

AUTHORIZING THE USE OF THE ROTUNDA OF THE CAPITOL FOR THE UNVEILING OF THE PORTRAIT BUST OF VICE PRESIDENT DAN QUAYLE ON SEPTEMBER 10, 2003

Mr. NEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 63) authorizing the use of the rotunda of the Capitol for the unveiling of the portrait bust of Vice President Dan Quayle on September 10, 2003, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

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

Mr. BRADY of Pennsylvania. Mr. Speaker, reserving the right to object, and I will not object, I yield to the gentleman from Ohio (Mr. NEY) for the purposes of explaining the resolution.

Mr. NEY. Mr. Speaker, I want to thank the gentleman from Pennsylvania (Mr. BRADY), one of our distinguished members of the Committee on House Administration for yielding to me.

Mr. Speaker, I rise today in support of Senate Concurrent Resolution 63 which authorizes the use of the Rotunda of the Capitol for the unveiling of the portrait bust of former Vice President Dan Quayle on September 10, 2003.

The mainstay of the Senate's fine arts collection is the Vice Presidential bust collection. In 1886, the Joint Committee on the Library began commissioning busts to be sculpted of the Vice Presidents to occupy the niches that surround the Senate Chamber. Once these spaces were filled, new additions were placed throughout the Senate wing of the Capitol.

The collection acknowledges the patriotic service performed by each individual who has served as Vice President and pays tribute to the Vice President's role as President of Senate. It also provides a unique survey of American sculpture for the 19th century to the present day.

The Senate currently maintains over 80 sculptures by some of America's preeminent artists, commemorating many of the great figures of our national history.

Born on February 4, 1947 in Indianapolis, Indiana, Dan Quayle was named after James Danforth, a longtime Quayle family friend killed in World War II. Mr. Quayle's career as a dedicated public servant began in 1971 when he became an investigator of the Consumer Protection Division of the Indiana Attorney General's Office. Later that year, he became an assistant to then-Governor Edgar Whitcomb.

Dan Quayle was elected to the U.S. Congress from Indiana's Fourth Congressional District in 1976. Then in 1980, at age 33, Mr. Quayle became the youngest person ever elected to the U.S. Senate from the State of Indiana.

During his tenure in the Senate, Mr. Quayle became widely known for his expertise and legislative accomplishments in the areas of defense, arms control, labor, and human resources.

As a Senator he served on the Committee on Armed Services, the Committee on the Budget, and the Committee on Labor and Human Resources, and became widely respected by colleagues on both sides of the aisle for his legislative skill and intelligence.

In 1982, Mr. Quayle authorized the Job Training Partnership Act, JTPA, one of the most significant pieces of social legislation passed during the Reagan Presidency.

In August 1988, at the Republican National Convention in New Orleans, George Bush called upon Mr. Quayle to serve as his Vice Presidential running mate in the general election, which George Bush went on to win.

Dan Quayle was sworn in as the 44th Vice President of the United States on January 20 of 1989 and served with distinction in that capacity over the following 4 years.

Former Vice President Quayle is widely regarded as one of the most active Vice Presidents in our Nation's history. He made official visits to 47 countries, was chairman of both the President's Council on Competitiveness and the National Space Council, and served as President Bush's point man on Capitol Hill.

Mr. Quayle's tenure as Vice President is notable for his principle, leadership, integrity and patriotism. Therefore, I am honored to bring this resolution to the House floor. I would like to thank Senator TRENT LOTT, who is my counterpart as the chairman of the Senate Rules Committee, for introducing and passing this measure in the Senate. I would like to thank the gentleman from Pennsylvania (Mr. BRADY) for being here today on this bill.

Mr. Speaker, I urge full support of this resolution.

Mr. SOUDER, Mr. Speaker, I am honored to rise today in strong support of S. Con. Res. 63, due acknowledgement of my fellow Hoosier, predecessor in the House, and friend—Vice President Dan Quayle.

Dan was a precocious politician. In 1976, he was elected to Congress at the age of 29 and served in the House of Representatives for two terms. Since 1994, I have had the distinct privilege to represent this same constituency. Having defeated three-term Senator Birch Bayh, Dan became the youngest Hoosier ever to serve in the Senate. Appropriately, his election to the upper chamber coincided with President Ronald Reagan's conservative revolution of 1980.

While he may at times have been the unfair subject of liberal derision, Americans always knew that Dan would stand firm against the radicalism of Hollywood's ersatz politicians. Dan is committed to family values, and anyone familiar with our 44th vice president knows that his family has always been paramount—irrespective of the demanding positions that he has held.

Always remembering his Hoosier roots, Dan never sought out the salons of Georgetown,

became seduced by the "image is all" Siren's song of politics, or succumbed to the confines of the Beltway mentality. His foundation was his faith in God, his love for his family, and his patriotism.

As one of the most active vice presidents in history, Dan traveled to 47 countries, served as the President's advocate on Capitol Hill, and chaired the National Space Council. At all levels of office, he promoted a strong national defense, economic growth and the revitalization of America.

Faithful, loyal and humble, Dan Quayle continues to be a model of service to all Americans. I look forward to the unveiling of the portrait bust on September 10, 2003, and to celebrating the commitment of this great American patriot to our country.

