my colleagues to support this legislation to help stimulate the continuation of the vision of Apollo in modern times.

I would hope that this legislation is something that all of us, Republicans and Democrats, House, Senate and the President can agree upon unanimously, and as soon as possible. It would be a fitting closing tribute to this 30th celebration of the Apollo Moon landing.

DEMOCRATIC COALITION UNVEILS ITS TAX CUT PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

Mr. SHERMAN. Mr. Speaker, today the new Democratic coalition, a group of Democrats who have brought our party into line with the real needs of the business community, unveiled our own tax cut plan, and I rise to compare that plan with the Republican plan that was floated over the last 2 to 3 weeks and which the House is likely to address in the next several days.

In doing so, Mr. Speaker, I think that we will discover that this should not be a bidding war to see who can offer the American people or who can offer the business community the largest tax cut, but rather that the business and investment community should embrace the tax cut package which keeps our economy strong and, at the same time, provides essential tax relief.

□ 1930

I have been down this road before, but from a long way away. As a CPA and tax attorney in California, I watched the floor of this House as the ERTA bill, the Economic Recovery Tax Act of 1981, was passed. And there was celebration in the business community. Lower taxes on capital gains; huge depreciation write-offs. No thought of fiscal responsibility. And I had to tell my clients, this was not the tax policy they should want. Because what we saw was an explosion of deficits, a stock market that performed not near as well as the stock market has performed of late. What we saw was a tax bill that needed to be corrected in 1986 and then again in the early 1990s and again in 1994. What we saw was a tax bill that undermined the economy. The lowest taxes that Ronald Reagan could possibly promise the business and investment community did not lead to the highest after-tax return. Instead, it led to deficits, inflation, high interest rates and unemployment.

But, Mr. Speaker, the Republican tax plan that has been floated recently is ERTA on steroids. It gives us a plan to undermine the economic vitality that we have built over the last several years at great difficulty. $900 billion in tax cuts over the next 10 years, nearly $3 trillion in tax cuts over the following 10 years, exploding tax cuts. What does that mean? It means that everything that we have done in building this economy is under attack.

Yes, they say that these are tax cuts we can afford. But just barely, and just if you believe the most rosy of economic projections. What makes more sense is a fiscally responsible tax cut, for two reasons: First, because by paying down and paying off the debt, we will put ourselves in a position where we can assure the solvency of Social Security and Medicare through the retirement of those of us who are baby boomers. We can turn to today's seniors and tomorrow's seniors and say, ''We have done the fiscally responsible thing in the 1990s and you can be sure Social Security and Medicare will be there.'' Just as importantly, in terms of dealing with the economy for the next 5 and 10 years, we can assure the markets that low interest rates are called for, that the high Dow is justified because we here in Washington continue to have our fiscal house in order.

The tax bill that the New Democrats have put forward is a reasonable one. It is news today that the President has announced that he would be willing to go along with a $290 billion tax cut, $50 billion more than his own proposal. Well, our tax cut comes in at just a little over that, a little over $310 billion. It provides a permanent R&D tax credit. It encompasses the President's plan for aid for school construction. It goes a long way toward eliminating the marriage penalty. It provides for credits for those families that have to deal with the responsibilities of long-term care for those who are elderly and infirm. Finally, it provides for estate tax relief so that only the top 1 percent of Americans will ever have to worry about the estate tax. Finally, the people in my district will not have to prepare long estate planning documents.

Mr. Speaker, we should stand for reasonable and fiscally responsible tax cuts, and that is why I think we should adopt the tax cut plan of the New Democratic Coalition.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

(Mr. HUNTER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

REPUBLICAN BEST AGENDA

The SPEAKER pro tempore (Mr. REYNOLDS). Under a previous order of the House, the gentleman from Georgia (Mr. KINGSTON) is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, the Republican Conference continues to work on the BEST agenda: B standing for building a strong military; E for excellence in education; S for saving Social Security and Medicare; and T for lowering taxes.

We worked very hard on the military issues this year and we have a strong military. We will be passing this week the military appropriations bills that fund readiness, modernization and quality of life for our troops, including a pay raise.

