. These are the first families that ought to get a tax cut, not the last. The reason they are the first families is that these are the folks that are going to get the money right back into circulation.

But in the Republican plan it is the last group that gets tax relief. The reason is because this plan was based on an ideological fixation that they want to starve government rather than the economic theory of getting money back into the U.S. economy. That is why it is doomed to failure. That is why their last tax cut produced nothing. That is why we have had 2½ million new lost jobs after their last tax cut, and that is why this one is not going to be any better for the U.S. economy.

Mr. Speaker, we need an economic plan to grow jobs, not an ideological fixation; and we need to help children first, not last.

UNFAIR TAX CUT

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

Mr. GEORGE MILLER of California. Mr. Speaker, the billion dollar tax cut that President Bush signed into law last week was supposed to give everyone who pays taxes a tax cut. In fact, President Bush said, "My jobs and growth plan would reduce taxes for everyone who pays income taxes." The President declared that several weeks ago.

Well, now as it turns out, that is not exactly the truth; and the devil is in the details. Because what the President did not tell the American public and what he did not tell America's families waiting for their tax cut was that a back-room deal he struck with the leadership in the House and the Senate, a bill that was sent for his signature, excluded 2.5 million taxpayers and 12 million children from the benefits of this bill. These are mostly single-parent households, with a child 16 years or older, that earn between \$10,000 and \$26,000 a year.

It was not a mistake. It was not an oversight. The Republican tax writers who crafted the final compromise all by themselves, with no Democrats in the room, under the supervision of Vice President CHENEY, made a conscious decision to roll back the benefits of the child tax credit for 12 million children to save \$3.5 billion. And they did not take that savings and put it into the Treasury against the massive deficit they created. They took that \$3.5 billion, and they gave it to corporations who run overseas to avoid taxes; they refused to close the Enron loopholes that destroyed corporations and many people's retirement. They took that money from those 12 million children, and they gave it away so that they would not have to close corporate tax loopholes.

Now, what does this mean, and why are we here late into the evening to discuss this matter? Why have so many Democrats lined up to speak on this matter? Because this is an issue of basic fundamental values about our families in this country, about equity,

and about fairness. And the Republican tax bill violated all of those values. They made a conscious choice to take families, a husband and a wife earning \$15,000 to \$20,000, a little bit more, raising a couple of kids, a single parent raising a couple of kids, who are struggling to get by in a tough economy, and they decided that they were simply going to exclude them from the benefits of this tax bill. They were not going to give them the child credit.

Now, Congress had made a decision over the past many years, from Ronald Reagan on, that we should have a child credit; that we should try to help offset the cost of raising children for middle-income families and lower-income families and that has been the policy in this country on a bipartisan basis. But this extreme Republican leadership in the House, along with Vice President CHENEY and now the Republican leadership in the Senate, decided that these children had less value than other children in the Nation.

What kind of person makes that decision about these children that they do not even know, about these parents struggling to raise their children and to pay their health care, to educate them, to provide them the necessities and maybe a little extra on salaries that do not exceed \$26,000 a year? What kind of mind, what kind of person was in that room that night when they made a decision to deny these children, to deny these parents this increase of \$400 in a tax cut to come this summer, that these children and these families would not get to participate in? It is a corruption and a corrosion of any sense of the public interest. It is a corruption of the process of this Congress that they would do this in the middle of the night in a secret deal and tell no one.

It was only after the President signed the bill did they have to admit that this was what was done. First they tried to say it was not true. First they tried to say that this did not affect these families. They were playing a little fast and loose with the truth down at the White House that day through the President's spokespersons. Well, the truth came out. Twelve million children denied the benefits of the child tax credit.

This is extremism at its far point. This is a denial of the value of America's families at the extreme. This act must be overturned. It must be overturned soon so that these families too can get that \$400 check that they are entitled to under the laws of this land and a decent system of fairness and equity.

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

(Mr. PALLONE 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 gentlewoman from Colorado (Ms. DEGETTE) is recognized for 5 minutes.

(Ms. DEGETTE 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 gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

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

TAX CUT UNFAIR TO HISPANIC POPULATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Texas (Mr. RODRIGUEZ) is recognized for 60 minutes as the designee of the minority leader.

Mr. RODRIGUEZ. Mr. Speaker, last week, the President signed into law one of the largest tax breaks ever for the wealthiest Americans. He did so at a time when unemployment is on the rise. Since President Bush took office, approximately 2 million jobs have been lost, and the Hispanic community has been hit the hardest with a rising unemployment rate of 7.5 percent compared to 6 percent for the general population.

People want to work, but the jobs are simply not there. Instead of pursuing policies to stimulate the economy and create jobs, the administration and the congressional majority have pushed through a plan that includes a tax cut that does nothing to address any of these financial problems and worries that are facing millions in this country.

