

Ms. ESHOO. Mr. Speaker, last week I was privileged to participate in an extraordinary field hearing at the University of San Francisco on Republican plans to dismantle student financial aid programs. The testimony we heard from students, parents, and college leaders put a human face on the disaster we face if this budget and debt buster passes.

I listened with growing anger and concern as officials from Stanford University, University of California, and U.S.F. showed in detail how the proposed cuts would devastate middle-class families and result in smaller, more elitist college populations.

We heard the moving testimony of students, Michael Rodriguez, Ronelle Baribaldi, Ameer Loggins, and Mary Wu. All are hard working and are making enormous sacrifices everyday because they have a thirst for education. They all underscored that student loans are investments, not handouts. They are smart investments in our Nation's future.

I urge my colleagues to reject this budget busting tax cut proposal. Education is the gateway to everything in this Nation. Let us not shortcut our students or our Nation's future.

SENIOR AMERICANS: AMERICA'S MOST PRECIOUS RESOURCE

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, as we know, the American family is overtaxed. But our families are not limited to just young newlyweds or those with kids in college. Our families include our parents and grandparents. And just as high taxes are antijobs and antifamily, they are antiseniors.

Here are the facts:

Senior citizens with an average income face the highest marginal tax rates in the country. In fact, for seniors 40- to 80-percent tax rates are not uncommon;

A senior working at a job that pays \$5 an hour will only net \$2.20 an hour after he or she works even 1 hour past the current \$11,280 earnings limit; and

A senior who earns just \$1 over the earnings limit annually will face an effective marginal tax rate of 56 percent.

Mr. Speaker, we need to restore tax fairness to all families, including seniors. Why should the American dream disappear when someone turns 65? Why should someone be discouraged from working just when they can offer years of experience and wisdom? By raising the earnings limit to \$30,000 we will be raising the hopes and futures of one of our Nation's most precious resources, our senior Americans.

HURTING MIDDLE-INCOME AMERICANS

(Mr. POMEROY asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. POMEROY. Mr. Speaker, the Committee on Rules has quite possibly wiped out the last chance to get a meaningful deduction for those millions of Americans struggling every month to pay their own health insurance. I offered an amendment which would have allowed 80 percent of the premium to be deducted and would have paid for it by limiting the child tax credit in the Republican bill to families earning up to \$80,000. If we would have foregone this tax credit for families earning 6-figure incomes, up to \$250,000, we could have fully funded this vital deduction.

For me, it is a matter of priorities. I think it is much more important for Congress to help families afford the coverage they need to get their children health insurance than to give this tax break to themselves and other families earning in the 6-figure range. It underscores what this Republican tax bill is all about: Helping the rich, and sticking it to middle-income working Americans.

WHAT IS GOOD FOR TODAY'S DEMOCRATS

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, I want you to listen carefully to the following quote and tell me what shameless, unrepentant, unreconstructed, trickle-down, supply-sider said it: "Tax rates are too high today and tax revenue is too low. The soundest way to raise the revenues in the long run is to cut the rates now."

Jack Kemp? No. Ronald Reagan? Nope. DICK ARMEY? Close, no cigar. Actually, this wild-eyed supply-sider was none other than John Fitzgerald Kennedy. He understood what the limousine liberals in today's Democratic Party do not: Tax cuts are good for the economy.

That is why the tax bill that we are considering today is so important. It will not only restore fairness to our Tax Code, but it will also promote savings and investment, just the kind of activities that our economy needs. It was good enough for Jack Kennedy, then why is it not good enough for today's Democrats? Why? Why?

ALTERNATE MINIMUM TAX TO BE REPEALED

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, let me just say there is a little hidden dirty secret in the Republican tax bill. It was not in the contract. you will find none of the Republicans come up and talk about it. But it is the worst part of their whole bill. They repeal the alter-

native minimum tax for big corporations.

We put this provision in 1986 so that the big corporations will have to pay some taxes. The American people burn when they work hard, pay five, six, seven thousand dollars in taxes, and General Electric and Mobil and Phillips Petroleum pay none.

Well, for 6 years that has not happened. They have had to pay 25 percent of their income as taxes, and now the Republican majority wants to repeal it. Can you believe it? They are saying to the average American it is okay to go back to the old days when Unocal and Phillips Petroleum and Mobil and Ford and Chrysler paid less taxes than you. Shame on them, shame on them, shame on them.

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IN SUPPORT OF THE TAX FAIRNESS AND DEFICIT REDUCTION ACT OF 1995

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAMSTAD. Mr. Speaker, I rise in strong support of the Tax Fairness and Deficit Reduction Act of 1995.

Our job-creating tax cuts enhance the progressivity of the Tax Code. Middle-income taxpayers will overwhelmingly benefit directly from the capital gains tax cut, as the vast majority of taxpayers claiming capital gains are middle income.

In fact, 70 percent of all taxpayers reporting capital gains, in a recent tax year, had incomes of less than \$50,000.

By comparison, 5 percent of tax returns with capital gains were from taxpayers with annual incomes between \$100,000 and \$200,000. And, fully three-quarters of the value of all capital gains went to taxpayers earning less than \$100,000.

Most importantly, capital gains tax cuts means more jobs for the American people. One leading economist testified in the Ways and Means Committee that 285,000 jobs a year—or about 1.4 million over the 5 year period—will be gained.

The same economist showed that every \$1 billion reduction in annual taxes on capital income will lead to a \$25 billion increase in the Nation's output of goods and services.

Capital gains relief will facilitate the growth of new business and job formation, improve long-term productivity and make the United States more competitive.

Vote for job growth, lower capital costs, increased productivity and competitiveness.

Vote for H.R. 1327.

