which I fear the value of religious freedom is still suspect by many and the protections of religious freedom are still vague. And I want to acknowledge that and acknowledge that about which we speak today; we speak with charity to a fledgling democracy that we are anxious to support.

But, Madam Speaker, when the Loya Jirga in Afghanistan approved the constitution, they were explicit in stating, as Mr. LANTOS just observed, basic human rights protections. And as stated in this resolution, the constitution of Afghanistan ''affirms that the people of Afghanistan are 'for creation of a civil society free of oppression, atrocity, discrimination, and violence and based on the rule of law, social justice, protection of human rights, and dignity, and ensuring the fundamental rights and freedoms of the people.' '' So reads the constitution of Afghanistan.

Article 7 of that same constitution of the Islamic Republic of Afghanistan provides ''the state shall observe the United Nations Charter, interstate agreements, as well as international treaties to which Afghanistan has joined, and the Universal Declaration of Human Rights,'' which does, I might add, Madam Speaker, include the right to freedom of thought, conscience, and religion and even the freedom to change one's own religion or belief.

Like House Resolution 736 says, today the Congress will call upon the Government of Afghanistan, and especially President Karzai, to continue the good work of conforming Afghanistan's laws to Afghanistan's international human rights treaty obligations, thereby protecting their citizens who have made a decision of conscience, a decision of the heart as between one religion or another, to be free from prosecution.

Madam Speaker, I implore respectfully the people of Afghanistan to continue to work through this difficult issue. It is a process through which our Nation worked for 200 years before our Nation was founded; and our struggle toward a more perfect Union remains the ongoing American struggle. Vigorous debate is important within a democracy, but recognition of fundamental, inalienable rights, especially the right to freedom of conscience and freedom of thought, is the wellspring of every other liberty.

Like many Americans fearful of the dangerous chain of events a case like Abdul Rahman's could unfurl, I see religious freedom as a clear, inalienable right and a right that is key to their success and the successful relationship between our two countries.

Thomas Paine said it well, ''That which we obtain too easily we esteem too lightly.''

I do not believe that the people of Afghanistan attained democracy too easily, and I do not suggest in this resolution that they take it too lightly. I believe the Afghan people have fought long and hard and at extraordinary personal cost in decades of struggle for their own freedom and independence. This is why I strongly believe that they should fight even more fervently to protect the rights and freedoms that so many Afghanis have died before experiencing.

Madam Speaker, those who die in the cause of freedom never die in vain, for they light the flame of freedom and instill its care to generations that follow. This generation of the people of Afghanistan is a noble generation, a generation of opportunity, and they have a solemn duty of fanning the flame by protecting the fundamental rights of their country like the freedom to believe and practice a religion of one's own choosing.

Madam Speaker, in this resolution, it is my hope that we would not send a message of condemnation but a clear message that, despite the grave concerns the American people have raised, seeking protections for religious minorities, the American people still remain committed to working in partnership and solidarity with President Karzai and the people of Afghanistan as they bring about a more perfect union for their people, a union that reflects the fundamental liberties for which the American soldier and coalition forces fought in tandem with freedom-loving people in Afghanistan to win. And it is in that spirit that we bring this resolution today.

Mr. SMITH of New Jersey. Madam Speaker, I commend President Bush, Secretary of State Condoleezza Rice and Afghan President Karzai for their quick and decisive action to save the life of Afghani Christian convert Abdul Rahman. I wish to extend my thanks to my fellow Congressmen, fellow Americans and other members of the world community who rose up to demand that the travesty of Abdul Rahman's trial and near certain death for apostasy be stopped. The actions, and the prayers, of millions helped save an innocent man and demonstrate that the world community will not tolerate such offenses against freedom of conscience.

We all dodged a bullet in Afghanistan. But the problem is not just Afghanistan, and the ultimate solution is not simply granting asylum for yet another refugee of conscience. The problem is the increased number, and increasing attempts to enforce, laws and statutes against conversion in many countries of the world, not just Afghanistan. This freedom of thought, conscience and belief is now threatened not only in places like Iran, Saudi Arabia, Egypt and Iraq. It is also threatened in countries such as Sri Lanka, India and Indonesia, where religious pluralism has long been established. It is threatened in countries like Russia and Belarus, where minority religions are denounced as ''non-traditional'' and suffer harassment and discrimination.

Freedom of religion is founded on the inherent dignity of every individual. It is a right that is not granted at the whim of governments. Freedom of religion does not mean permission for an individual to follow the religion of his ancestors, and no other. It does not mean that only established religions have the right to exist and be practiced freely. It means, rather, that:

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

This is not an ''American point of view.'' This is not a ''Western point of view.'' This is the Universal Declaration of Human Rights. This is fully confirmed by the International Covenant on Civil and Political Rights, to which Afghanistan has acceded.

Today's resolution condemns the enforcement of laws against apostasy. I would go further: we must condemn not just the enforcement, but the very existence of such laws. Whether enforced or not, they are an ever present threat to all believers, an ever present reminder that those who believe differently are second class citizens. They are a continuing denial of the principal of individual human dignity and freedom.

And I call upon the President to work not just with the government of Afghanistan to enhance human rights protection and religious freedom, but also with Iraq. Last year I and my colleagues pointed out that the new Iraqi Constitution also contains language which endangers individual freedom, especially religious freedom and the rights of women. The Iraqi Parliament now must adopt crucial implementing legislation for the Constitution. We must ensure that such legislation effectively protects individual freedom and freedom of conscience. Otherwise we may see countless repetitions of the appalling drama that has just been completed in Afghanistan.

