course, this kind of thing happens often, the kind of thing that they are trying to deal with; and they explained that for a long time there had been a relatively effective ban on the kind of money coming into politics that has a corrupting influence. They use the words ''corrupting influence.'' It started with the Teddy Roosevelt era. But that interestingly in 1992, the Clinton campaign found a way around it and found a way that they could use soft money in the creation of ads attacking their opponents but doing so sort of in a way that separated them from the ad itself. They could set up these dummy little organizations and run ads that were not part of the campaign, and they could use soft money to fund it. So all of a sudden they found this loophole. Now everybody is doing it, essentially. Once they found out how to do it, both parties use it and certainly many, many organizations use it.

Members know the kind of ad that I am talking about. Many people have seen these ads run, where the group comes on, they usually have some name you have never heard of and they will say something like, gee whiz, isn't it horrible that certain Congressmen would do X, Y or Z. Why don't you call them and ask them why they did such a terrible thing.

Now, Common Cause says that this kind of thing has a corrupting influence on the system, and that is why they would like to try to stop it. They want to try to stop these thinly veiled partisan attacks called issue ads if they could. At least they want to stop the funding that goes into them. They say, as I said, that there is a corrupting influence on the system as a result of it.

I would like to give Members a real-life experience that will point out how corrupt organizations can, in fact, help corrupt the system by making Americans even more cynical. I refer back to a situation that occurred on the floor of this House during the debate on the VA-HUD appropriations act.

There was an amendment to that act offered by the gentleman from New York (Mr. HINCHEY). The amendment struck certain language in the original bill, actually committee language. The committee language was not mandatory. The committee language simply was urging EPA to do or not do two things, two or three things. It had no force beyond just saying we urge the EPA. It did not take any money away from the EPA if they did it. It was a sense of the committee that they should not do whatever they were planning on doing.

In this case they were saying, please don't force water companies throughout the United States to go through the expense of trying to find a standard, a purer standard for water, especially with the elimination of arsenic from the water, until you set the standard. Tell us what the standard will be. Then of course these companies can try to meet it. But if you do not set the standard right away, you will have companies spending all the money getting to a certain point, and that point might not be the one that you eventually determine to be correct. So set the standard. And, by the way, you are suggesting that the standard be 5 parts per billion, EPA, and that makes absolutely no sense; there is no scientific evidence to support that that is the kind of standard we should have, so please look at that.

It also said, by the way, we should not dredge the Hudson River, as you are planning on doing, because when you dredge, the committee said, you stir up the sediments and in fact you put a lot of carcinogenic material into the water supply. So we strongly urge you not to do that.

That was the committee language. The amendment that came to this floor struck that. It would have essentially said, go ahead to the EPA, set the standard at 5, or at least wait as long as you want to do it and go ahead and dredge. So a vote against that amendment was a vote essentially, especially when you talk about sediments, it was certainly a vote for clean water.

I think, by the way, 216 Members of this House voted against the amendment and prevailed. They were in the majority. I was one that voted against the amendment. Shortly thereafter, the Sierra Club began to run ads in my district against me, essentially saying that I was for dirty water. This is the kind of corrupting influence, saying something like that which is, by the way, libelous. It is not just wrong, it is libelous. But they did it, and this is the kind of thing that Common Cause is talking about, and this is the kind of thing that should be stopped.

□

QUESTIONS REGARDING REPUBLICAN TAX BILLS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. EDWARDS) is recognized for 60 minutes as the designee of the minority leader.

Mr. EDWARDS. Mr. Speaker, one of the most important issues facing Congress this year is how we should address the use of the surplus, the projected surplus this year and in the years ahead. The purpose of tonight's special order is to address three questions regarding the Republican tax bills proposed as a response to the projected or possible surplus.

The first question we want to address is, are the Republican tax bills fiscally responsible? The second question we want to address is, are the Republican tax cuts proposed in the House this year fair to average working families? The third question we want to address is, what major national priorities if any do the proposed and House-passed Republican tax cuts crowd out, other high national priorities?

Mr. Speaker, let me say that over the last several months, I have heard a lot of speeches about values. It is good that we discuss values. Values are an important part of who we are as an American Nation and as American individuals and families. But I would suggest that as Members of the House, how we vote on the question of spending the people's money says more about our values as Members of Congress than all the political speeches in the world.

Let us go back to the first question we want to address this evening. Are the Republican tax bills fiscally responsible? I would suggest the answer to that question is no. First, let us look at the cost of those tax cuts that have passed the House. Because of the strategy of divvying up the pieces of the pie, a lot of Americans and Members of Congress have not really put together those pieces to figure out what the true total cost is of just the tax cuts proposed and passed in the House this very year alone. The answer to that question is those total $573 billion over 10 years.

Now, Mr. Speaker, if we include the additional interest cost as a result of those tax cuts, the House has already passed a series of tax cuts that almost total the total amount of the massive tax cut passed in the House last year that the American people rejected overwhelmingly as being irresponsible at a time when Americans felt we should pay down the national debt.

Let me make several key points about the question of fiscal responsibility. Some say that we ought to pass these massive tax cuts because this is the people's money and they have earned it, they are paying it, they should get it back. I would agree with that point. There is some credence to that point except for one clear, undebatable fact, the fact that we have a $5.6 trillion national debt. That is not just some sort of vague number that most of us cannot relate to because, in fact, the average family in America pays about $1,000 per man, woman and child in interest payments on that national debt. That interest payment, paid for by our taxes, does not educate one college student, it does not help train one Army soldier, it just is paying off the interest on past national debt.

So I would suggest it is fiscally irresponsible most clearly to pass these massive tax cuts based on projected future possible surpluses because we ought to be paying down the $5.6 trillion national debt that is soaking away money from taxpayers and other high national priorities.

The second point about fiscal responsibility I want to make is this: all of these projections, including the most recent Congressional Budget Office projections, are just that. They are projections. I often hear from my colleagues, and I think it is good advice, we ought to run the government like a business. We do not often do that. I would suggest that if a business in any district in this country were to say, we

project our revenues and profits over the next 10 years to be an extra couple of trillion dollars, and therefore we ought to go out and spend money right and left, give our stockholders dividends, give massive salary increases to our employees and our executives based on nothing more than hopeful projections for 10 years, I would suggest that company would be bankrupt very, very quickly. Clearly, a business cannot go out and say, These are our projected revenues for 10 years; therefore, let's spend all that money, either in new spending programs or in the tax cuts proposed and passed in the House by our Republican colleagues.

