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## House of Representatives

PROVIDING FOR CONSIDERATION OF H.R. 4359, CHILD CREDIT PRESERVATION AND EXPANSION ACT OF 2004—Continued

□ 1445

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, how many times have we heard tax breaks for the rich in this body? Maybe their liberal Democratic base can believe it, but the American people are not stupid.

They said the marriage penalty was a tax break for the rich. There should be a reward for people that get married, not a disincentive. Yet my colleagues said, oh, it's a tax break for the rich.

Tax breaks for the family and the children, that is for the rich. Most Americans have children in this community and those that do not, adopt, like myself; and it is not just a tax break for the rich. But any tax relief for a working family, to my liberal colleagues on the other side, is a tax break for the rich. The American people are not stupid, Mr. Speaker.

Mr. Speaker, I invite Members to look up [www.dsasusa.org](http://www.dsasusa.org). This is their Web page. It stands for Democrat Socialists of America, DSA. Look what their 12-point agenda is. They talk about how they work with and they laud the Progressive Caucus, 58 Members of the House in the Progressive Caucus along with the Democrat Socialists of America. Their own Web page lists 12 points.

They want government control of health care; they sure tried to do that. They want government control of education; they have sure tried to do that. They want unions over small business. That is where they get their campaign money. They have sure done that.

They want the highest taxes possible. That is why any tax relief is for the

rich only, because they want the justification to raise yours and my taxes, any working family.

And they want to cut defense by 50 percent; they have sure tried that.

Mr. Speaker, a man once called Abraham Lincoln two-faced. He said, do you think if I had two faces I would use this one. My colleagues on the other side say it is only tax breaks for the rich, but they have never seen a tax increase that they do not like. Also, if you look at the 13 appropriations committees, and I serve on the Committee on Appropriations, there is not a single one except for Defense that they do not want to increase, and increase the debt.

We just had a budget that limits spending. Most of my colleagues on that side of the aisle voted against it because they want to increase spending. They want to increase the debt. Yet they say, oh, don't vote for a tax break for the rich because it gives money to working families for children.

Yes, Abraham Lincoln was right. There are two faces on some people.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume. I would like to respond to the gentleman from California, if I may. I very rarely agree with anything he says.

I do agree with one thing he said and that is, the American people are not stupid. I would just like to say to him that the American people can add and they can subtract. The unpaid-for tax cuts, many of them for the wealthiest people of this country, that his party has championed during this last month have added \$1.2 trillion to the Federal debt that is already nearly \$7.2 trillion. That is an addition of \$4,000 to each American's share of the Federal debt. Each citizen's share of the debt would be now, with all these tax cuts that they have passed that are not paid for, \$28,479.

Most of us on this side of the aisle have absolutely no problem with the

marriage penalty tax relief provisions and most of the child tax credits that are being discussed here today. What we do have a problem with is passing the bill on to our kids and our grandkids. That is fiscally irresponsible.

They should listen to one of the great leaders of their own party, Senator JOHN MCCAIN of Arizona, who said that the Republican Party used to be the party of fiscal responsibility. It used to be the party that would want to pay as you go. That is no longer the case. This is the most fiscally irresponsible Congress in the history of our country.

And so to the gentleman who spoke earlier, I would say my problem is not so much that we should not provide tax relief to middle-income families; my problem is that you are not paying for it and you are passing the bill on to my kids and my grandkids, and that is not right.

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. UPTON). The Chair would remind Members to avoid improper references to the other body.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I rise in strong support of this rule and for the underlying bill, the Child Credit Preservation and Expansion Act.

If we do not pass this bill, the child tax credit, which is currently \$1,000, will go down to \$700 next year and then fall to \$500 in 2011. In other words, if we do not act on this bill, taxes will increase for 30 million taxpayers.

This bill makes the \$1,000 tax credit permanent and raises the eligibility limits for those who can claim the credit to include more middle-income parents so that more people can keep more of their own money.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

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Americans deserve to keep more of their hard-earned money. For many families, \$1,000 goes a very long way. Parents could invest the money for their child's education.

This bill also helps more of our men and women in uniform become eligible to receive the child tax credit. It would allow nontaxable combat pay to be taken into account when calculating the refundable portion of the tax credit. Currently, combat pay is excluded from calculating eligibility for the credit. This bill would allow low-income families to receive more of the child tax credit and to keep more of their own money.