On education, we have passed the Educational Flexibility Act that takes power away from command-and-control Washington bureaucrats and puts it back to the teacher, puts dollars to the teachers in the classroom and lets teachers realize that it might be a little bit different teaching Johnny how to read in Georgia than it is in Maine or than it is in California. It might be a little bit different in Savannah, Georgia, than it is in Statesboro, Georgia, or Brunswick, Georgia, and it certainly is different there than it is in New York City. This Congress has recognized that difference and said, ''You know what, these teachers are good, they're competent, they're capable, they don't need busybody Washington bureaucrats telling them how to teach their classroom.''

On Social Security, the President of the United States stood where you are, Mr. Speaker, stood in January and said, ''Let's save 62 percent of the Social Security surplus and use it for Social Security.'' Mr. President, my grandmother wants 100 percent of her Social Security surplus and that because of the Republican Congress is what is going to happen and we are going to put that money, Grandma, for you in a lockbox, so that the President and his bureaucrat cronies in Washington cannot spend it on bridges and roads and other things like wars in Kosovo. We are going to save that for your own pension.

And on taxes. I want to talk to you about taxes. Mr. Speaker, there is one thing that just drives me crazy about these people in Washington. They always talk about this money as if it is their money. A couple of weeks ago, I was taking my daughters Betsy and Ann to Kmart because we had to do what lots of middle-class Americans do, we had to make the Kmart shopping run. We bought a bath mat, we bought an ice chest and we bought detergents and we bought a sleeping bag and we bought a new garden hoe. On the way out the door we noticed flip-flops were $2.50 each so we bought a pair of $2.50 flip-flops. The bill came to $32, Mr. Speaker, and I had two 20's in my pocket, I gave it to the cashier and said, ''Here's $40.'' Now, I overpaid $8. Did the cashier say, ''Okay, now I'm going to throw in some magazines and some bubble gums and a couple of more pairs of flip-flops until we take all your money''? No, that is not what happens. They say, you have overpaid for this merchandise, so here is your money back. This is your $8. Put it in your pocket and spend it at another store, save it, do anything you want.

But in Washington, these people say, ''No, no, that's my money.'' That is what has happened. We have overpaid for government, our hard-working 60- and 70-hour-a-week workers have overpaid for their government and these

people in Washington have the audacity to say it is their money.

And so tomorrow we are going to have a big debate on tax reduction and you are going to hear over and over again that Washington cannot afford these tax cuts. It is the same rhetoric they said over and over again during Ronald Reagan when he passed one of the largest tax cuts in the history of this town. Eighteen million new jobs were created because people had more money to spend on goods and services, and so the economy thrived, interest rates went down, and this is a statistical fact. I do not know why people here are trying to mislead the American public.

Something else happened. Now, at the time we were involved in a Cold War and this Congress, where spending originates, Mr. Speaker, did run up the deficit, and Republicans are partially to blame on that, even though it was a Democrat House. I would say Republicans certainly, Mr. Reagan signed the bill, so I want to share the blame, but I am not going to attribute it to one sector of government. But the fact is that had nothing to do with the tax cut. That had to do with the Cold War and escalation of military spending to defeat the Soviet Union which is what happened and it was done without losing lives unlike previous wars.

But now we are going to also hear about how great the fiscal responsibility was of the Democrats during the Clinton tax increase in 1993 which was the largest tax increase in the history of the country. Liberals in Washington are going to tell you that is why this economy is strong today. I will ask you this question, my liberal friends. Why do we not increase taxes again? Why do we not have more government stimulus programs if it was so good? We all know the answer. The economy thrived despite the Clinton tax increase, not because of it.

What we will be doing tomorrow is returning to the American public their overpayment, and that is why it is the right thing to do. I strongly urge my colleagues to support the tax reductions to the American working class tomorrow.

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 addressed the House. His remarks will appear hereafter in the Extensions of Remarks.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CALVERT) is recognized for 5 minutes.

Mr. CALVERT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.

