

If we use new revenue techniques, more creative techniques for getting revenue, so we derive the revenue from the areas where the greatest increases in wealth are taking place, then we can always meet all of the needs of all Americans without pain and suffering.

I think we can look forward to the future and not see a doomsday scenario of inevitable, ongoing deficits forever and ever, or suffering by the American people as a result of trying to reduce the deficit.

Mr. SANDERS. I thank the gentleman from New York for his thoughts, and I thank the gentleman from Oregon. What we are fighting for is an America which will provide well for all of our people, and not an America in which the rich get richer, and most of the people see a decline in their standard of living. I thank the gentleman.

THE REPUBLICAN TAX PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. STEARNS] is recognized for 10 minutes.

Mr. STEARNS. Mr. Speaker, I am delighted to come down here to talk about the Republican budget, and specifically, the Republican plan to reduce taxes. I saw, Mr. Speaker, that the President came out with his own budget. As many of you know in the House, we have included tax cuts that amounted to \$350 billion. It included a \$500 tax credit for every child in America, plus it reduced capital gains.

The Senate does not have these specific cuts, but they cut \$170 billion if we balance the budget. However, I notice in the President's budget he included a middle-class tax cut. It includes 96 billion dollars' worth of cuts, including a \$500 credit per child, and \$10,000 college tuition credit for families earning less than \$100,000.

I think, Mr. Speaker, when we talk about reducing taxes, it looks like the President of the United States has come on board, too. I would like to just briefly, in this 10 minutes, set the record straight. We have heard for too long now the Republican budget contains a tax cut that hurts the poor and benefits the rich. How can I say this, Mr. Speaker. There is no truth to this claim.

The Democrats argue that the Republican tax cut would benefit only the rich, when the fact is that the major component of our tax package, as I mentioned, is a \$500 per child tax credit for families. Of the \$189 billion in tax cuts we proposed over 5 years, \$94 billion, or fully half, goes directly to families in the form of the \$500 per child tax credit.

Families receive other tax benefits, including expanded IRA's, repeal of the marriage penalty, and incentives for long-term care insurance. All told, families would receive \$114 billion worth of tax relief under our plan.

Democrats have argued and tried to argue that because of the \$500 per child

tax credit, it applies to families earning up to \$200,000. It looks like the President here has \$100,000. They go on to say this is somehow a tax cut for the rich, as though the children of high-income Americans are less deserving of tax relief than others. But even this argument is false, since according to the Joint Economic Committee, fully three-fourths of the \$500 per child tax credit would go to families earning less than \$75,000.

For low-income Americans, the tax credit is even a better deal. Nearly 5 million Americans at the lowest income levels would no longer pay any taxes at all. So I am tired, and I think the American people should be tired, of the same old class warfare rhetoric that the Democrats continue to haul out every time we talk about tax cuts.

The Democrats seem to believe the rich are the only people who have children, who got married, and that earning \$75,000 makes you rich. The truth is the Republican tax package benefits all Americans. It is particularly beneficial to all families, but it also benefits groups, such as seniors.

For starters, our package calls for the repeal of the 35-percent Social Security tax hike President Clinton rammed through in 1993. The Republican plan brings the rates on singles earning more than \$34,000 and couples earning more than \$44,000 back to 50 percent. We would also raise the earning limit on Social Security benefits. Instead of \$11,280, seniors can earn up to \$30,000 before Social Security taxes kick in. The total savings for our American seniors is \$30 billion. That is important to make that point.

Furthermore, the Republican tax package gives all Americans a 50-percent capital gains tax. According to a study released by the Joint Economic Committee, nearly 70 percent of those Americans who claim capital gains have incomes of less than \$50,000.