I also call upon the President to work with Sri Lanka, whose government has pandered to religious extremists by introducing anticonversion laws. Sri Lanka is a recipient of Millennium Challenge grants, which are premised on progress in democracy and rule of law, not regress.

Finally, I call upon my colleagues to support this important resolution.

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

The SPEAKER pro tempore (Mrs. MILLER of Michigan). The question is on the motion offered by the gentleman from Indiana (Mr. PENCE) that the House suspend the rules and agree to the resolution, H. Res. 736.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Madam 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 and the Chair's prior announcement, further proceedings on this question will be postponed.

MOTION TO INSTRUCT CONFEREES ON H.R. 4297, TAX RELIEF EXTENSION RECONCILIATION ACT OF 2005

Mr. RANGEL. Madam Speaker, I offer a motion to instruct.

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

The Clerk read as follows:

Mr. Rangel moves that the managers on the part of the House at the conference on

the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 4297 be instructed—

(1) to insist on the provisions of section 106 of the Senate amendment (relating to extension and increase in minimum tax relief to individuals),

(2) to recede from the provisions of the House bill that extend the lower tax rate on dividends and capital gains that would otherwise terminate at the close of 2008, and

(3) to the maximum extent possible within the scope of conference, to insist on a conference report which will neither increase the Federal budget deficit nor increase the amount of the debt subject to the public debt limit.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from New York (Mr. RANGEL) and a member opposed each will control 30 minutes.

The Chair recognizes the gentleman from New York.

□ 1515

Mr. RANGEL. Madam Speaker, it is of great importance that we undertake changes to the tax law with a real understanding of the current budget crisis facing our Nation.

It is simply irresponsible to contemplate tax cuts that are skewed to the very richest in our country when Americans are facing the largest deficit we have ever seen.

The Congressional Budget Office projects a Federal deficit of approximately $337 billion for this fiscal year alone. That number does not reflect the approximately $181 billion that has been borrowed from the Social Security trust funds to pay for government programs.

Unmasked, the true deficit, counting what is being pulled out of the trust funds, is well over half a trillion dollars for this year alone. The administration has cited the large deficit as an excuse for massive reductions in education and health programs, and that is for the Nation's least well-off.

Pursuing additional tax breaks for the super-wealthy would further jeopardize the remaining safety net for children, the disabled, and other vulnerable individuals in the future.

Just 2 weeks ago, Republicans in Congress voted to increase the Nation's public debt limit again. Where did the money go? One need only connect the dots to see where the Republicans' priorities lie.

Madam Speaker, this administration and congressional leaders have hit bottom. It is irresponsible and it is immoral to direct current deficit spending to tax cuts that disproportionately benefit the wealthiest 1 percent of the country; yet this is the trajectory that has been pursued by many of the Republican conferees.

Further, these Republican conferees would be willing to mortgage the cost of this gift to the wealthiest taxpayers on the back of every man, woman and child in this country, and it is evident that most of the Republicans have these misplaced priorities.

Beyond the sheer irresponsibility of enacting these skewed tax cuts, the Republican leadership has underscored its stubborn and steadfast commitment to cutting taxes on investment income and handing the bill to middle-class families that are more and more falling prey to the growing reach of the alternative minimum tax.

Madam Speaker, I think it is very important that we take stock in what is going on here and what the ramifications are of any law coming out of this conference. I urge my colleagues on the other side of the aisle to return to our values and return to a commitment to fiscal responsibility.

Madam Speaker, my motion today would instruct the conferees on the tax cut reconciliation bill to focus the relief offered in the conference agreement on helping almost 17 million Americans to avoid painful and cumbersome tax increases by extending relief from the sprawling reach of the AMT. Without this relief, American families could see an increase in taxes as large as $3,640. This relief is certainly a priority that this Congress can and should not ignore.

My motion would also instruct the conferees to exclude from the conference report provisions to extend the tax cuts on the capital gain and dividend incomes in 2009 and 2010. These reduced rates do not expire for another 2 years. There is plenty of time to extend those benefits in the future if it is determined to be appropriate and affordable.

It seems misguided at the very least to allow the extension of this very skewed tax cut to take priority over tax relief that is vital to 17 million Americans.

And finally, my motion instructs conferees to not increase the burdens on our children and grandchildren in the future by insisting on a conference report that does not increase budget deficit, and does not decrease the public debt limit.

The increase passed 2 weeks ago was the fourth such increase in the public debt limit during the Bush administration. The President's own budget envisions the debt rising to $11.5 trillion by 2011.

For too long misguided Republican policies have funded a series of lopsided tax cuts for the wealthiest of Americans by jacking up the debt, a burden that our children and grandchildren must bear. It is simply unfair to mortgage these policies on the backs of future taxpayers.

Even in normal times the Republican fiscal policies would be shocking, but these are not normal times. We are facing a war in Iraq. We have enormous deficits. We have done nothing to ensure the solvency of Social Security and Medicare programs.

Madam Speaker, I urge Members to support my motion to instruct the conferees that perhaps we can work together to get the wheels back on this fiscal wagon.

Madam Speaker, I ask unanimous consent to transfer the balance of my time to the gentleman from California (Mr. BECERRA), a member of the Ways and Means Committee.

The SPEAKER pro tempore (Mrs. MILLER of Michigan). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECERRA. Madam Speaker, I reserve the balance of our time.

Mr. CAMP of Michigan. Madam Speaker, I claim the time in opposition.