I would like to ask whether there is any Member of this House that would be willing to bet his or her net worth on any economist's projection for the next 10 years. What we have learned is that the projections over the last 10 months have been off to the tune of possibly trillions of dollars; and to invest, to bet, to gamble our children and grandchildren's future that economists' projections of Federal tax revenues over the next 10 years are going to be exactly correct is just that, it is a gamble and it is an unfair gamble at the risk of our children and grandchildren's future.

Mrs. THURMAN. Will the gentleman yield?

Mr. EDWARDS. I am glad to yield to the gentlewoman from Florida who has been a real leader on the Committee on Ways and Means in discussing the tax issue this year in Congress.

Mrs. THURMAN. Focusing in on just that issue here for a moment, and I hate to break your steam here because you are doing a great job.

Mr. EDWARDS. I appreciate the gentlewoman's involvement.

Mrs. THURMAN. We have also offered on this floor similarly to what we offered and was passed on the CARA bill, which was the conservation issue, that nothing would be spent until we could and made sure that Social Security and Medicare were preserved. And any one of the other instructions that we have offered since that on every issue except for the tax issues, we cannot get that guarantee. Based on this assumption that there will be a surplus, there could be a surplus, there might be a surplus, and yes, it looks good for the country but we are still working off of assumptions, it would seem to me that the pressure should be put on Republicans to make sure that in fact we do guard against those issues that we all feel are very important and, that is, Medicare and Social Security. When those have been offered, they have been turned down, particularly on the tax issue. I do not understand that.

Mr. EDWARDS. Certainly no business would be able to make that kind of hopeful projection and say we will commit our company's resources for the next 10 years to a massive extent of expenditures or extra dividends to stockholders based on perhaps a very optimistic assumption, in fact what I think is an unrealistic assumption in this case, about the Nation's economy over the next 10 years.

But I think the gentlewoman is correct. I do not recall one bill coming out of the Committee on Ways and Means on which she serves that has come to the floor that has said, now, these tax cuts are contingent upon every assumption in these grandiose 10-year projections coming true. The fact is the way they have passed these, we could have, for example, an economic crisis, we could have a military crisis throughout the world that could dampen a 10-year projection of a 2.7 percent increase over the next 10 years in our economy, projecting no recession for a longer period of time than has ever occurred in this country without a recession. They do not have any qualifiers saying, we will qualify those tax cuts based on what happens to the economy.

□ 1900

To me, that is the kind of thinking that got us in the 1980s into what is today a $5.6 trillion national debt.

Mrs. THURMAN. If the gentleman would yield, not looking at what potential emergencies we could hit in this country. We have continued to pass over the last couple of years emergency spending, which continues to kind of eat into some of these surpluses as we know them.

Mr. Speaker, we do not know what emergencies might be ahead of us, and we are not making any provisions for the kind of rainy day that could potentially happen in this country.

Mr. EDWARDS. In fact, to comment on that, I thought one of the shortfallings of the Republican tax bill last year, that the American people so overwhelmingly rejected, was that it assumed there would be no national emergency over 10 years.

I cannot recall in a 10-year period where we have gone without having a tornado, without having a drought for our farmers and ranchers. In fact, within days before the ink was dry on passing that legislation through the House, the very same people who said there would not be emergencies for 10 years, voted in favor of expending, I think, $10 billion to $15 billion, perhaps more in emergency spending just for that one year. And yet their assumption assumed there would be no emergency spending over 10 years.

Mrs. THURMAN. That is correct.

Mr. EDWARDS. I think what we are saying is this is an economic sand castle built on a foundation of sand; and it would be much more prudent in business and in government to be very cautious, whether it is new spending programs or whether it is tax reductions, to not commit that expenditure of dollars up front, not knowing whether 10 years of projections would be true.

I would like to ask the Member, the gentlewoman from Florida (Mrs. THURMAN), if the gentlewoman recalls any major national economist predicting that oil prices were going to double over the last several months.

Mrs. THURMAN. No. No. And therein itself is a perfect issue as it comes to the defense issue, because now we are wondering how we are going to continue to keep things rolling and not have some kind of an emergency on funding because of the gas price issue that we are dealing with.

Mr. Greenspan and others have been before our committee several times over the last couple of years and never once was it mentioned that we potentially would have the prices of gas go up as they have. Hopefully, they are coming down; but, in fact, they have gone up. No, it is a serious problem.

Mr. EDWARDS. I think, Mr. Speaker, our point is that we live in an uncertain world. We are not here to belittle economists and their role in our society; but we are here to say that it is truly unrealistic, and it is frankly disingenuous to suggest to the American people that these economic projections are absolutely going to be correct.

Again, I would like to see which Member of this House, of either party, would be willing to bet his or her family's net worth on the assumption that these 10-year projections will be within 1 percent or even 10 percent or 20 percent correct, and I came here in January of 1991. I know that not even the best predictions of our military intelligence community could have predicted a few years earlier that Saddam Hussein would invade the country of Kuwait. So the point is we live in an uncertain world, and to pass certain massive tax cuts based on an uncertain world with inexact, inexact science of economic 10-year projections really is a prescription for returning to the old politics of the 1980s for which our children and grandchildren will have to pay a very significant price.

Mrs. THURMAN. Mr. Speaker, if the gentleman will continue to yield, one of the things that does concern me in all of this, too, is the way that somewhat it has been crafted. It is very easy to go home and say we are only going to spend $55 billion on the marriage tax penalty, and they think that is reasonable. Quite frankly, it sounds reasonable.

But then when we start looking at the 10-year projections; we are talking about $248 billion. And the exact same thing happens with estate tax or death tax. It starts off with a moderately low number, and I can go home and I can say well, you know, this is only going to cost us $28 billion over the next 5 years, but in the 10-year costs, it is $105 billion; and that is when it goes into full effect. And then it can be as high as $750 billion, which is by all accounts the surplus. That gives us nothing for Medicare, nothing for shoring up Social Security, nothing for debt reduction, and many of the assumptions that we make to make this country continue to move ahead as it has been is to buy down the debt so we can get rid of the interest payments so that we have dollars available to us.

Mr. Speaker, I say to the gentleman from Texas (Mr. EDWARDS) some say we might look a little conspicuous up there that we might be against tax relief to the American people. In 1997 we had a wonderful bipartisan, huge fight, we had big fights on the floor, and I do not even know that it got sent to the President, I think it got worked out before it went to the President; but the fact of the matter is we all voted. And my guess is that the gentleman voted for it, too; we did a reduction in capital gains.

