

WILLIAM M. THOMAS,
TOM DELAY,
Managers on the Part of the House.

CHUCK GRASSLEY,
ORRIN HATCH,
DON NICKLES,
TRENT LOTT,
Managers on the Part of the Senate.

RECESS

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

Accordingly (at 9 o'clock and 21 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2239

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. LAHOOD) at 10 o'clock and 39 minutes p.m.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST THE CONFERENCE REPORT TO ACCOMPANY H.R. 2, JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 108-129) on the resolution (H. Res. 253) waiving points of order against the conference report to accompany the bill (H.R. 2) to provide for reconciliation pursuant to section 201 of the concurrent resolution on the budget for fiscal year 2004, which was referred to the House Calendar and ordered to be printed.

CONFERENCE REPORT ON H.R. 2, JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 253 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 253

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2) to provide for reconciliation pursuant to section 201 of the concurrent resolution on the budget for fiscal year 2004. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The previous question shall be considered as ordered on the conference report to final adoption without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit. The yeas and nays shall be considered as ordered on the question of adoption of the conference report. Clause 5(b) of rule XXI shall not apply to the conference report.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

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

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), the ranking member of the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of this resolution all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 253 is an appropriate rule providing for 1 hour of debate for consideration of the conference report accompanying H.R. 2, the Jobs and Growth Reconciliation Act of 2003.

The rule waives all points of order against the conference report and against its consideration.

Mr. Speaker, taxes now claim a greater share of the median two-income family's budget than food, clothing, housing, and transportation combined. That just is not right. Families need the flexibility to dedicate their hard-earned resources towards their most pressing concerns. While some may need more money to help pay off their debts, others may need extra money to pay tuition for their child or to invest for their retirement.

The same can be said for small business owners, the entrepreneurial backbone of America. They should be empowered to allocate their resources however they see fit, whether it be hiring more employees, reinvesting, or expanding their business in order to create jobs.

The point is, people should be making decisions on how to best spend their hard-earned dollars, not the government, nor should government punish them with job-killing, unfair taxes.

Today's legislation is not just about tax relief; it is about creating jobs and stimulating the economy. The fact is jobs do not create themselves. And we, in this Congress, have both the ability and responsibility to help create those jobs. Through his consistent and immediate attention to growth and prosperity for working Americans, the President has once again guided Congress to foster job creation and ease the outrageous tax burden on working Americans. Under his direction, we will be helping countless Americans achieve a greater parity in the Tax Code and realize the fulfillment of employment.

No one knows the current job struggle like my constituents and fellow New Yorkers across the State. For my part of the State, which never shared in the economic boom of the 1990s, job growth remains the number one priority. And this type of positive impact is what this and so many other parts of our country need.

On average, over 30,000 new jobs will be created in New York every year for the next 5 years. Instead of an unemployment check, these workers will get a paycheck that they want and they deserve.

The bill recognizes that we cannot create employees if we do not work with employers to create jobs. For example, small businesses will have an option of immediately deducting up to \$100,000 in expenses, a significant increase over the current \$25,000 deductions. Because most small businesses pay taxes as individuals, accelerating the top rate reduction means lower taxes for small business owners. This means that millions of entrepreneurs will have more money to spend on employees, supplies, or expansion efforts.

The conference report also drastically reduces the dividend tax burden, making stocks more valuable and increasing expected rates of return. By lowering the rates of dividend and capital gains, people will be more willing to invest because they will pay less tax on the returns to their investments.

What this bill also recognizes is the need for an immediate infusion of direct aid to States facing dire fiscal crises. Budget shortfalls and sharply rising Medicaid costs have crippled local governments, restricted access to vital services, such as health care, that our constituents greatly rely on.

By coupling State relief with tax relief and job creation, we can alleviate the strain on State revenues, and further stimulate the economy with direct aid to our States and localities that need it most.

□ 2245

Whether creating jobs, relieving the tax burden, increasing investment, or fostering State and local stability, this bill acknowledges the need for all-encompassing approaches to growing the economy.

Mr. Speaker, former President Ronald Reagan once said the current Tax Code is a daily mugging. This is not what our political science teachers meant by participation in government. Let us not rob the American people of their hard-earned money. This country was founded upon individuals who stretched their imaginations, fostered ingenuity, and broke their backs for freedom and justice. Americans throughout history have not toiled resiliently just to fork over all their earnings to the Federal Government. This was not the intent of our forefathers, nor should it be ours now.

Mr. Speaker, I urge my colleagues to join me in supporting this rule as well as the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. FROST. Mr. Speaker, here we are again, at quarter to eleven, the shades of darkness have fallen, and we have to ask ourselves a question, at least I do: Is the other side not particularly competent? Is that why we are here this late at night, as we always are on major pieces of legislation? Or have