

role in organizing White House coffee sessions with potential donors. Many of those donors were black. When a reporter questioned McCurry about this, he pounced: "I can't believe the majority leader would suggest she's disqualified from serving as secretary of Labor because she attempted to encourage African Americans to participate in the political life of this nation." Lott, who had suggested nothing of the sort, fumed. But the White House had Lott where it wanted him. The Herman nomination became a civil rights issue. They had thrust Lott into his nightmare role of George Wallace, blocking the doorway of the Labor Department. African American and feminist organizations rushed to the White House to attack Republican delays. Even the AFL-CIO chimed in, demanding "immediate hearings on the nomination of this African American woman."

Republicans, it turns out, were all too happy to oblige. And here lies the true perversity of Herman's nomination: Congress, in the position of helping to select its foe, wants a pathetic Labor secretary. The previous one, Reich, helped Clinton push through a higher minimum wage, which most Republicans consider the low point of their last Congress. Reich's successor will be charged with fighting Republican efforts to pass legislation limiting unions' powers to negotiate in the workplace and organize politically. Therefore, the worse the secretary, the more scandal-plagued and the less policy-focused, the better. Herman's lack of qualifications became, ironically, her strongest qualification. "She will be an ineffective Labor secretary," explains a conservative activist who works closely with Senate Republicans. "There's just a general view that 'What damage can she do us? If we put somebody else in there who's effective, it'll be a much bigger headache.'"

Indeed, Republicans are happy to support Herman's sort of liberalism because it restricts government largesse to ever fewer, ever less-deserving beneficiaries. It costs much less to enrich a tiny coterie of well-connected African Americans than to improve ordinary black lives. Clinton's relegation of Reich's chair to a quota slot is itself an act of Hermanism. The Labor Department won't do much for the working poor, but it will at least do well by Alexis Herman.

TIME TO TAKE THE TERROR OUT OF TAX TIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, today, April 15, brings terror across the land to all kinds of Americans who have spent hours and hours filling out their tax forms, Americans who want to pay their fair share, Americans who know April 15 is coming on, and yet, at the same time, are very frustrated by the fact that they cannot figure out what their tax forms are.

A study showed that businesses have spent on an average each year 3.6 billion manhours a year filling out and complying with tax forms. American individuals spend 1.8 billion hours filling out tax forms.

So in total, Mr. Speaker, we have approximately 3 million Americans working 40 hours a week, 12 months a year, just to comply with the IRS. Today the IRS has 200 tax forms, 400 forms that tell you how to fill out the 200 forms,

and 111,000 IRS employees who do not know which forms are correct and which forms are not.

Another study showed that last year on questions to IRS agents, over 8 million of the questioners were given wrong answers. It is time to change our tax system.

We have, I think, a lot of good employees at the IRS, and yet in the same hand we have a system that is impossible for them to work with, a system that cannot be audited. Congress has sent in auditors to the IRS, and their books are not in good enough order for us to audit.

Now, what would happen to the businesses back home if the IRS agents came to their door and said, "We want to see your books," and they would say, "Well, we cannot be audited, our books are in too much disarray"?

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Yet that is the standard that the IRS has. We have spent \$4 billion on a tax automation system for the IRS, and they are no more automated now than they were 10 years ago when we started.

Mr. Speaker, I believe that the time is right for us to vigorously engage in a debate on tax simplification or in a debate on a consumption tax. It is time for us to say that the current tax system is impossible, it is counterproductive. Businesses and individuals are spending too much time trying to avoid tax considerations, rather than just doing their daily chores.

For example, if we have a widget company, the business of a widget company is to manufacture, produce, and sell widgets. It is not to avoid taxes and try to figure out IRS compliance. Yet that seems to be the custom these days.

I had one constituent call me, Mr. Speaker. She had gotten a letter from the IRS saying that she had overpaid her taxes one year and was entitled to a \$1,000 return. But in order to get the \$1,000 return, she needed to send an additional copy of her tax return for that year. No big deal.

Now, in this particular case, the woman did her tax form herself. She did not use an accountant. She did not have a Xerox machine at home. All she did was filled out her original form with ink, and then a copy of the original with pencil. So the only thing she had was a penciled copy of her tax form. But the IRS letter was pretty explicit. Just send in your old tax form and we will send you the \$1,000 that you have overpaid in the past.

She sent that in. Lo and behold, her next letter from the IRS, instead of saying here is your \$1,000, the next letter from the IRS says, you are just now paying your taxes from 2 years ago, and inasmuch as you are, you owe a penalty plus all the taxes due that year.

I got involved in it. We fought in a tug of war for a long time. Finally she ended up not getting the \$1,000, not

having to pay the taxes twice, but she did have to pay a penalty. The IRS brought the whole matter up. She was fine.

Again, Mr. Speaker, it is just a matter of the system is too chaotic, too confused for IRS agents to fairly administer it themselves. So the time to debate a flat tax, and the Armeys flat tax proposal is that you pay 20 percent, basically, of what you earn. The only deduction, I believe, that the gentleman from Texas [Mr. ARMEY] is proposing is for dependents, but no other deductions. You can fill out your tax form on a postcard. How many Americans sitting at home tonight wished they had that option?

The other proposal I understand is for a consumption tax. It is a tax system that rewards savings and it taxes consumers when they spend money. I believe both these proposals are good. I believe both should vigorously be debated. I look forward to the debates. As far as I am concerned, the time has come. Let us get it done.

THE INTERNAL REVENUE SERVICE

The SPEAKER pro tempore (Mr. LUCAS). Under a previous order of the House, the gentlewoman from Washington, [Mrs. LINDA SMITH] is recognized for 5 minutes.

Mrs. LINDA SMITH of Washington. Mr. Speaker, sometimes we come to the end of the day and we just talk about the things that went wrong, the votes that were lost, or we decry the votes that did not go the way we want.

But today, the American people can feel good. This morning while they were at work, or while they were busy with their children, there was a vote that is really significant, that Americans need to watch in the Senate.

Over my life, my past job was working with the Internal Revenue Service, not as an agent but helping people with their problems. They would come to me if they were in trouble with the IRS or with the taxes, or ask me to help them keep out of trouble. Over the years what I found, though, was a significant uneasiness within me, that I felt Internal Revenue often knew more about my clients than they really should know. I could not prove it, but I felt they were into areas they should not be in. Again, I could not prove it, but that uneasiness persisted.

Today, this morning, we rectified a problem that has been going on. Just a few years ago there was a report from the Internal Revenue Service that said that agents were browsing through computer files, private files on citizens, and often in areas they had no right to be in. The IRS said, we will never do that again. We will have a policy of no tolerance. But this last week we got another report from Internal Revenue. They had 1,515 documented cases of what we would consider violations of our personal liberties and freedom of privacy. In this country that is really important.