We gave student interest loans. We did the mortgage interest so that anybody that had a home every 2 years would have no capital gains for a $250,000 to a $500,000 home. I do not have a lot of those in my district, but we said, look, we need to give back some of this. We need to make sure, but the difference was we also gave through the earned income tax credit a little bump, and we did some things that spread the cost of these tax cuts to not only the wealthy, but to the middle and to the poor.

If we are going to be fiscally responsible, and we have asked people since the 1980s to help us dig ourselves out of this, the very least we could be doing is giving back to the entire population and, in these cases, is not limited.

Mr. EDWARDS. In fact, I hope we can speak in just a few moments about the question of are the proposed Republican tax cuts in the House this year fair to average working families; and maybe I can conclude on the first question that we want to address tonight, and perhaps the gentleman from North Dakota (Mr. POMEROY) would want to respond and discuss also the issue of the fiscal responsibility of this as well as get us into the question of are the Republican tax cuts fair to average working families or not.

I want to conclude by saying this: the 1997 tax reconciliation bill not only had tax cuts that benefited a wide range of American families of all income levels, but it also had spending cuts. Many of those tax cuts were paid for. I have not seen pay-fors for the Republican tax cuts that have passed the House this year. The pay-fors are a hope and a wish, a hope and a wish that some economist who we do not know his or her projection is going to be correct for the next 10 years. If they are wrong, our grandchildren, our children are going to pay a dear price.

Mrs. THURMAN. Is it not true that one of the ways that we have dug ourselves out of this debt so we do have or at least get to have a conversation about surpluses and debt reduction is because of the rules of the House as pay-as-we-go, both on spending and on tax limitations? I mean, it is a pay-as-we-go; and to the public that means that if we decide we are going to do something, just kind of like in your own family, if we are going to buy that car for your child who is going to go off to college, then over here we have to limit what we are buying over here, so that we can pay for it.

I mean, that is how I have always understood it. And, of course, I was not here when all the pay-fors and as-fors came into contact, but it certainly has been something that when we are doing fiscal responsibility that if we really believe that that is how we got in the position of being able to even talk about tax reduction that we did it through fiscal responsibility.

Mr. POMEROY. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS. I yield to the gentleman from North Dakota.

Mr. POMEROY. Mr. Speaker, I want to participate in this discussion and commend both my colleagues for basically stepping back and looking in a broader context at what has been taking place here on the floor week in and week out. It really is a time to see if we cannot really see the forest for the trees, because I think that we are right in the middle of accumulating a record that is horribly irresponsible at a time of such wonderful opportunity for the American people.

We have through dint of fiscal discipline in Congress, and the wonderful innovation and hard work and productivity of the American people, worked ourselves out of deficits that were threatening the future of this country. We now stand with surpluses running and projected in dollar amounts never seen before. We have the opportunity at this point in our Nation's history to eliminate debt held by the public.

I guess if there is one thing that any family would want to pass to its children is better opportunities than they found them. I know that was certainly my parents' burning commitment to us as children. By golly, I feel the same thing about my little ones. How about collectively we do that for the next generation to follow and leave this country with no debt held by the public? As we move into retirement, all of these baby boomers, we do not entirely know what is going to happen, but we do know if the country does not have any debt we are in a darn sight better position to deal with whatever may come than we can carry on those trillions.

Mr. EDWARDS. If I can respond, I know the gentleman from North Dakota (Mr. POMEROY) has small children. I have a 3-year-old and a 4-year-old, both sons. I can think of a few things that I would like to pass along to them as one Member of this House and to say to their generation, we are going to take a Nation that was $5 trillion to $6 trillion of national debt and pass on to your generation a debt-free country.

When we talk about tax cuts today, it does not take a lot of courage to take our grandchildren's credit card and with that credit card charge multi-trillion dollar-tax cuts, most of which will go to the wealthiest families in America.

I have a problem with the child or grandchild of an average working family having to take their credit card from their generation to give Bill Gates a tax cut, as has passed the House this year. I think that is unfair.

Going back to the comments of the gentlewoman from Florida (Mrs. THURMAN) minute ago, it is the pay-for philosophy and rules of the Congress that have gotten out of this terrible hole where we are mortgaging our children's futures of the 1980s before we came to the House.

It is the free-lunch bunch mentality of tax cuts do not cost anybody anything and let us not offset tax cuts with spending cuts. It is that free-lunch bunch mentality that got us is in trouble in the 1980s. Just as we are climbing out of that horrible hole, what a horrible mistake for our children and grandchildren it would be to take that free-lunch mentality and go back and add up the national debt, rather than pay off the national debt.

Mr. POMEROY. Mr. Speaker, if the gentleman would yield, one thing that surprises me about all of this is the American people have evaluated the proposition of a gargantuan tax cut going primarily to the wealthiest families and crowding out other priorities. They rejected it. One year ago, just before heading off on that August recess, we voted on this $700 billion-plus tax cut advanced by the majority.

We were told they were going to go home and sell this to the American people. And when the President vetoed it, the first thing we would do in September is override that veto, and those who had voted against that tax cut would be bludgeoned into supporting it by their outraged constituents because it was going to be so popular. Guess what?

The American people took a look at it. They said that is irresponsible. It is not fair. It is not the time, and it does not reflect our priorities as a country. Forget about it. And that bill, the only one I can remember every vetoed was not brought back for even an override. In the 4 terms I served in Congress, I cannot remember an instance where they did not at least even try, but this thing did not work.

Mr. Speaker, 1 year later, what is the majority doing? It is pretty crass really, taking it in bites, the whole package was rejected. So we will pass it chapter at a time as a stand-alone bill. How dumb do they think the American people are? I will tell my colleagues something. I do not think they are dumb at all.

I think they are the same responsible folks that rejected that gargantuan, irresponsible proposal of a year ago, and they will this time when they see it in its full context.

Many of us might have had the situation of resisting the temptation of a large piece of cake then nibbling our way through the pan as the afternoon goes on. The effect is the same.

Mr. EDWARDS. Mr. Speaker, I have also learned, speaking of cake with a 3-year-old and a 4-year-old at home, that if we give them the ice cream first, they are very unlikely to eat the vegetables and the meat.