Republicans will ease the burden on overtaxed businesses, too. Our plan would save American businesses \$21 billion over the next 5 years, money that will be reinvested and returned again and again to the consumer in lower prices and in higher working wages. Mr. Speaker, the Republican package will save Americans \$189 billion over the next 5 years. That is \$189 billion that all Americans would be able to share and spend and reinvest in America. The best thing about it is it is all paid for in the budget. We put a down payment on the savings when we passed the rescission bill. It is unfortunate the President vetoed it. We paid for the rest last week when we approved the Republican budget with the spending reductions.

Of course, the Democrats will argue these spending reductions will affect only low-income Americans. Again, they are wrong. Our budget represents across the board spending reductions, reductions that would affect all Americans. It is just that those with their hands out, those who receive most for

doing the least, will be affected more. This, Mr. Speaker, is simply a fact of life.

It should be pointed out, though, that most of our savings were achieved through flexible freezes and not the elimination or reduction of very many programs. However, it is amazing. The Democrats portray the flexible freeze as a cut, despite the fact that spending actually continues to increase. It simply does not increase at the same budget-busting rates as have been proposed here for 40 years.

The best example of this paradox is the Medicare debate. Clearly and emphatically, the Republican tax cuts have nothing to do with slowing Medicare spending increase. Medicare is funded by a payroll tax that goes into a separate trust fund. That trust fund will go bankrupt in the year 2002. That is what the trustees of the Medicare trust fund who have told us. The fact of the matter is, the Democrats know this, but insist on misrepresenting the tax cuts to hide the fact that they do not have a balanced budget here in the House. Now the President of the United States has come out with a balanced budget.

I see in several of the papers today that some of the Democrat leaders in the House here are upset that the President put forth a balanced budget program, even though it is over 10 years.

Frankly, Mr. Speaker, what the Republicans have done is then infused the economy with \$189 million, cut needless and duplicative programs, eliminated wasteful spending, and salvaged America's future.

Now the only strategy left for the Democrats is to misrepresent what we have done. However, Mr. Speaker, for 40 years they have had the opportunity to run this country, so I ask everybody to ask this question: Are we better off now, or are we better off when they took power?

Forty years ago there was no national debt to speak of, and Americans paid only 3 percent of their income to the Federal Government. Today we have a \$5 trillion national debt and the average American family pays a full 25 percent of its income to the Federal Government. Taxes at all levels of Government now consume 40 percent of the average family's income, more than they spend on food, clothing, and shelter combined.

Mr. Speaker, we have suffered through 40 years of tax increases and 40 years of big government. Finally, Republicans have reversed a trend and set our country back on track. We have found a way to ensure a future for our children, we have found a way to let American taxpayers keep more of their own money, and we have found a way to remove the burden of bureaucratic spending from our government.

Mr. Speaker, it is time for the loyal opposition to face the facts. They have left it up to the Republicans to balance the budget, to tackle the impending

Medicare insolvency, which is fine, because that is precisely what we intend to do for the sake of our children, our seniors, and the future of this great Nation.

□ 1815

TRIBUTE TO THE CHAMPION HOUSTON ROCKETS

The SPEAKER pro tempore (Mr. HAYWORTH). Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DELAY] is recognized for 10 minutes as the designee of the majority leader.

Mr. DELAY. Mr. Speaker, the Houston Rockets have done it again. How fitting that on Flag Day, the Rockets captured their second championship banner. Who would have thought just 7 short weeks ago that the Rockets would be the World Champions? Who could have thought that a team ranked No. 6 going into the Western Conference playoffs, could win it all? Who dared to dream that the combination of Hakeem "The Dream" Olajuwon and Clyde "the Glide" Drexler would accomplish something that eluded them in their years together at my alma-mater, the University of Houston? Well, the answer to these questions should be obvious—nobody. Nobody believed the Houston Rockets could win a second world championship; nobody but the Houston Rockets. And in the end, that's all that really mattered. Last night the Rockets used their magic brooms to sweep the Orlando Magic back to the land of Disney.

When Rudy Tomjonavich took the helm of this Houston ballclub 2 years ago, he inherited a team that many thought talented, but few thought capable of winning a championship. However, through their hard work and dedication, the Rockets proved their critics wrong.