The SPEAKER pro tempore. The gentleman is recognized for 30 minutes.

Mr. CAMP of Michigan. Madam Speaker, despite all of the respect that I have for the ranking member, I have to oppose the motion to instruct.

If looked at at face value, this motion to instruct adds to the deficit. Despite all of the tax increases in the Senate version, there are not enough tax increases to cover the cost of this motion to instruct.

Let me just say the motion to instruct seeks to include AMT relief in reconciliation, even though we have already in the House passed AMT relief. The House voted 414–4 to move the alternative minimum tax outside of reconciliation.

AMT relief cannot be passed within reconciliation without raising taxes or, as I said, violating the budget. Some AMT relief for middle-income taxpayers is inside, included in reconciliation. The bill does have a provision that allows families who claim personal tax credits targeted to lower- and middle-income families to use those credits to offset their AMT liability. The House extends both forms of AMT relief without raising taxes as the Senate did.

And let me just say, this motion to instruct excludes our effort to extend the lower rates on capital gains and dividends, which provides broad-based tax relief. The motion to instruct seeks to deny that broad-based tax relief by refusing to extend the lower rates on capital gains and dividends.

The AMT extension, which my friends on the other side are so in favor of, benefits a targeted class of people in a few States. Lower rates on capital gains and dividends benefits a much broader group of taxpayers. According to the Joint Committee on Taxation, the extension of the 2001 AMT provision affects only 14 million taxpayers. In contrast, capital gains are reported by more than 26 million taxpayers and dividends are earned by more than 35 million taxpayers. Many of these taxpayers would be adversely affected when lower rates expire in 2009.

Also, Joint Committee data shows that in 2005 95 percent of taxpayers hit by the AMT had incomes above $100,000. The AMT affected less than 5 percent of taxpayers with incomes below $100,000, only one-tenth of a percent had incomes below $50,000.

In contrast, nearly 60 percent of the taxpayers with incomes less than $100,000 had income from capital gains

and dividends. One in five taxpayers with capital gains, and one in four taxpayers with dividends have incomes below $50,000.

Let me also just say that H.R. 4297 is within the current budget constraints. The congressionally approved budget allows for up to $70 billion in reconciliation tax relief, and H.R. 4297 complies with the budget.

The motion to instruct seems to indicate that my friends on the other side want no action on the tax reconciliation bill. They do nothing about the expiring provisions which would lapse, including several items many of my friends on the other side have talked about, including the R&D tax credit, Work Opportunity Tax Credit, and Qualified Zone Academy Bonds.

Also the motion implies that the conferees should accept tax increases proposed by the Senate. That would lead to raising taxes in a number of ways, which have drawn bipartisan concern.

So for these reasons, I oppose the motion to instruct.

Madam Speaker, I reserve the balance of my time.

Mr. BECERRA. Madam Speaker, I yield myself 2½ minutes.

Madam Speaker, the difficulty in this debate is that we are talking about one tax cut versus another tax cut. But what the American people should understand is that in one case, the tax cut would benefit principally the most rich in America, the 1 percent richest Americans.

And in the other case, the tax cut would benefit principally middle-class Americans, some 17 million Americans who would otherwise fall within the grasp of the alternative minimum tax.

This side of the aisle is saying, if we are going to do tax relief, let us target it towards those who need it most, and that is middle-class America. About 17 million Americans are going to fall prey to the alternative minimum tax if we do not do something this year and into the future as well. And every year there will be more and more Americans who creep up into the AMT unless we do a permanent fix.

The bill that is now being considered in conference would not take care of this problem and certainly not long term. Instead it focuses most of its money on the wealthiest Americans in this Nation. To what degree? Well, the average dividend and capital tax gains cut that would be received by a majority of Americans in this country are those folks with annual incomes below $40,000; and you are talking about 55 percent of American households below $40,000 in income.

How much would they receive in the capital gains and dividend tax cuts? About $7 this year. That would be their share of all of those billions of dollars of tax cuts. If you make $40,000 or less, get ready, you are going to get $7 back for the year, maybe enough for a couple of gallons of gas.

If you happen to be in the one-fifth of 1 percent richest Americans in this country, how much would you get back this year? On average about $32,0000. That represents about 45 percent of the entire tax cuts that would go to one-fifth of 1 percent.

Let me make sure it is clear so that no one thinks that I am making a mistake here. One-fifth of 1 percent would get 45 percent of the benefits of the dividend and capital gains tax cuts. It translates into about $32,000 per one of those households that makes over $1 million.

So that is to say this: sure, if you are supporting the capital gains and dividends tax cuts, you can say it goes to millions of Americans, but you are only giving them half the truth, because what you are not telling millions of Americans is that their share is $7 for the year, whereas the very wealthy in America will get $32,000 each.

What are our priorities? A lot of us believe that 17 million middle-class Americans should get definite relief from the AMT, the alternative minimum tax, before we go towards relieving the tax burdens on the wealthiest of Americans.

Madam Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Madam Speaker, you know, the question is straightforward. Why would anybody favor a tax cut, about half of which goes to people making $1 million a year over preventing a tax increase for 17 million Americans, most of whom are middle class? Why would anybody do this?

Well, my friend from Michigan (Mr. CAMP) says that it is broad-based, the capital gains and dividend provision, more so than AMT. But most of that broad base receives very little, while a small minority of that broad base receives very much. So the broad base is really poor rhetoric.

I guess the second answer is, we will do it later, the AMT. We will do it later. I wish you would get up and tell us how you pay for that right here and now, right here and now.