If we pass in effect a trillion dollar tax cut this year, we are not going to see the House having the courage to pass a trillion dollars in spending cuts to match that. So what we are going to do is we are going to decrease their ability to pay down the national debt.

Let me point out when we do that, we are really increasing taxpayers interests on the national debt. So I guess in conclusion to our first question tonight, the Republican tax cut proposals that have passed the House so far this year, are they fiscally responsible? I think the answer is no.

They are based on uncertain, perhaps terribly false assumptions about where the economy in the world will be over the next 10 years. They ignore the fact that we already have a $5.6 trillion national debt.

Let me clarify. Nobody on this floor tonight is suggesting tax increases. We just want to make our top priority paying down the national debt, which is probably the best way to get a permanent tax cut to the gentlewoman who sits on the Ways and Means Committee. The best way to give a permanent tax cut to the American people is to pay off the national debt.

□ 1915

That would free up $200 billion a year. Now, to put that in perspective, that $200 billion could be passed as a major tax cut, a permanent tax cut. It could fund two-thirds of our national security needs in America, over two-thirds, in fact, of our military budget. College loans could be provided for students all across this country; grants. All sorts of things could be done, including permanent tax cuts with that.

So I think it is very clear to me, when we look at the facts, that Republican tax proposals this year are fiscally irresponsible and perhaps that should take us to the second question. That is, if we are going to have tax cuts, whatever level they might be, a trillion dollars or a billion dollars, should they not be fair to average working families? I think that would be a good discussion to have, and I would just start it by making one point and then yield to my colleagues.

I did a little research on the 1999 tax bill that passed the House, that ultimately the American people rejected so clearly that our Republican colleagues did not even try to bring it up for a veto override after they listened to the American people and their constituents in August. I did a little research and I found out that a working family at the lower end of the income scale, compared to the richest 1 percent of families in America, would have to have been born 32 years before the signing of the Declaration of Independence to enjoy the same tax benefits over all those 200-plus years that the wealthiest 1 percent of families got in year one.

Now, even with the miracles of modern medicine, I do not think the average working family is going to live that long, the point being that the tax cuts were skewed to help the wealthiest families in America. I think the proposals this year reflect unfairness.

I yield to the gentleman from North Dakota (Mr. POMEROY) to talk about the distribution of the Republican tax cuts and then to the gentlewoman from Florida (Mrs. THURMAN) who is a member of the Committee on Ways and Means that handles these tax measures.

Mr. POMEROY. Mr. Speaker, I think the gentleman's question really cuts to the heart of it because, after all, we are for tax cuts in the context of a plan that gets the debt eliminated, deals responsibly with the other needs and priorities we have, but as we approach that tax cut we want it to be one that reflects the broad cross-section of this country, not just to go to the most affluent, perhaps the financial base of the majority party but not the rank and file of all of our districts.

The fact of the matter is is most people in this country do not make $100,000 a year. In fact, on average, the bottom 60 percent income levels earn less than $39,000. I think that this chart here, prepared by the Citizens for Tax Justice, lays it out pretty clearly. Here is the stake of the plans passed so far and in the pipeline by the majority of the bottom 60 percent. The bottom 60 get 8.9 percent. Now, the next 35 percent, those from $39,000 to $130,000, get a third of the package, leaving almost two-thirds for the top five percent.

Why should two-thirds of the taxes go to the top 5 percent of the people in this country?

Tax cuts ought to go to those who most need them, and obviously the top 5 percent income levels in this country are not those that have the toughest time with the family pocketbook issues, affordable health care, saving for retirement, getting the children to college. So why would we want to pass almost two-thirds of the tax cuts and send it to them? I think there are folks that need it more and they ought to have the high priority.

A Committee on Ways and Means analysis of the tax cuts passed so far by the Committee on Ways and Means shows that about half, the lowest half in terms of wage earners, would get on average about 100 bucks a year; whereas, the top 20 percent would get 76 percent of the benefit or more than $2,000 a year if one figures on equal dimension.

The top 10 percent gets 60 percent. The top 5 percent nearly half, as reflected, and the top 1 percent 27 percent.

Now, those are different slightly, depending upon which tax bills were figured into the measurement, but one thing is precisely consistent, regardless of the tax measure the majority has advanced. It is skewed to the most affluent in this country.

Now, believe me, the most affluent in this country play critical roles in making our economy run, building our businesses. We honor their participation in our economy but that does not mean they have the hardest time with the fundamentals of making a go of it as a family, and, therefore, should not be first in line to soak up most of the tax relief we pass. Let us get the tax relief to our middle income families who are having the toughest go of it, and I think those are the distribution issues that are so troubling about the construction of this tax plan. It is a huge tax cut plan that forgets about eliminating the debt and other priorities we have as a country, and then they do not even distribute it fairly. Far from the middle class getting the benefit, this thing is skewed to the wealthiest people in the land and they are not the ones most in need of this kind of tax relief.

Mr. EDWARDS. Mr. Speaker, I would like to yield to the gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Mr. Speaker, this number has escaped me. How many people do we have or how many families do we have in this country? Does anybody know? About?

Mr. EDWARDS. Three hundred million total population; about 270 million or so citizens.

Mrs. THURMAN. Mr. Speaker, if the gentleman will yield then, I found this very interesting. Working off the numbers of the gentleman from North Dakota (Mr. POMEROY), and I love this guy because he is so good at numbers, I mean he just knows this stuff, but one of the numbers that stuck with me was that if one thinks about the 270 million people, that top 1 percent that we have talked about or top even 5 percent is only about, ready, 1.2 million families; 1.2 million, out of 270 million or say even out of half of that being 135 million people. Right? They get the 27.5 percent of the total tax.

The bottom 20 percent, which gets about 8.9 percent or whatever, is 22.4 million families. So one can just see, we can talk real numbers here with real people about what is happening; but I have to say, the number that got me, the number that absolute blew me away when we were doing the markup on the estate tax and all of us, and including in the Democratic substitute, were willing to raise those thresholds to $2 million or $4 million, somewhere around there, because just like we find out these numbers we also know how many people would actually be the beneficiaries of the estate tax, this blew me away.

Fully implemented, if we took the numbers today of how many people would be included, now remember this was between $500 billion to $700 billion, not million but billion, almost the surplus numbers, ready, and the gentleman from North Dakota (Mr. POMEROY) may have a city in his State that is only this big, 43,000 people, and that is it, get to share $500 billion; 43,000.