This season, the Rockets had a sub-par regular season. They struggled at times and the trade for Clyde Drexler was viewed by many as being a mistake. Nonetheless, the Phi Slamma Jamma duo proved to be an unstoppable winning combination.

The Houston Rockets are a positive role model for our county. They are the underdogs who have overcome great odds to achieve a goal. And doesn't this country just love an underdog. The Rockets have taught us all a valuable lesson about believing in yourself and performing to the best of your abilities. With the heartbeat of a champion, they have captured their second crown with an unprecedented combination of humility and hunger. Sure, the Rockets have the greatest player on the planet in Hakeem Olajuwon. But this victory was not an individual one by any stretch. It was a team victory. That is the beauty of the Houston Rockets.

Last night, Hakeem was awarded the Most Valuable Player in the finals. As reporters bombarded him with ques-

tions about what winning the award meant, it seemed that all Hakeem could do was unselfishly pay tribute to his teammates. "We played team basketball," he said. "I'm just so happy for Clyde."

Last year, when the Rockets won, they were all seen as a mediocre team who happened to win it all during a year when no great team emerged. This year, having won it again, the Rockets have finally proven to the world what they and "Clutch City" have known all along. This team is a legitimate champion. They are the first NBA team to ever repeat with a sweep. And now, having won another world championship, the Rockets have shown themselves to be the greatest basketball team in the world.

I send out a heartfelt congratulations to owner Les Alexander, Coach Rudy Tomjonavich and the Houston Rockets basketball team. On behalf of a grateful city I thank them for giving us yet another ring to be proud of. So before I leave today, let me leave you with a poem, chronicling the play-off drive of the world champion Houston Rockets.

The play-offs started against the Utah Jazz; The Rockets beat 'em, but nobody spazzed; Next came the Suns and Charles Barkley; Their talent, I'm afraid, proved a bunch of malarkey;

The Spurs were on fire, the highly praised number one seed;

But the Rockets cut 'em down to size, like an overgrown garden weed;

Finally at last, the Magic fell to defeat; The Rockets left standing, shouting "Repeat!"

Yes, Shaq be nimble

Yeah, Shaq be quick

But Shaq came to Houston

And got his tail kicked.

How sweet it is!!!

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KLECZKA (at the request of Mr. GEPHARDT), for the week of June 13, on account of medical reasons.

Mr. DICKEY (at the request of Mr. ARMEY), for today, on account of official business.

Mr. McNULTY (at the request of Mr. GEPHARDT), for today after 2 p.m., on account of personal reasons.

Mr. YATES (at the request of Mr. GEPHARDT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. POSHARD) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. FALEOMAVEGA, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. POSHARD, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

(The following Members (at the request of Mrs. KELLY) to revise and extend their remarks and include extraneous material:)

Mr. SMITH of Michigan, for 5 minutes, today and on June 21.

Mr. DELAY, for 5 minutes, today.

Mr. EHLERS, for 5 minutes, today and on June 16.

Mr. FOX of Pennsylvania, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. STEARNS, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. POSHARD) and to include extraneous matter:)

Mr. HASTINGS of Florida.

Mr. LANTOS.

Mr. MONTGOMERY.

Mr. SKELTON.

Mr. MFUME.

Mr. MENENDEZ in two instances.

(The following Members (at the request of Mrs. KELLY) and to include extraneous matter:)

Mr. KING in two instances.

Mr. SPENCE.

Mr. GILCHREST.

Mrs. KELLY.

Mr. WALSH.

Mr. FRANKS of New Jersey.

Mr. WOLF.

Mr. SOLOMON.

Mr. DAVIS.

ADJOURNMENT

Mr. DELAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Friday, June 16, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1037. A letter from the Under Secretary of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred at the Maryland Army National Guard, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1038. A letter from the Assistant Secretary (Special Operations/Low-Intensity Conflict),