

Mr. HAYWORTH. Mr. Speaker, I listened with interest to the comments of the gentleman from Tennessee (Mr. COOPER) who served here in a previous majority that had its share of challenges in terms of a lack of modesty, and I think that is an ever-present danger for the majority.

At the same time, however, we cannot paralyze legitimate differences of public opinion, for that is the essence of the House of Representatives and debate within this body. Case in point: the upcoming motion to instruct. My friend, a Morehead Scholar at the University of North Carolina, Chapel Hill, is a student of history and he understands that for the working poor we instituted in the 1970s an earned income tax credit so the families he wants to help are already being helped to the tune of several thousand dollars. If not, I would urge every Member of this body to inform his or her constituents of the earned income tax credit. I look forward to the upcoming debate.

ASSAULT ON TRANSPORTATION ENHANCEMENTS PROGRAM

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

Mr. BLUMENAUER. Mr. Speaker, Members depart the Chamber today to go back to their districts, meeting with people to get in touch with what is on their minds. I hope that our colleagues will take the opportunity to discuss with their constituents an assault on the transportation enhancements program.

Mr. Speaker, this has been a program since 1991 that has funneled billions of dollars into opportunities for people to convert abandoned rail corridors to trails, to have programs to revitalize historic highways, and for bike and pedestrian paths. All of these have been critical elements of being able to improve the livability of our communities. Inexplicably, the Appropriations Subcommittee on Transportation stripped these elements out, and condemned them as ineffective. Hopefully the full committee is starting to right this wrong, but people at home need to be careful. If we are not diligent, we are going to lose an important part of the broad base of support for a balanced transportation system.

DEMOCRATIC SUCCESSION PLAN FOR AZERBAIJAN

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

Mr. KIRK. Mr. Speaker, the United States and our allies need a democratic succession plan for the Government of Azerbaijan. Our country's energy policy depends in large part on foreign energy supply, and much of it comes from the Caspian region in Azerbaijan. The former President there, President

Aliiev, a former KGB leader, is coming in and out of a coma on death's door and trying to have his son succeed him.

I think for the long-term future of the United States' interests and those of our allies, we need to back a true democracy in Azerbaijan with a wide range of candidates, but right now some of the most powerful and important candidates are not allowed to register. For example, the former Speaker of the House in Azerbaijan has had no opportunity to stand before the people of Azerbaijan for election.

Mr. Speaker, this administration, and the administration of our allies, needs to support a true democratic process so we can have a stable Caspian region which is so important to the world's energy supply and so important to the economy of the United States.

TRIBUTE TO EDDIE MURRAY

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

Mr. CARDIN. Mr. Speaker, I rise today to bring to this body's attention that this weekend in Cooperstown, Cooperstown, New York, one of the greatest baseball players of all time will be inducted into the Hall of Fame, and that is Eddie Murray who played for the Baltimore Orioles. He played for other teams, but he is known as a Baltimore Oriole.

Eddie Murray is one of only three players, the other two, Hank Aaron and Willie Mays, who hit over his lifetime 500 home runs in 3,000 hits. But what we all know about Eddie Murray, he is a model of consistency, a real team player, a person who really brought championship to Baltimore, and championship to the baseball diamond.

He also gave back to the community. Particularly, I want to bring to this body's attention the Carrie Murray Nature Center that he founded in Baltimore, in honor of his mother, in Lincoln Park. He is known not only as a great baseball player, but a great person. I congratulate him on being selected for the Hall of Fame.

ILLEGAL IMMIGRATION

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

Mr. FLAKE. Mr. Speaker, I rise today to conclude a series of commentaries I have been making on illegal immigration and to find a solution to the Nation's current immigration woes. We in Arizona feel this in particular.

Over the past 8 months, I have been working with the gentleman from Arizona (Mr. KOLBE) to put together a comprehensive foreign worker program, a temporary worker program, which recognizes the way people organize and order their own lives, that recognizes that we need a rational policy

to deal with the situation that we have along our Nation's borders.

We need to understand that we not only need to deal with those who want to come to our country to work on a temporary basis, but for those who are here illegally as well, and find a solution that will both encourage those who are here illegally to come out from under the woodwork, and to come into a legal framework and to provide an opportunity for those who wish to come and fill our Nation's labor needs to do so.

I am pleased that this will be introduced today, and I encourage my colleagues to look at it and join us in the debate and ultimately support it.

MOTION TO INSTRUCT CONFEREES ON H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT OF 2003

Ms. SOLIS. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Ms. SOLIS moves that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides immediate payments to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs Growth Tax Relief Reconciliation Act of 2003.

2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.

4. To the maximum extent possible within the scope of the conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the Columbia disaster.

5. The House conferees shall, as soon as practicable after the adoption of this motion, meet in open session with the Senate conferees and the House conferees shall file a conference report consistent with the preceding provisions of this instruction, not later than the second legislative day after adoption of this motion.

The SPEAKER pro tempore. The gentlewoman from California (Ms. SOLIS) and a majority Member each will control 30 minutes.

The Chair recognizes the gentlewoman from California (Ms. SOLIS).

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

Mr. Speaker, this motion would instruct our conferees to accept the Senate amendment to H.R. 1308. This

amendment restores the child tax credit to 6.5 million families. It restores a tax credit to military families with members serving in combat zones overseas. It requires that restoring the child tax credit does not become an excuse for further tax cuts for the rich.

We have had Democrats come to the floor every night this week to demand a child tax credit for all Americans. We have done so because while tax cut checks are going out today to some Americans, 6.5 million families will get nothing in their mailbox today. These families have 12 million children. They will get nothing because last-minute changes by Republicans prevent families with incomes between \$10,500 and \$26,625 from receiving the child tax credits.

We will not let these families be forgotten, and I will not forget the 140,000 families in my district in California that will get no child tax credit under the House Republican plan. These are working families, like the one pictured here, who told me how hard they are working just to provide for the basic needs of their children. This is a military family who saw fathers and mothers and sons and daughters go off to war. Across the country, there are over 250,000 children of active duty military families, such as this one depicted here, that will receive no child tax credit at all.

Republicans had the nerve to say these people should not get any tax relief because they pay no taxes. It is true that while soldiers are collecting combat pay and are putting their lives on the line, they do not pay taxes, but they pay their debt to our government, to our society, with hard and dangerous work, with months spent far apart from their families and loved ones, and sometimes even ending in tragedy.

