

screenings, patient counseling services and treatment for cancer.

Grants would be made available to community health centers and non-profit organizations that serve minority and underserved populations.

The Cancer TEST Act would emphasize early detection and provide comprehensive treatment services for cancer in its earliest stages, when treatment is most likely to save lives.

The bill has 29 cosponsors.

NINETY-SECOND COMMEMORATION OF THE ARMENIAN GENOCIDE

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

Mr. PALLONE. Mr. Speaker, I want to thank my colleagues on the Republican side for agreeing to let me reclaim the time. I will try to limit my time to less than 5 minutes.

Mr. Speaker, I rise this evening to commemorate the 92nd anniversary of the Armenian genocide. As the first genocide of the 20th century, it is morally imperative that we remember this atrocity and collectively demand reaffirmation of this crime against humanity.

On April 24, 1915, 92 years ago tomorrow, that day marked the beginning of the systematic and deliberate campaign of genocide perpetrated by the Ottoman Empire. Over the following 8 years, 1½ million Armenians were tortured and murdered, and more than one-half million were forced from their homeland into exile. These facts are indisputable, but to this day the U.S. Congress has never properly recognized the Armenian genocide.

The historical record, Mr. Speaker, on the Armenian genocide is unambiguous and well-documented with overwhelming evidence. The U.S. Ambassador to the Ottoman Empire at the time, Henry Morgenthau, protested the slaughter of the Armenians to the Ottoman leaders. In a cable to the U.S. State Department on July 16, 1915, Ambassador Morgenthau stated that, "A campaign of race extermination is in progress."

Mr. Speaker, if America is going to live up to the standards we set for ourselves, and continue to lead the world in affirming human rights everywhere, we need to finally stand up and recognize the tragic events that began in 1915 for what they were: the systematic elimination of a people.

Despite pleas by Members of Congress and the Armenian-American community and recognition by much of the international community, President Bush continues to avoid any clear references to the Armenian genocide, while consistently opposing legislation marking this crime against humanity. Instead, he has chosen to succumb to shameless threats by the Government of Turkey. I strongly believe that Turkey's policy of denying the Armenian

genocide gives warrant to those who perpetrate genocide everywhere, because denial is the last stage of genocide. If the cycle is to end, there must be accountability. And just as we would not permit denying the Holocaust, we cannot accept Turkey's falsification of the facts of 1915.

Mr. Speaker, I must say that in the last few months the Turkish Government has made every effort to try to prevent the Armenian genocide resolution from coming to the floor of the House of Representatives. But I just want to show why denial is such a bad thing in a sense. Last week, I came to the floor and I pointed out that when the U.N. wanted to do a project or an exhibit at the United Nations headquarters talking about the genocide in Rwanda, because the Turkish Government protested the inclusion of the Armenian genocide, the Rwandan genocide never took place. There again, if you deny one genocide, you end up denying or impacting the other.

And the fact of the matter is that when some of my colleagues say to me, "Well, why do you need to bring up something that occurred 92 years ago," I say, "Because by denying this, the Turkish Government continues to perpetrate genocide or oppression of its minorities."

Just a few weeks ago, there was something in the New York Times about how the Turkish Government continues to persecute the Kurdish minority. Many Kurds have been killed, driven from their homelands in the same way Armenians were. The Kurds happen to be a Muslim people, not a Christian people. That doesn't matter. The Turkish Government consistently oppresses minorities. They refuse also to open their borders with Armenia. They have actually had a blockade of Armenia in place for several years, which contributes to the economic instability of Armenia.

So this is something that must be done. It must be accomplished, that we recognize this genocide if it continues in various ways in Turkey today.

The second thing I would point out is that the Turkish Government has been basically hiring lobbyists for millions of dollars to go around and tell Members of Congress that if they pass the genocide resolution, there will be dire consequences: Turkey will not allow supplies to go to U.S. troops in Iraq.

□ 2220

They have actually taken to having Members of Congress called and told that their own soldiers in Iraq might be threatened if they pass the genocide resolution.