I will yield to you if you want to say.

Mr. CAMP of Michigan. Madam Speaker, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Michigan.

Mr. CAMP of Michigan. We have paid for our entire reconciliation.

Mr. LEVIN. How would you pay for AMT?

Mr. CAMP of Michigan. If the gentleman would let me finish, we have paid for our reconciliation bill, or extending our tax relief, in our budget. It is paid for in our budget. We take care of the middle-class AMT problem in our reconciliation bill.

□ 1530

Mr. LEVIN. So you are claiming that it would all be paid for through reconciliation?

Mr. CAMP of Michigan. Well, we provide for middle class taxpayers, AMT problems in reconciliation. This house voted 414 to 4 to move the entire AMT issue outside of reconciliation.

Mr. LEVIN. But you don't take care of the basic issue that we referred to here, and the answer is that you will pay for it by more deficit. That is what you are going to do.

The President's budget already projects a national debt of $11.5 trillion, it is hard to say that, $11.5 trillion. You are going to make things worse and worse and worse. Your fiscal irresponsibility sees no bounds. You come here today defending a tax cut years away from now, half of which more or less goes to people making $1 million, when 17 million people face this year a tax increase. You have blinders on. I think everybody who votes against this motion can expect this to be brought up these coming months as well as on the floor today.

Mr. CAMP of Michigan. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, My friend from Michigan said, why would anyone want a tax cut? I will tell you why. The American economy, after tax relief in 2001 and 2003, is the envy of the industrialized world. Our unemployment rate is lower than that of Canada, France, Germany, Italy and the United Kingdom. Productivity is booming. The average annual growth rate of output per worker since 2001 is 3.1 percent, the best since the 1960s.

Prices are stable. Inflation measured by the price index for personal consumption expenditures grew at a low 2.9 percent in 2005. Americans are working. The unemployment rate is at 4.8 percent, almost a 5-year lull, while initial unemployment claims are near the lowest point since 1999.

Nest eggs are growing. Average home prices rose 13 percent in 2005, a huge increase for the 69 percent of Americans who own their homes. Consumers are confident. Consumer spending rose 9 percent in January, the largest increase in 12 months. Americans are richer. Aftertax income is up 5.4 percent in the last 12 months, and the economy is stronger. Real domestic product growth has averaged 3.2 percent in 2005. That is why Americans want tax cuts.

The motion to instruct assumes the tax increases that the Senate has passed, which the House has rejected. Now, those tax increases aren't enough to cover the cost of this motion to instruct, so I urge Members to oppose that motion to instruct.

Madam Speaker, I reserve the balance of my time.

Mr. BECERRA. Madam Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Madam Speaker, let me thank my friend from California for yielding me this time.

Let me respond to Mr. CAMP and invite him to visit communities in my State that talk with working families, where you see median income in America has not increased. Families in my

State are concerned with how they are going to make their budget, how they are going to deal with increased costs of energy, because we don't have an energy policy, how we are going to deal with the increased cost of health care that is being put on their back because we have failed to deal with the health care crisis in this country, how they are going to deal with the cost of education. Your budget took away some of their funds from the Federal Government to help finance their costs of higher education and how they are going to be able to afford college education for their children.

In short, they are falling behind. They are falling behind every month under this administration's economic policies. This motion to instruct is pretty simple. It says to the maximum extent possible, within the scope of conference, and the conference report not increase the deficit or the public debt.

The families in my congressional district are worried about who is going to pay off this debt. They know that the budget deficit this year is unsustainable, and they don't want us to have tax cuts primarily for the wealthy and ask their children and grandchildren to pick up the tab. The deficit this year is projected to be $337 billion. When you add in the Social Security money that we are borrowing, that we shouldn't be borrowing, of another $181 billion, we have a right to be concerned.

Enough is enough. We are getting the money to pay our bills from banks owned by foreign countries that are buying our bonds, not because it is a good investment. They are buying our bonds in order to manipulate currencies that will send more product into America, taking more jobs away from Americans. Enough is enough.

These tax cuts unpaid for, unpaid for, are hurting our economy, hurting our future, and hurting the ability of the typical family in America to be able to deal with economic realities. The average family won't benefit from these tax cuts, but the average family would benefit from fiscal responsibility right here. I urge my colleagues to accept this motion, and let us work for the future of America's families.

Mr. CAMP of Michigan. Madam Speaker, I would just say that this is all provided for in our budget reconciliation.

Madam Speaker, I yield 3 minutes to the gentlewoman from Pennsylvania (Ms. HART), the distinguished member of the Ways and Means Committee.

Ms. HART. Madam Speaker, I thank the gentleman for yielding me time. I rise in opposition to the motion to instruct. The motion would cause serious disruption to the economic growth that this country has experienced over the past several years. It would strip from law a key factor which resulted in that economic growth. Specifically, the gentleman wishes to increase the taxes that have been reduced for capital gains and dividends.

This rate reduction has been widely recognized as a key to that economic growth that we have seen over the past several years. Former Federal Reserve Chairman Alan Greenspan has repeatedly acknowledged the importance of these reduced tax rates in economic growth and opportunity.

Let us look at the real impact these lower rates for dividends and capital gains have had on our economy. In the last 10 quarters prior to the passage of these rates in 2003, the annual increases in GDP averaged just over 1.2 percent and never exceeded 2.9 percent. In the 10 quarters following that rate reduction, our GDP has averaged an increase of over 4 percent.

