

Mr. Speaker, I appreciated hearing the words of my colleague, and enjoyed the fact that we have the opportunity to work on a number of issues together. I truly believe that when we debate an important issue that has gotten the attention of the American people, it is important to come forward and tell the truth.

I campaigned and worked with constituents around my district on the issue of allowing them to retain the hard-earned dollars that they have worked for in their family farms and their small businesses. My district is an urban district, so I do not have that many small farms, but I have those beneficiaries who have small farms of their relatives in rural areas of Texas.

So I likewise am concerned about those who would want to benefit from this Nation's recognizing their hard-earned dollars.

I think that today's debate did not fully tell the truth. Death is final, and the suggestion that what we voted on today, the repeal of death taxes, is final is really untrue. It is untrue because unlike the suggestion that we have done this in a bipartisan manner, we have not. This bill that was passed today is destined to be vetoed by the President of the United States.

Legislation only passes when this House passes it, when the Senate passes it, and when it goes to the President's desk.

Many of us wanted to join in bipartisan legislation, but it was not to be heard of by the Republican majority. It seems that there was an effort to really play to the headlines the repeal of death taxes.

But really, under current law, there is a \$1.3 million exclusion from the estate tax for interest in farms and closely-held business. Did they not tell us that the substitute that was offered, that I did vote for, that would be supported by the President of the United States and the Senate, gave a \$4 million exclusion per family for farms and closely-held businesses?

I wanted to be sure that this would pass both Houses and be signed by the President of the United States, so I did not just take my impressions to the floor of the House when I voted, I spoke to the Secretary of the Treasury, representing the administration, and the Deputy Secretary of the Treasury, representing the administration. They fully appreciate the back-end balloon of burden that we will have with this bill that was passed today.

Deputy Secretary Eisenstadt said the administration is committed to passing relief on death taxes for closely-held businesses and, as well, family farms. The legislation that the President will sign, that will go into law, was the vote that I made today to support the legislation that would give a \$4 million benefit to those closely-held businesses and family farms.

In fact, the substitute would provide a credit of \$1.1 million right now, and in 2006 have a further increase of \$1.2 million.

Interestingly enough, Mr. Speaker, the repeal that the Republicans are talking about has to be phased in, whereas the vote that I made today, the \$1.1 million exclusion, is effective in 2001.

It is important to tell Americans the truth, and the fact that we take \$28.5 billion in estate taxes now, over 5 years a repeal will result in \$104 billion being taken out of the government's revenue source. That money will come just at the time that the baby boomers will be reaching the age of depending on social security, and how will we make the choice of the amount of money that we lose from the estate taxes and not being able to pay social security?

Sometimes it sounds like a cycle that is being said over and over again, but the government does have its responsibilities. I am certainly someone who applauds the strength of the economy right now. I applaud that so many Americans have found their way to the Dow Jones and NASDAQ, but as we look at Wall Street, may I also suggest to those who are investing that we have watched the roller coaster go up and down and up and down.

That means that the government still has its responsibility to deal with social security.

Might I close, Mr. Speaker, to simply say that if anybody thinks that what we did was to help the bulk of the American people, this is the pie documented by the Joint Committee on Taxation and Treasury, and that pie says that for non-taxable estates that will be impacted by this bill today, it is 98 percent that will not be impacted.

1430

Only 2 percent of those businesses and family farms, if even that, will be impacted. The Democratic alternative responds to all of those who need relief.

In Texas, there would only be 1,900 businesses that would even be impacted. Why not give a responsible relief? And the Democratic alternative will be turned into law; this only creates headlines today. I am not willing to vote for headlines. I want to vote for Americans.

SWEET NEWS

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Florida (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I have sweet news. The General Accounting Office just released a report today on the United States Sugar Program. This is an update of the 1993 report, and the report says that the United States program supporting sugar prices increases user costs while benefiting producers.

The bottom line in this 100-page document is that the sugar program in the United States costs the American consumer, the American economy, \$2 billion a year. \$2 billion a year.