Well, again, this is the type of bullying that we, as a free government, should not allow because bullying is essentially the same thing that takes place when genocide takes place. Why should we give in to the threats of a country that tries to bully our country over such an important issue as the genocide?

Now, let me just mention, Mr. Speaker, to wrap up, that tomorrow evening at 6:30 the Armenian Caucus, which I cochair, will host an Armenian genocide commemoration event with the Armenian embassy, and I hope that many of the Members will attend this.

THE COUNTDOWN CREW

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Pennsylvania (Mr. SHUSTER) is recognized for 60 minutes as the designee of the minority leader.

Mr. SHUSTER. Mr. Speaker, I am coming to the floor this evening, as I have been for the past couple of months, to make sure that the American people realize what is going to happen in the next couple of years if we, in Congress don't act, if the Democratic majority doesn't act.

In 1,349 days, if we don't act, we are going to see the largest tax increase in American history. And this is coming about because the tax cuts, the tax reductions that we put in place as a Republican majority in 2001, 2003, extended some of those in 2005, they are going to expire. And the majority party doesn't have to act. All they have to do is run the clock out, and those tax increases will go into effect on the American people. The American family, small businesses, all around this country are going to feel the pain.

As I said, my friends and I have been, colleagues and I have been coming to the floor for the past few months talking about this, making sure that the American people are aware that this is going to occur.

And I have heard some folks on the other side of the aisle say that they are not going to vote for a tax increase, thus it is not really a tax increase. Only in Washington do we employ that type of rationale, that type of logic.

If we don't act, there is going to be a tax increase. And for the American people, who have just paid their taxes this year, and when they go to pay their taxes in 2008 and 2009 and 2010, they are going to see that their taxes have increased. Although there wasn't necessarily a vote on the House floor to specifically increase those taxes, those tax cuts expiring are, in effect, and, in fact, going to increase their taxes.

What kind of tax increase are we talking about? First of all, raising, from the 10 percent tax bracket to 15 percent. And more than 5 million individuals and families previously who owed no taxes will become subject to those individual income taxes in 2011, if we don't act on the House floor. If the Democratic majority doesn't act, the Democratic majority will be responsible for raising taxes on people in the lower-income levels in this country.

It will eliminate the marriage penalty relief that we put in place in the early 2000s. By 2011, 23 million taxpayers would see their taxes increase an average of \$466 just because they are married.

Cutting the child tax credit in half: if we don't extend those, if we don't vote on this House floor before 2011, 31 million taxpayers will see their taxes increase an average of \$859 in 2011.

The AMT tax, if we don't act, if we don't do something that rectifies that situation, we are going to see people across America that have, husband and wife that earn an income, two families, for instance, teachers, we are going to see a husband and wife that are both teachers in the coming years, if they already haven't been affected by it, they are going to be hit with the AMT and pay higher taxes if we don't act.

An elderly couple, for instance, in America, a senior couple making \$40,000 in income, this couple will, their tax bill would raise in 2011, from \$583 to \$1,489. And for a retired couple making \$40,000, that almost \$1,000 increase is a huge burden on them. We have got to make sure that that doesn't happen.

A family of four with an income of \$60,000: that family's income tax bill would raise, from \$3,030 to \$4,898, almost \$5,000 in 2011 if we don't act. And I know that families in my district, that is a typical family, a family of four, \$60,000 of income, two people working. That is a huge burden.

And for people across America, we have been calling ourselves the Countdown Crew, and we have an e-mail that we would like you to share your stories with us on what the tax cuts have done for you, and what, for instance, a family, again, of four, \$60,000 if you have to pay about \$1,800, almost \$1,900 more in income, \$2,000 more in taxes, how is that going to affect your family. So we would like for you to share those stories with us. You can e-mail us at the countdowncrew@mail.house.gov. I will get that up here in just a minute and you can see it. But, again, that is countdowncrew@mail.house.gov. And share those stories with us because we want to hear, we want to be able to have those stories to talk about how it is going to affect, as I said, a typical American household.