I wholeheartedly support tax credits; however, I think we all need to remember whose money it is in the first place. It is not the government giving back its money to the people. It is the American taxpayers' money and they should be able to keep more of it, whether it is in the form of a tax credit or lower taxes.

Mr. Speaker, we have all seen firsthand in the past few years how much tax cuts have stimulated the economy. The American economy grew at a strong annual pace of 4.2 percent during the first quarter of 2004, well above the historical average. In fact, economic growth over the last three quarters has grown the fastest in nearly 20 years. Tax relief has helped drive the economic recovery forward, putting more money in the pockets of America's families and creating more jobs.

Mr. Speaker, as a former businesswoman and realtor before I came to Congress, I know firsthand the impact that tax cuts have on businesses. And as a mother, I know how far \$1,000 can go towards a child's education or for immediate needs like food, diapers, clothing, et cetera.

I urge all of my colleagues to support America's families and vote "yes" on the rule and on the underlying bill.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, I am reminded, my colleague on the other side talked about middle income. I listened to the gentleman from Missouri that ran for President over and over and over again in the 1990s, 1991, 1992, 1993, talk about the middle class.

First of all, we should never use that term. There is no such thing as a middle class in this country. There are middle income, there is low income. But they play the race card, they play the social card every chance they get. Time after time they said, oh, we want tax relief for the middle income.

In 1993, when they had the White House, the House and the Senate, what did they do? They raised the highest tax on the middle income in the history of this country. They increased the tax on Social Security. They took every dime out of the Social Security trust fund. They cut the veterans' COLAs, the military COLAs. They gave

us the highest gas tax possible. And they increased the tax on the middle income.

When we took the majority in 1994, we reversed those and they said, oh, look, the economy. After we reversed that tax, not a single Democrat economic structure or tax passed in this House or the other body and they said, "Well, look. Look at the fine economy we had under President Clinton."

Not one of President Clinton's measures ever passed in this House or was signed. So if that is the case, if we reversed that and none of their policies went forward since we have had the majority, then how can they be responsible for the good economy?

But, no, they will use every chance they can to say we want middle-class tax cuts, middle-class tax cuts. But when it comes time to do it, they will increase it every time because it increases their power to spend on big government.

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

I want to answer the gentleman's question. He asked, what did we give the American people when the Democrats had the White House and the House of Representatives and the United States Senate. We gave the American people one of the largest surpluses in the history of this country.

What have they given the American people now that they control the White House, House and the Senate? They have given the American people the largest deficit in the history of this country.

There is a clear difference.

Ms. PRYCE of Ohio. Mr. Speaker, I yield an additional 30 seconds to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, that is the whole idea. When the gentleman claims that they gave a surplus, we took away their Social Security tax increase. We restored veterans' pay. We restored military pay. We put their gas tax into a highway trust fund so we could build more. We took away the middle-class tax and we had our budgets to balance the budget. We had 9/11 and it has gone up, but their policies did not create that surplus. We did away with that tax and it was our policies that increased it, not decreased it.

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

I just would remind the gentleman again that yesterday he and a majority, almost every single member of the Republican Party, voted for a budget to increase the national debt to over \$8 trillion. That is not something I think anyone can be proud of.

Mr. Speaker, I include for printing in the CONGRESSIONAL RECORD an editorial that appeared in the Washington Post, entitled "Leave No Rich Child Behind" that refers to the bill we are talking about here today.

[From the Washington Post, May 19, 2004]

LEAVE NO RICH CHILD BEHIND

The House Representatives plans to take up a bill this week that would provide new

tax breaks to families earning as much as \$309,000, while doing next to nothing for those at the low end of the income scale. The bill, which could come up as early as today, is the most egregious part of a House tax-cutting spree that altogether would add more than \$500 billion to the deficit over the next 10 years, according to estimates by the Urban Institute-Brookings Institution Tax Policy Center.

The House would not only make permanent the \$1,000-per-child tax credit enacted as part of the 2001 tax cut but would dramatically increase the income limits for eligibility. Currently, married families with incomes of up to \$110,000 receive the full credit; the bill would more than double the income ceiling, to \$250,000. Under existing law, families with two children and incomes up to \$149,000 receive a partial tax credit; the bill would make that partial credit available to families with two children and income of between \$250,000 and \$289,000; families with three children would be entitled to the partial credit up to an income of \$309,000.