Mr. BRADY of Pennsylvania. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring). That the Senate Committee on Rules and Administration is authorized to use the rotunda of the Capitol for the unveiling of the portrait bust of Vice President Dan Quayle on September 10, 2003. The Architect of the Capitol and the Capitol Police Board shall take such action as may be necessary with respect to physical preparations and security for the ceremony.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

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

Mr. RUPPERSBERGER. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk will report the motion.

The Clerk read as follows:

Mr. RUPPERSBERGER 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 and 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 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. Pursuant to the rule, the gentleman from Maryland (Mr. RUPPERSBERGER) and the gentleman from Arizona (Mr. HAYWORTH) each will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland (Mr. RUPPERSBERGER).

Mr. RUPPERSBERGER. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I have not come to the floor today to carry someone else's torch in partisan battle. I am not here to fight a political battle just for the sake of fighting one. I am here because we need to get past the idea of Democrats versus Republicans and cut to the chase.

I do not have to convince anyone here today that we need a child tax credit. That is not the battle. The battle is whose version of a child tax credit this Congress will send to the President for signature. And I am here to argue that the Senate version simply makes more sense. We are facing a troubled economy, rising unemployment numbers and an exploding deficit caused by tax cuts that is just not working. We are fighting a war on terrorism, a war in Afghanistan, and a war in Iraq. We have our servicemen and -women deployed throughout the world. We are trying to do everything and we need to focus on our priorities.

One thing we need right now is a child tax credit for all families, including military and veteran families, including the families of manufacturing workers, farmers, teachers, steelworkers and restaurant workers. We need to include families who have not benefited from the tax cut plan because they did not get dividend or capital gains relief from this administration's tax cut, families who need this child tax credit now to pay for housing, clothing, food and health care.

Now, I have been listening to arguments from all sides. Last night I heard some of my colleagues from the other side of the aisle say that the House's version of the child tax credit does provide for all families. But this is not what the bill says. The House version does not cover all families. My colleagues on the other side of the aisle said that their bill provides for military families. But the House version does not provide specific child tax credit relief for military families. Only the Senate version does this. And the House version is expensive. It will cost over \$80 billion, which will only balloon the deficit, and we simply cannot afford that right now.

We need to be more fiscally responsible. We need to find solutions that fix problems without creating new ones. And the Senate version of the child tax credit does this. It provides tax relief for all American families and it does it without adding to the deficit. It is fully offset and that is more fiscally responsible.

The reality is we could not have an unlimited pot of money for everything that we want or need. We have to make choices among tough priorities, and that is our job. But the House passed a tax law in May that left 6.5 million hardworking taxpaying families without a child tax credit. And we need to fix that and we need to fix it now. There has been a lot of debate and rhetoric about the House and Senate versions of the tax credit bill. I think debate is healthy, but I think the rhetoric has been misleading.

□ 1445

Let us get to the facts. My colleagues on the other side of the aisle say we already passed a tax credit bill. We did, but it is too expensive and the wrong bill. We need the Senate version. The Senate version focuses solely on giving the 6.5 million families the child tax credit relief they need. The Senate version fixes the problem created by the last tax cut without creating more problems. The Senate version expands the child tax credit and provides relief specifically for military families, and it does not cost more money.

The House version will cost over \$80 billion. This will only add to our exploding deficit, and it does nothing to help our economy. The House version is not fiscally responsible.

The critical question here is which version of a child tax credit helps military families more. My colleagues on the other side of the aisle argued last night that their bill provides for military families. That is true. There are military benefits in the House version of the Child Tax Credit bill, but the House version does not include a specific child tax credit benefit for military families.

Instead, the House leadership has taken provisions from a completely different bill and thrown them into this bill. Military fairness is something I will always fight for, but we need to tackle the child tax credit problem now. The House bill does not do this for military families.

Remember, none of the provisions in the House version provides specific child tax credit relief for military families. Only the Senate version does that. Only the Senate version considers combat pay in the formula which means that military families will receive larger tax credit relief. That is not rhetoric, that is fact.

I have to ask my colleagues what message are we sending to military families. The tax cuts signed into law May 2003 cut major veterans programs, including health care and housing. These cuts will total \$14.6 billion in

benefits over the next 10 years. We have had proposed cuts to imminent danger and family separation pay, and I am very disturbed about this.

While we were away on our August break the Department of Defense put out and attempted to cut combat pay and pay for our families that are separated. We have our American service people over in Iran and Iraq putting their lives on the line. We need to do whatever we can to support them, and for them to be over there protecting our freedom and liberty and to cut any of their combat pay or their military family separation pay is wrong.

I have a letter, after hearing about this, that I sent to Secretary Rumsfeld, and I want this to be made a part of the record, asking him not to do this, that it is wrong, and I want to make this a part of the record, but to this date, I have received no response from Secretary Rumsfeld or the Department of Defense, but this is something we have to make sure we stay on top of.

I will insert the letter that I referred to earlier at this point.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, August 14, 2003.

Hon. DONALD H. RUMSFELD,
Secretary of Defense, The Pentagon,
Washington, DC 20301.

DEAR SECRETARY RUMSFELD: I am very disturbed by recent press accounts of the Pentagon's attempt to decrease both imminent danger pay and family separation allowances. I am asking you for a quick response to my inquiry.