A single parent with two children, a woman who has got two children, \$30,000 in earnings, she would, that parent qualifies at present to get about \$2,400 back from the Federal Government. But if the tax cuts are allowed to expire, she is going to have to pay an \$800 tax. That is a \$3,200 swing from receiving \$2,400 from the Federal Government to having to pay almost \$800 in taxes. Families, individuals are going to be hardest hit, small businesses, unless we act.

Just to give you a brief rundown of the numbers on what is going to happen if the Democratic majority doesn't act and increases taxes, 115 million, taxpayers would see their taxes increase an average of \$1,795 in 2011.

Eighty-three million women would see their taxes raise an average of \$2,068 if the Democratic majority doesn't act.

Forty-eight million married couples will incur an average tax increase of al-

most \$2,900. Taxes would increase an average of \$2,181 for 42 million families with children. Twelve million single women with children would see their taxes increase an average of just over \$1,000. Seventeen million elderly individuals would incur average tax increases of \$2,270. And it goes on and on and on.

As I said, only in Washington, only in our Nation's Capital is the logic employed that says, if we don't vote on a tax increase, it is not really a tax increase. But I know and millions of Americans know that if they paid \$5,000 in taxes one year and they pay \$6,000 in another year, then that is an increase in taxes. So we need to make sure that we are honest and open with the American people and realize what these tax cuts have done.

This economy, which is growing, has grown each year for 21 straight quarters, I believe the last number was. We are creating jobs. We have created, in the last 4 years, 7.5 million jobs. Unemployment is at a 4.4 percent unemployment rate.

□ 2230

I have a county in my district that has a 2.8 percent unemployment rate. That is incredible, 2.8 percent. I was under the belief that full employment is when you have 97 percent of the people working, or close to 97 percent of the people, because you are always going to have folks transitioning and moving around; but I have got actually two counties that are under 3 percent. And as I said, this economy is growing because of those tax cuts.

It comes as no surprise to me, it should come as no surprise to millions of Americans, it should come as no surprise to my friends on the other side of the aisle, that when you cut taxes, the economy grows. When you cut taxes, also the revenues to the Federal Government increase.

And my friends on the other side of the aisle don't have to take my word for it. Go back to the 1960s when President John F. Kennedy cut taxes on the American people. And what happened? The economy grew and revenues grew coming into the Federal Government. In the 1980s Ronald Reagan cut taxes on the American people and American businesses and the economy grew and revenues grew coming into the Federal Government. And in 2000, once again history repeats itself. When you cut taxes, as we did, the Republican majority did, when you cut taxes, the economy grows, jobs are created, and we have seen record revenues coming into the Federal Government. In 2005 the revenues to the Federal Government grew by 14.5 percent, and last year, in 2006, they were over 11 percent growth in revenues to the Federal Government.

We have got to make sure that the American people are keeping more of their hard-earned dollars, not sending them to Washington, but that we are sending them back home. But in Wash-

ington we have to make sure that we are spending responsibly, and we are trying to balance the budget and we are working towards that and working in such a way that the budget is going to be balanced, and we have been working towards that in the last 4 or 5 years.

And I know that the Democratic majority, they talk about fiscal responsibility, but one of the first things they did was to change the rules of the House so that there was no longer a three-fifths majority needed to increase taxes. It is now a simple majority, and they can increase your taxes.

They have come out with a budget just last week, or 2 weeks ago, I guess, we passed a budget, and they make it seem like it is responsible, but a lot of things in that budget just don't add up. The PAYGO rule is something that, quite frankly, is difficult to understand. And I am privileged to have a colleague of mine on the House floor, a colleague of mine from Texas (Mr. CONAWAY), who is, first of all, on the Budget Committee, so he understands the complicated budgetary process that we face here in the Federal Government. But, more importantly, he is a CPA. He is a certified public accountant. So he understands the balance sheet, he understands the income statement, he understands not only that of a business, the government, but of the average American family and what it takes to balance a budget at home, in a business, and here in the Federal Government.

So with that, I would like to yield to my good friend from Texas to talk a little bit about the PAYGO rules and the budget and explain to the American people what is going to happen here in the next couple of months, weeks, and years in the United States.

With that I yield to Mr. CONAWAY.