If we do not have that money when the time rolls around, talk about that credit card, who do they think they are

going to get to make up that money? Do they think they will go back to those 43,000 people to make up that $500 billion to $700 billion? I do not think so, and that just puts more burden on us.

Is not that an outrageous number? I mean, I do not know, but if the gentleman from North Dakota (Mr. POMEROY) would help me here, how many of those people are even in the State of North Dakota?

Mr. POMEROY. Let us talk about the estate tax provision because I do think it is one where clearly the multi-multi-millionaires are the largest beneficiaries.

I noted with interest the debate. I represent a farmer's State. I arguably represent more production acres than any other Member of the House of Representatives, and when they are talking about the farmer's need for this estate tax relief and the small business owner's need for this estate tax relief, I paid close attention because those are the folks I speak for. Well, we came up with a proposal that would have allowed $4 million on a unified credit in estate tax relief, and I was wondering, is this sufficient?

I got a USDA figure. Ninety-nine percent of the farms in this country have a net worth of $3 million and below. We took it up to $4 million.

So this business about this being a farmer-driven issue, this being a small business driven issue, that is fiction, that is bait and switch. They will hold out the farmer, they will hold out the small business owner. Believe me, repeal of the estate tax is not about them at all. It is about the wealthiest few in this country, and if we direct our tax relief there, look, if we had unlimited resources, I would say fine, fine; but if we give it there, then we darn sure make sure that middle income families do not get the relief that they need.

The people at the very top earning levels of our country do not have the month-to-month pinch in their cash flow that creates nearly the compelling need for the tax cuts that our working families as they struggle to pay for their college tuition for their children, as they struggle to get access to health care, as they struggle to put some money aside for retirement. Those are real needs for real Americans, and if we give it to the wealthiest few we do not have it for them.

Mr. EDWARDS. In fact, as I look at the Republican-passed estate tax, and I supported the Democratic alternative that was much more fiscally responsible and helped most farmers, ranchers and small businesses, but I look at the Republican estate tax plan, it is essentially this, that the majority party in this House is saying we can afford to spend $500 billion over the next 10 years.

Guess what? Ninety-eight out of every 100 Americans will not get one dime of that. So, Mr. Speaker, what I would say to the American people is that next time they go into a room of 100 people, think about the estate tax. Look around them. Five hundred billion dollars is going to be spent throughout the country, but of the 100 people in that room only 2 will get a single dime out of that.

The single mother working hard trying to, as a waitress, find a way to pay for child care and put her children through school, the $30,000 a year working family, the average working family in America that goes to work and works hard, sometimes two parents trying to save money for their children's education and a little bit for their retirement and pay their utility bills, they do not get a dime out of the estate tax; but the richest 329 families in America will get over a billion dollars a year in tax benefits out of this.

So it is just amazing to me, at a time when this House has not found a way to get all of our Army soldiers off of food stamps, we can all of a sudden say but, however, we cannot afford to get our Army soldiers off of food stamps but we can pass a $500 billion tax cut over a 10-year period where over 100 percent of the benefits go to 2 percent of the wealthiest families.

I am not here to attack wealthy families. I respect and admire them. I am not here to raise their taxes. In fact, they had their taxes cut significantly just a few years ago when we reduced the capital gains tax. In fact, the reality is that some of the wealthiest families in America pay less on their income than the poor average working family. The waitress that works 30, 40, 50 hours a week, the two-income family that makes $40,000, $50,000 a year, they pay more income tax because their tax rates are in the 30 percent range. The billionaire who makes most of his or her money off of capital gains on stock investments are paying 18 percent. So the wealthiest have already gotten a tax cut, and that was passed for reasons to encourage investment in this country.

Now we are adding on top of that; one hundred percent of the benefit going to 2 percent of Americans.

Again, I would remind the American people that means 98 out of every next 100 people we see will not get one dime, but I can say what those working families will get. They will get an extra $11.5 billion interest payment on the national debt because of that tax break for Bill Gates and Ted Turner and the richest families in America. They will get $11.5 billion increase in interest payments that they will have to help contribute and pay for, their children and grandchildren will have to pay for. So the working folks not only do not get a dime of the estate tax as proposed by the Republicans, they are actually having to pay for it. That is simply unfair, and that is what this part of our debate is about, are the Republican tax proposals fair?

□ 1930

Mrs. THURMAN. Mr. Speaker, I actually was at a function on Friday night for the Key Training Center, which is for children with mental retardation, and I have to tell my colleagues something. I went to a friend of mine who I know is a Republican and is an accountant. I said to him, and I will not mention his name, but I said, tell me what you think about this. I mean I wanted to make sure that I had a clear understanding, because I do have farmers, as the gentleman from North Dakota does, and the gentleman from Texas (Mr. EDWARDS); although I do not believe that the gentleman from Texas (Mr. GREEN) has farmers in his district, and he said, KAREN, I do estate planning. He said, they know how to make sure that they are not paying this money. They know how to make sure that that is going to be passed on.

Yes, there are a few out there; I think the farmers and the small businesses that we have talked about that have some assets that are based on land and some equipment and some things that are not necessarily done through a paper shuffle, they have some issues, which is why the democratic substitute looked at it and we said, we need to take care of this. Or, in fact, why we raised it and voted for less than 3 years ago in 1997. I mean we raised the estate tax, we did that too, and it was signed by the President in a bipartisan way.

So I think that when I talked to this guy and he said, KAREN, I think you are right on this. Actually, KAREN, I know you are right on this. Because we all need to have that gratification, knowing that we are doing the right thing and we go to the professionals out there, we talk to the people in our district. We find out those people that deal on these issues, and they are coming back saying exactly the same thing, that some of these numbers and some of this conversation that we have had with other folks is, in fact, true, that this is not necessary at this time; that there are bigger issues that this country faces than to just give a few people in this country that are already able to send their kids to college, that are already able to buy a home, that are already able to put money aside for their pensions, that already have advantages that many of the other folks do not have. We are talking about people that are making anywhere between $50,000 to $60,000, and they are not getting but maybe, at best, $19 to $185 out of a tax bill.

Mr. EDWARDS. Mr. Speaker, reclaiming my time, I would say to working businesses, small businesses and farmers and ranchers, if your business, your ranch, your farm are worth $4 million or less, the democratic estate bill will actually help you more quickly than the Republican bill.