It is true that families left behind by the Republicans do not pay Federal income taxes, but they do carry a far higher tax burden than the millionaires who would benefit the most from the tax cuts. This is because these low-income families, like this one depicted, pay sales tax, property tax and payroll tax. These taxes eat up a very high percentage of this family's income.

When we learned of the exclusion of the low-income families from the tax cuts, Democrats came forward and protested and the country listened to them. Our colleagues in the other body quickly and overwhelmingly acted to fix the glaring omission, but here in the House Republicans only responded with more tax cuts for the rich. Under the guise of restoring child tax credit, they passed an additional \$82 billion tax cut that benefits themselves more than the working poor like this family here, more than our soldiers, more than 6.5 million families who were left out of the original tax cut plan.

Mr. Speaker, under the House Republican plan, a Member of Congress, like you and I, with two children will receive \$1,750 while the same size family

earning \$20,000, like this family from my district, would only get \$475. I did not come up here to represent myself, I came here to represent the people of my district, like this family here. How can I go back to my district and tell families such as this that their children will get no tax relief because Republicans choose to protect the wealthiest Americans in our country? How can I go home and tell these military families who sacrificed for our country that they will get nothing because Republicans would not even sacrifice a few thousand dollars of the millionaires' \$93,000 tax cut?

It is for these families and their children that my colleagues and I rise to instruct our conferees to accept the Senate amendment. We ask the House simply to accept language that restores tax credits to 12 million children. That is fiscally responsible, and that does not neglect our military families. This is not a lot to ask for, and I hope this motion will pass as it did on June 12. Just yesterday our President, America's President, visited Michigan and Pennsylvania and he said, "The child credit must be given to low-income families as well." Take a good look at this picture, and remember these families.

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

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. LEWIS) is recognized for 30 minutes.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Kentucky, a member of the Committee on Ways and Means, for yielding me this time.

Mr. Speaker, here we go again. What is before the House is a classic example of not letting facts get in the way of impassioned debate. My friend from California rightly has a concern for the working poor, and I appreciate her mention of a specific family earning about \$20,000 a year. Now for the rest of the story where the silence has been deafening.

Under existing law, we have the earned income tax credit specifically designed for the working poor. For a single mom with two kids earning \$20,000 a year, a check is available from Uncle Sam for a total of \$3,335, according to the Tax Foundation. On top of that, in the All-American Tax Act, we even expanded the child tax credit, not inconsistent with what our President has said, so even more funds are available.

It is true we expanded that child tax credit because we believe if we accept the philosophy of my friends in opposition here, if it is immoral to leave out children at the lower end of the socioeconomic scale, likewise it is unfair to limit those two-earner families, like the nurse practitioner who earns \$63,000 a year and her spouse who is a school principal in the Awatukee section of Phoenix, both of these earning \$64,000 a

year, that should not invalidate their children either.

What this majority has done in the House is to expand the child tax credit while keeping intact the earned income tax credit. And, sadly, the silence from the minority on existing policy is deafening.

It will be interesting during the course of this debate to see if our friends will in fact acknowledge what they believed in public policy to be a triumph, but now is suddenly forgotten. I will not impugn their motives; but, Mr. Speaker, it is curious that for this entire week, my friends on the left have developed a severe case of political amnesia.

Reject the motion to instruct, embrace expansive, fair and equitable tax relief for all families, and we will work with the other body to ensure that comes to pass in conference.

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

Mr. Speaker, I remind my colleagues that this administration is now taking a very aggressive role to go after families that are seeking earned income tax credits. In fact, we should be spending more time going after the big guys like the Enrons, the WorldComs and all of the other corporations that do not have anybody tracking their abuses and fraud.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentlewoman for bringing this matter before the House.

On June 9, the President made it very clear that he wants this tax credit for low-income working people, the tax credit for their children to be passed and put into law. He wants the Senate provision passed. That was 2 months ago. In those 2 months, the House and the Senate have done very little to advance this ball. Why? Because the extreme radical position of the Republicans in the House of Representatives has essentially kept a conference committee from taking place because they have decided that to take care of a \$3 billion oversight in the tax credit, they want to spend \$80 billion to get there.

That is unacceptable to the President of the United States, that is unacceptable to the Senate on a bipartisan basis, and it is certainly unacceptable to many of us in the House of Representatives. They made a conscious decision in the last hours in the middle of the night in the consideration of the last tax bill that these children of low-income working parents would simply not get this credit. They had to make a decision between the millionaires who would get \$44,000 a year in tax rebate; or if they gave the tax credit to low-income children's families, they would only get \$38,000 in a tax rebate.

The person making that decision was one of the big beneficiaries, Vice President CHENEY. The children had the tax credit when Vice President CHENEY

walked into the room; when he left the room, he had the tax credit and the poor children's families didn't have the tax credit. That is the history.

Yesterday as the gentlewoman from California (Ms. SOLIS) pointed out, the President was in Dearborn, Michigan, where he was hailing the first checks to go out to families seeking the tax credit, deserving of the tax credit; and once again, he asked Congress to pass legislation, to pass the Senate bill. He said he wants to extend it to all spectrums of society.

Now maybe the Republicans in the House of Representatives think that President Bush is a wild-eyed, radical liberal who wants to take care of some families who are undeserving. I do not think he is. I think what he recognizes is that this is a matter of equity. This is a matter of whether or not people who go to work every day, work their tails off, and at the end of the year end up poor, and that this Congress decided we were going to place an additional value on the cost of raising these children, and we were going to help America's families with a child tax credit.

But the Republicans in this Congress decided the poor children were not going to be worth as much. Just a cold-hearted calculation, stone-cold decision that these poor children just are not worth as much. That somehow, their parents are not as noble when they go to work every day as millionaires are when they go to work every day.

Mr. Speaker, that is the calculation that this President has asked this Congress, these Republicans to reject, and to pass the tax credit so that these children will get their share of equity in American society.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is a sense of fairness, as the gentleman just spoke of a minute ago. In this Nation, it is really a great privilege to live here and to have all of the blessings of freedom that we have and all the opportunity that we have. But along with that blessing and the wonderful aspects of what we have in this great country comes a certain responsibility. One of those responsibilities that we have is to pay an income tax.

We have in our system a progressive income tax system where those who make a great amount or more money than someone else will pay a greater amount of taxes, and those that make less money pay less taxes, and those that reach a certain level in this country, they pay no income tax whatsoever. They may pay payroll taxes and other taxes. In order to offset those other taxes, there is the earned income tax credit that gives back to families that do not make enough to pay income taxes the money to offset the other taxes that they pay.