Mr. CONAWAY. Mr. Speaker, I thank the gentleman for letting me join him tonight in this Special Order.

I want to talk first about PAYGO, and then I want to talk about something a little closer to home for Texans, and that is the way sales taxes are treated in the budget and under the current Tax Code.

For the entire time I have been here in Congress, which is a relatively short period of time, my colleagues on the other side of the aisle have pounded away this idea, using the term "PAYGO." "Pay as you go" is the phrase, which rolls easily off the tongue but can have a multitude of definitions. And most of the folks in District 11 who hear the term "PAYGO," in other words, that you are going to pay for something as you go along, it really makes a lot of sense to them under a more traditional definition of that phrase.

This past week we had an interesting parliamentary ploy that our colleagues on the other side of the aisle used in order to get a vote on whether or not the delegate from Washington, DC would have voting privileges. And that

is, it was debated at length last week, and it did pass. But it had a fiscal limit attached to it. It cost money. And our colleagues across the aisle, particularly the Blue Dogs, had made a huge point over the last 2-plus years of not wanting to pass anything where any new spending wasn't offset with either, in their preference, tax increases, and the second least likely choice would be to reduce spending in other areas to in effect offset that so that any new spending would be paid for, as that phrase is used, with tax increases or, less likely, spending cuts in other areas.

Well, the first bill that passed last week had an interesting rule attached to it in which our colleagues from the Rules Committee had said that if a bill passes on the floor of the House, if the companion bill does not pass, then in spite of the fact that the first bill passed on its own, neither bill would be able to be sent to the Senate if the latter bill didn't pass.

The latter one is the one I want to talk about tonight, and that was the bill that was passed in order to pay for the additional spending for the delegate converted to a Member and the new Member for Utah is going to cost. Now, in terms of West Texans, it is a lot of money. But in terms of the overall budget and the numbers that we typically deal with here in D.C., it is a relatively modest amount of money. But, nevertheless, it is new spending.

So the bill that did pass was to, in effect, alleviate the PAYGO violation that the first bill created by spending new money without offsetting it with increased taxes on someone or decreases in spending. And what the bill did was simply accelerate or increase the amount of estimated tax payments that taxpayers who make more than \$5 million in adjusted gross income each year have to pay in.

Now, admittedly, folks who make more than \$5 million a year in adjusted gross income are not a particularly sympathetic group. They are easy targets; so this increase in the estimated tax payment would pay for the additional spending on a strict cash-flow basis.

Now, what they have done, in effect, with this mechanism is to take an advance on next month's salary to pay for this month's expenses, which creates a very interesting definition of PAYGO. It is not by any means a traditional definition of PAYGO, but as I noted last time I looked, most of the colleagues on the other side of the aisle voted in favor of what I would call a very twisted version of PAYGO to get out from under this taint that their first bill passed.

The mechanics are that folks who make more than \$5 million a year in adjusted gross income have to make quarterly estimated tax payments, in addition to whatever withholding they may make on their salaries, in order that on April 15 of the following year they have paid in all of the money that

they will owe in taxes that year, estimated to have made.

So they will make a payment on April 15 for their 2007 taxes. They will make a payment on June 15 for 2007 taxes. They will make a payment on September 15, and then they will make a final payment on January 15 that should, in effect, pay 100 percent of their 2007 tax bill.

What this provision does is it creates a safe harbor for those folks that says if their income went up substantially from one year to the next, then they may have paid in less money than is due for that year.

□ 2240

The mechanics of this is the Tax Code creates a safe harbor for these taxpayers. It says if you've paid in 100 percent of what your actual was the year before, and you've paid that in by April 15 and your ultimate tax liability is a lot more than that, then there are no penalties and interest associated with it if you do the catch-up on April 15.

So what the bill last week did is it increased that safe harbor number by one-tenth of a percent. Now, this is a bunch of mumbo-jumbo for most folks back home, but basically what this does is we have borrowed the money to pay for these additional expenses from someone that may or may not owe additional taxes. And, in fact, the bill sponsor from the other side specifically said at the end of his conversation on the floor last week that his bill raised taxes on no Americans, did not raise any new tax, did not raise any taxes.