Mr. POMEROY. Mr. Speaker, if the gentleman will yield, that is a very important point. We got help for them next year up to $4 million. We took the lead just 3 years ago, as was mentioned by the gentlewoman from Florida (Mrs. THURMAN), to move it up to $2.6 million

on a unified credit. We now propose taking it to $4 million, and next year a lot more relief than we see under the majority bill.

Mr. Speaker, we see the majority bill really is not about helping farmers or small businesses. It is geared to the wealthiest families in this country, and that is why the long, slow phase-in so that they can get the super-rich involved in the package.

Mr. EDWARDS. Mr. Speaker, as I yield to the gentleman from Texas (Mr. GREEN), I would just summarize my comments on this fairness question in this way: I think Democrats feel that we do not have to give Bill Gates and Ted Turner and Steve Forbes a massive multi-billion dollar tax cut to protect the family farmer in Lomita, Texas or Gatesville, Texas or the small businessperson in Texas.

Mr. Speaker, I would like to yield to my colleague from Houston (Mr. GREEN), who is a key member of the Committee on Commerce.

Mr. GREEN of Texas. Mr. Speaker, first I would like to thank the gentleman for organizing this Special Order tonight on the issues of the tax cuts. I just came in to talk about the fairness and what we are not funding, because I think that is important. But my colleagues in North Dakota and Florida and the two of us from Texas, we recognize what is important, that we are considering a budget and a marriage tax penalty and an estate tax proposal that only benefits the wealthiest of Americans and does nothing to help the working folks in my district. I have to admit, we do not have any farmers in urban Houston, but we do grow our backyard gardens, we have tomato plants and peppers, but with this heat, they are all dead now.

But I think the graph and the distribution that our colleague from North Dakota has, and I have the smaller version of it, shows almost 60 percent of the marriage tax penalty benefits and the estate tax will go to those percentage of 130,000 or more, the top 5 percent of the income brackets. That is what that shows. I think it is frustrating.

We want the opportunity to show the American people that we can work together on a bipartisan basis and agree on a tax resolution and a budget that is fair.

The gentleman mentioned the democratic alternative on the estate tax. Mr. Speaker, $2 million per person in Texas, $4 million because it is a community property State, although I know it affects every other State now, is not that huge tax cut for the wealthy, it will benefit the small business people, a machine shop owner in Houston who may be on a third generation who has built up his machine shop to where it may be substantially beneficial, or the rancher or farmer in west Texas or North Dakota, $2 million is a lot of money individually. We wish we could get to that point.

My concern about the Republican plan, and the gentleman has mentioned it, if we do this, we will see higher interest rates and force huge deficits, go back to those deficits, and we will see these tax increases in the future on our children and our grandchildren.

So before we hastily rush into these bills, we need to make sure that we realize that there are certain programs that we have to do and talk about what we may not be funding. But all of us are for tax cuts, Democrats and Republicans, who just need to be reasonable. I think the difference, though, is that we are concerned about making sure we have money to pay the service personnel, the defense of our country, to save Social Security, modernize Medicare, pay down our national debt, as the gentleman mentioned, how important that is for our own tax rates, for people who are going out and buying cars or mortgaging a house, or even that small businessperson going out on the market and saying hey, I need an inventory loan.

By paying down the national debt, we are lowering our taxes. Educating our children, making sure that businessperson has qualified employees that will come in. Educating our children is not free. It is expensive, it costs local and State dollars, but it also requires Federal resources to help so we can bridge that gap on what local and State resources cannot do.

So I have met lots of my constituents over the last few months, and the number one concern I think is insolvency of Social Security and a prescription drug benefit for our seniors. We need to make sure that we balance that. We can have reasonable tax cuts and yet still make sure that we support those programs, the defense of our country, Medicare prescriptions, and Medicare itself, and the education of our children, that will not be a balanced budget-buster, like what we will see if all of these are passed, and thank goodness the President will veto them.

Mr. Speaker, I cannot help but mention one project, because my colleague from Waco knows the Port of Houston project. We have critical projects all over the country. With the gentleman's help, we have been able to make sure the Port of Houston project is on line to be completed in the time frame. That is not free, but it will pay down the line, it will pay in customs duties, it will pay in local taxes that we will ultimately pay back. There are times we are going to have to say no, we cannot do these infrastructure projects that will ultimately pay more than if we give these huge tax cuts now.

So I want to thank the gentleman for his effort on the Port of Houston project and also thank him for tonight, in making sure that we have the opportunity to give our side of it and say, we are for tax cuts, we are for reasonable ones that also take care of Medicare, Social Security, infrastructure and education for our children, and paying down the national debt.

Mr. EDWARDS. Mr. Speaker, reclaiming my time, I want to thank the gentleman for his comments. He summarized some very key points.

For our debate tonight, I think the first question we wanted to raise was, are these, in effect, trillion dollar proposed tax cuts fiscally responsible? The answer is no. The second question is, are they fair to average working families? The facts are they clearly are not. The third point I think perhaps we could get into and mix with the debate of the fairness of the tax cuts is, if we were to have this $500 billion, or even the proposed $1 trillion in tax dollars to spend over the next 10 years, should they all go to these particular tax cuts or should they perhaps be balanced between tax cuts, paying down the debt and supporting some other major national priorities?

I think we ought to continue this discussion with about 12 minutes that we have left in this hour of debate on the crucial issue of how are we going to reflect our values as a Congress in the way we spend the projected surplus. I would like to get into the issue of not only the fairness of the tax cuts, continue that debate, but also talk about how perhaps this massive size of tax cuts, bigger in sum total than last year's proposed cuts projected by the American people, how do these proposed tax cuts cut out other high national priorities? Unless, of course, you are part of the free lunch bunch, in which case you can cut taxes, have massive increases in defense spending, adequately fund domestic needs and pay down the national debt. But I hope we grew beyond that free lunch bunch mentality that got us into a massive national debt position in the 1980s.

I yield to my to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding. What can we not do? What priorities have been crowded out if we pass the revenue plans secured to the wealthiest in this country of the majority?

Well, let us start with one that was considered last week in the Committee on Ways and Means and was deemed to be too expensive by the chairman of the committee, the very chairman that has supported virtually every one of these tax cuts, including the unlimited estate tax relief that we have been talking about.

The proposal that he believes we cannot afford is one that would help middle income families save for retirement.

Mr. Speaker, we have one-third of the people in this country with no retirement savings whatsoever. And of the IRA-eligible, where the $50,000 and below household can contribute to that and deduct that contribution, only 4 percent of all eligible households are using that IRA. We need to go back to the drawing board and recognize that we have to have a more meaningful tax incentive to help people with their savings challenge.