We have over 148,000 troops in Iraq and 9,000 troops in Afghanistan, many military families rely on this pay to help make ends meet when their loved ones are away serving our country and fighting for our freedom. I was shocked to learn that as part of the Pentagon's interim budget request, there was a recommendation to return to the lower rates of special pay pending further inquiry by military experts. This sends the wrong message to our soldiers and their families. It says to them that the Pentagon does not care about their well being. It suggest that their efforts in Iraq and Afghanistan are no longer dangerous. In my view, we cannot let our soldiers and their families feel like we do not understand and appreciate what they are going through.

Our troops face daily guerrilla attacks. They face unbearable temperature, and they have to deal with missing their families and loved ones. This is not the time to reduce their special duty pay.

As Congress goes to conference on the Defense Appropriations bill, I hope that you will not proceed with the Pentagon's combat pay reduction recommendation and instead submit a request to Congress for additional funding so that we can honor our soldiers abroad and their families at home. I would also request that you support the Senate language that calls for making the increase in combat pay permanent. These men and women make a huge sacrifice and we need to make sure that they receive all the resources and compensation they need to ensure that their families are well supported.

Thank you for your time and I look forward to a speedy response to our letter.

Sincerely,

C.A. DUTCH RUPPERSBERGER,
Member of Congress.

Why is this occurring? Because we do not have the money. The tax cut is not

working, but we cannot take it out on our military families.

We also had a \$200 million cut to Impact Aid, denying military school children a decent education, again because we do not have the money. We need to reprioritize where we are putting our money, and after all these cuts, we are denying 200,000 low-income military personnel a child tax credit. That is wrong.

What message do we want to send to our service men and women and their families? The House version does nothing to help military families specifically. Only the Senate version does this, and it does it without increasing the deficit.

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

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

I welcome my colleague from Maryland. It is the first chance, Mr. Speaker, that I have had the opportunity to engage my friend in debate on the floor of this House, though on a personal note I certainly appreciate the gentleman's friendship and welcome him to the floor, not to rehash rhetoric but to champion and highlight some respectful differences in policies.

First of all, when it comes to the priority of military families, I do not know anyone in this House who does not believe our fighting men and women should have the best equipment, the best opportunity to succeed and the best for their families, and when they leave the military, the best care.

It is interesting that my friend during this debate, which is on a motion to instruct in terms of the tax credit and the child tax credit, would spend much of his time talking about the military and I welcome that because I think we should always have that scrutiny, but let me respectfully suggest that tax policy does not occur in the vacuum, and what is most notable about the question confronting us today are the things that my friend from Maryland failed to say.

First and foremost, Mr. Speaker, the House should be reminded that under current policy, 40 million tax filers in this country pay no income taxes, and of that group, many of those folks with whom my friends on the left say they are very concerned, many folks in that category receive payments from the government far more generous than anything outlined in the child tax credit.

Four letters, Mr. Speaker, E-I-T-C, earned income tax credit, and it is interesting because on previous occasions when we have addressed the topic, no matter whom might make the motion here, it is as if historical and financial amnesia envelops my friends on the left. Because the thing is right now poor folks, who are hardworking people, who are paying payroll taxes, who may not pay income taxes, they are eligible for payments. However much it

is a fair question, Mr. Speaker, let us deal with specifics.

For someone earning a combined salary or wage of \$10,000, who is the head of the household with two children, that head of household is eligible for a refundable earned income tax credit of over \$4,000. Mr. Speaker, that is current law. That exists right now.

So the question becomes if that type of effort is being made right now, why the cry that somehow what the House passed is lacking? Again, my colleagues will recall that I said it is notable what is omitted from the argument of my friend from Maryland. Let us take a closer look at their motion to instruct on this child tax credit.

This motion to instruct actually allows the child tax credit to drop from \$1,000 to \$700 immediately following the 2004 election. In other words, Mr. Speaker, for these families, bingo, a tax increase of \$300 per child. What we have passed in the House ensures the child credit will remain at the \$1,000 per child level throughout the decade.

The motion to instruct that my friend offers does not eliminate the marriage penalty and the child credit until the year 2010, and even then it does so for 1 year. Temporary relief means that when the pendulum comes back, thereto is a tax increase.

Under the motion offered by my friends, millions of children will be denied the credit because the parents are married. What we have passed in this House benefits middle-income families by taking care of this problem immediately.

My friend touched on the military concerns, as I heard earlier, and I think it is important. He asked for specifics. What have we done in terms of tax legislation to help those in the military? 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 our House-passed bill. The motion they offer to instruct would only increase the refundable child credit for some families by allowing them to take into account tax free income when they compute their refundable credit.

The House-passed bill, Mr. Speaker, what we have passed in this House, provides more tax relief to military families because it includes some \$806 million of military tax benefits. These provisions have already passed our House. They await action in the other body. Let me articulate for my colleagues what some of those provisions are. They include capital gains tax relief on home sales, tax free death gratuity payments, tax free dependent care assistance for members of the military. These provisions passed by this House await action in the other body.

The fact is we have a child tax credit that reaches out to America already, and the fact remains that through the earned income tax credit, the very people who some in this Chamber claim

are forgotten are, in fact, helped already in existing law.