So what we had here is a cash flow issue that accelerated some cash flow to the Federal Government, and under this scoring mechanism that we use, it appears that PAYGO has not been violated, it has been honored. But basically what we've done with this version of PAYGO, and apparently there are going to be multiple versions of PAYGO that get talked about on this House floor, this version of PAYGO simply says that if we can take an advance from next month's salary to pay for next month's expenses, then we're okay, and we will worry about next month next month. So this is a very interesting concept for PAYGO. It is not the traditional PAYGO that most folks in District 11 would understand and agree to. It is a new version.

Mr. SHUSTER. Can you explain that PAYGO so people understand it better, what PAYGO really means, what it should mean.

Mr. CONAWAY. In its purest form it would mean that any new spending that this House decides is good Federal new spending, whether that's new, new spending or a growth in expenditures that is built into current mechanisms, would be paid for, in effect, by raising taxes, new taxes from somewhere, or reducing expenses in some other place in this Federal Government so that you have a net zero. In its purest form it would apply to both new programs as

well as existing entitlements that grow on their own, that we would continue to keep the number, in effect, flat if we are using offsets against expenses; or if we increased it, we would increase taxes to pay for it so that the deficit wouldn't get any worse or any better under PAYGO. We wouldn't cause any problems with new legislation that would cause the Federal deficit, in effect, to go up by either doing like we do at home, getting a part-time job to help pay for those other expenses, or making some tough hard choices on priorities, setting priorities to reduce spending in some other area to provide for monies for this new spending that may be coming in.

So that is PAYGO in its purest form. It's unusual, not likely that we would get, collectively, both sides of the aisle to agree to that strict a term of PAYGO. The PAYGO that will probably be used often is some variation of what you may have heard about tonight, and others. Spending that grows on its own under the entitlements programs that are out there probably isn't subject to PAYGO. We won't have to offset that or increase expenses anywhere else. We just let that continue to grow out. So there will be a variety of definitions.

So what I hope to be able to communicate to the folks in District 11, and, Mr. Speaker, what I hope other Americans understand is that when they hear the phrase "PAYGO," it is all in the definition. It is all about what does it mean. Because apparently PAYGO has a variety of meanings in these Chambers from time to time. And the one that was used last week, in my view, is flawed in the purest sense of PAYGO.

So if you would indulge me a couple more minutes to talk about sales taxes, that is particularly important to folks from Texas.

The tax extensions and the tax changes that were brought about 2001-2003 and more recently extended into 2006 address some inequities between States that have State income taxes and States that don't. Texas is one of those States that does not have a State individual income tax and, as such, funds its State and local governments through property taxes and sales taxes, along with a lot of other fees and excise taxes, those types of things.

But under our current Federal Income Tax Code, all States that have income taxes, those citizens get to deduct their income taxes from their Federal taxable income in order to get to a net tax; in other words, they are not paying Federal tax on the monies that they have to pay into their State governments. They get a deduction for that, and that's fine.

But to States like Texas, since we have no income tax, we don't get a deduction. In the past, beginning in 1986 and forward, off and on again, Texans were allowed to deduct their sales taxes in lieu of a State income tax. So a citizen could look at whichever tax they paid and deduct that, and it would

put those citizens on a more equitable footing with citizens from States that pay taxes. In effect, what you get, if citizens from non-income tax States don't get to make that deduction, then they in effect are paying a higher Federal income tax than taxpayers in equivalent circumstances in States with an income tax, and that is inequitable and should be addressed.

So the impact specifically on Texans, if this is not fixed, would be that the average tax increase per taxpayer, as computed by the Heritage Foundation, the average tax increase per taxpayer, not family, but per taxpayer, for Texans, would be \$2,755 per year beginning in 2011. The loss of income per capita, and this is income lost on top of the increased taxes, is \$510 per person. And Texas will lose, as a result of this, estimated in 2012, 75,000-plus jobs.

Let me talk in a little further detail on District 11, which I represent. The tax increase there per person will be a little bit less than the state-wide average. We will have a tax increase per taxpayer of \$2,091 a year, about \$200 a month almost. And then on top of that there will be another \$974 that each taxpayer will lose in income on top of this tax increase. And there will be 2,153 jobs lost across the district.