Now it seems to me that we have tried in this country to be as fair as we possibly can to all those in whatever

income level they may be. When I think about this situation, those that are paying taxes are providing for a lot of things that we all get an advantage for: defense, infrastructure, highways, education, health care, law enforcement, and I could go on and on. When we look at what people pay in taxes, what they actually pay in taxes according to their income, I think we have tried to be as fair as we possibly can. I think those that are receiving earned income tax credits to offset their other taxes is certainly something that I do not think our friends on the other side of the aisle remember or understand or want to even talk about.

H.R. 1308, the All-American Tax Relief Act does a lot of wonderful things. It increases the child credit to \$1,000 per eligible child through 2010, eliminates the marriage penalty in the child credit, celebrates the increase in refundable child credit, it provides tax relief and enhances tax fairness for members of the Armed Forces that my colleague mentioned a little while ago. It suspends the tax-exempt status of designated terrorist organizations, provides tax relief for astronauts who die in space missions.

Actually, the motion to recommit will do damage to a lot of families. The Democrat's motion to instruct allows the child credit to drop from \$1,000 to \$700 after the 2004 election. As a result, millions of low- and middle-income families will receive a smaller child tax credit right after the elections. The House-passed bill ensures that the child credit remains at the \$1,000 level throughout the decade. The Democrat's motion to instruct does not eliminate the marriage penalty in the child credit until 2010, and even then, it only does so for 1 year.

Under the Democrat's motion, millions of children will be denied the child credit simply because their parents are married. The House-passed bill benefits middle-income families by eliminating the child credit immediately. The House-passed bill does not deny the child credit to military families. Military families include those who are deployed abroad who are already receiving a refundable child credit, and will continue to receive a refundable child credit under the House-passed bill.

The Democrat's motion to instruct would only increase the refundable child credit for some military families by allowing them to take into account tax-free income when they compute their refundable credit.

This motion to instruct, I think, is without merit. I ask my colleagues to vote "no" on the motion to instruct.

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

Ms. SOLIS. Mr. Speaker, I yield 30 seconds to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I find it incredible that the gentleman on the other side of the aisle would suggest that somehow

these are not responsible people, that they accept the privileges of living in this country, but they are not responsible because they do not pay income taxes, so they are not entitled to the tax credit.

These people would love to pay more taxes. They would love to be rich. They go to work every day hoping that someday they might get rich, might get a benefit. They would love to pay more taxes, but the gentleman says they are not responsible. I guess that extends to the soldier who is putting his life on the line to defend the privileges that the gentleman talked about, and because he gets tax-free income while he is in battle risking his life, his family should not get a tax credit?

I think that soldier is a fairly responsible individual, and I bet his family is fairly responsible. But he does not pay much in taxes because we do not pay him much to do his job. That is your idea of the trade-off in America between those who are entitled in America and those who get privileges? This tax cut is denigrating families who work hard every day, and their children, and the military.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. GEORGE MILLER of California.
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The SPEAKER pro tempore. The gentleman is out of order.

Mr. GEORGE MILLER of California.
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Ms. SOLIS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentlewoman from California (Ms. SOLIS) and I thank the gentleman from California (Mr. GEORGE MILLER) for making it very clear about whether or not we in this country really value work and ordinary workers.

Today is the day, July 25, that millions of child tax credits are going to start to be delivered to families around the country. President Bush went to Philadelphia to highlight those checks, to claim credit for getting some extra money into the pockets of working families.

My two children, each of whom have two children, are probably going to get checks in the mail, and I am happy about it. They are modest-income earners, and they are going to get their tax credit.

But this family, the Narvaez family, Maria and two of her three children, she makes \$20,000 a year. She works in a day-care center, she works 40 hours a week. She is not going to get a check in the mail. There is no check in the mail for her family. I want to tell Members that this hardworking woman, I would think, is as deserving of getting a check in the mail.

Let us compare that to Vice President CHENEY who made the deal in the dark of night to say well, let us see, the tax breaks went too high. It exceeded our budget; who are we going to cut out? I have got it: Let us cut out families like the Narvaez family.

Vice President CHENEY will see a tax break of about \$116,000 for 1 year. I am not talking income, I am talking tax break. Mrs. Narvaez, Maria, would have to work 5.8 years to get as much as Vice President CHENEY is going to get in 1 year in a tax break.

Let us see, who is more deserving; how about all those people, millionaires who go to work; no, maybe it is millionaires whose work is to cut open those envelopes that have dividend checks in them. Those people, do they deserve it more than the Narvaez family? I do not think so. Let us pass this motion to instruct, and let us get a child tax credit to the Narvaez family.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to respond to the comments of the gentleman from California (Mr. GEORGE MILLER). I certainly did not say that the working poor are not responsible. They are very responsible. I have been in that position. I have been among the working poor. I know how hard it is to make ends meet.

But, I also was brought up in a family, my father a construction worker, a pipe fitter that was many times without a job, that a full day's work for a full day's pay; we accept things in our life that sometimes we do not like. We try to make ends meet many times when that is all we can do. Sometimes we cannot even make ends meet.

I think we have provided in this country an opportunity for people that are working hard to receive an earned income tax credit to help them through the tough times.

I am certainly someone who believes that we should help those that cannot help themselves that are in need. It is our responsibility to do that. I certainly appreciate our military for what they are doing. I appreciate all the efforts that are put forward in this country by all those who are willing to work and earn a full day's pay for a full day's work, and we should support them and their families every way we possibly can.

But we also have to remember the liability. As I said, we have a progressive income tax system in this country. The liability, those who talk about the rich and how much tax relief they are going to get, well, how much are they paying in taxes? How much are those on the lower scale, how much are they paying in taxes? It is always how much refund are they going to get. Well, you have to pay income taxes to get a refund. If you do not pay taxes, we do provide an earned income tax credit. So we are helping.

But this idea of class warfare, sure there are families out there working hard, they want to be rich.

Ms. DELAURO. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Kentucky. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. I thank the gentleman, and I understand the point

that you are making, except the fact of the matter is that Enron paid no taxes the last 4 out of 5 years. There are companies who are paying zero in taxes, and yet they are the beneficiaries of a very, very hefty tax cut.

Mr. LEWIS of Kentucky. Mr. Speaker, reclaiming my time, Enron is being dealt with. No one appreciates what Enron did. It is a disaster for a lot of people, and they are being dealt with. It was really an embarrassment to our country that a corporation and the people that ran Enron acted the way they did, but that happens. That happens.

