

our legislation for each agency we are going through with a fine-tooth comb to make sure that where agencies are duplicating what others are doing, whether it be State government or private sector, we are going to downsize, we are going to privatize, we are going to consolidate or eliminate.

So we have done the job, working with Citizens Against Government Waste, to reduce those kinds of expenditures that previous Congresses may have approved, but this Congress does not approve. But transportation, that is an investment for our children, for our families, for the public.

Many people do not own cars so they rely on public transit. Much of this bill deals with public transit and how to make sure those who do not drive and cannot afford a car can still go to work and still go to the doctor and still do the necessities of life.

I look forward to bipartisan support not only in the House, but in the Senate, so a bipartisan bill can be passed and sent to the President for signature.

RESTORATION OF THE FARM CREDIT BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, several of my colleagues have introduced a bill called the Restoration of the Farm Credit bill. I want to report to the House today that the Senate, with their supplemental spending, also adopted that bill, understanding the emergency nature of farmers needing credit.

In the 1996 farm bill meant that indeed credit had been denied to farmers who might have had a blemish on their record. For whatever cause, whether it is due to a disaster, whether it is due to a medical cause, whether it is due to foreclosure, whether it is due to discrimination, any of these reasons, if a farmer had had one blemish on his record, he was barred or she was barred from there on out to borrow any monies from the USDA, whether that is a guaranteed loan or direct loan. So what it meant was one strike and farmers had no recourse whatsoever.

Mr. Speaker, one of the reasons small farmers are going out of business so fast is because they do not have access to credit. Certainly, when the United States Government is lending money to farmers, usually this is the last resort, the last opportunity farmers have is to go to their government to borrow money. So when the government says, no longer are we interested in small farmers and small ranchers, that means consumers and farmers, all who depend on having small farmers and ranchers participate in farming, are put at risk. It means the quality of food is at risk. It means the low food prices that we enjoy are at risk.

So I am happy to say that the Senate, the other body, was able to see the

wisdom of that. I hope, as we have the opportunity next week, that we will have the same opportunity to see the emergency nature of responding to the critical credit needs of small farmers and ranchers.

Mr. Speaker, I commend my colleagues to consider that when they have the opportunity.

GOP NATIONAL SALES TAX IS BAD IDEA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PALLONE. Mr. Speaker, this evening the Democrats plan to discuss the Republican plan to abolish the Tax Code and replace it with either a flat tax or a sales tax.

I yield at this point to the gentleman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New Jersey and I also thank my other colleagues who were on the floor and those who are coming tonight to join in this special order to talk about the need to cut taxes for working middle-class families and to reveal the true cost, as my colleague from New Jersey pointed out, the true cost of a dangerous Republican proposal to impose a national sales tax on the American people.

We have heard quite a bit lately from our Republican colleagues about tax reform. But behind the rhetoric and the calls to "scrap the code," that mantra, if you will, repeated over and over again to scrap the code, behind the rhetoric of that phrase lie some very radical and some dangerous proposals that will actually raise taxes on working families and cut taxes for the wealthiest 1 percent of taxpayers.

I think we all agree that that is not reform, that is not what we are about. Abolishing the Tax Code, replacing it with a sales tax is one of those kinds of easy-listening proposals that Republicans are famous for. If you will, it is the legislative equivalent of elevator music; we might find ourselves humming along. But when we snap out of it, we realize that we hate the song. We have all had this happen to us.

The Republican national sales tax is a very bad idea. My Republican colleagues argue that a national sales tax would be simple and it would be fair. But take a closer look at it and we find that there is nothing simple or fair about it.

A national sales tax is not simple. In fact, several renowned economists have declared a national sales tax as unworkable. Even the conservative Wall Street Journal has panned the proposal and highlighted concerns about administration and about enforcement.

A national sales tax is not fair. The Brookings Institute says that of the GOP sales tax, "The sales tax would

raise burdens on low- and middle-income households and sharply cut taxes on the top 1 percent of taxpayers." That is not fair.

The GOP national sales tax proposals call for replacing all individual and corporate taxes with a 23 percent sales tax. But there is a new analysis by Citizens for Tax Justice that shows that the actual rate would be at least 30 percent. That means the American people would pay 30 percent more for everything, 30 percent more for everything. They would pay a 30 percent tax every time they opened their wallet. Talk about being nicked and dined to death.

What does that mean to the average middle-class family? Let us take a look. This week U.S. News and World Report did a cover story on the cost of raising a child in today's world. It is an astounding piece. According to U.S. News, for a child born in 1997, a middle-class family will spend \$1.4 million to raise that child to age 18. This is the cover of U.S. News and World Report this week, "The Real Cost of Raising Kids." Would my colleagues believe it is \$1.4 million apiece? Put a 30 percent tax on top of that and we are looking at life for working families under a GOP national sales tax.

Let us take a look at a few examples of what a 30 percent tax means in real life. This is a box of diapers. It costs \$23 today. Add a 30 percent GOP tax of \$6.90 and we have the GOP price of \$29.90. Let us take a look at what it costs for a pair of children's shoes. They cost about \$20. Add the GOP sales tax, which is about \$6, and we are paying \$26 for the same pair of shoes.

Let us take a look at a box of cereal, and we all want to give our kids cereal. We want to make sure that they are healthy. The price is \$2.99 today. The GOP tax of an additional 90 cents would bring the price of a box of Kellogg's Raisin Bran, Two Scoops of Raisin Bran here, up to \$3.89.

Let us take a look at a loaf of natural grain bread. Price \$2.59. GOP tax, 78 cents. GOP price, \$3.37.

And what about baby food? Price 45 cents. GOP tax, 14 cents. GOP price, 59 cents.

This gives my colleagues some idea of the reality of a national sales tax and a 30 percent increase in that tax. Of course, we all know that children's shoes get more and more expensive. We saw here. So if they take a look at what happens as they grow up and they have a child that is a teenager, his or her shoes could cost \$120. Add a 30 percent sales tax, and they are looking at a \$36 tax, bringing the cost to \$156. It is no wonder that, according to U.S. News and World Report, the cost of clothing a middle-class kid to age 18 costs \$22,063.

My colleagues will see on this chart that the GOP sales tax would increase that cost significantly. I think it is important to take a look at this chart. This is the GOP 30 percent sales tax list for working families, the cost of raising a child.