Mr. Speaker, facts are a stubborn thing. This is not an isolated incident, occurring in a vacuum. My friend from Maryland is right to this extent. It should not be our attempt today to score debating points, but it is our mission in the Congress of the United States to embrace sound policy. We have taken steps to help those who find the challenges of work and who find that they are on the lower end of the socioeconomic scale, but the notion of tax credits for those who pay no income tax is something that deserves scrutiny, especially in the full light of what this government and what this House and what this Congress have already done.

That is why I would invite my colleagues to respectfully reject the arguments of my friends and vote no on this motion to instruct.

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

Mr. RUPPERSBERGER. Mr. Speaker, I yield myself as much time as I may consume.

First, the gentleman from Arizona has made some good points. His rhetoric is excellent. However, I would like to get into the facts again.

To begin with, the 40 million people who are not covered do pay taxes. They pay property taxes. They pay payroll taxes, Social Security taxes, sales taxes. This is not a bill that is fair for all.

Secondly, the issue on fiscal accountability. I never thought, as a Democrat, I would be here asking my colleagues in the other party, on the other side of the aisle, to be more fiscally responsible. If my colleagues look at the two bills, we cannot afford this bill. The Senate bill has a setoff. It makes sense. We have enough fiscal problems right now, but if they are serious about military fairness, which we all are, and we all agree that we are, the Senate bill is at the desk right now. Let us bring it up and let us vote on it.

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

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

I think the point remains and, again, what has been left out of the discussion is existing tax policy. Nobody said the working poor do not pay taxes. What we said was we are offering help already, and to somehow willfully blind ourselves to the case of the head of household making \$10,000 a year getting a refundable earned income tax credit of over \$4,000 is to be, I believe, derelict in our duties to recognize the policy that already exists, and that is what we should remember today, that we have those programs in place to help the working poor.

To the extent my friend from Maryland champions what the other body has done and what he says is fiscal responsibility, I would simply point out there are tax increases which abound

in what came out of the other Chamber. When my colleagues move to reduce the child credit from \$1,000 to \$700, after the next election, they have just increased taxes on the American people, Mr. Speaker, and here I guess is the ultimate paradox.

If it is so wrong to reduce taxation, if it is so wrong, if we accept my friend's logic, that somehow it imperils growth or fiscal accountability in the country at large, why any motion to instruct? Why not just a straight "no" vote from my friends on the left? The logic escapes me, but the truth does not, and it is this: The working poor are championed under existing policy by the earned income tax credit. I respectfully disagree with my friend because I believe by reducing taxes, we can actually increase economic growth, and as we saw and it is no respecter of parties, on a nonpartisan basis for Jack Kennedy in the 1960s, for President Ronald Reagan in the 1980s, total tax receipts to the government actually increase when there is more economic activity.

□ 1500

On this motion to instruct, we are ignoring the realities of what would be a tax increase following the 2004 election. Likewise, we are ignoring a policy that in previous days in this Chamber was championed by my friends in the minority, the earned income tax credit.

Again, Mr. Speaker, we have to end this selective amnesia, understand the full picture.

And in that spirit I respectfully request a "no" vote on the motion to instruct.

Mr. RUPPERSBERGER. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, just to respond to my friend, the gentleman from Arizona (Mr. HAYWORTH), I think there has been some debate about refundability and about the tax credit that the Senate bill stops after 1 year.

Both sides of the aisle I think have misinterpreted this to an extent based on some of the debates that I have heard. We already have a law in effect that the President signed. That law is automatic. And after this year the refundability automatically kicks in. That is what the law says. Those are the facts.

So let us not confuse it. I heard the colloquy before we took the floor, an argument that the other side has been using. It is not going to stop. It kicks in automatically, and that is the law. And that is something that is important. That is fact.

Secondly, if we are talking about fiscal accountability, again, the Senate bill has the set-offs. This bill does not.

We are in a difficult time in this country right now. We need to be fiscally responsible. And I will say it once and I will say it again: I think it is extremely important that we work on both sides of the aisle as a team to get control of this economy and to do what is right.

The Senate bill has the off-sets that are necessary for this child tax credit bill. This House version will cost us \$80 billion. We cannot afford that.

Mr. Speaker, I yield 2 minutes and 15 seconds to the gentleman from California (Mr. CARDOZA).

Mr. CARDOZA. Mr. Speaker, I rise in support of the motion to instruct by my friend, the gentleman from Maryland (Mr. RUPPERSBERGER), the home State of my alma mater.

I rise to express my disappointment that there has been a refusal of this House to enact what I believe to be a sensible and fair child tax credit for 6.5 million working families, many of them members of the military who we need to protect as they protect us.

Over the August recess, a large number of people in our country went to their mailboxes and found the first installment of the child tax credit. That was good news to them.

Unfortunately, another large group of people went to their boxes but found them empty. I can imagine no excuse for not getting these families their fair share.

In my district alone, nearly 35,000 families, 65,000 children who live in them, were excluded from this benefit. Nationwide that adds up to 12 million children deliberately left behind.

We are talking about working families, as the gentleman from Maryland (Mr. RUPPERSBERGER) said. We are talking about those who pay taxes, who love their children, and aspire to better lives, as we all should.

By excluding these families from the child tax credit, the majority in this Congress is essentially telling them that the equality of opportunity is a myth in America.