Anyway, getting back to the subject, we are doing everything we possibly can to provide tax relief across the board, provide people that are not paying taxes as much help as we possibly can, and we will continue to do that. But this motion to instruct does more harm to helping families with children and receiving tax credit than it will do good.

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

Ms. SOLIS. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. Mr. Speaker, because of a very small group of Republican leaders, they are preventing this House from helping 12 million poor children around America. I would like to give my colleagues on the other side of the aisle, the rank-and-file Republicans, the benefit of the doubt. I do not believe that their heart is in this fight. I believe they are being compelled by their leaders to do the wrong thing. It is still not too late to do the right thing.

The checks are being mailed out today to the rich families in America, and Members know it was a mistake made also 2 months ago to prevent the other families in America from also getting help. That is not just my opinion. Our President, George Bush, called once again yesterday to help these children. President Bush is trying to be a compassionate conservative, but the other side of the aisle is not letting him do that. He has been calling for this 2 months now. Let us listen to our President. It is not just our President; the other body, by a vote of 94-2 has voted to do the right thing.

But too often we see in the House younger Members, Republicans, compelled in some cases to do the wrong thing. It happened last week when Member after Member came to this House to say that the chairman of the Committee on Ways and Means had done the right thing; when, thankfully, that same chairman came to the House floor this week to admit that he had done the wrong thing.

Do not support Republican leaders when they are asking you to do the wrong thing. Be the compassionate conservatives you claim to be. Help these 12 million poor children. It is not quite too late; but 2 months have passed, 2 months of waiting, 2 months

of hurt for these families. These people work hard every day. They pay their fair share of taxes. Let us give them their fair share of tax help. Do the right thing today and vote for this motion to instruct.

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

Ms. SOLIS. Mr. Speaker, I yield 2 minutes to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Speaker, do we not value all of this country's children and families? This body has shortchanged our children too often this year, and it is adding up to a heavy burden on their families, all to make the wealthiest in this country richer.

Underfunding for Leave No Child Behind, block grants to States with unmet requirements for Head Start teachers, and although it is a demonstration program, this is meant to be the first nail in the coffin of Head Start. We barely lost the vote last night, but Democrats will continue to fight for this country's children, all of them, but certainly those from lower-income families.

Today I am here with my colleague, the gentlewoman from California (Ms. SOLIS) and other Democratic colleagues to call on this House to instruct the conferees first to act; and, second, to provide what the President promised, tax relief to the 6.5 million families and over 12 million children. These families work hard, but in this economy this President has created, they still need help, and especially for the military families of soldiers who today are fighting for this country and fighting for us.

□ 0945

Democrats meant it when we said we will leave no child behind. Today we call on the leadership of this conference, and specifically the conferees, to expand the child tax credit and put our money where our mouth is and where our heart and our values should be.

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

Ms. SOLIS. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I listened to the gentleman from Kentucky, and he expressed a lot of sympathy with the plight of the people, the working poor and the people that we are trying to get some checks to this morning. But I listened to the gentleman and I could not believe, because he was suggesting that he was powerless to do something to help the working poor and the children that have been left out and the parents who are not getting this check.

Mr. LEWIS of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. PALLONE. Mr. Speaker, I only have 2 minutes. I am trying to be nice, not critical.

But the bottom line is this should not be ideologically driven. The fact

that they are not paying income tax is not important. They are paying property taxes. They are paying sales taxes. In a State like mine in New Jersey, one could be paying a tremendous amount in property taxes and sales taxes and all kinds of other taxes, payroll taxes.

So I am just asking my colleagues, do not be ideologically driven. Do not say we cannot do this because they have not paid income taxes. My colleagues on the other side have the power. This is a political decision that is being made here.

The Republican leadership is making a political decision that they do not want to help these people. They want to go home. They do not want to go to conference. They want to go on break without helping these people.

Mr. Speaker, the other body is not saying that. They are supportive of what we are saying here. They want to send the checks and help these people. The President wants to help.

So keep in mind, this is an ideology. Forget the ideology. I ask my Republican colleagues to forget what they think about whether it is good or bad from an ideological perspective. The bottom line is that these people need help. The gentleman from Kentucky acknowledged that he himself was in that position, or his family was in that position. That is all we are saying as Democrats.

We know a lot of these people in the Armed Forces. Some of them are serving in Iraq. They need help. We go home. We will see them. They are constituents. They are having a hard time paying the rent and putting food on the table. They need help. The economy is not good. We are not doing well. They are having a hard time. Maybe if this was a better time, we might say do not do this; but it is not. The economic times are bad, and my colleagues cannot run away from this.

Mr. Speaker, it is the Republican leadership in the House that is preventing this from happening. I urge my colleagues on the other side to do it before they go home and before we have the recess and go on vacation.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to point out the child tax credit under current law is refundable to the extent of 10 percent of the taxpayer's earned income in excess of \$10,500; salary and wages of \$15,000, \$450 refundable tax credit; \$20,565, plus the earned income tax credit. It is \$3,823 for a salary of \$15,000; \$2,770 for a salary of \$20,000.

So it is not like we are not helping. We are. And the fact is that these individuals are not paying income taxes, and we are offsetting those other taxes the gentleman just spoke of through the earned income tax credit. So we are, under current law, helping these individuals right now.

Mr. Speaker, I might just say, I spoke to a young man and his wife not too long ago when we were debating

the child tax credit for those that pay no income taxes. And they work at a factory. They are factory workers. They both work many hours of overtime. They have one child. And they were asking me why they had to pay the taxes that they pay, very high taxes, and they are taxed more because of the overtime that they work. And they were excited about the child tax credit for their own child. But when we were debating the issue of the child tax credit for individuals that pay no income tax, they asked me why that would be the case, that they were paying a lot of taxes, working very hard, overtime pay to provide for their family, and they seemed to think that was just a little, the playing field just was not level for them when they were doing everything they could. And they were not making a lot of money at that. I think \$30,000 basically was their income.

But we are trying our best to do all we can. And I think the numbers here show that we are helping the working poor, those that are paying no income taxes. We are helping them through the earned income tax credit and through child tax credit, 10 percent of the taxpayers that earn incomes in excess of \$10,500.

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

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

Mr. Speaker, I do want to clarify something. There are over 337,000 children of teachers, classroom teachers that are left out of this child tax credit. They pay payroll tax, gasoline tax, rent, property taxes, and other types of taxes. I would think that their burden falls very heavily on their children, and yet they get nothing.