This happens if we allow this unfair, inequitable circumstance to exist between States that have State income taxes and States that don't at the Federal level. And I am hoping that, while it's not provided for this year in the budget that was passed, I am hopeful that our colleagues on the other side of the aisle will see this as one of those opportunities for tax equity in our Tax Code, and we will put in the right provisions in the next tax bill that would allow Texans to deduct sales taxes in lieu of their Federal income tax.

My colleague from Pennsylvania, I appreciate you giving me this time tonight, and I yield back.

Mr. SHUSTER. I thank the gentleman. I appreciate you coming down and talking about the budget because I know you understand it; but as I said earlier, more importantly as a CPA, you really understand what the Tax Code means to individual businesses and families.

In fact, just last week I had a conversation, I would say it was an unfortunate conversation with my CPA as we went through my tax returns and had to pay taxes, as millions and millions of people across this country had to do.

I know the gentleman said he had one more point to make.

Mr. CONAWAY. I had one more comment. I was also sitting with my older son, who is a broker with Merrill Lynch. And while his CPA was handing him his tax return, he was going through it, looking at it and he suddenly discovered that he owed a relatively sizeable amount of alternative minimum tax. And we will go through that concept on another night, but this is a tax that is going to catch a grow-

ing number of middle-income Americans that is, in effect, a tax increase on him. So once he discovered that he had now become subject to the alternative minimum tax, he was, shall I say, less than pleased with that number and is looking forward to this Chamber addressing the alternative minimum tax as a part of the overall tax fix. We are trying to come up with a tax scheme that collects the minimum amount of money needed to fund this Federal Government.

□ 2050

Mr. SHUSTER. That ATM which I mentioned earlier and this conversation I have had over the past couple of weeks with my accountant, he is seeing married couples, both husband and wife are teachers, and they are real close to getting caught up in that minimum tax. Again, two teachers making a decent living, and they are getting caught up in a tax code that is increasing their taxes. We need to address that.

As I said, talking to my accountant last week, as millions of Americans had, to fill out the paperwork and write checks to pay their taxes, it is a yearly ritual that is unavoidable. The government has made this an incredibly complicated process to go through. Not only does it seem we are ignoring the need to extend these tax cuts so Americans pay less, but we are ignoring the fact we need to reform our Tax Code to make it simpler.

I recently read an article by John Stossel from ABC, and he wrote in 2005 Americans spent 6.4 billion hours complying with the Federal Tax Code. He further stated that a Washington-based group, The Tax Foundation, calculated that that 6.4 billion hours was valued at \$265 billion, was what Americans spent on complying with the Tax Code. That is more than the Federal deficit last year.

If we could cut that in half, imagine \$130 billion going into the economy, our small businesses being able to buy more equipment, employ more people, build a new building, expand their operations; the American family, having \$130 billion to buy a new washer and dryer, save for college. What will it do for this economy? We have to make sure we pay attention to that.

As we were talking earlier tonight, the Democrat budget put out last week, in Pennsylvania alone it is going to increase taxes by 2009 on the average Pennsylvanian by over \$3,000. We hope that people will e-mail us at countdowncrew@mail.house.gov and let us know what \$3,000 would mean to your family, how important that would be, that you would have that \$3,000 to spend, instead of sending it to Washington.

As we keep pointing out, by 2011, if we don't act, the Democrat majority is going to increase taxes by almost \$400 billion. It will be the largest tax increase in American history. I haven't been able to document this, but I think

it is probably the largest tax increase in the history of the world. The American people need to understand that. That is the sad reality. We are taxing too much. We have got to make sure that we in Washington are making this government work efficiently and not wasting their money, but making sure that they continue to keep more of their hard-earned dollars.

Next Monday night is going to be Tax Freedom Day, April 30 this year. That means Americans will, after April 30th, starting May 1, will be able to start working for themselves. The first 4 months of the year they have been working to pay their taxes, and on May first they work for themselves.

