passed leaves me deeply concerned about this Congress and where we are heading. The spending package violated the letter and the spirit of the budget agreement and hit hardest at the working and poor families of our Nation that struggle every day to get by.

Before I speak about tomorrow's vote on the unfair Republican tax cut package, I want to say a few words about what we as a body have done in voting for this budget reconciliation spending bill.

While there are many serious attacks on working families in the spending bill, like privatizing portions of Medicaid and food stamps, slashing the Federal funding for those hospitals who serve a disproportionate share of low-income patients, and block-granting children's health care, one of the most serious attacks is against the minimum wage and workplace protections for workfare participants.

The budget reconciliation bill condemns working welfare recipients to second class citizenship. The bill specifically states that benefits provided to these workers in their jobs are not to be considered wages or compensation. With this devious language, the bill denies these hundreds of thousands of hard-working mothers and parents the rights that all American workers now enjoy, and it denies these workers the enforcement and remedial protections of the Fair Labor Standards Act. This is wrong. It must not be retained in the final passage of the bill.

Tomorrow we turn our attention to the other half of our Nation's budget, the tax cut package. The Republican leadership have made their priorities known with their budget proposals.

Their $835 billion tax cut package gives the wealthiest Americans the largest tax benefits and pushes the poor further into poverty. The wealthiest 20 percent of the U.S. population would receive a whopping 87 percent of the net benefits. But the bottom 60 percent would share only 4 percent of these tax benefits. In fact, the poorest 20 percent of the population that has only 4.5 percent of the Nation's after-tax income would receive none of the gain.

Most of the tax cuts benefit upper-income people. Open-ended estate tax cuts would benefit only the richest 1.5 percent of families. They give the wealthiest Americans deficit busting capital gains tax breaks. In addition, the Republicans have the audacity to propose that these tax breaks for the wealthy be indexed for inflation. And this is the same leadership that is opposed to cost-of-living increases for working Americans.

At the same time, the Republicans' proposal denies the working poor the tax relief they guarantee the rich. The Republicans took the President's education tax package, including the HOPE scholarship, and undermined its goal of reaching the neediest students. The Republican plan would cover only half of tuition costs, even for the first 2 years of college.

The bill also denies the $500 per child tax credit to over 15 million families. It does this by denying the full benefit of the child tax credit to the poorest of working poor, those who are eligible for the earned income tax credit. Contrary to what the Republicans allege, it is only those that are employed and pay payroll taxes that are eligible for their earned income tax credit. They deserve all the help they can get, and this bill denies them this much needed help.

We should not forget that the budget deal was a serious compromise from the President's original budget proposal, which many of us felt fell short of the Nation's needs in many critical areas.

For example, the measly $5 billion requested by the President for education infrastructure, that is, to fix up the Nation's schools, schools with no air conditioning, schools where the heating systems are broken, schools where windows and roofs need repair, all of this was denied, taken off the table because the Republicans said no.

But at the same time, conservative estimates put the real cost of addressing the infrastructure problem at over $100 billion, and we could not get them to agree to $5 billion. And what about a real jobs program that pays a living wage, instead of trying to pay the working poor subminimum wages and deny their workplace rights?

Let us be clear, this Republican tax bill is an outrage. We will all end up paying dearly for it in the end. It will make it much more difficult it address our Nation's real problems.

I urge my colleagues to vote against this unfair tax cut bill and reject this attack on working Americans and poor Americans.

TRIBUTE TO BISHOP EDWARD T. HUGHES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PAPPAS] is recognized for 5 minutes.

Mr. PAPPAS. Mr. Speaker, I rise today to pay tribute to Bishop Edward T. Hughes, the Second Bishop of Metuchen, NJ. Just this past Sunday, the 22nd of June, I attended a mass to celebrate his 50 year anniversary of ordination into the priesthood.

Over the past 50 years, Bishop Hughes has inspired, educated, counseled, and guided thousands in countless ways. So many of the people that I represent have been touched and aided by his kind words and actions. On a daily basis, Bishop Hughes has in a special way comforted those in times of sorrow and been an instrumental part of the joy and happiness of many families and individuals.

