

that we are willing to give the line-item veto for one thing but not the other? And I think it goes back to the same old business as usual, special interest being able to tromp all over all of us the way the elephants are going to tromp all over the grass tomorrow when the circus comes up here.

So I hope people put all of these things together, and I hope we all say enough is enough. We started the 100 days saying we are going to have real reform, and there was not going to be business as usual. We end it seeing business as usual all over the place.

I hope that we can bring this to closure and finally really do some housecleaning and get this place cleaned up and get this bill cleaned up and have working Americans move to the front of the line, not billionaires.

TAX FAIRNESS ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. NORWOOD] is recognized during morning business for 5 minutes.

Mr. NORWOOD. Mr. Speaker, I suppose it would be in order for me to say briefly, about the speech you heard 10 minutes ago about OSHA, that all of those horror stories that you heard were true. Having practiced dentistry for 25 years, I was one of the people under the gun when I would try to give back my children their baby teeth, and that is, in fact, a true story.

It is also additionally nice to hear the people on the other side of the aisle be for the tax deduction for business people, for self-employed people for their health care insurance, but it does make one wonder why we did not pass that last year when they were in charge of Congress.

But, Mr. Speaker, I rise today in support of the Tax Fairness Act because it will benefit average, hard-working Americans. I am particularly in support of the capital gains tax cut because when you strip away the rhetoric, reducing the capital gains tax is simply a good idea.

Mr. Speaker, when we move beyond the nonsensical class-warfare arguments against cutting the capital gains tax, the economic reality is clear. All Americans will benefit from cutting the capital gains tax. It will encourage investment and create jobs.

The capital gains tax penalizes investment and risk taking. Investors are discouraged from investing in startup ventures because they might actually make money. In turn, this makes it more difficult for entrepreneurs trying to start a business to find investors. If they cannot start a business, they cannot create jobs. By penalizing successful investments through the capital gains tax, the Federal Government costs the economy jobs.

The Democrats will argue that cutting the capital gains tax is only a tax break for the rich. Of course, that is

simply not true. If you own an asset like a house or a farm or a small business or any stocks or bonds, you will be subject to the capital gains tax if you sell that asset for more than you paid for it. Millions of Americans own assets that are subject to the capital gains tax, and that is why 70 percent of the people who will benefit from a cut in the capital gains tax will have incomes of less than \$50,000. Maybe the Democrats think that is a tax break for the rich, but I call that common-sense help for hard-working Americans.

Mr. Speaker, the current high capital gains tax rate has been an utter failure as a tax policy. The economic forecasts the Democrats cite in attacking the capital gains tax cut have been thoroughly discredited by history. When Ronald Reagan cut the capital gains rate in the early 1980's, the amount collected from capital gains taxes soared. When the tax rate was raised in 1986, the revenues collected from capital gains taxes dropped like a rock. That the CBO's forecast for 1987 and beyond missed by a mile speaks volumes about the misconceptions that surround capital gains. Like the Democrats, the CBO believed that you could raise revenue by raising the capital gains tax. In reality, potential investors worked so hard to avoid the tax increase that revenues fell. The CBO's error in predicting capital gains tax revenue cost the Treasury \$170 billion. Annual capital gains tax collections have been declining rapidly since 1986. The current capital gains tax rate is just not good economic policy.

Mr. Speaker, a good friend of mine named Bartow Morgan encouraged me long and hard to support the capital gains tax cut. He knew how much the capital gains tax hurt the economy and the potential investments that were suppressed by the capital gains tax. That Bartow Morgan did not live to see us cut the capital gains tax is terribly disappointing to me. Mr. Speaker, when we pass the Tax Fairness Act Thursday, I for one will be thinking of people like Bartow Morgan, who believed that cutting the capital gains tax would help all Americans, and never allowed themselves to be swayed by the class warfare that we so often hear from the Democrats. Mr. Speaker, cutting the capital gains tax is the right thing to do for all Americans and I strongly urge my colleagues to remember that when we vote on Thursday.

PASSAGE OF THE REPUBLICAN TAX RELIEF BILL IS A NECESSITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Texas, Mr. SAM JOHNSON, is recognized during morning business for 5 minutes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, the passage of the Republican tax bill is a necessity, a necessity because for too long the Federal Government has penalized Americans for

working hard. That is what a tax does. It penalizes people for working hard and earning money.

A tax says go out and find a job, start a business, work hard, but do not succeed. Because, if you do, the Federal Government will come and take your money to Washington to feed the growth of yet another massive, wasteful bureaucratic agency.

This is the philosophical difference between Republicans and liberal Democrats. Democrats fear tax cuts because they reduce the amount of money they can spend on Government projects. Republicans embrace tax cuts because we believe if you work hard, you persevere and you succeed, you deserve, without question, to keep the money you worked hard to earn. This is what the American dream is all about.

Republicans also know you can create jobs and stimulate the economy if the money is in the citizens' pocket, not in the Government troughs. The only thing the Government knows how to do is spend more and rack up the debt.

The 40-year Democrat experiment of increased taxes, increased spending, and big Government has failed. The only thing Congress has to show for it today after 40 years is a \$4.5 trillion debt and a \$200 billion deficit each year forever, as far as you can see, and an inefficient, ineffective Federal Government. This, again, is why the Republican tax relief bill is a necessity now.

Now is the time once again to create capital, not suppress it; to reward success, not punish it; to promote business, not destroy it; and to restrain Government, not enlarge it.

The Republican tax relief bill is good for families, good for businesses, good for workers, and good for America.

LEGISLATION TO STIMULATE URBAN ECONOMIC REDEVELOPMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Florida [Mrs. MEEK] is recognized during morning business for 2 minutes.

Mrs. MEEK of Florida. Mr. Speaker, I am pleased to introduce a bill to stimulate urban economic redevelopment through environmental cleanup. This bill, without adding to the Federal budget, attacks unemployment in urban cities on several fronts. My bill provides business and job opportunities by providing low-interest loans to stimulate voluntary cleanup of contaminated sites; it provides incentives to individuals to establish environmental businesses in targeted urban areas through the reduction of the Social Security tax burden; it provides training to fill the positions created by the new businesses; and my bill authorizes Federal agencies to give preference to qualified businesses that hire targeted urban area dwellers.

Mr. Speaker, as we move to enact welfare reform, we must find creative