Mr. CONAWAY. Mr. Speaker, I need to correct something. The sales tax issue that I was talking about is included within the overall numbers that I talked about. Those overall numbers are the same ones that compare to the \$3,000 tax hit that you will have. The sales tax issue is included with the other expiring Tax Code provisions that we were able to implement in 2001 and 2003.

So the numbers I quoted was not just sales taxes, but sales tax is an element in Texas of \$2,755 increase, in District 11 a \$2,391 increase. So it is more than just a sales tax. I think I misspoke earlier in our conversation when I was talking about sales taxes. That sales tax issue is included in that number as well.

Mr. SHUSTER. I appreciate the gentleman for pointing that out.

As I said, next Monday night, April 30, Tax Freedom Day, Americans will begin to start working for themselves. In 2003, Tax Freedom Day was April 18. We have slowly grown to April 30. It will be even longer than that if this Congress doesn't act. The percentage the Federal Government is going to take from people will grow. People will earn less. As I said earlier, the average Pennsylvanian, and there are 4.7 million Pennsylvanians that will pay taxes, on average that tax will go up by \$3,000.

So we hope the American people communicate with us at countdowncrew@mail.house.gov and let us know what they could do with that \$3,000, as well as over the past 4 or 5 years what it has meant to them, whether it is their family, whether it is a small business, how they have been able to utilize those tax cuts in expanding their business and saving for their children's future. These are extremely important matters that this Congress has to address.

As we started off saying, in 1,349 days, if we don't act, if the U.S. Congress doesn't act, there is going to be the largest tax increase in American history.

So I appreciate the gentleman from Texas. I don't know if you have anything else to add. If not, I will yield back the time. I know some of our other colleagues have come to the floor here to talk about important things.

But we want to make sure the American people know what is going to happen if the flawed logic is employed that if we don't vote on a tax increase, it is not really a tax increase, when in fact if people pay more money, that is a tax increase. The American people need to know that.

I appreciate my colleague coming down to the floor tonight.

TORT REFORM

The SPEAKER pro tempore (Mr. ELLISON). Under the Speaker's announced policy of January 18, 2007, the gentleman from Missouri (Mr. CLEAVER) is recognized for half the remaining time until midnight.

Mr. CLEAVER. Mr. Speaker, I appreciate the opportunity to stand here on this floor.

The subject of this special hour will be a debate between myself and the gentlewoman from West Virginia, Mrs. CAPITO. But before we begin our debate, which is aimed primarily at demonstrating to our colleagues that we can speak passionately about a matter and still avoid name calling or irreverence or incivility, before we get into our debate on tort reform, I would like to yield to the gentlewoman from West Virginia for some special comments unrelated to our debate.

IN MEMORY OF JUANITA MILLENDER-MCDONALD
AND THE VICTIMS OF THE VIRGINIA TECH
TRAGEDY

Mrs. CAPITO. Mr. Speaker, I would like to thank the gentleman from Missouri. I look forward to our second debate, our second civil debate on a new topic.

Before we move to the subject at hand, I would like to join with my colleagues in expressing my deep sorrow at the passing of our colleague, JUANITA MILLENDER-MCDONALD. Just briefly, she was a kind and gentle person. She was a great advocate for many things that she believed in. She was a pioneer. But, for me, she was just a very helpful and warm and friendly person.

When I came to Congress, she had already been here for several years. She was the chairman of the Caucus on Women's Issues, and I was the vice chair for the Republican side. JUANITA was always very helpful, always very concerned that I was making my way in my first several months in Congress, and I think the way she crossed the aisle, the way that she treated me with kid gloves, so-to-speak, in the beginning of my term, is something that I will never forget. So my thoughts and prayers are with her. Bless her family during this very tough time, and know that she will be missed.

I would also like to express publicly before this body and before this Nation my deep sadness over the tragic events at Virginia Tech last week. I haven't spoken publicly on the House floor about this, but it is deeply crushing to all of us, has been, and it has sort of set a pall or a feeling of helplessness for all of us.

I have college age children. I can't imagine the despair the families are feeling who have lost a loved one, to realize that that phone call that you are waiting for is never going to come.