Mr. Speaker, I yield 2½ minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, today the Federal Government is sending out checks to 25 million families in this country. More than 2 months after this House passed the President's tax bill, among those receiving their checks in the coming days will not be 6½ million taxpaying families, taxpaying families, taxpaying families: property taxes, payroll taxes, sales taxes. They pay taxes. They make low wages, yes. So what is wrong with making low wages? Those who make low wages do pay taxes.

My mother was a factory worker. She worked in the old sweatshops. She did not make a lot of money, but she paid her taxes like others do. Why should families not be allowed to have a child tax credit? These families were denied what they were rightfully due, the extension of the child tax credit, because they make low wages and for the last 2 weeks on this floor Democrats have been offering a motion to instruct conferees. We have implored the leadership of this House: do what is right; act on what the other body's legislation is.

Mr. Speaker, my colleagues on the other side of the aisle have criticized

our motion. They argue that this would drop the child tax credit from \$1,000 to \$700 immediately after the 2004 election. There is a word for this type of argument: hypocritical. The child tax credit will already drop after the 2004 elections. That is no coincidence. It is a result of a deliberate decision made by the Republican majority to drop the credit once these families go to the polls with the impression that they are going to get the credit again in 2005.

Not so, my friends. Under the Republican-passed tax legislation, as the law stands today, the \$1,000 credit goes down, it goes up, it goes down. It is more a seesaw than tax law.

When it came time to choose between a child tax credit or the tax cuts for the wealthy, they chose the latter over and over and over again. To meet their \$350 billion goal, they cut out people who make \$10,500 a year to \$26,000 a year in favor of those who make over a million dollars a year who are going to get \$93,000 in a tax cut every single year.

The President said it yesterday, he said it in June: adopt what the Senate has done. Fix this issue. Let us give these families what they want.

Mr. Speaker, let us abide by that. Let us go with that. Let us make sure that what we do allows today those 25 million people who are going to get their child tax cut. Let us make sure that those families who make \$10,500 to \$26,000 they get their child tax credit. They deserve it. It is the right thing to do. It is the moral thing to do, and that is the obligation of this House.

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

Ms. SOLIS. Mr. Speaker, I yield 2½ minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I would like to thank the gentlewoman from California (Ms. SOLIS) for organizing this morning's discussion, because here we go. Is it not ironic that while the Nation is facing one of the biggest budget deficits in history, at least \$450 billion, and I quote from the gentleman from Kentucky (Mr. LEWIS), "Enron happens." Yes, it does. And we need to be doing something about it.

Republicans can find the money to provide tax cuts for the very richest Americans and not enough for the children of America's working families. Ha. The gentleman from Kentucky said Republicans are trying their hardest. Well, I am telling my colleague, Republicans have to try harder.

This supposed party of compassionate conservatism has exploited the child tax credit issue to pass even more tax cuts for their wealthy friends. Rather than bringing up the other body's child tax credit which would have cost \$3.5 billion, they passed a bill that costs \$80 billion to benefit the wealthiest in this Nation.

Earlier this week, I joined my Democratic colleagues in writing a letter to President Bush requesting that he lead the Republicans in Congress to do the

right thing, to provide a tax cut that will benefit over 12 million children of working families. One million of them, I remind my colleagues, one million of them are children of military families.

Congress must not recess today without giving American workers and their families the same consideration it gives the rich.

Why did Republicans in the United States House of Representatives not follow the other body and bring a clean child tax credit bill before us? According to a colleague from the other side of the aisle, and I quote: "If we are going to do it, we should get something in exchange. If we give people that do not pay taxes a tax break, it is welfare."

Well, Mr. Speaker, these families do pay taxes and they are not seeking welfare. They are seeking the same acknowledgment for their hard work as the rich receive in the Republican tax package. It is unfortunate that the Republicans believe these forgotten children and families do not contribute enough to deserve a break. Their actions leave no doubt that their priorities are dead wrong.

Mr. Speaker, we want to pass this tax break and we want to do it today before we go home to enjoy our tax breaks that we have passed in the House of Representatives.

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

Ms. SOLIS. Mr. Speaker, I would like to inquire about the time remaining on both sides.

The SPEAKER pro tempore (Mr. SIMPSON). The gentlewoman from California (Ms. SOLIS) has 8 minutes remaining, and the gentleman from Kentucky (Mr. LEWIS) has 15½ minutes remaining.

Ms. SOLIS. Mr. Speaker, I yield 2½ minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I thank the gentlewoman from California for yielding me this time.

Mr. Speaker, I rise today in support of the motion offered by my colleague from California, and I want to thank her for her extraordinary leadership. The Republicans are holding this measure hostage because they really want to avoid doing what is right. They knowingly left out millions of families in their tax bill.

Mr. Speaker, this is shameful and that is why we have been protesting their failure to provide this vital relief for working families. When the child tax credit was created in 1975, it was for the purpose of helping families, not hurting them.

President Bush said that all Americans would receive tax relief, but that was not the case. Initially, it seemed that the President's \$400 per child increase in the child tax credit was meant to help all families, but what we did not know was that the Republicans really did not mean "all families." Their idea of helping families did not extend to low-income working families,

the same people who were already left out of the President's tax cut on dividends which President Bush offered the wealthiest Americans.

When Republican negotiators went behind closed doors, suddenly these families of 12 million children were excluded from the child tax credit. Nationwide, that means one out of every six American children were excluded. These children come from families where the parents work hard and play by the rules. They deserve the same tax credit that other parents will receive, but they really need it more. Their families do not have the advantages that others have.

In the jobs depression this administration has put us in, the loss of the \$400 tax credit is like rubbing salt really in their wounds. Now let us be clear about some of the people who will be hurt by this huge inequity in the Republican tax plan, because the victims will be disproportionately African American and Latino and other people of color. 8.1 million taxpayers will receive no relief under the Republican tax cuts; 1.6 million of them are Hispanic.

Mr. Speaker, 8.1 million represents 44 times the number of taxpayers who have incomes exceeding \$1 million, yet the President and the Republicans have gone out of their way to help the wealthy. In fact, those people with incomes over \$1 million will receive an average tax cut of \$93,000 in 2003.

In terms of the child tax credit, one-half of all African American families will not get the full tax credit, while one-quarter will receive no tax credit.

And how can we abandon military families who are making tremendous sacrifices? One million children of military families were excluded from this tax package. So let us be for real in supporting our troops.

