bill introduced by the House Committee on Appropriations chairman, the gentleman from Louisiana [Mr. LIVINGSTON], my friend, to increase the tax exemption from the current level of $600,000 to $1.2 million. I ask my colleagues to join me in this effort.

Mr. Speaker, it is also important that we encourage young people to become farmers and to be trained and educated to exert leadership in agribusiness. We need to make sure that agricultural education is strong and that groups like Future Farmers of America, the 4–H, Agriculture Future of America are supported and strengthened. I am intensely proud that Cal Poly State University in my district is noted as one of the best institutions in agricultural education in the Nation.

This month as Congress grapples with monumental budget and tax bills, we must not forget about our Nation's family farmers and the pressures they face. We must make our Nation's family farms and ranches a priority and protect this vital ingredient of our American heritage. Family farming is an irreplaceable enterprise that we cannot afford to take for granted.

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

[Mr. RAMSTAD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CAPITAL GAINS

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

Mr. WELDON of Florida. Mr. Speaker, I rise tonight to talk about the issue of indexing capital gains for inflation. I was very disappointed to recently hear that the President of the United States, Bill Clinton, opposed this, and he felt that this would be some sort of a time bomb that would explode the deficit.

I am very disappointed to hear him take this position because I believe very strongly that indexing capital gains for inflation is an issue of fairness. It is fairness to working people. It is fairness to the American taxpayer. And the best way to get this point across, Mr. Speaker, is to give an example.

Let us just suppose that 10 years ago you saved up $1,000 and you decided to invest in something. Let us say you were investing for maybe your daughter's college education, she was 8 at the time, now she is 18. And now today your thousand dollar investment was increased to $2,000. Well, you have got a $1,000 capital gain on that investment. And according to the kinds of tax policy that Bill Clinton would like, you would pay a capital gains tax on that $1,000. What we Republicans who support tax fairness say is that if inflation was such that that thousand dollars that you had 10 years ago is now only worth $500, then your real capital gains on that investment is $500.

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It is not $1,000. And we should pay, Mr. Speaker, our 28 percent, or now, with our new capital gains reduction, it would be a 20-percent tax on the $500, and that is what we call indexing capital gains for inflation.

Now, the President says this is a time bomb that is going to explode the deficit. I feel compelled to talk a little bit tonight about why we are in the fix that we are in right here in Washington where we have these huge deficits, and it is spending.

It is not a problem with revenue. The American people have been sending more and more and more money to Washington, DC, and for years the deficits got bigger and bigger. It was not until the Republicans took control of this body that the deficits really started coming down.

Mr. Speaker, the problem is spending. As a matter of fact, when Ronald Reagan cut taxes in 1980, revenues into the Federal Treasury went up more than $400 billion. But the reason the deficit exploded is because this body, the Congress of the United States, the House of Representatives, doubled spending over the next 8 years, and that is where those huge deficits came from. If the Congress had held the line on spending, we would not be in the fix we are in today and we would not have a $5 trillion national debt, $18,000 for every man, woman, and child.

So when the President gets up and talks about this being a time bomb that is going to explode the deficit, what he is really saying to us is that he does not want to control himself, he does not want to control Washington when it comes to spending, and he wants to tax inflation. Our dollar is worth less, our investment is worth less because of inflation, but the President wants us to pay taxes on that.

I say, Mr. Speaker, that what we in the Republican Party stand for is tax fairness. And, Mr. Speaker, indexing capital gains is just an issue of fairness. If we have made that investment but inflation has eaten away at the value of that investment, we should not have to pay income tax to Washington, DC, for inflation.

Mr. Speaker, our tax bill is the right tax bill. It is a tax cut for the middle class, and it does provide badly needed capital gains reduction so that we can stimulate the economy and create good, high paying jobs well into the future. But what is very, very important, Mr. Speaker, is that we treat the wage earners all across America with fairness.