So, to my friends in the Virginia Tech community, many West Virginians attend Virginia Tech. We have a great fondness for Virginia Tech, except possibly when we are playing them in football. But certainly our collective hearts go out to them during this difficult time.

I yield back to my friend from Missouri, and we will kick off the evening.

□ 2300

Mr. CLEAVER. Mr. Speaker, I would like to associate myself with the comments of the gentlewoman from West Virginia (Mrs. CAPITO). I too would like to express sympathy to Ms. MILLENDER-MCDONALD's family and to the families of those young people whose lives were senselessly taken at Virginia Tech.

The issue surfaces from time to time that there is a desperate need for us to do something major legislatively for tort reform, that these greedy trial lawyers are out damaging if not destroying the Nation, running people out of the medical profession, creating economic problems for oil companies. I take a different view of that. Obviously, there are inappropriate lawsuits, and I think the courts usually deal with those.

But trial lawyers work to provide somewhat of a level playing field for most Americans, small Americans, so they can hold even the most powerful corporations accountable for their actions when they cause injury or death.

Today drug companies and oil companies, big insurance companies and large corporations too often dominate our political process and they begin to ask legislators to restrict access to the courts. When corporations and CEOs act irresponsibly by refusing or delaying to pay insurance claims, producing unsafe products, polluting our environment or swindling their employees or shareholders, the last resort for Americans, and this is our system, is to hold them accountable in our courts of law. By holding them accountable, trial lawyers and their families are able to feel that this is a safer America.

From automobile fuel tanks that explode in rear-end collisions to bullet-proof vests that fail to stop bullets aimed at police officers, we have to realize that there must be some corporation, some individual held accountable. And these cases that I mentioned earlier were actual cases and they brought to light deceptive practices and cover-ups by manufacturers that resulted in serious injury and even death.

The civil justice system helps provide compensation to those that are injured and helps prevent other needless injury from occurring.

I will now yield to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Thank you, I appreciate your opening statements. This

may be a very civil debate because I couldn't agree with you more in that our civil justice system should be readily available, should be the place for the individual to seek redress when they have been wronged by either a corporation or corporate injustice or product failure. And I think that is the intent of our court system.

However, what we are experiencing now in the United States is an overabundance, a glut of lawsuits that are clogging our courts, that are in some cases awarding outrageous jackpot types of awards, and because of that, because of that jackpot sort of mentality, many people with their legal assistance are clogging the courts so that those people who have suffered injustices and those people who are due awards are unable to get there.

One of the issues that I think is extremely important is the cost to our economy. We talk all of the time on the floor about the importance of small businesses in the United States. I come from a small State, and I think small business comprises close to 90 percent of the businesses in our State. When you look at the burden of the current tort system on our small businesses, we are breaking the backs of our small business people.

I would like to refer to my chart over here: effect on small business, the tort liability price tag for small businesses in America is \$88 billion a year.

Small businesses bear 68 percent of business tort liability costs, but only take in 28 percent of business revenue. And for the very small businesses, the tort liability price tag is \$33 billion.

These are statistics that show, and this is from an independent resource, it is not from a group that is shaded one way or the other. It has shown the rise in the cost of tort claims in this country.

Very small businesses pay 44 percent of tort liability costs out of pocket as opposed to through insurance. And so what happens is a lot of times small businesses, one small business is one large case or one frivolous lawsuit away from having to close their doors.

I yield back to the gentleman from Missouri to see if he has a reaction to that.

Mr. CLEAVER. I think there are perhaps some legitimate concerns by small business owners, but I don't think that the trouble is with the litigation. I think the problem is with insurance companies. Now, the gentlewoman and I both serve on the Financial Services Committee; and one of the concerns we have been grappling with, particularly in the aftermath of Hurricanes Katrina and Rita on the gulf coast, is that insurance companies that are not regulated by the United States Federal Government from time to time are the culprits, and I will get back to that in just a minute. But I wanted to say that the tort filings in State courts have declined by 10 percent since 1994. And automobile filings which make up the majority of tort claims have fallen 14 percent.