Mr. Speaker, the situation is outrageous, and it really does show the Republican leadership's complete, complete lack of compassion in their very conservative agenda.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are talking about tax credits here. Tax credits. One has to pay income taxes to get tax credits. A credit is on a tax that has been paid to get a refund.

My wife, not too long ago, said we needed a new automobile. And I said, great. I think the automobile dealer in town is having some tremendous rebates, so let's find the most expensive car we can buy so we can get a greater rebate. She did not think that was a very good idea because it was still going to be pretty expensive. So we are going to have to look at the less expensive cars. But I think we ought to get the rebate that the people who are paying for those expensive cars get. I mean, it is only fair. Or maybe I should not buy the car; maybe I should go down there and demand the rebate.

Mr. Speaker, that is what we are talking about here. What we are talk-

ing about is taking money out of the pockets of people that are paying taxes, income taxes, and putting it in the pockets of people that are not paying income taxes. And on top of that, we are already providing earned income tax credits, plus for those that are making \$10,500, we are paying child tax credits under current law.

So I do not know what we are talking about here, but I think that there is some problem when we are talking about tax credits, when there are those who want to take money out of someone's pocket, like the couple that I was talking about a little while ago that works overtime, works as hard as they can, and I am not saying that the working poor are not working hard, but they are not paying taxes. They do not have to pay taxes. They are not making enough to pay taxes. And to account for the taxes that they are paying, to make up the difference, we are paying earned income tax credits. Plus for those over \$10,500, we are paying child tax credits.

But, Mr. Speaker, I do not think we ought to be talking about tax credits here. We ought to be talking about helping those who are not paying income taxes. We are taking money out of one taxpayer's pocket and putting it in the pocket of someone who is not paying taxes.

Now, I think there can be an argument there that that is being compassionate. And being compassionate means that we are helping people that at some point cannot help themselves, and I think we are doing that. And I think the bill that we are talking about, H.R. 1308, provides a lot of help for families. A lot of help. And what this motion to instruct would do would reverse that. Again, I ask my colleagues to vote "no" on the motion to instruct.

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

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

Mr. Speaker, I would like to clarify that, to my knowledge, there are about 178,000 children from farming families that are going to be left out with no child tax credit. Perhaps the gentleman from Texas (Mr. REYES), our good friend and ranking member on the Committee on Armed Services, can speak to that effect about his experience as a veteran and how hard veteran families work.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentlewoman from California for yielding me this time.

Mr. Speaker, time after time during these times that our families are deployed overseas fighting for America's freedom and for the freedom of others, we hear many Members of this body talk about how great our soldiers are, and they are; how great their sacrifices are, and they are; how great the sacrifice of their family and the sacrifices that they are making, and they certainly are.

So perhaps I can clarify for my colleague here that one of the ways that we judge ourselves as a Nation is not about talking about today's heroes, but how we take care of yesterday's heroes. Cutting back veterans benefits is certainly not one of those ways that we honor the heroes of yesterday, because today's heroes fighting for our freedom across the country and across the world you are paying attention.

Mr. Speaker, today, as we speak, tax rebate checks are being sent to families around the country. But in my own district of El Paso and across America, there are hardworking families and families of brave members of our Armed Forces whose mailboxes will be empty. The tax bill passed in May leaves behind 8 million children by denying their families full access to child tax credit. This law fails to give the child tax credit to those earning between \$10,500 and \$26,625 per year.

Of the 8 million children left behind in this tax law, 1 million live with parents who are on active duty or are veterans. The children of our working families, especially those of our armed services, deserve better support from this body.

Mr. Speaker, there are over 16,000 military families with children stationed at Ft. Bliss in my district. With loved ones serving in Iraq, these families understand more than most what it means to sacrifice for our Nation. These families certainly do not deserve to be left behind, I would say to the gentleman from Kentucky that is handling the time on the Republican side.

The tax bill passed by this House penalizes enlisted soldiers who are serving in Iraq. For example, a staff sergeant with two children earning \$29,000 qualifies for the child tax credit. But if this same staff sergeant is deployed in Iraq, 8 months, 10 months, 12 months, we do not know what the duration is. That is why they are frustrated, his taxable income drops and his children do not qualify for the tax credit.

Mr. Speaker, this is no way to treat our soldiers. This is no way to treat those that we exalt here on the floor of this great House who are risking their lives for our country.

This motion will help these families. It instructs conferees to include provisions to allow our men and women in uniform and their families to include combat pay in their gross earnings for the purposes of calculating eligibility for the child tax credit. They deserve it. We ought to provide it for them. Let us send a message to our hard-working families that they count too and that we recognize the sacrifices being put on the line by military families around the world. Let us pass the Solis motion.

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

Ms. SOLIS. Mr. Speaker, I yield the balance of my time to the distinguished gentlewoman from California (Ms. PELOSI), our Democratic leader.

Ms. PELOSI. Mr. Speaker, I rise in support of this very important motion

to instruct conferees. In doing so, I want to acknowledge the excellent work and leadership of the gentleman from New York (Mr. RANGEL), the ranking member on the Committee on Ways and Means; the gentlewoman from Connecticut, (Ms. DELAURO), who has taken a very important role of putting this issue of fairness to America's children forward; the gentlewoman from California (Ms. SOLIS), a member of the Committee on Education and the Workforce, now a member of the Committee on Commerce, for her leadership; representing the freshman class, the gentleman from Maine (Mr. MICHAUD), the gentleman from New York (Mr. BISHOP).

Mr. Speaker, night after night, night after night for the past 2 weeks, Democratic Members have come to the floor to make the case for America's children, the case for the children of America's working families, the children of parents on active duty in the military.

Mr. Speaker, see, this is a copy of the check the President is going around the country posing for pictures with, a check saying that this is a good day because the check is in the mail for so many children in America. The good news is that the check is in the mail for so many children in our country. The bad news is, and the President knows this, that the check is not in the mail for 12 million children, 250,000 of them children of men and women on active duty.

The good news for those children is that their parents work hard, care about them, and are the backbone of our country. The bad news is they do not make enough money to be considered worthy of this tax credit. I ask my Republican colleagues, why not raise the minimum wage if they do not think it is high enough to get a tax credit for these children? They say: Oh, no, we cannot do that.

The good news is that these children are children of men and women on active duty serving their patriotic duty to our country. The bad news is that although we honor their service on this floor of the House on a regular basis, the service of our men and women in Iraq and Afghanistan, at the same time we dishonor them by saying their children are unworthy of receiving the tax credit because their pay does not count and is not high enough for them to get the tax credit.