While making false promises to create jobs and stimulate our economy, these tax cuts are targeted primarily at large corporations and the wealthiest of Americans. Those that are earning \$1 million a year will see a tax cut of over \$100,000. Half of all Latinos in this country report having an annual household income of under \$30,000. Under the Bush tax plan, some of these wealthy individuals will see a tax break that equals three times what these families make a year.

We understand that people who pay taxes deserve a break, but we have gone from record surpluses to skyrocketing deficits. We cannot meet our obligations to support critical health and education programs. And a tax cut this size does not make any sense whatsoever. We have chosen also not to pay for the war. We have chosen to put it on the backs of not only those that are our young people out there defending our country but on the backs of their children.

We now also find that in addition to favoring the wealthiest of this country, the administration's tax plan excludes those who need the assistance the

most, low- and moderate-income families. Families making between \$10,500 and \$26,625 a year are now, under law, excluded from collecting the \$400 child tax credit. Those who could benefit the most from the tax credit will in fact get nothing.

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Mr. Speaker, I have difficulty comprehending the philosophy that brought this about, trying to exclude the ones at the bottom of the totem pole. While others enjoy a tax cut, these individuals who make under \$26,625 will not. The median income in my district is \$22,000 so more than half of my constituency will not see a cent. For Hispanic families, this means that roughly 1.6 million, or 30 percent, of all Latino families who otherwise would have been eligible for the tax break are now no longer going to qualify. The child tax credit has long been crucial for Hispanic families, working families, who are deeply affected by the tax burden.

While 85 percent of Latino males are in the workforce, the largest percentage for any ethnic group in the country, many Hispanics work in seasonal, low-wage jobs, and the majority of Hispanics do not participate in the employer-sponsored retirement plans, nor do they own stock. How can the administration argue that this plan helps working men and women when working families are the ones that are left out?

The Latino community may not be one of great wealth, but we are the future of the economy and the workforce, and the Latino community deserves the respect of our leaders and deserves a fair share of any proposed tax relief plan, not just the crumbs left over from the Nation's wealthiest few. What we can do is, we will fight to fix the wrongs of this tax bill not only for Hispanic families, but for all Americans.

I am pleased to be here tonight on behalf of the Hispanic Congressional Caucus, and I am pleased to have members of the Congressional Black Caucus with me.

Mr. Speaker, I yield to the gentleman from Illinois (Mr. DAVIS) and I thank the gentleman and the Congressional Black Caucus for also participating tonight and discussing some issues that confront our community.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman not only for being here tonight, but also for the tremendous leadership you provide as chairman of the Hispanic Congressional Caucus. I have been pleased and delighted to note many evenings when I have seen you talking about not only health care, but talking about education, talking about the needs of people across the board; and I have been gratified that all evening we have seen an array of individual Democrats take to the floor, and talk about this tremendous tax break that we saw just before we left to go on vacation, go to our districts over the Memorial Day holiday.

It is amazing to me that we have heard about Leave No Child Behind when we have left millions of children, just with this one act, this one tax break for the wealthiest 1 percent, the wealthiest 5 percent, we have left millions of children behind, all at one time.

It is amazing also to hear people who do not want to pay taxes. I do not know how in the world we expect to have the kind of country, to have the kind of democracy to provide the kind of services without individuals paying taxes. Oliver Wendell Holmes supposedly said one time that taxation is the price that we pay for a civilized society. And then to hear people talk about those who do not pay much do not need breaks, or to hear colleagues suggest that because individuals are not in a position to pay much in the way of taxes, or as much as some others, that they do not deserve.

We hear talk about stimulating the economy. Whoever heard of stimulating an economy by giving back to the wealthiest individuals, who could not possibly have a need to spend any more money.

When I was a kid growing up, my mother used to make soup, and if she wanted to stimulate that soup, she would take her spoon and go down to the bottom of it and stir things up. When she would stir things up, the flavor would ignite and the aroma would penetrate the whole house.

So it would seem to me if we really want to shake up the economy, we would go down to the bottom, provide something for those people, raise the minimum wage, put some money in the pockets of individuals who are trying to make it. If we do that, then it is clear to me that those individuals are going to take the additional money that they have and go to the supermarket and buy milk for their children, or you are going to find people purchasing Pampers for the babies, or they are going to run to the barber shop and get a haircut or go to the beauty shop and get their hair fixed. Those individuals are going to put money back into the economy. If we have money in the economy, it means that money is going to go from one place to the next place to the next place.

I have always been told that money in neighborhoods is pretty much like blood to the body. If all the blood runs out of the body, you are going to die. Or if too much of it is in one part of the body, you are going to get sick because it is not circulating properly. So if too much of the money goes to one segment of the population, then of course the economy is going to get sick. If we have a sick economy, as we do right now, somebody is going to suffer. It really means that all of us will suffer because we have an imbalance.

But if we have things moving around, if those at the bottom are running out to the store to make their purchases, then the guy at the supermarket gets