A bipartisan Senate bill that has been discussed would have helped these 12 million children who were left behind. It passed overwhelmingly on a bipartisan basis in the other body, but was not allowed to become law.

Time and time again this bill has been defeated on a party-line vote in this House.

I am particularly dismayed by the fact, as I said before, that 262,000 military families have been denied this expanded child tax credit.

Mr. Speaker, it is time for the President to impose some compassionate conservatism on his side of the aisle for the sake of hard-working American families.

Mr. Speaker, we are all aware of the inadequacies in funding in the No Child Left Behind education program. Let us ensure that we do not leave them behind again by denying them a tax credit that they deserve.

Mr. RUPPERSBERGER. Mr. Speaker, may I request the time remaining on both sides.

The SPEAKER pro tempore (Mr. CARTER). The gentleman from Maryland (Mr. RUPPERSBERGER) has 17 minutes remaining, and the gentleman from Arizona (Mr. HAYWORTH) has 20 minutes remaining.

Mr. RUPPERSBERGER. Mr. Speaker, I yield 6 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, this is a terribly important issue. We have to ask ourselves, have we no shame? This is the people's House, where we have provided trillions of dollars to the very wealthiest families in America, those who need it the least, and yet have denied child tax credits to the working class families who need them the most.

Twelve million children were denied this July when the checks went out. Three months ago, on June 5, the Senate overwhelmingly passed a measure to immediately give an increased child tax credit to 36 million working families, including the families of 262,000 military children that were deliberately left out of the \$350 billion tax cuts that the House Republicans passed. The Senate was supposed to be the aristocratic part of this Congress, yet they understood that it was wrong to provide \$350 billion out of a total of trillions of dollars of tax cuts to the wealthy and leave behind so many working-class families.

Now, I understand that the Speaker of the House said that we are not taking care of these families because, quote, first of all, they do not pay taxes. Well, the fact is they do pay taxes. They pay payroll taxes. Seventy-five percent of the families in this country pay more payroll taxes than they do income taxes. They pay into the Social Security and Medicare trust funds. Of course, its those trust funds that we are having to borrow from in order to pay for these tax cuts. Add the interest together, and recognize the fact we are not going to sunset these tax cuts over the next decade; we are talking about over \$4 trillion in tax cuts. Yet we cannot find \$3.5 billion. What is that, about one-twentieth of 1 percent of all the tax cuts that we have passed? But we cannot provide for 12 million children of families that are earning less than \$26,000 a year.

It does not make sense. It is not right. Yet in July the Treasury Department sent out checks for this expanded tax credit and excluded 6 million families. Now it is time for the President to impose some compassionate conservatism on House Republicans for the sake of these hard-working and military families and for the sake of our economy, because that money is going to get spent. If you are earning millions of dollars, you do not need to spend your tax cut. If you are earning less than \$26,000, you are going to spend your tax cut immediately. In fact, this September they would have been spending their tax cut on buying more jeans and buying bookbags and all the kinds of school supplies that they need to be able to buy, yet they did not get that money. The wealthy sure got their money on time.

The other thing is, and what is particularly grating in what the House Republican leaders have done, is that

there are 262,000 children of military families that were denied the expanded tax credit because we are blocking passage of the Senate bill; 200,000 men and women serving in Iraq or other combat zones. Now, what is important to understand is that if we do not accept the Senate version, it leaves in place current law under which families will have tax increases, because combat pay is not counted for purposes of the child tax credit.

For example, an E5 sergeant with 6 years of service and two children is paid \$29,000 a year. Generally, both of his children would have been entitled to the full \$1,000 tax credit. But if he goes to combat for 6 months, his credit would drop to \$450 under the House bill. The Senate bill fixes that. It is one of the reasons the Senate bill should be passed.

Now, we want to get this economy going, too. We see the numbers, too, with 93,000 more jobs lost. We have now lost more than 3 million jobs since President Bush took office. It is the worst record since Herbert Hoover. Imagine. Under the Clinton administration more than 23 million new jobs were created. We have lost 3 million since President Bush has been in office. We want to create jobs. And one of the ways to create jobs is to put money in the hands of people who need to spend that money, and that is the working class. So that is why we need to pass this Senate bill.

Let me just conclude by making a point about the fact that we now have a deficit of over \$400 billion this year. It will be almost \$.5 trillion next year. What that means is that families are going to be saddled with a debt tax of almost \$5,000 per family by 2011 just to pay interest on the debt that we are creating.

In addition, the last point, of the 12 million children left behind, 178,000 are children of farming families, 567,000 are children of nurses or orderlies, 337,000 are children of teachers, and behind disproportionately are minority children, with 2.4 million African American children and over 4 million Hispanic children. These are families that need the help. They are hard-working American families. They deserve it. Let us give it to them. Let us pass the Senate version.

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

Mr. Speaker, I appreciate the preceding two speakers from the other side. A few points need to be brought out because there are some classic misimpressions at work here in the House. And for the American people to understand really what is going on in terms of tax fairness, we should make these points.

Number one, no one undervalues our people in the military. They do not put on their uniforms with partisan designations. This is one fact that should be understood. Combat pay is tax free. Mr. Speaker, let me repeat that: combat pay is already tax free.