This is unnecessary, misguided and irresponsible. Families at that income level have already enjoyed significant benefits from the recent tax cuts; they don't need an extra subsidy to help support their children. While tax cut proponents argue that lowering marginal tax rates or cutting dividend and capital gains taxes helps promote economic growth, there is no such claim to be made for the child tax credit. And the increase in the income ceiling would cost \$69 billion through 2014, \$87 billion if you count increased interest payments on the extra debt.

House Republicans have the gall to propose all this—and many House Democrats don't seem to have the spine to oppose it—while providing almost no extra help for the poorest families. Currently, low-income families who earn more than \$10,750 are eligible for a small refundable tax credit. (These are families that pay payroll taxes but don't earn enough to be subject to paying income taxes, so they get a check back from the government.) For example, a married family with two children and an income of \$12,000 gets \$125 per child. The House bill would speed up by one year a planned increase in the size of this credit, giving low-income families a one-time average benefit of \$150 per child. This remedies—belatedly—last year's mean-spirited omission of these families from the accelerated increase in the child tax credit enjoyed by higher-income taxpayers. The cost of this meager improvement: \$1.8 billion.

For families earning less than \$10,750, however, the House bill would do nothing. Thus, a family with a parent working full-time at the minimum wage (\$10,300) would get no benefit from the bill. A better-off but still low-income family with two children would get a one-time \$300 average tax break (\$150 per child). By contrast, two-child families with earnings between \$150,000 and \$250,000 get \$22,000 in extra tax breaks over the next 10 years (\$1,000 per child per year). This is bad social policy, bad tax policy, and bad fiscal policy. You'd think they'd be embarrassed, but they're not.

Let me close, Mr. Speaker, by saying I hope that my colleagues will look seriously at the Rangel substitute. We provide a child tax credit, but we pay for it. I think that is the fiscally responsible thing to do.

We are now experiencing record deficits. We are going into debt. We are passing on to our kids an incredible bill. We need to be more responsible in this House. I would urge my colleagues to support the Democratic substitute.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

When I vote "yes" today, I will be voting for America's hardworking families and their children. I will be voting to strengthen the economy and support American jobs, Mr. Speaker. I invite my colleagues on both sides of the aisle to join me in voting "yes" today on both the rule and the underlying bill. I cannot think of a better vote to take than a vote for America's children and families, the economy and American jobs. It is the right thing to do.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The SPEAKER pro tempore (Mr. KNOLLENBERG). Pursuant to House Resolution 648 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4200.

□ 1458

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4200) to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005, and for other purposes, with Mr. UPTON (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, a request for a recorded vote on amendment No. 25 printed in House Report 108-499, offered by the gentleman from Kansas (Mr. RYUN), had been postponed.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I'd like to commend the leadership and hard work of Chairman HUNTER and Ranking Member SKELTON in producing this Defense Authorization.

I'd also like to thank my distinguished colleague from Washington, Congressman BAIRD, for offering this amendment with me.

In March, we heard about a higher suicide rate for our troops in Iraq than elsewhere. We've heard about problems with morale.

We're all committed to maximizing our troops' effectiveness. To keep them in fighting shape, we've got to safeguard their psychological resiliency.

We know from past experience, articles in the press, and meeting personally with our returning troops the difficulties of readjusting to civilian life after duty in a combat area.

They're troubled by anxiety and sleeplessness bred by the hyper-vigilance required in

combat. At its utmost worst, the ravages of war on a person's psyche may change them completely from those who knew them before, manifesting itself in depression, drug abuse, domestic violence, or suicide—we need to protect our troops from that.

The intensity and nature of ground combat and urban warfare our troops face may produce some of the most lingering scars of war, those that lie beneath the skin: The emotional and the psychological.

And the stress and emotional hardship our military families cope with may not necessarily end with the return of their loved ones.

Our Nation and our Department of Defense need to address these needs and with this amendment, we make sure that they will.

Ms. HARMAN. Mr. Chairman, I thank Mr. CUNNINGHAM for his leadership on this issue, and rise in strong support of the Cunningham-Harman amendment.

Let me tell you a story about four exceptional people who shared several things in common. What are the things that Jose Gutierrez, Jesus del Suarez, Francisco Martinez-Flores, and Jose Garibay had in common? They all loved this country, they all served in the U.S. Marine Corps, and they all died fighting for this country in Iraq. Something else they shared, Mr. Chairman—none of them were U.S. citizens.