Finally, business investment had decreased for the nine consecutive quarters prior to this rate deduction and have increased in each quarter since that deduction. That business environment means new jobs. That is why since 2003 over 4 million jobs have been created and the unemployment rate in the United States, yes, has dropped, from 6.1 percent to 4.8 percent. In addition to the positive economic results I have cited, the changes in capital gains rates have begun to have a positive impact on the Treasury as well.

Contrary to the gentleman's assertions in January, the Congressional Budget Office released a report stating that capital gains realization had boosted Federal revenues and will continue to do so for the next several years. Capital gains grew by about 50 percent in 2004, and that is more than twice the 23 percent growth the CBO anticipated for the last round of budget forecasts.

Acting CBO Director David Marron said capital gains realization has been running higher recently than we originally anticipated. In fact, CBO estimated that the capital gains receipts totalled $75 billion in 2005.

In fact, the CBO estimated that capital gains receipts total $75 billion in 2005, the most since 2001. And the biggest annual percentage gain since 1997.

Why would we want to end a policy that is working?

There are a number of additional important tax provisions like the R&D tax credit included in this bill that need to be extended and it is time for us to complete our work.

Mr. BECERRA. Madam Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Madam Speaker, I thank the gentleman for yielding.

I have some information that the gentlewoman from Pennsylvania will be very interested in hearing. The capital gains rate, the dividend tax rate that she effuses about, well, they are secure in present law for 2006, for 2007, for 2008. And so the issue before the body is not at all whether this relief will continue as clearly implied. I can only believe that the speech she just gave is based on a profound misunderstanding of what we are talking about relative to these rates.

These rates are in present law through 2008 so no one is talking about these rates going away. What we are talking about is priorities. First things first. And first is we have got to do something about this alternative minimum tax. There will be people meeting their accountants this afternoon all across the country with April 15 coming closer, and they are going to have worked through their entire schedule, their deductions, their itemizations, and their accountant is going to tell them none of this matters because you fell under the alternative minimum tax. You are going to owe the Federal Government a higher income tax bill than you ever imagined. And as bad as this is this year, it is going to be worse next year and the year after that.

So in sharp contrast to this capital gains business that is not even before us until 2009, these alternative minimum tax rates are hitting now, and they are hitting at ever lower ranks of income coming fully into the middle class, and that is why on a first-needs-first basis we need to put this priority to the floor, and that is exactly what our motion does.

Now, our motion does something else. It says that we ought to take the savings from taking this fix they put in the outyears for 2009 and 2010 and put that to reducing the deficit now.

This afternoon is a very interesting litany of happy talk from the other side about this great economy, and it reminds me of that great commercial. This fellow, he is so self-content. He says, I have got a great car. I have got a great house. And then in a sober moment, he looks at the camera, and he says, I am in debt to my eyeballs. That is exactly the state of this country.

This is the same crowd that is presiding over the deepest deficit in the history of the country, and that is saying something because it was also record in 2003, 2004 and 2005. This is the crowd that passed the bill that increased the debt so that we can now borrow close to $9 trillion. These economy happy times they are talking about, they are paid for fair and square all right. They are paid for on debt that we are passing on to our children.

It is wrong, and I urge your support of the motion to instruct.

Mr. CAMP of Michigan. Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. REYNOLDS), a distinguished member of the Ways and Means Committee.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks.)

Mr. REYNOLDS. Madam Speaker, I thank the chairman of the subcommittee, on which I am proud to serve on the Ways and Means Committee, for yielding me time.

Madam Speaker, as the lead sponsor of the House Middle Class AMT Relief bill, I rise in opposition to the Democratic motion to instruct offered by my home State colleague, Mr. RANGEL.

Madam Speaker, the Democratic motion presents a false choice between extending the lower rates on capital gains and dividends and the need to extend middle-class AMT relief. In my view, both of these are important priorities, and we need to address each of them at the earliest possible opportunity.

With regard to AMT, many in this Chamber will recall the House passed my stealth tax relief act last year, late in the year, by an overwhelming bipartisan vote of 414–4. That legislation would prevent the alternative minimum tax from sneaking up on millions of unsuspecting middle-class taxpayers by extending the temporary AMT relief for another additional year. Together we sent a strong, unmistakable signal to our colleagues across the Capitol that extending this temporary middle-class AMT relief is a crucial priority that cannot be ignored.

Madam Speaker, we passed the AMT relief as a stand-alone measure outside of reconciliation. We did that so we could comply with the budget rules of the other body without raising taxes. At the same time, we recognized that extending the lower rates for capital gains and dividends is important, not just to the ever-growing investor class that now includes millions of seniors and other middle-class Americans, but to our economy as a whole.

Thanks in large part to these lower rates on investments, tax revenues have been streaming into the Federal Treasury at a record pace.

□ 1545

These lower rates, which are particularly important to the economy of my home State of New York, have helped our Nation in keeping this economy strong and our domestic job base growing. That is why the House tax reconciliation bill included an extension of these lower tax rates on investments.

But what does today's motion to instruct do? Yes, it urges relief from the AMT, but it does so by crowding out the other important pro-growth tax policies that have helped keep our economy strong. Even worse, by insisting that we provide AMT relief within the reconciliation process, the Democrat motion would force conferees to raise taxes somewhere else.

I would remind my colleagues that AMT was never intended to hit the middle class. Protecting middle-class taxpayers against the stealth tax should not require a tax hike somewhere else as the price of admission.

Madam Speaker, I commend Chairman THOMAS and the other conferees for their ongoing hard work on both of these important issues.

I urge my colleagues to defeat this Democratic motion.