And while I heard both my friend from Virginia and my friend from California speak of going to the mailbox in July, no one on the other side, not a single speaker has refuted the point that for working folks who do pay taxes in terms of the payroll tax there already exists an earned income tax credit, taking into account the challenges of the working poor.

And the fact is if those constituents take advantage of existing law, a head of household with two kids earning only \$10,000 a year, this April, after filing an income tax form on which he paid no income tax, but taking into account his other taxes, that head of household, that family, those children would have received in excess of \$4,000.

Mr. Speaker, the contention remains intact: facts are stubborn things. And then to say that people are left out, to ignore the funds available that this government has made available precisely to the people who need the help, and at the same time, under a curious labeling of fiscal responsibility end the ability to continue the per-child tax credit at \$1,000 per child per year, to change that and reduce that immediately following the next election, which is what the motion to instruct does, Mr. Speaker, not only leaves the American public with the wrong impression, it is dangerously flawed policy.

The question was where is the compassion? Compassion, in fact, can coexist. The earned income tax credit, already a part of our tax policy, already a part of lending a hand up rather than a hand out, helps those people. It exists today. Again there is the strange paradox of attacking tax relief and yet saying, well, we will offer it in this limited form.

On all arguments, on all counts the motion to instruct is woefully inadequate. Understand current law, embrace the policies of growth, show true compassion by saying "no" to this motion to instruct.

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

□ 1515

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

Just in response to the gentleman from Arizona (Mr. HAYWORTH), let us crunch the numbers and get to the facts. The military families would do better with a child tax credit than no taxes on combat pay. But why are we here debating either one of them? If Members really cared about the military, men and women putting their lives on the line, we should be doing both.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HONDA).

Mr. HONDA. Mr. Speaker, let me begin by thanking the gentleman from Maryland (Mr. RUPPERSBERGER) for offering this motion to instruct conferees on the child tax credit. I really appreciate

his commitment to this important issue, and also his expertise in being able to explain the fairness of what we want to do, fairness to the public of this country.

This is not the first time I have spoken out on the child tax credit. In fact, this is not the first time Democrats have spoken out on this issue either. For over 3 months, Democrats have been fighting to expand the child tax credit to the 12 million children Republicans left behind. We will continue to speak out on this floor and we will continue to fight this Republican leadership until we provide this benefit for all working families.

Back in July, I know many Americans received a check for the child tax credit in the mail from the IRS. However, and it has been said before, 6.5 million families received no check or a smaller check because the Republicans decided they did not deserve this money. The Republicans decided that when they put together their \$350 billion tax cut bill, Republicans decided they had room for dividend and capital gains tax cuts, 72 percent of which goes to the top 5 percent of the households. They decided they had room to provide tax cuts of over \$93,500 to those making over a million dollars. But when it came time to do a child tax credit, they decided they could not afford to help all working families.

Mr. Speaker, I know many Americans listen to these debates, and the message we Members try to convey often gets lost in all of the technical and legislative terminology. So what is our message today? It is simply this: Republicans managed to pass a \$350 billion tax cut but deliberately left 12 million children behind, and Democrats have been continuing to fight on behalf of those 12 million children.

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

Let me congratulate my friends on the left in terms of their remarkable uniformity in talking points. But there reaches a point in time when we get past the focus groups and the pollsters and we deal with the facts. The silence is deafening from the left. There has been no answer, because I guess they really cannot offer one, to the fact that in existing law we have already made provisions for those families. We have already made provisions for the working poor to the tune of a head of household with two kids earning just \$10,000, and we do not deny they are working hard, under the refundable earned income tax credit, that family would get back over \$4,000. Yet the silence is deafening.

It is good in America that we have differences, and I believe the American people, once they understand the scope of the differences, can appreciate some rational tax policy.

I just heard from my friends on the left that they supposed that military families, rather than receiving cash directly tax free from the government,

would far rather see that money processed through the IRS and then wait for a year to maybe get a tax credit. That is the logic my friend from Maryland just employed when he talked about military families.

Mr. Speaker, call me old-fashioned, but I believe cash on the barrelhead to those families who have been willing to go out and defend America is a lot better, a lot quicker, to get to them right now. No, it is not the mystery of legislative terminology, Mr. Speaker. It is simple, basic fact. True compassion means making sure people have their money and get them to it and recognize extenuating circumstances. We do that already with combat pay. We do it already through the earned income tax credit. And in the final analysis, sound policy will beat political talking points every time. That is why I say this House should continue to maintain a measure of common sense and true compassion and say no to this motion to instruct conferees.

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

Mr. RUPPERSBERGER. Mr. Speaker, I yield 30 seconds to the gentleman from California (Mr. HONDA).

Mr. HONDA. Mr. Speaker, let us talk about fairness for everybody: 262,000 of these children are from military families; 178,000 are children from farming families; 567,000 are children of nurses and orderlies. They say no to these children. Three hundred thirty-seven thousand are children of teachers. They say no to these additional children.

We can go on and talk about earned income, but this is fairness for all people with children in this country and they deserve a child tax credit.

Mr. RUPPERSBERGER. Mr. Speaker, I yield myself 1 minute.