DEMOCRATIC PERSPECTIVE OF REPUBLICAN TAX CUT BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, I enjoyed listening to my colleague from Georgia who was just at the microphone talking about how the Republicans are working on an agenda and one of the parts of their BEST program was saving Social Security.

I also note with interest that right after the Republicans passed their $3 trillion tax bill, the Wall Street Journal wrote that in order to pay for it, they are going to have to dip into Social Security and take $25 billion out of Social Security to pay for this tax bill.

The fact of the matter is that America is enjoying the greatest economy in the history of our country, the longest economic recovery since the Second World War, we have more people working, more people are buying houses, more people are entering the workforce from people who historically have not been able to find a place in our economy than any time in the country and we have had relatively low interest rates. All of that has happened since the 1993 economic program of the Clinton-Gore administration when this Congress took a courageous vote but was only able to pass it with Democratic Members of the House and Senate, not a single Republican voted for that.

When we voted for that and the Clinton-Gore plan passed, they said that everything was going to go downhill, that interest rates were going to soar, that people were going to be unemployed, the economy is going in the tank, the Dow is going to crash. None of that has come to pass over the last 8 years.

It has taken us 20 years to get out of the hole that Ronald Reagan's tax cuts put us in in 1981. In 1981, we had a huge tax cut that we could not afford. It was sort of like increasing your kids' allowance after you have been unemployed. It sounds good, but it does not make a lot of sense. For 20 years, we have tried to dig our way out of that hole. For the first time we are now looking at surpluses and we are looking at surpluses over the coming years.

But what the Republicans are asking us to do is to take all that economic prosperity, to take those low interest rates, to take that job creation, to take that employment, to take those new homes and roll the dice with those with the tax bill that is $800 billion in the first 10 years and then goes to $3 trillion in the second 10 years.

Now, in order to do that, they tell you that everything is going to stay the same over the next 15 years. You have to believe that nothing is going to change in a negative fashion over the next 15 years. But if you go back to the Wall Street Journal, we already see that the Republicans are starting to think of ways of breaking the current budget caps because they cannot live within them. But the surplus that they want to give people back in tax cuts is predicated upon the fact that those budget caps will not only be enforced at their current levels, they will be reduced so there will be less spending, and yet the Republicans are trying to figure out ways to increase the spending this year because they cannot live under the cap.

I think the American people are on to something. When we look at all of the data, what the American people are saying is we know we have a $5 trillion debt that has been run up over the past history of this country. Now the sun is shining on our economy and people are working and they are buying houses and taxes are being generated. Why do we not pay down the debt? Why do we not save that $150 billion in interest? Why do we not take that interest and apply it to the debt just like a family would if they had a windfall? You would pay off the MasterCard, you would pay off the Visa bill, you would try to get out of debt; and the interest you save, you might use to buy your kids some clothes or you might use for whatever purposes you want. And the interest you save on low interest rates would be applied to your family income. You would be able to refinance your home that so many millions of Americans already have under this economic recovery.

For all of this we are going to pass a $3 trillion tax bill that the Washington Post tells us mainly benefits relatively few people. The wealthiest people in the country get most of that tax cut. But what does it put at risk? It puts at risk every family's well-being. Because even Alan Greenspan said that if he had his way, he would not cut taxes, he would not increase spending, he would just take the savings we are making now in the surplus and apply it to the debt and let the surpluses continue to run because he knows that not every day is going to be a sunny day for the American economy. The clouds are going to come, the economic cycles are going to reoccur and we are going to have some bad times.

What better to go into bad times with than a little bit of extra in your savings account to tide you over? Just like a family does, that is what a Nation has to do. We are going to have some options over tomorrow and the next day. We can decide whether we are going to be prudent, whether we are going to take care of this economic recovery, whether we are going to allow it to last longer so more people can participate, or whether we are going to pick up those dice and just roll them out there on the crap table and see whether we can put it all at risk.

□ 1945

I vote to believe. I vote to believe that we ought to be prudent, that we ought not to take Social Security and Medicare and the education of our children and put it at risk because, understand, if you take the Republican proposal, and you take a $3 trillion tax cut, there is no money for anything else.