Bishop Hughes is a loving man that shepherds his flock with care and gentleness. He is an outspoken defender of the unborn and a foe of racism and bigotry. He fully understands the importance of his mission in spreading the word of God to his community. He has devoted his life to being a shepherd for the Lord by spreading spirituality and grace.

Through his good works and deeds, he has touched all those who have been in his presence. In today's fast paced environment and a world that is often filled with sadness and violence, he demonstrates how each of us can find a place for faith and remember what is good and right.

It was in early life that he, in 1938, at the tender age of 18, dedicated his life to serving Jesus Christ and entered St. Charles Seminary. Since that time he has used his wealth of knowledge to teach history and act as a positive role model for many young people.

Pope Paul VI recognized his outstanding service in 1976 and appointed him auxiliary Bishop of Philadelphia, and he was ordained Bishop in July of that year by John Cardinal Krol. As Bishop he met new challenges head-on and demonstrated his leadership on a national level, most recently as chairman of the National Conference of Catholic Bishops Implementation Committee for the Catechism of the Catholic Church.

In December of 1986 Pope John Paul II recognized what so many Roman Catholics in New Jersey and Pennsylvania had and named Bishop Hughes chief shepherd of the Diocese of Metuchen which consists of nearly a half million faithful. The Diocese has seen unprecedented growth during the Bishop's tenure. He has dedicated more than 15 churches and blessed numerous other facilities.

The Bishop has a keen sense of social responsibility and has reached out to community shelters, clinics, and other agencies of assistance to help those in need. He truly does the Lord's work.

Today there is an increased importance placed on cultural diversity and understanding. The Bishop has reached out to the Hispanic, Asian, African-American, and Portuguese members of the community and increased cultural understanding among these groups while spreading God's love of all people.

The Diocese of Metuchen has been very fortunate to the have him as their Bishop; and on behalf of the citizens of the 12th District of New Jersey, I would like to offer my congratulations and thank the Bishop for the time that he has devoted to the people of the Metuchen Diocese.

Bishop Hughes' motto is ''Rejoice in the Lord always,'' and his life and service have truly been a model of just that.

□ 1915

The SPEAKER pro tempore (Mr. TIAHRT). Under a previous order of the House, the gentlewoman from Florida [Ms. BROWN] is recognized for 5 minutes.

[Ms. BROWN of Florida, addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

TAX RELIEF NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 5 minutes.

Mr. NEUMANN. Mr. Speaker, I rise tonight to call attention to how far this Congress has come. In order to truly understand how much this Nation has changed over the last couple of years, since 1995, when there was a change of who was running this place out here, I think it is important we go back to the pre-1995 years and talk about what it was that made the American people so cynical, almost to a point that when somebody out of Washington says ''here's what we're going to do,'' nobody believes him. I thought I would start with the Gramm-Rudman-Hollings Act of 1985.

This was back in the middle 1980's, when Congress started promising the American people a balanced budget. I was not here. I watched this thing very closely from the outside. I was a taxpayer building a business from the ground up at that point in time, working hard every day, and I watched this promise. I watched them promise us that they were going to balance the budget. Their promise was along this blue line in this chart. What they actually did is they followed the red line in this chart.

As my colleagues can see, their promises did not hold up. As a matter of fact, instead of getting to a balanced budget as originally promised in 1991, the deficits exploded. What did they do? They did the Washington thing, and many people in America, myself included, got even more upset with them. They put a new Gramm-Rudman-Hollings bill out. Since they could not meet the first one, they made up a new one. The second one had a blue line again. The blue line shows their promised route to a balanced budget, and the red line shows again what actually happened. The deficit exploded. Why did that happen? They could not curtail the growth of Government spending in Washington. They just plain could not resist reaching into your pocket, taking more money out and spending more money out here in Washington. There was a fundamental belief out here that the people in Washington knew better how to spend the American people's money than they knew how to spend it themselves.