The amendment we are now considering appropriately recognizes these four young men and the thousands of other noncitizens whose service and ultimate sacrifice often goes overlooked.

Based on legislation that Representative CUNNINGHAM and I introduced last fall, this amendment authorizes construction of a memorial at Arlington National Cemetery honoring the noncitizens killed in the line of duty while serving in the U.S. Armed Forces.

Many of our military heroes, past and present—from the American Revolution to Operation Iraqi Freedom and beyond—were, like Jose, Jesus, Francisco and Jose—born outside of the United States. In fact, an estimated 20 percent of Medal of Honor recipients—the Nation's highest military honor—are immigrants.

Among the hundreds of U.S. service men and women we have lost in Iraq, at least 24 are foreign-born.

A quote etched at Arlington's Memorial Amphitheater translates from Latin to read, "It is sweet and fitting to die for one's country." Those words hold just as true for our foreign-born patriots who have served and made the ultimate sacrifice for their adopted country.

Our amendment honors the memory of these young men and all of our noncitizen heroes. It is the least we should do for them, their families and in acknowledgement of their sacrifice.

Mr. REYES. Mr. Chairman, I rise in strong support of this amendment offered by my friend and colleague, Mr. CUNNINGHAM. The amendment would honor noncitizens killed in the line of duty while serving in the U.S. Armed Forces with a memorial in Arlington National Cemetery.

Throughout American history, foreign-born men and women have served in our military, standing shoulder to shoulder with U.S. citizens in defense of our Nation. Today, there are over 36,000 noncitizens serving in our Armed Forces. Tragically, in the first year of the war in Iraq alone, 24 of these brave serv-

ice members made the ultimate sacrifice, giving their lives for their adopted country.

Mr. Chairman, we all know that we can never fully express our gratitude for the service and sacrifice these heroes have made. However, establishing a memorial at Arlington National Cemetery in their honor is a fitting way to show the appreciation of a grateful Nation for the thousands of people who have come to this great country and given their lives for America.

I thank my colleague from California for offering this amendment, and I urge all of my colleagues to give it their strong support.

Ms. DEGETTE. Mr. Chairman, while I voted against the resolution authorizing the war with Iraq and wholeheartedly disagree with the way this administration has handled the conflict in Iraq, I strongly support our troops. Congress has been unwavering in its support for our troops in Iraq and Afghanistan, passing resolutions and giving speeches praising their sacrifice and courage. However, such words are hollow if Congress does not proceed with real action. For that reason, I have supported legislation in the past and will support the bill in front of us today because it provides our tireless troops with the benefits they so rightfully deserve.

This bill will make long-overdue changes to the current military pay and benefit rules for all members of the Armed Services. Among other things, this legislation will make permanent the increases in "combat pay," the Family Separation Allowance and hardship duty pay that Congress passed on a temporary basis last year. More than any tax cut ever could, these increased benefits will provide substantive relief to the soldiers and their families in their time of need.

This bill also recognizes the vital contribution that reservists have made to our country's military operations in Iraq and Afghanistan. Indeed, our country has not depended on the members of the Reserve forces and National Guard as much as we do now since the Korean war. This bill appropriately ensures that, after uprooting these men and women from their lives and putting them in the line of fire, they do not return home without adequate benefits. This bill extends healthcare coverage to National Guard members and reservists and their families who lack health insurance. It also provides pay parity to reservists, ensuring that reservists are paid the same bonuses and special pay as active duty members are.

Not only does passing this bill keep our commitment to our troops, it also importantly keeps the promise we made to our country's veterans years ago. For years, the widows of veterans have unfairly seen their survivor benefit decrease after the age of 62, even though in many cases, retirees and survivors were never informed of the reduction when they signed up for the plan. This bill would rightly eliminate the reduction in the Survivor Benefit Plan annuities, thereby upholding our country's commitment and restoring the faith of our veterans who were unaware of the reduction.

While I do not believe this bill is perfect, I cannot in good faith turn my back on the courageous men and women who have so valiantly served to preserve the peace in Iraq and Afghanistan and protect our safety at home. Also, I am pleased to vote for a bill that delivers on a promise that we made to veterans and their families years ago—to provide surviving spouses the full benefits they deserve and the benefits that were promised to them.