There is no better savings incentive than a match on a contribution. As

Federal employees, one puts money in the Thrift Savings Plan, and then the employer, the Federal Government matches that contribution. We could pass a tax cut that matched by a tax credit to the tune of 50 percent that contribution to savings. That proposal was considered. It was voted down, virtually on party lines. It will be considered on the floor of the House this week.

Mr. EDWARDS. Mr. Speaker, reclaiming my time, I want to be sure I am clear. The same House leadership that said we could afford to give Bill Gates a massive tax cut this year, said that we cannot afford to provide tax incentives for middle and lower income working families to save for their retirement; is that correct?

Mr. POMEROY. Mr. Speaker, that is precisely the sorry circumstance that this issue presents. They said we could not afford it. We could not afford to take a family making $30,000 trying to save for retirement, we could not give them a tax cut. So that if they get $2,000 into an IRA, we give them a tax credit of $1,000, representing essentially a 50 percent match on their contribution. There is no better savings incentive than an employer match through this tax cut to middle income families. We could essentially give them an Uncle Sam match, helping them save for retirement. They said we could not afford it.

I cannot think of anything more important than helping middle income families save for retirement. That is what ought to be the priority. We need to help people save for their later years before we get around to aiding Bill Gates with his estate dilemma.

Mr. EDWARDS. Mr. Speaker, I appreciate the gentleman's comment. The question is, if we have a certain amount of tax cuts to provide, who are we going to give them to? I think the American people ought to ask, whose side is Congress on? Are we going to be on the side of the working folks that are struggling or the wealthiest one-tenth of 1 percent of Americans who have already gotten a substantial tax cut over the last several years?

I again yield to the gentlewoman from Florida (Mrs. THURMAN).

□ 1945

Mrs. THURMAN. In my former life I was a math teacher, so we could play a little game here, if Members would like to. I think it would be very advantageous, because I think it can show really significantly that we are not against tax cuts, and that we have offered to the other side to negotiate and participate in these issues, but the question is as to how it is going to happen.

Let me say to the gentleman from North Dakota (Mr. POMEROY), we had the marriage tax penalty on the floor here today, $182 billion, the alternative is $90 billion, somewhere around there, that would have really taken away the tax penalty for marriage, okay?

If my numbers are right and we did this tax credit that the gentleman is talking about for folks, $30,000, $40,000.

Mr. POMEROY. All the way up to $80,000 on the Committee on Ways and Means bill.

Mrs. THURMAN. If I remember correctly, the number that was given as kind of the estimate without being scored was about $50 billion. So if I take 50 from 184 that leaves me 134, so I still now have $44 billion. I could pay for this pension part, and I still have $44 billion to kind of work with here. Because if I really just want to take care of the marriage tax penalty, I only really need $90 billion.

So what is the next issue? Well, we could only squeeze out of this surplus $50 billion, or I am sorry, $40 billion for prescription drugs. Right? That is it. We are going to send it to those HMOs that are pulling out of all of our districts. We are going to give subsidies to insurance companies who do not even want to give a drug bill. Correct?

So if we took that $44 billion and transferred it over to the $40 billion that we already have, we could potentially get to a negotiation. That is just the marriage tax. That is compromise. That is looking at numbers. That is understanding that we can do both. We do not have to just do one.

All we have said to them, and have reached over there and said is, give us a chance to talk about this. But no, we come to this floor just before convention time, just before everybody wants to go home and talk about these tax cuts. The fact of the matter is, we could do it for a lot of people.

So I now have $90 billion in marriage tax, I now have $88 billion for the prescription drug, and we have another $50 billion to help people have security in their paychecks when they retire, and we have not even talked about the estate tax. But there is a compromise.

Mr. EDWARDS. Mr. Speaker, I want to thank the gentlewoman for making the point, which is our third question tonight. That is, does the Republican proposal for tax cuts this year, does that actually crowd out other major national priorities?

I think the answer to that question is yes, just as the answer to our other question, are their proposed tax cuts irresponsible fiscally and are they unfair to average working families, is yes.

Let me talk as a member of the Committee on Appropriations about the values reflected by the choices made in this House, because it is not a free lunch. As they have proposed their massive tax cuts, they have proposed to tighten the belts of a few folks as we try to enhance Bill Gates' and Ted Turner's and Steve Forbes' substantial wealth.

Let us look at who has been asked to tighten their belts.

First, Republicans on my Committee on Appropriations suggest a 60 percent cut in the Legal Services Corporation. So while we come to this House floor and put our hands over our hearts and say pledge of allegiance to the flag every day when we are in session, and finish with ''liberty and justice for all,'' we are giving some liberty enhancing the wealth of Bill Gates, but we are denying justice for the lower-income woman who has been the victim of abuse by her husband, who walked out and left her trying to support her children. They wanted to cut the Legal Services Corporation.

In the Subcommittee on Energy and Water Development in the Committee on Appropriations on which I serve, we had to make an arbitrary decision of no new flood construction projects anywhere in the country. If one's community is at risk for massive flooding, because of these massive proposed tax cuts, we cannot offer that community a national responsibility, and that is to prevent flood damage and perhaps even injury and death in the community.

They proposed that we kill the President's program to bring in 100,000 new teachers, so we can have qualified teachers and smaller classrooms throughout America. That went out the window because of the cost of these massive tax cuts.

For example, the estate tax, 100 percent of the benefits go to only 2 percent of American families.

We have had to cut back on the President's proposal for school modernization, to bring our public elementary schools up to safe standards that local communities would require for safety for people of any age, much less children. We have reduced funding for basic science research.

As someone who cares deeply, along with Members of the Republican and Democratic Caucus in this House, cares deeply about our national defense and our men and women serving in uniform, this House, which originates or has the responsibility for originating spending bills, could not find the money to get soldiers and airmen and Marines off of food stamps, but we could give Bill Gates a tax cut.

It goes on and on and on. One in 13 seniors throughout America, including in my district, have to make a decision sometime during this year whether to adequately purchase food or their prescription drugs their doctors say they need for health. Yet the Republican leadership says, no, we can afford these tax cuts for the wealthiest 2 percent of families, but we cannot afford that expensive old Democratic prescription Medicare drug program that is going to help seniors not have to choose between eating properly or taking their medicine properly.