Mr. BECERRA. Madam Speaker, I yield 3 minutes to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Madam Speaker, I rise today in support of this motion to instruct.

The Republican priorities are backwards. See, the point is that we want to help middle-class America. They say they passed an AMT bill separate from the reconciliation, but the reality is, by doing that, they would push the deficit higher. We want this motion to instruct to pass because it will be much like the Senate bill that requires the AMT to be reduced.

Some of the tax cuts that will need to be extended in this conference are important to our economy: the R&D tax credit, the Work Opportunity Tax Credit, the Welfare-to-Work Tax Credit, the expensing of brownfields environmental remediation costs, and the New Markets Tax Credit.

I do not want anybody to think that Democrats do not like capital gains and dividends. We want people to have capital gains and dividends, and we want them to have a benefit, but right now, we are talking about the poor people, the middle-class, working people in this country who are not getting the benefit from capital gains and dividends.

I think the number is $7. Let us see, right now, perhaps you could buy 2½ gallons of gas; $7, perhaps you could buy two gallons of milk; $7, you cannot buy your baby a pair of shoes; $7, you cannot buy a blouse; $7, you cannot put a ham or a steak on the table. Give me a break.

These people, the middle-class, working people of this country, need the support that we can give them through this instruction about an AMT.

Now, we want you to know that we want capital gains and dividends to be extended. We understand the importance, but we do not have to deal with it now. It is not up till 2008. Right now, AMT, you can ask anybody on the street, I get letters and calls from my constituents, help me with the AMT. Most people right now cannot even get a dividend or a capital gains because they are in such financial straits that they are unable to handle it.

I will also tell you, I heard one of my colleagues talk about how many jobs have been created. You know how they determine how many jobs have been created? By looking at how many people have been back to the unemployment bureau to determine how many jobs have been created. The problem with that concept is, there are a lot of my constituents who have stood in line and stood in line looking for a job, cannot get a job.

The jobs that have been created are nothing like the jobs that we have lost. In Ohio, we have lost some 200,000 jobs since 2001. In the city of Cleveland, we have lost 60,000 jobs since 2001. These were jobs that were paying $20-some; the jobs they have been replaced with are $5.25-an-hour jobs where they do not get health care and they cannot raise a family on $5.25.

All we are asking in this instruction is for fairness for working-class folks. Take it back where everybody gets a benefit.

In that drug bill, we gave a benefit to the drug companies. In other bills, we did a benefit to the folks who are supposed to be helping us in Iraq and they are walking off with the money.

Take care of the people in America. Pass this bill.

Mr. CAMP of Michigan. Madam Speaker, I yield myself such time as I may consume.

Our legislation does provide AMT relief for middle-income taxpayers inside of reconciliation.

Again, I go back to why would anyone want a tax cut? Obviously, lowering tax rates on capital gains and dividends helps contribute to the long-run economic growth and expansion of this country.

Sixty percent of the people who realize capital gains have incomes below $100,000. Twenty-five percent of the people with dividend income have incomes below $50,000. Capital gains tax receipts have been increasing since the 2003 tax cut, and over the past year 2 million jobs were created, and the unemployment rate is at its lowest level since July of 2001 at 4.8 percent.

Congress must continue to encourage investment and economic growth and, also, Congress must encourage Americans to plan for the long term. A 3-year tax provision does not allow for long-term financial planning, particularly for the 70 million baby boomers that are going into retirement in the near future.

So, again, I would urge Members to oppose this motion to instruct.

Madam Speaker, I reserve the balance of my time.

Mr. BECERRA. Madam Speaker, I yield myself 15 seconds.

What the gentleman from Michigan does not mention is that the fix they have in their legislation takes care of $2 billion worth of a $35 billion hole for alternative minimum tax. That is not a fix for most middle-class Americans.

Madam Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Madam Speaker, I rise in support of this motion to instruct conferees.

President Kennedy once said, ''To govern is to choose,'' and this Congress made a choice. They cut child health care, 6 million children. They cut college tuition, the largest cut in the history of the country, $12 billion. They cut child nutrition programs, child support collection, child care, all to provide a tax cut for the wealthy.

The Republican Congress gives a whole new meaning to women and children first. They cut all those investments in our children, all to give a tax cut to the very few who are being very fortunate. And I believe those very few are as patriotic as every other American; they know we have critical needs and investments we have to make here in America.

Six million children losing their health care and a few getting a capital gains tax cut is not the choice President Kennedy thought about when he

said, ''To govern is to choose.'' Cutting child support collection by $9 billion for a single mom, all the while giving a tax cut to the very wealthy, was not the choice President Kennedy imagined when he thought about investing in America's future.

President Kennedy also said, ''Leadership is a question of priorities.''

I want to demystify all these numbers flying around for you. Nineteen million American families will get a tax increase if the Republican Congress has its way, straight. That is simple. It is not more complicated than that, 19 million families.

Just a few years ago, only 1 million middle-class families were hit by the AMT. Today, 19 million. In 4 or 5 years, that number will go up to 30 million American families making $100,000 who will be hit by the AMT.

What they have decided to do, rather than deal with that problem today, ensuring those middle-class families who work hard and play by the rules, rather than get a tax cut, you are going to get a tax increase. That simple. No camouflage, no rhetoric will cover it up.

What they are trying to do is say in 2008 the capital gains/dividend tax cut is going to expire; we have got to deal with that today. Yet, today, 19 million families are going to be hit by a tax increase, and it is time that we need new priorities, a change in direction for American middle-class families who are doing right by their children.