This indexing of capital gains, in my opinion, is a fundamental issue of tax fairness. It will not explode the deficit if this body controls themselves on spending, if they hold the line on spending. If the Congress of the United States can live within its means, we will keep the budget balanced well into future years.

The problem is not a deficiency of revenue for Washington, DC; the problem is, Mr. Speaker, too much spending.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COOKSEY). The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings is in violation of the rules of the House.

NATIONAL YOUTH SPORTS PROGRAM

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

Mr. KIND. Mr. Speaker, I rise today to report to my colleagues in the House about a terrific program that I had the pleasure to visit during our 4th of July recess last week. The program is the National Youth Sports Program, which is one of the Department of Health and Human Services', the Department of Agriculture's and the NCAA's best kept secrets, yet it is consistently one of the most successful, cost-effective, and influential programs helping youth in this country today.

National Youth Sports helps at-risk, economically disadvantaged children and teenagers build the skills and the confidence they need to tackle the tough challenges and also gives them something positive to look forward to over their summertime break.

Each summer 170 colleges and universities help shape the future of our youth through this program. We have all heard of summer sports camps where parents spend a lot of money to send their children to catch the eyes of local coaches. Well, National Youth Sports is completely different.

While the program, which is provided at no cost to the participants, offers sports instruction and activities, the name is perhaps a misnomer. Program staff members also teach life skills, such as alcohol and other drug prevention, gang resistance, good nutrition, personal health, science and math, and job responsibilities.

National Youth Sports also provides other direct services to the participants, such as USDA provided and approved meals, accident and medical insurance for each participant, and a medical exam before activities start.

What makes the program so successful and cost effective is the outstanding partnership that exists between the Federal Government, local civil organizations and civic organizations, private businesses, individual colleges and universities of the NCAA, and local law enforcement agencies. Because the program is designed to serve youth from

low income families, in fact approximately 90 percent of the participants at each of the 170 sites must meet U.S. poverty guidelines, those who become involved in the program know that they have a direct impact at helping at-risk youth make the right choices when confronting the challenges in their lives.

This more than anything is what I wish to convey to my colleagues here today. I am very proud to have 2 of the 170 universities, University of Wisconsin-La Crosse and the University of Wisconsin-Eau Claire in the congressional district that I represent, participating in this program every year.

If everyone here could have seen the look of enthusiasm that I saw in those kids' eyes when I visited the program last week, they would all realize the full value of the National Youth Sports Program. There are some truly amazing things being done in the program.

At the University of Wisconsin at Eau Claire, for instance, the staff has put together an exciting math and science curriculum that relies heavily on the use of computers. They have put together a challenging rope course to not only test individual athletic skills but also team building skills.

The University of Wisconsin-La Crosse program has entered into a partnership with the La Crosse Police Department that enables police officers to work in the program on a daily basis, infusing content from the GREAT Program, the Gang Resistance Education and Training.

Besides reporting about the National Youth Sports Program today, I also want to take a couple of seconds here today to commend a few of the individuals I met who make the program the big success that it is. At the University of Wisconsin-La Crosse, Mo McAlpine, Garth Tymeson, Joannie Lorentz, Phil Esten, Tim Laurent, Officer Roger Barnes, and Lieutenant Doug Groth of the La Crosse Police Department; and at the University of Wisconsin-Eau Claire it is Bill Harmes, Diane Gilbertson, Mary Maddox, and Brad Chapman.

There are many, many more staff and volunteers who devote countless numbers of hours at little or no compensation at all because they want to make a difference in young lives. They all bring a tremendous amount of enthusiasm, dedication, but also a concern for these children in our country.

The Federal Government's $12 million grant, which acts as seed money for the program, and the USDA's $3 million worth of donated food are a very wise investment in the future of our youth. In this environment of balanced budget negotiations, fiscal belt tightening and even tax cuts, the National Youth Sports Program is a program worth investing in and, I believe, worth expanding so we can provide the same opportunities to many more economically disadvantaged and at-risk youth in the country.