The gentleman from Arizona (Mr. HAYWORTH) made a comment that I said that I was in favor of taxing combat pay. That is not what I said. I said when we look at the facts, a person in the military would do better by going forward with the child tax credit than not paying taxes on military combat pay. What I said was when we have our men and women risking their lives on behalf of us for our freedom and liberty, we should do both.

Mr. MORAN of Virginia. Mr. Speaker, will the gentleman yield?

Mr. RUPPERSBERGER. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia. Mr. Speaker, I appreciate all of the rhetoric that we are getting on how much the majority likes military families, but they have to put their money where their mouth is. The fact is that that sergeant, that E-6 sergeant who makes less than a third of the tax cuts that you are giving to millionaires, less than a third, he makes \$29,000, he did not have a choice about getting combat pay, so he goes over to Iraq. If he stayed in this country, he would have more money in his pocket because he would have been eligible for the child

tax credit. If he goes over to Iraq, it is not taxable income, but the reality is, the bottom line is that he suffers. His family gets less money.

Mr. Speaker, tell me a better definition of a working-class family standing up for his country than that sergeant over in Iraq. And the other side of the aisle has made him worse off because of their legislation. That is why we need to pass the Senate version.

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

Mr. Speaker, I guess another technique in debate is to deliberately misunderstand some assertions on the floor. In listening to the rather heated and personal comments from my friends, and righteous indignation, I would say, number one, we dare not lose what is at stake here over a notion of the checkout line in terms of Americans being willing to put their lives on the line, first of all, Mr. Speaker.

And I would hope that not entering this debate is the notion that somehow those who serve their country are taking out a tote board and a computer to adhere to the duty that they have sworn and the honor they defend and the freedom that they are defending for us all, number one. Let us dare not denigrate the military with a kind of checkout line and taking a cipher to tax policy, number one.

Number two, to hear the same tired rhetoric that tax relief only benefits the wealthy, that some who come to this Chamber and offer, even when they barely suppress a smile, the fallacy in that has to be pointed out even in the child tax credit because this credit, under existing law, is phased out for single parents with incomes over \$75,000 and married couples with incomes over \$110,000.

So it is interesting that a myopia envelops one group of working Americans, but by the same token we are willing to continue this masquerade and this assertion that tax relief belongs only to the wealthy.

And still from my friends on the left, not a word, not a whit, not even an acknowledgment of existing law, the earned income tax credit specifically designed for working people who may not pay income taxes but who pay other taxes, and the largess of this government already making sure those folks receive checks in the mail. They need only apply when they file their tax returns, and yet not a word about that.

Comprehensive, true compassion rather than counterfeit compassion, that is the question today, and no matter of dramatics, no matter of sound and fury can take away from the facts and the bottom line that tax policy does not occur in a vacuum, that we supply already a practical working program for people who did not have to go to their mailbox in July; they only make the filing and take advantage of existing programs that exist for those folks. There is no attempt to clarify we

are going to give this now, but we are going to pull back after 2004 and reduce the value of the child tax credit, and yet that is what the motion to instruct offers.

Again, Mr. Speaker, reject the motion to instruct.

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

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

Mr. Speaker, this debate is healthy. That is what it is about in the United States Congress. We both have difference of opinions; but what we are here about today is trying to get the conference committee together so we can talk about these issues. We have already debated the merits of the bill and where we are, but now we need to come together.

I would ask the gentleman from Arizona (Mr. HAYWORTH), it has been 3 months since we have had this on the table, and the leadership in the House will not meet for a conference. It amazes me that we cannot get the conferees at least to take these issues we have discussed today and try to resolve them. The threat of partisan politics aside, this is an important issue to our country and to our military, and I would yield to the gentleman.

Mr. HAYWORTH. Mr. Speaker, will the gentleman yield?

Mr. RUPPERSBERGER. I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, it is interesting when we come to the floor to talk about the merits of policy, an interesting thing is to shift it into process. I do not have any accountability. My party made another decision as to leadership, so not having a seat at the leadership table, which pains me personally, I would tell the gentleman from Maryland (Mr. RUPPERSBERGER), I cannot control that.

What I can say is this: that I believe if we embrace commonsense existing policies, we can get this done. And as the House has respectfully rejected this motion to instruct on numerous occasions, and I appreciate the gentleman's argument, but I believe we will move forward when we are able to get to conference, understanding that we are working right now, working on a prescription drug bill, working on an energy bill.

Mr. RUPPERSBERGER. Mr. Speaker, reclaiming my time, I thank the gentleman for his comments and that he does not have the authority, but he is a very persuasive individual, a great orator, and I would hope that he uses his great expertise, with his new-found look, to help us in that regard.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

□ 1530

Mr. BROWN of Ohio. I thank my friend from Maryland for yielding me this time. I was not planning to speak;

I was going to speak later on another issue, but listening to my golden-tongued friend from Arizona engage in the histrionics he did about service men and women and about veterans, and I have been in this House for a while, I have never seen the treatment of veterans that this House of Representatives has given. It is three strikes and you are out. First of all, this President and the Republican majority have cut the prescription drug benefit to veterans twice in the last year and a half, once and the second time it is proposed.