Mr. CAMP of Michigan. Madam Speaker, I do not have any speakers at this time, and I reserve the balance of my time.

Mr. BECERRA. Madam Speaker, I yield 2 minutes to the gentleman from California (Mr. STARK), a member of the Ways and Means Committee.

Mr. STARK. Madam Speaker, I ask unanimous consent to amend the motion to instruct, and my amendment would merely suggest that at any meeting of two or more conferees every conferee should be invited to attend that meeting.

The SPEAKER pro tempore (Mrs. MILLER of Michigan). The Chair would entertain that request only from the proponent of the motion, who noticed the form of the motion yesterday and who has not yielded for an amendment.

Mr. STARK. Madam Speaker, I rise in strong support of Mr. RANGEL's motion to instruct.

Madam Speaker, it is of some interest that, as a conferee, this probably would be the only time I have to express my opinion on the conference, as we are usually, as Democrats, not invited to attend and discovering where the conferees meet is a conundrum that is not easily solved by this side of the aisle.

But if we were allowed to participate in a democratic fashion, which seems to elude my colleagues across the aisle, we would remind our conferee colleagues that we are going to add trillions to the national debt over the next 5 years as a result of the budget, and to extend tax breaks for millionaires, while we are mortgaging our children's future, seems to me to be immoral.

The Republicans voted to increase the debt limit a few weeks ago, and now they want to waste that increase on $50 billion in capital gain and dividend breaks for people making over $1 million a year. There are not many of those in this country, but those who do make over $1 million a year will benefit magnificently from this Republican tax bill and not many other people.

It was pointed out that we were given the erroneous assumption that they were doing something about the alternative minimum tax. It is certainly dealing with less than 10 percent of the alternative minimum tax problem. That hardly stands as a solution.

I urge support for the motion.

Mr. CAMP of Michigan. Madam Speaker, may I ask how much time remains.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. CAMP) has 18 minutes remaining, and the gentleman from California (Mr. BECERRA) has 6¼ minutes remaining.

Mr. CAMP of Michigan. Madam Speaker, I reserve the balance of my time.

Mr. BECERRA. Madam Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Madam Speaker, I rise in strong support of the Rangel motion to instruct conferees on the alternative minimum tax. It also calls upon this body not to increase the debt and the deficit of this country, which is a burden on our children and grandchildren and a growing burden.

The AMT was originally enacted to ensure that the truly rich pay their fair share, but now it has a very unintended effect, and it is hurting millions in the middle class. Twenty million taxpayers will be hit by the AMT this year, 17 million of whom are in the middle class, and these are the jobs that are growing this economy. It has jumped from 3 million in 2004 to over 20 million this year.

It is hurting the middle class. It is unfair. It should not be this way. Support the Rangel bill.

There is the deficit. The deficit is out of control. The Republicans have raised the debt ceiling four times. It is now over $8 trillion. This budget before us proposes to increase the total national debt from $8 trillion at the end of the last year to over $11 trillion in 2011. That is more than double what it was when this Republican administration came into power. This means that each man, woman and child in America owes over $30,000, and on the interest alone to the national debt, the interest alone will be over $247 billion. That is 50 percent of the discretionary spending in this country. It is a burden we cannot continue to carry.

I am just warming up on this issue because I am concerned about my children.

This administration is setting records, but they are the wrong kinds of records for the future stability of this country. We have a record debt, over $8 trillion and galloping forward. We have record deficits. We have a record trade deficit, the largest in the history of our country.

□ 1600

Both the debt, the trade deficit, and the deficit have hit historically high numbers. And what is truly troubling to me is that foreigners are buying our debt. About 80 percent of the deficit is financed by foreigners. This is not the right direction.

Vote for the Rangel motion to instruct.

Mr. CAMP of Michigan. Madam Speaker, again, I find it interesting that some of my friends on the other side say that nobody benefits from capital gains and dividends when in fact 35 million taxpayers have dividend income and 26 million taxpayers realize capital gains. I think that shows how little they know about employee ownership in America of so many companies where people work.

So to dismiss out of hand as if no one benefits from these provisions is absolutely false, and not to mention the effect of these investment tax reductions on our economy and what that means for peoples' individual lives and their prosperity.

I spent some time earlier going through a number of statistics about how we have record unemployment, record homeownership, record productivity, and so many indicators of strength in our national economy that are as a result of the 2003 tax relief.

Also, the potential tax hike in investment taxes could already potentially be weighing on people about to retire, the 70 million baby boomers who are about to retire, and could weigh on investors as they make their longer-term investment decisions. That is why it is so important that we continue the capital gains and dividend tax relief in reconciliation; that we don't have a tax hike on investment taxes, because that would hurt the economic growth that we have been able to achieve in recent years.

Let me just say that we have been able to do both in our legislation, both capital gains and middle-income AMT, and they have been done within the budget. The congressionally approved budget by this Congress allows up to $70 billion in reconciliation and tax relief. Within our budget we do both of them. We may not do it exactly the way the other side does, but we accomplish both goals in our legislation.

Again, I would urge a ''no'' vote on the motion to instruct.

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

Mr. BECERRA. Madam Speaker, this motion to instruct is not about a debate as to whether we should cut taxes for Americans; this motion to instruct talks about how we should cut taxes

for Americans. In essence, what are our priorities in Congress and in the White House? Should we, on the one hand, provide relief for over 17 million middle-class American taxpaying households, as we propose; or should we, as the other side proposes, provide relief that benefits principally one-fifth of 1 percent of the wealthiest Americans in this country?