So my point is that it is not a free lunch. These proposed tax cuts not only are fiscally irresponsible, they are not only skewed to the wealthiest Americans and not average working families, they end up costing average working families. They are also crowding out our opportunity with today's budget surplus, our opportunity to help folks like senior citizens who need help with prescription drugs.

Their proposals crowd out our ability to protect the solvency of the social security and Medicare trust fund.

So there is a tremendous cost for these proposals. I think when the American people recognize the cost of these so-called free lunch tax cuts for the wealthiest Americans, I think they are going to be outraged by it.

Mr. POMEROY. If the gentleman will yield further, Mr. Speaker, for my final participation tonight in the special order, and I still commend the gentleman for hosting it, as we look at this in context we can only conclude that the totality of what they are doing is not responsible, does not pay down the debt as its first priority, and depends upon 10-year projections. Who knows whether we are going to hit those projections or not?

It is not fair and is hopelessly skewed to the wealthiest families, leaving the rest getting pennies while the wealthiest few come out like bandits under this proposal.

Finally, it crowds out doing what we ought to do for middle American families.

Mr. EDWARDS. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) and the gentlewoman from Florida (Mrs. THURMAN) for their participation on this vital national issue.

□

REPORT ON H.R. 4871, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2001

Mr. KOLBE (during the Special Order of Mr. EDWARDS) from the Committee on Appropriations, submitted a privileged report (Rept. No. 106–756) on the bill (H.R. 4871) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 200, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore (Mr. HUNTER). Pursuant to clause 1 of Rule XXI, all points of order are reserved.

□

WHAT IS THE FATE OF THE NORWOOD-DINGELL-GANSKE BIPARTISAN CONSENSUS MANAGED CARE REFORM ACT OF 1999?

The SPEAKER pro tempore (Mr. HUNTER). Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized for 30 minutes.

Mr. GANSKE. Mr. Speaker, 10 months ago this House of Representatives passed real patient protection legislation to correct HMO abuses. We passed the Norwood-Dingell-Ganske Bipartisan Consensus Managed Care Reform Act of 1999 with a vote of 275 to 151.

So, Members ask, why is that bill not law yet? Why is not the congressional leadership leaning on the chairman of the conference committee to hold meetings? Is the conference dead? If so, then Senator NICKLES should say so, so that we can move beyond the failure of the conferences committee.

Mr. Speaker, every day that goes by without passage into law of a real patient protection bill means that people are being harmed by HMOs that care more about their bottom line, more about their most recent stock quotes on Wall Street, than they care about patients.

Let me give some examples of people who have been harmed by HMOs. Before coming to Congress, I was a reconstructive surgeon. I took care of little children that were born with birth defects like this little baby with a cleft lip and palate.

Do my colleagues know that in the last several years, more than 50 percent of the surgeons who care for children born with this birth defect have had cases like these refused by HMOs, who call this a ''cosmetic deformity''? This is a birth defect. The operation to repair this would be to restore towards normalcy. That is not a cosmetic case under any definition.

A couple of years ago now this lady's case was profiled on the cover of Time Magazine. This woman lived in California. Her HMO did not tell her all that she needed to know. Furthermore, they put pressure on the Medicare center treating her not to tell her. Because she did not get that information in a timely fashion, and because her HMO did not play straight with her on getting her the treatment that she needed as medically necessary, she died. Today her children and her husband do not have a mother and a wife.

A couple of years ago a young woman was hiking in the mountains about 70 miles west of Washington, D.C. She fell off a 40-foot cliff. She broke her pelvis, fractured her arm, broke her skull, was lying at the bottom of this 40-foot cliff, when her boyfriend, who had a cellular phone, managed to get a helicopter in. They took her to the emergency room. She was treated. She lived.

But then, do Members know what? The HMO would not pay her bill because she had not phoned ahead for prior authorization. Mr. Speaker, was she supposed to have a crystal ball that was going to tell her that she was going to fall off a 40-foot cliff so she could make a phone call to her HMO?

I have shared these stories with my colleagues in the past, but I have some new ones tonight that are going to amaze my colleagues. This is also a story, a true story about a little boy. We can see him here tagging on his sister's sleeve. One night his temperature was about 104 or 105 degrees, and his mother phoned the 1–800 number for their HMO and said, my baby needs to go to the emergency room. He is really sick.

She got somebody thousands of miles away who said, well, I will only authorize you to take him to one emergency room. And when the mother asked where it was, the person said, I do not know. Find a map. It turned out that the HMO was about 60 or 70 miles away. En route, this little baby had a cardiac arrest.

If one is a mom and dad driving this little baby to the hospital, Members can imagine what that was like. When they finally found it, the mother leaped out of the car holding her little baby screaming, save my baby, save my baby. A nurse came out, started resuscitation. They put in the i.v. lines, gave him mouth-to-mouth resuscitation, gave him the medicines, and they managed to bring his life back.

All because that HMO did not have the common sense or decency to say, if your baby is really sick take him to the nearest emergency room, because en route, they passed three emergency rooms, but they were not authorized by that HMO, this little baby managed to survive, but because he had that cardiac arrest, he lost the circulation to his hands and his feet and he had to have both hands and both feet amputated.

Why do 80 percent-plus of the American public think that Congress should pass an HMO reform bill, a patient protection bill, a real bill? Because their friends and neighbors have had problems just like some of those that I have shown the Members.

A few years ago there was a movie, As Good as It Gets. In that movie Helen Hunt is talking to her friend, Jack Nicholson, and explaining how this HMO that they belong to will not properly take care of her son, who has asthma. Then she let loose a string of expletives that I cannot repeat on the floor of Congress, but I can tell the Members what happened in the theater that my wife and I were in. It happened all across the country. People started cheering and clapping and even standing up in applause, because they knew the truth of that allegation.

No law has passed because the HMOs have spent over $100 million lobbying against real patient protection legislation. They have given generously to keep that legislation bottled up in conference committee.

Even worse, the HMO industry is trying to get legislation passed that would undo the progress that is being made on behalf of patients in State legislatures and in the courts.

The GOP bill that recently passed the Senate, the Nickles amendment, is worse than no bill at all. In fact, it is an HMO protection bill, not a patient protection bill. Would Members like some proof of this? Let me tell the Members about some of the things that have been documented in a recent article in Smart Money Magazine in their July issue.

□ 2000

Consider the case of Jim Ridler. It was shortly after noon on a Friday back in August 1995, and Jim Ridler, then 35 years old, had been out doing some errands. He was returning to his