TAXING FEDERAL WORKERS

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, I am confused. I thought the Republicans were trying to cut taxes. So why are they raising taxes, raising taxes on 2 million Federal employees? To finance their tax bill they have to raise \$12 billion. So what do they do? They ask Federal employees to increase their contribution for their retirement program by 2.5 percent.

What does that mean? It means that for the average Federal employee making about \$30,000, it is a tax of \$750 a year. Why?

The program is not insolvent. The program is not overly generous. People in the private sector do not pay anything toward their retirement programs.

So it works out like this: In order to get a \$500-per-child tax credit, Federal employees, whether they have a child or not, have to pay a tax of \$750. It does not make sense.

Moreover, today's Washington Post points out that fully 50 percent of the tax benefits to go to the top 10 percent of Americans, not the Ma and Pa stores and not your average American citizen, and fully 10 percent of these so-called tax benefits for the middle class go to the top 1 percent of wage earners in this country. There is something wrong with this tax bill.

On the subject of Federal employees, before my Republican colleagues vote, I urge them to check to see the number of Federal employees in their district, because you are raising taxes on a lot of very good, average American citizens.

THE BIG SPENDERS

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I have been sitting here patiently waiting to take up the rule on the tax cut package. I have been looking through the list of speakers from the Democrat side of the aisle. They all talk about how they cannot vote for this tax cut because they want to reduce the deficit.

I am just going through a list from the National Taxpayers Union from this past year. Almost every one of these speakers appears on this list as the biggest spenders in the Congress. Not only do they appear on this year's list, but last year's list and the year before that and the year before that.

Where is the credibility for those that say they want to stand up here and vote to reduce the deficit?

I am going to make a challenge to you, every one of you that have stood up here and spoken against this tax cut because you want to lower the deficit. We will have a reconciliation bill coming to the floor. I kept a careful list, and I am going to ask every one of you to vote for balancing the budget, which will come later this year. Good luck.

STUDENT LOAN PROGRAMS

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, we really are about fairness here. I would suggest to our former speaker that we sometimes want to see that fairness go both ways.

Mr. Speaker, under the fictitious banner of a fair tax bill, there is a relentless and unswerving drive that has been launched by the Republican party against the average working American.

This drive is designed to give tax relief to the wealthy Americans who earn more than \$200,000 and more. It is a crusade that is oblivious to the harm that is caused in its wake. They plan to give \$277 billion in spending cuts. The bulk of these spending cuts will come from reducing discretionary spending and the welfare reform, according to the gentleman from Ohio [Mr. KASICH]. They also plan \$190 billion in tax cuts, the bulk of which will go to the richest citizens in America.

In other words, Mr. Speaker, what you have to do is add the cuts for poor people and the average working American and give those tax cuts to the richest persons in America.

The difference in this equation is a loss to low- and middle-income Americans. To mollify people with money, they are causing pain to those who have very little money who are the working Americans in society.

TIME FOR THE PEOPLE BACK HOME

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, this argument that we are into is getting to where if it was not so serious, it would be amusing. We are talking about voting to reduce the deficit. We are talking about concentrating on the budget of the Federal Government.

Do you not think it is time that we started talking about the people back home and doing something to help them balance their budgets? Who do we represent up here? The U.S. Government or the people that elected us?

I am going to concentrate my vote on doing everything I can to give the people tax breaks back home and reduce the overall size of the Federal Government rather than merely talking about, we cannot have tax breaks until we stop the spending.

We tried that once. We are going to get the tax breaks, and we are going to stop the spending. And we are going to start representing the people that elected us instead of saying, we are the Government. We are not the Government. The people sent us up here to represent them.

THE NATIONAL TAXPAYERS UNION

(Mr. COLEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN. Mr. Speaker, I only wanted to highlight an issue that was raised by the gentleman from New York [Mr. SOLOMON]. The National Taxpayers Union, I think it was, that he cited, put into the RECORD.

I would hope that everyone would understand that that organization does not have a whole lot of credibility when it comes to ranking Members, because what they did when the Senate was in control of the Republicans a few years back, they had a different criteria for their votes on appropriations bills than they did for the Democrats over on the House side.

And I just wanted everyone to be aware that that is hardly the criteria we ought to be or a standard we ought to be utilizing. They pick and choose the bad votes such as, did you vote for the interior appropriations bill, yes or no? If you did, boy, that is a bad vote.

You are going to find, if they used the same standards on us, as Democrats when we were in charge and had to pass legislation and were governing, as they will use on you, I think you will find that you have a whole lot of real bad votes with that organization.

We will see if they are going to have any credibility left at the end of this session in ranking you poorly because you vote for an appropriations bill.

TAX CUTS AND THE NATIONAL DEBT

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR of Mississippi. Mr. Speaker, in response to my good friend, the gentleman from Ohio [Mr. HOKE], who quoted John Kennedy, I would like to remind him, I reminded him privately, I will remind him publicly, at the time John Kennedy said that, the Nation's annual operating deficit was \$10 billion a year. Now it is \$200 billion a year. At the time that John Kennedy said that, our Nation's total debt was about \$500 billion. Today it is almost \$5 trillion.

Now, we have a very strange situation with the tax cutters who, as my good friend, the gentleman from New York [Mr. SOLOMON], pointed out, should be for deficit reduction. I am one of those people, Mr. SOLOMON. I am for deficit reduction.

So I am going to say that whatever we save go toward the deficit, because it does not make any sense at all for this Nation to borrow \$200 billion this year and pay the interest on it for the next 10 years just to give people a very miniscule break today and to give the wealthiest Americans, whose maximum tax rate went from 66 percent in 1981 down to about 35 percent today, an even bigger tax break.