Federal budgeting is no different than family budgeting at the end of the day. Yet if you look at the actions of this Congress today and over the last several years, what this Congress is saying to American families is, do as I say not as I do. This year, the Federal Government will run a $518 billion deficit. We are running record deficits this year. That deficit is portrayed as being $337 billion, only $337 billion, because this Congress is taking $181 billion out of the Social Security trust fund to help cover the massive size of the Federal budget deficit.

The total national debt today stands at over $8 trillion, and President Bush, in his budget, admits that we will pay more than $247 billion next year in interest payments on the Federal debt alone. A quarter of $1 trillion to do nothing but pay the interest on the debt.

There was a joke I heard not too long ago about how you could know if 2006 would be a challenging year. The top three choices, to let you know, are: one, your twin sister forgets to congratulate you on your birthday; two, you see a ''60 Minutes'' crew waiting outside your office for you; and the number one way you can tell it is going to be a challenging year is you file your income tax statement and are expecting a refund, and what you get is a bounced check from the Federal Government.

Now, as funny as it may sound, there is some truth in that as we run massive deficits and increase the size of the national debt. President Bush has borrowed three times the amount that the first 39 Presidents in the Nation's first 191 years borrowed in all their time. We are spending about $6 billion a month in Iraq, and we are talking about cutting taxes for the wealthiest Americans. That is something that had never been done until this administration cut taxes for the wealthiest Americans at a time when we are running massive deficits and have men and women sacrificing their lives abroad.

It is time for us to have some fiscal sense, be responsible and recognize what every American family must: that you have got to figure out your books before you spend money. And that is what this motion to instruct says. Let us have priorities when it comes to tax cuts, let us target help towards middle-class America before we give tax cuts to the wealthiest Americans. If you have some left over after you help middle-class America, okay, fine. But don't cut $14 billion out of student loans for mostly middle-class families sending their kids to college. Don't cut $600 million out of foster care programs for some of our neediest children who are being abused. Don't take money out of the child enforcement program that helps make sure kids get money from their deadbeat dads.

If you can take care of all those things, fine, let's cut taxes for the wealthiest Americans. But today we are running massive deficits and we cannot do it. So vote for this motion to instruct. It says our priorities are middle-class Americans, and we will do the work the right way.

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

The SPEAKER pro tempore (Mrs. MILLER of Michigan). 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 New York (Mr. RANGEL).

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

Mr. BECERRA. Madam 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 question will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 4 o'clock and 7 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1745

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. EMERSON) at 5 o'clock and 45 minutes p.m.

COLLEGE ACCESS AND OPPORTUNITY ACT OF 2005

The SPEAKER pro tempore. Pursuant to House Resolution 741 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. 609.

□ 1746

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. 609) to amend and extend the Higher Education Act of 1965, with Mr. DUNCAN (Acting Chairman) in the chair.

The Clerk read the title of the bill.

The Acting CHAIRMAN. When the Committee of the Whole rose earlier today, amendment No. 13 printed in House Report 109–399 by the gentleman from Texas (Mr. SESSIONS) had been disposed of.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 15 by Miss MCMORRIS of Washington.

Amendment No. 3 by Mr. BURTON of Indiana.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 15 OFFERED BY MISS MCMORRIS

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Washington (Miss MCMORRIS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 293, noes 134, not voting 5, as follows:

[Roll No. 71]

AYES—293

Aderholt	Castle	Gallegly
Akin	Chabot	Gibbons
Alexander	Chocola	Gilchrest
Allen	Cleaver	Gillmor
Andrews	Clyburn	Gingrey
Bachus	Coble	Gohmert
Baird	Cole (OK)	Gonzalez
Baker	Conaway	Goode
Barrett (SC)	Cooper	Goodlatte
Bartlett (MD)	Costa	Granger
Barton (TX)	Cramer	Graves
Bass	Crenshaw	Green (WI)
Bean	Cubin	Gutknecht
Beauprez	Cuellar	Hall
Berman	Culberson	Harman
Biggert	Cummings	Harris
Bilirakis	Davis (AL)	Hart
Bishop (GA)	Davis (CA)	Hastings (FL)
Blackburn	Davis (KY)	Hastings (WA)
Blumenauer	Davis, Jo Ann	Hayes
Blunt	Davis, Tom	Hayworth
Boehlert	Deal (GA)	Hensarling
Boehner	DeLay	Herger
Bonilla	Dent	Herseth
Bonner	Diaz-Balart, L.	Higgins
Bono	Diaz-Balart, M.	Hobson
Boozman	Dicks	Holt
Boucher	Doggett	Honda
Boustany	Doolittle	Hooley
Bradley (NH)	Drake	Hostettler
Brady (TX)	Dreier	Hoyer
Brown (SC)	Duncan	Hulshof
Brown-Waite, Ginny	Edwards	Hunter
	Ehlers	Hyde
Burgess	Emanuel	Inglis (SC)
Burton (IN)	Emerson	Inslee
Butterfield	Eshoo	Israel
Buyer	Everett	Issa
Calvert	Farr	Istook
Camp (MI)	Feeney	Jenkins
Campbell (CA)	Fitzpatrick (PA)	Jindal
Cannon	Foley	Johnson (CT)
Cantor	Forbes	Johnson (IL)
Capito	Ford	Johnson, Sam
Capps	Fortenberry	Kanjorski
Carnahan	Fossella	Kaptur
Carson	Foxx	Keller
Carter	Franks (AZ)	Kelly
Case	Frelinghuysen	Kennedy (MN)