Mr. Speaker, I listened with great interest to our Republican colleague who must have drawn the short straw to come to the floor to defend the indefensible, cutting 12 million children out of the tax credit, when he said that these people who cannot help themselves, well, they want to help them. These people are helping themselves. They are helping themselves. They are helping their children. They are helping our country. They are entry level. They are people with aspirations. They are people with young families. They are the future of our country.

The gentleman from Kentucky also said, well, for them we have the earned

income tax credit. That should take care of them. Others have said in the course of these couple of weeks, and on TV and again this morning here, they do not pay taxes. My colleagues have pointed out very clearly that they do pay taxes. I ask anyone who looks at his or her paycheck whenever they get paid, do they not think paying a payroll tax is paying taxes? Or paying sales tax is paying taxes?

The gentleman says, well, they get an earned income tax credit for that. Interesting to note, my colleagues, since we are having a quiet moment here this morning as Members come back to the Chamber after a very late night, the IRS has recently said that they are going to premonitor, premonitor, excuse me, I am using the wrong word, preaudit, preaudit families, low-income families who might wish to claim the earned income tax credit.

I ask my colleagues to think of it. These are people who make the minimum wage. We have said that they will get an earned income tax credit, and that is appropriate. The IRS is now saying they are going to preaudit these poor families before they can make that claim for the earned income tax credit by just listing their income on their income tax and signing that this is what their income is.

At the same time, they have a very, very low audit rate for wealthier individuals in our country. They have said on occasion that it is too difficult and too expensive to fight the lawyers of those with resources in our country, be they wealthy individuals or corporations. But instead, the IRS is using its resources to preaudit poor working families who may wish to claim the earned income tax credit. Just some issues of fairness that I thought it was important to note this morning.

Mr. Speaker, this check which will go out to many families of children in America, and that is a good thing and we all support that, this check for the poor children, though, of working families is delayed. Delayed. Delayed.

The President says he wants this tax credit for poor children. That is what the President said. That is what the President is saying on the road. The Senate has already passed the legislation and sent it to conference with the Republicans. It would take 1 minute for the conferees to meet, to accept the Senate language, put the bill on the President's desk, and remove this terrible embarrassment to the Republican Party. It is no wonder no Republican Members showed up on the floor today, leaving the gentleman from Kentucky (Mr. LEWIS) to do all of this heavy lifting by himself, carrying this unfortunate defense of the indefensible.

It has a nice ring to it. It is reminiscent. Delayed by whom? Delayed by DELAY. Delayed by DELAY. The child tax credit is delayed by DELAY.

I think the American people should know that. And if the President is serious about wanting this tax credit for

all children in America, and I believe that he does, then I think he should use his influence, his moral suasion, his leadership with the Members of his own party to say let us end this embarrassment. Let us end this embarrassment. Let us eliminate the delay caused by DELAY.

A couple of other thoughts that I wanted to convey to my colleagues this morning as we get back into the legislative mode after a very late night of debate and voting is that this delay for 12 million Americans takes place within the context of the past few weeks. As recently as yesterday, the Republicans strove to undermine, undermine Head Start. By one vote, this House passed a block grant program under Medicare that contained language that legalizes discrimination, but undermines Head Start, removing standards so important for lifting up children. And within the past couple of weeks, this body voted to underfund Leave No Child Behind by \$9 billion, leaving millions of children behind.

No tax credit if a child's parents do not make enough money, \$9 billion out of no Child Left Behind leaving millions of children behind. Undermining Head Start, removing the standards, turning it into a block grant, on its way to being unrecognizable. These, sadly, are the same children in many cases who are affected. The same children fall into the categories for education for disadvantaged children, children of parents making between \$10,000 and \$26,000 a year.

Mr. Speaker, that is not disadvantage. That is entry level. But nonetheless they would qualify for some of those educational benefits in Leave No Child Behind. And of course these children would take advantage of Head Start.

So this is all part of a pattern. I call it the trifecta against children that the Republicans have put forth. Actually, it is not my idea. The gentleman from California (Mr. GEORGE MILLER) calls it the trifecta, that great champion for children in our country.

So let us calm down after all the debates that we have had night after night that we have tried to make the case to the American people. This is almost like a Christmas carol or something where wealthier people are treated better than poor kids. And the children of America are in solidarity. They respect each other. They do not want other children not to have toys at Christmas and food to eat and a home to live in, the dignity of that kind of shelter.

Children are sympathetic to each other. Why can we not, as a Congress, be sympathetic to all children? Because what we are doing here today by saying this to these children, as I said again the context of the Head Start legislation and the Leave No Child Behind legislation, and when these children and some of the older siblings of these children have a bigger struggle affording college and higher education

because of what this Congress is doing to Pell grants, this is just not right.

Mr. Speaker, this is America's future. This is America's future. And to every one of those children, how much better if we could say to them: you are important to us. As President Kennedy said, children are our greatest resource and our best hope for the future. He did not say children of those making over \$26,000 are our greatest resource, and if their parents are even wealthier than that, our best hope for the future. He said all children are.

So this is about aspirations. This is about the American Dream. This is about making the future better. And day by day, quickly and surely, the actions of this House, lead by the Republican Majority, are undermining those aspirations.

It is not too late. It is not too late. We can accept the motion offered by the gentlewoman from California (Ms. SOLIS) to instruct the conferees to agree to the Senate language. We can do it right now.

End the delay. Have our conferees go to conference. Agree to the language. Put the bill on the President's desk. And would it not be a wonderful gift to him who has said, the President who has said over and over again that he wants this for America's children, all of America's children, that when he returns from his trip he can immediately sign the No Child Left Behind bill? In fact, they could probably get the bill to him on the road so that history will never show that on the same day that these checks were being received by some children, that other children were getting nothing. Were getting nothing.

Mr. Speaker, with that I commend all who have worked so hard to make the case for America's children, for America's future. I thank the gentlewoman from California (Ms. SOLIS) for her diligence, and all of our colleagues, the gentlewoman from California (Ms. WOOLSEY), who I see on the floor has been so much a part of this fight. I could name practically every Member of the Democratic Caucus who has played a major and significant role in making the case on this floor, to the press, and across the country that fairness is a value that Americans hold dear and that we agree with President Kennedy that children are our greatest resource and our best hope for the future. All of America's children.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. LEWIS of Kentucky. Mr. Speaker, I think fairness really is the issue here. When I look at the child tax credit that is refundable to the extent of the taxpayer's earned income in excess of \$10,500, plus the earned income tax credit, the earned income tax credit, here are some numbers that I think are interesting. There are 18 million families receiving earned income tax credits at a cost of \$30 billion. \$30 billion, 18 million families. I think those numbers need to be looked at.