If we can find a way to provide money for an additional nine B–2 bombers, which during the course of a lifetime of those planes costs us roughly $27 billion, when the Department of Defense specifically requested that this country not allocate any additional money for more B–2 bombers, I think we can find a way to continue funding for this very worthwhile program.

That is why I ask my colleagues today to support this program. In fact, just one of those B–2 planes will finance the National Youth Sports Program for the next 250 years. Need I say more?

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

[Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

REPUBLICAN TAX PLAN FAVORS THE WEALTHY

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

Mr. PALLONE. Mr. Speaker, my Republican colleagues are obviously concerned that the media and the American people are beginning to understand that their tax plan heavily favors the wealthy and that, if their plan is made into law, it would explode the deficit. Rather than balance the budget, it would unbalance the budget, and that would really be a great tragedy since so many people have worked so hard to achieve this balanced budget agreement.

I believe that Congress should balance the budget, and I also believe that we can cut taxes responsibly and in a way that maintains the goals of continued balanced budgets beyond the year 2000. Democrats feel that any tax cuts should be targeted primarily to working Americans. Unfortunately, the Republicans have thus far been successful in cutting a large portion of the taxes for their country club buddies.

Republican tax breaks focus on big business, special interests and wealthy families, while limiting tax cuts for education and families with children. They offer million dollar tax exemptions instead of helping working families. Democrats, on the other hand, strongly believe that the Republican values from this debate are out of sync with the average American. Democrats and President Clinton have offered alternatives that make better use of the tax cut moneys and focus them on middle-income families.

Mr. Speaker, over the weekend Treasury Secretary Rubin released a report that better illustrates how the Republican proposals primarily benefit wealthy individuals over the 10-year budget window. In addition, Secretary Rubin expressed serious concern regarding the potential for the Republican tax cuts to explode the deficit.

According to the Treasury report, which examined the last year of the Republican proposals, only 38 percent of the tax cuts would be for middle class families under the House proposal, while 55 percent of the tax cuts would go to the affluent. The President's tax cuts, on the other hand, are targeted more to the middle class. Eighty-three percent of the tax cuts under President Clinton's proposal would be targeted to the middle class, and only 10 percent would be targeted to the wealthy.

Now, there was another study conducted by Citizens for Tax Justice, which illustrated that over half of the tax cuts will benefit those making nearly a quarter of $1 million and above. Someone making nearly $650,000 can expect to receive somewhere near $22,000 in tax benefits, while someone making $44,500 can expect only a few hundred dollars. And those in the bottom 40 percent of the income distribution, but still working families, can actually expect to pay more taxes under the Republican proposal, which certainly is not fair, in my opinion.

The differences in the Democratic and Republican approaches in this budget plan are clear, and I will continue to urge Republicans to wake up and listen to the American people. The Republican tax cuts focus on short-term profits and financial gains. Democrats emphasize investment in education to create a highly trained work force for the future.

Republicans penalize low-income workers by not cutting their taxes and also treating people who are working their way off the welfare rolls as second-class citizens. Democrats, on the other hand, believe that low-income workers should not be excluded from the tax cuts and are eager to assist welfare recipients in becoming productive citizens.

The contrasts are so clear, Mr. Speaker: Republicans have always favored the corporate tax breaks and the million dollar exemptions, while Democrats have been the fighters for the middle class. Again, the argument is no longer about whether we should balance the budget or cut taxes but about how we should do it.

I believe the Democrat approach is the right approach. It is certainly not too late. We are now in the process of reconciling the budget. The Republicans really have to move to lighten the burden on low- and middle-income families if they are to expect that the President is going to approve this budget. And they cannot break the promises that were made to working families as part of this budget deal.

That was the commitment, that this budget deal was going to balance the budget and that the tax cuts were going to be mostly for working families. And the Republicans have to live up to that commitment. So far they have not, but it is not too late, and I am hopeful that we will work in that direction and that we can come together on a plan that both balances the