This is kind of what was going on before 1995. We had the promise in 1985, the promise again in 1987, several more promises along the way. We got to 1993, and in 1993 they said we really do have to get this deficit under control, we know we have made these promises repeatedly so what we are going to do, they decided in 1993, this was the past again, they said we are going to raise taxes on the American people to try and get us closer to a balanced budget. It was the closest vote they have ever seen in this House. In both the House of Representatives and in the Senate, that tax increase that raised the gasoline tax and the Social Security tax, that 1993 tax increase, the biggest tax increase in American history, passed each House by one single, solitary vote. The American people rejected that, because in 1994, they said, ''We're sick of the broken promises and we're tired of the tax increases. Washington should not be reaching into our pocket and taking more money out to try and get to a balanced budget.''

In 1995, they elected a new group to Congress. They elected the Republicans to take over. The Republicans got here and they made a promise to the American people, too. We laid out a 7-year plan to get to a balanced budget. We are now in the third year of that 7-year plan, and this may very well be the best kept secret in Washington. We are in the third year of our 7-year plan to balance the budget and we are not only on track, but ahead of schedule.

In fiscal year 1996, this red column shows what was promised to the American people. This is the Republican promise of 1995 to the American people. We not only met that target, but the deficit was actually lower. As we started down our track to a balanced budget, the first year was in, and we hit the target.

This is what was promised to the American people in the second year, this red column. The blue column shows where we actually were. We have got 2 years under our belt now not only on track, but ahead of schedule.

Today what we are passing is the third year in this plan, and the third year in this plan is once again on track and ahead of schedule. We are in the third year of a 7-year plan to balance the Federal budget and, very different than the previous Congress, very, very different, we are not only on track but ahead of schedule.

How did all this happen? How did all of this come about? It came about because instead of reaching into the pockets of the American people and taking more money out through tax increases, instead of doing this, the new group that came here in 1995 said it would be a whole lot better if we curtailed the growth of Government spending. If we just controlled the Government spending habits out here in Washington, we would not need to raise taxes to be on track and ahead of schedule in balancing the budget, and that is what we did. Two years into this program, we have reduced the growth of Government spending by over 40 percent. We have literally got our arms around and curtailed the growth of Government spending to a point where today we passed a bill that is going to balance the budget at least by 2002, and we are tomorrow going to pass a bill that allows tax cuts for the American people.

I hear a lot of rhetoric about these tax cuts, but I know the middle-income folks understand what these tax cuts are. In a family of five, the people we see in church every Sunday, those folks know what the tax cuts are. They know if they have got three kids at home, one headed off to college, that they stand to receive $1,000 for the two kids, $500 for each one of them still home, and $1,500 for the one that is going off to college. They do not understand all this class warfare rhetoric, but they sure understand what the tax cuts are. It is a great time for America when we have not only balanced the budget but provided additional tax relief for the American people.

BUDGET RECONCILIATION TAX PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, the tax bill that we are here discussing and in particular the tax bill under the reconciliation package looks good on its face. Federal taxes are cut by a total of $133 billion over 5 years. I believe the American people deserve and want a tax cut. But the devil is in the details of the tax bill. The bill has a phased-in $500 per child tax credit. This is a very important and most needed credit. Most Americans would certainly want that and embrace that. But the bill does not allow the credit before an earned income tax calculation. What does that mean? It means that low-income, struggling working people would therefore not get the same benefit that most Americans would get because they would be denied to have that opportunity as those who make more. Some 28 million children would be denied this tax credit because they do not earn enough money to get a tax break.

Mr. Speaker, I believe the American people would be quite surprised to know, if some have their way, that the days of tax relief only for those who do not need tax relief are not over.

The bill provides for estate tax relief. Again, this is a very welcome initiative that farmers and small businesspersons in my State have been seeking for a long time. But here again the bill phases that relief in, $20,000 a year over 15 years, while immediate and more relief to working families is needed. They need a faster phase-in. That kind of relief really amounts to no relief for low and moderate income working families. They need help now. For generations, these families have struggled to maintain their family farms or their family-owned business, only to face the loss of them when the head of the family passes, and they are unable to pay the estate taxes because their liquid assets are limited.

And with regard to HOPE scholarships, a similar pattern emerges. Under the bill, working families would get $600 in relief, not the $1,500 that was