But here are the actual numbers. The head of a household with two children at \$10,000 in wages would receive \$4,010 in earned income tax credit; \$15,000, a refundable child tax credit of \$450; earned income tax credit of \$3,823; \$20,000, \$565 child tax credit, an earned income tax credit of \$2,770. We are helping those that need this help.

And going back to the military, the House-passed bill does not deny the child credit to military families. Military families, including those who are deployed abroad, are already receiving a refundable child credit and will continue to receive a refundable child credit. Under the House-passed bill, the Democrat motion to commit would only increase the credit for some military families by allowing them to take into account tax-free income when they compute their refundable credit.

Mr. Speaker, The House-passed bill provides more tax relief to military families because it includes \$806 million of military tax benefits. These provisions have passed the House on numerous occasions and are awaiting action in the Senate.

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise in support of the motion to instruct conferees.

Mr. Speaker, it's a simple question: Will the Republican leadership permit Congress to pass tax relief for millions of working and military families before the August break?

Unfortunately, we know the answer, and it is not good news for the 4 million families with incomes between \$10,000 and \$26,000 who were left out of the original Republican tax cut plan. And it is not good news for the 262,000 children of military servicemen and women who currently serve or have served in Iraq or other combat zones because their combat pay actually reduces their tax credit.

With the Republican party in control of the White House, the Senate and the House of Representatives, President Bush and the Republican leadership have the political power to pass tax relief for these families today. But do they have the political will?

I think that question was answered by Speaker HASTERT, when he was asked last Sunday if he and the Republican leadership would pass the child tax credit before leaving town. Speaker HASTERT dismissed the question by saying that the families making between \$10,000 and \$26,000 "don't pay taxes."

I hope the Speaker will talk to some of these families in his own district. If he does, they will be glad to inform him that even though they don't earn enough to pay income taxes, they pay plenty in Social Security payroll taxes, sales taxes, and—if they are fortunate enough to own a home—in property taxes.

Mr. Speaker, we should pass the child care tax credit bill today and give working and military families the tax relief they deserve. As I said at the outset, it's really a very simple question: Will the Republican leadership permit Congress to pass tax relief for millions of working and military families before we break or will they continue to look the other way and go home?

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentlewoman from California (Ms. SOLIS).

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

Ms. SOLIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

PROVIDING FOR CONSIDERATION OF H.R. 2861, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2004

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 338 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 338

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2861) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2004, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived except as follows: under the heading "State and Tribal Assistance Grants" beginning with "except that, notwithstanding section 1452(n)" through "water contaminants". Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the

customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), 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. Speaker, House Resolution 338 is an open rule which provides 1 hour of general debate, equally divided between the chairman and ranking minority member.

Mr. Speaker, H.R. 2861, the Fiscal Year 2004 Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriation Act we are hearing today. The rule waives all points of order against consideration of the bill and against provisions in the bill, except as specified in the resolution.

After general debate, any Member wishing to offer an amendment may do so as long as it complies with the regular rules of the House. The bill shall be read for amendment by paragraph and the rule authorizes the Chair to accord priority in recognition to the Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

Finally, the rule permits the minority to offer a motion to recommit with or without instructions.

Mr. Speaker, there is much to be said about what is good in this bill.

Mr. Speaker, I reserve the balance of my time at this point, and will speak about it later.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentlewoman from Ohio (Ms. PRYCE) for yielding me the customary 30 minutes and yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks).

Ms. SLAUGHTER. Mr. Speaker, part of the cost of waging war is the cost of caring for our veterans when they return home. Today, American troops are fighting in Iraq and Afghanistan and this body is considering an appropriations bill that grossly underfunds the veterans health care.

It is projected that 600,000 veterans will enroll in the veterans health care system this year. However, the veterans health care system cannot meet the medical needs of the number of veterans who are already enrolled because of inadequate funding.

□ 1030

More than 235,000 veterans are waiting 6 months or more for doctors' appointments. Embarrassingly, many veterans have reported waiting 2 years before they were able to see a Veterans Affairs doctor. The VA has reached capacity at many health care facilities and has closed enrollment for new patients at many hospitals and clinics. The VA has also placed a moratorium on all marketing and outreach to veterans.

According to the Veterans of Foreign Wars, because the veterans health care

system is underfunded, 1.1 million veterans will either be pushed out or not even bother to try to access the VA health care. The funding allocated for veterans health is simply not enough and our veterans pay the price.

With this bill, we break many promises that we made to the veterans. The budget resolution for fiscal year 2004 pledged billions more for veterans medical care than has been allocated in H.R. 2861. Whenever America's men and women are sent off to war, they leave with the promise and the expectation that a thankful and grateful America will provide them with quality and accessible health care at least when they return home. We break this promise if we do not provide the funds necessary to ensure that no veteran waits months for a doctor's appointment or is denied admission to the VA health care system.

Late last night, the Committee on Rules prioritized tax cuts for the wealthiest Americans over the health care needs of America's veterans. Along party lines, the committee rejected an amendment by the gentleman from Texas (Mr. EDWARDS) that sought to increase the funding for veterans medical care by \$2.2 million. A small reduction in the tax cut for people making more than \$1 million would provide the needed additional health care funds with no pain to the millionaire. We should not accept the proposition that the government is able to pay for a \$350 billion tax cut for the wealthiest Americans but is unable to fund \$2 billion more for veterans health care needs.

The Committee on Rules also rejected an amendment by the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS), again on party lines. This amendment would have increased funding for veterans health care by \$1.8 billion, bringing the total funding level for veterans health care to the level set in the budget resolution. Meeting the budget funding levels would ensure that the VA is able to continue to treat all of the veterans currently enrolled and ensure that the VA is able to maintain nursing home care levels for the aging veterans, and indeed, it recognizes the fact that more veterans will be coming home from the present wars needing help.

Mr. Speaker, it is heartbreaking that we have American soldiers in Iraq and around the world who will find the system they count on crumbling when they return home. We need to fix the inadequacies in the underlying legislation. I urge my colleagues to oppose this rule, and I hope that I can tell the 60,000 veterans in my district that we honor our commitment to them and will provide them with the health care we promised them.

I do want to say that I think both the committee chair and the ranking member on the committee tried extraordinarily hard in a bipartisanship that is really the way our House ought to