Second, this leadership and this Congress and this President have cut health and education benefits to veterans. The President proposed a \$26 billion cut. The Congress reduced the cut but nonetheless cut veterans services. And if you live in Ohio, it is three strikes and you are out because now this administration and this Congress want to close a veterans hospital in Brecksville, Ohio. To send working-class kids to Afghanistan and Iraq, to cut taxes on the richest people in this country, and then when these young men and women come back to this country and apply for veterans benefits, they see their drug benefits are cut, they see their education benefits are cut, they see that veterans hospitals in their communities are shut down in order to pay for tax cuts, the average millionaire, \$93,500 for a tax cut, is simply immoral. This debate I think crystallizes that, showing what this Congress really stands for.

Mr. HAYWORTH. Mr. Speaker, I yield myself such time as I may consume. Let me thank my friend from Ohio for polishing his banquet remarks for the next Jefferson/Jackson Day dinner in his district. Let me also point out, however, that when I hear the rhetoric about the rich, let us see who qualifies for the per-child tax credit, Mr. Speaker.

In one of the cities I represent, Phoenix, Arizona, a nurse practitioner making \$64,000 a year and her husband a principal. I guess by some tokens, they are rich, I suppose. I happen to think they are working people. In fact, their per-child credit is phased out because their economic threshold is over \$110,000.

Mr. Speaker, the fact is this. We were here debating a per-child tax credit. I have my own differences with many in this House in terms of our commitment to veterans, and the record reflects I voted "no" on the bill that passed this House before the break so I would not assume things here in a one-size-fits-all blanket indictment. Good people can disagree and often we do and many times we agree across party lines.

But to my friends who want to embrace effective policy, again I would recognize, it does not occur in a vacuum. We have moved as a government and as a society to help the working poor. I have chronicled the payments that already go to folks who are at the lower end of the socioeconomic scale,

who work and play by the rules, who do not have to wait for a special provision in July, who could get thousands of dollars from the government now. They only need apply. I have made the case that there is no reason to cut back on this per-child tax credit, from \$1,000 to \$700 after the next election, which their motion to instruct would do and in essence be a tax increase.

Mr. Speaker, in conclusion, let me simply say this. This question has come before the House on previous occasions. We recognize true compassion and effective policy. I would ask my colleagues again to join me in voting "no" to stand up for the policy passed by this House which offers pro-growth and opportunity and, yes, funds to those Americans who are working, taking into account those working Americans who may not pay income tax in the broad scope of Federal tax policy.

I urge a "no" vote on this motion to instruct.

Mr. RUPPERSBERGER. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. Mr. Speaker, I would just take 1 minute here to make a few comments. I cannot believe that in the United States Congress we have done all we could possibly do for the working poor in this country. Shut out the lights, close the doors, we have done all we can because we have given a tax cut. I think it is nonsense.

Two quick points. One, the gentleman from Arizona has brought up about the earned income tax credit. A great program, no doubt about it. This is the same program that has a better chance of getting audited if you apply for that program by the IRS than if you make \$1 million a year. This government is slanted against the poor and for the rich. Those are the stubborn facts that make it very difficult.

The second part is I have only been here 9 months. There is one thing I have learned. If you do not have a lobby, if you cannot raise millions of dollars for the majority party, your agenda does not make it to this floor. If you are the pharmaceutical companies, if you are the insurance companies, your agenda is here. If you are the working poor, you get forgotten, you have got enough, we have done all we can do. If you do not live in a gated community, you have been ignored by this Congress.

Mr. HAYWORTH. Mr. Speaker, I yield myself such time as I may consume. It is very interesting to hear these points. I certainly again welcome my friend from Ohio to this Chamber. I appreciate honest, honest differences of opinion. But to somehow say that a head of household earning \$10,000 a year who can receive in the mail a \$4,000 check, to somehow denigrate that by claiming there is going to be an audit and somehow make the case that this is a strange Robin Hood in reverse when historical accuracy compels me to point out, the reason Robin Hood went to work in the first place was be-

cause the sheriff of Nottingham overtaxed the people, that is often left out of the story, and to hear this does nothing to the debate at hand and, that is, true compassion does not mean reduce this per-child tax credit after the next election. True compassion does not mean ignore what goes on or denigrate it because of the threat of audit. Effective, comprehensive, common-sense policy demands that we move forward with this per-child credit as passed in the House and that we reject the Senate-passed bill and that we reject this motion to instruct.

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

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

My colleagues on the other side have said they are already helping the military. We talked about the military because we are at war now and that is a component of this bill that we are discussing here today. If that is the case, and I believe very strongly that we all care about the military, then why not continue the effort and pass the child tax credit bill which helps our men and women putting their lives on the line on our behalf? That just makes sense. That is American. That is what we need to do.

The other Chamber talked about issues of fiscal responsibility. If you look at the Senate bill versus the House bill, there are the offsets that are there. It does not increase this deficit. We are in a difficult situation now in this country. We need to be fiscally responsible. The Senate bill does that. But really what we are talking about here today, and I have been just as guilty as anyone else, we have been debating the merits of the legislation and where we need to be, but what we are talking about is let us just get to the conference. Let us get to the conference. Three months and we have not sat down. We need to sit down in a non-partisan way because this is so important to our country, to our families and our communities and our military.

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

The SPEAKER pro tempore (Mr. CARTER). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Maryland (Mr. RUPPERSBERGER).

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

Mr. RUPPERSBERGER. 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 will be postponed.