Mr. Speaker, this is the General Accounting Office. This is the independent, nonpartisan office here in Washington that works for Congress. The head of the agency has got a 15-year term. So there is no partisanship in this. This report was requested by Senator DIANE FEINSTEIN, the Democrat from California, the gentleman from California (Mr. GEORGE MILLER), Democrat, and myself, a Republican from Florida.

This is not a biased report coming from the Agriculture Department or the sugar growers, but the most authoritative source; and it shows that the sugar program costs \$2 billion a year. The sugar program is bad for consumers, bad for the environment, and bad for jobs in this country.

Mr. Speaker, let me briefly explain what the program is first. The program that the Federal Government runs makes the price of sugar about three times world price. The price of sugar in Canada is about a third of the price it is in United States. The price of sugar in Mexico is about a third of the price in the United States. The Federal Government maintains the price at about three times what the world price is for sugar.

The way they do this is a complicated process of controlling imports and also a government loan program that means the Government will have to buy back sugar if the prices ever drop below this guaranteed price that the United States Government will offer.

In 1996, we had a chance to reform this program. Unfortunately, we did not reform it. And what has happened is that the price is so high that everyone is growing more sugar. In the past 3 years, sugar production has gone up 25 percent in this country. What is happening now is that the Federal Government is having to buy sugar. The Federal Government has not had to buy sugar for 15 years.

Last month, Secretary Glickman announced they were going to buy 150,000 tons of sugar that the Government has no use for. They cannot give it away in the world because nobody wants it. The corn people will not let them use it for ethanol; so we are going to store it, and that is just the beginning.

According to news reports, they are projecting \$500 million worth of sugar that the Federal Government is going to buy and does not know what to do with. They cannot use it. They are going to store the stuff.

Now, that is just real crazy Federal Government policy, and it is going to get worse because people are growing more sugar because it is so profitable to grow. What is bad about that is it is costing consumers. Sugar is part of all kinds of items, whether it is candy or ice cream, whether it is bread or baked goods. It is used for sweetening cranberry juice. Any product one can think of, sugar is a small part of the cost of that product. So it is going to cost all consumers.

It is a very regressive type of program because low-income people pay so much more for their food products. It is bad for their environment. I come from Florida, and we have the beloved Florida Everglades. One of the problems that we have with the Everglades is the agriculture runoff from the huge sugar plantations in Florida that help destroy the Everglades, Florida Bay and the Florida Keys. What the sugar program does, it provides incentives to grow for sugar which means we have more runoff and more damage to the Everglades.

One of the things that is crazy about the program is that we are going to spend \$8 billion to save the Everglades. One of the methods of doing that is by buying a lot of land from the sugar growers to take it out of production. Mr. Speaker, we are paying an inflated price for the sugar land because we have a sugar program that make its more costly to buy that land.

It is bad for jobs in this country. One company that we talk about is a candy company, Bob's Candy, in Georgia, makes candy canes. For three generations they have been making candy canes. Well, when sugar is a third of the price in Canada, they cannot afford to compete with Canadian and Mexican candy canes, so we are just going to drive them out of business.

The cranberry growers up in Massachusetts are struggling because cranberries need sugar to sweeten them. The cranberry growers in Canada love it because they get to buy their sugar for a third of the price to sweeten their product, and they can underprice our cranberry growers.

When the Federal Government tries to manage prices, it is bad economics. It does not make economic sense. We have a private enterprise system in this country that allows for competition. But the one program that we allow basically a monopolistic type of situation, because the Government sets the prices, is in sugar. So it is hurting jobs, it is hurting the environment, and as this GAO report says, the independent nonpartisan General Accounting Office, this is the authoritative source, says it is almost \$2 billion a year. That is up from 1993 when the estimate was only \$1.4 billion.

So I hope we can start the process, and I have got legislation to do away with the sugar program. We will have an opportunity during the Agriculture Appropriations bill to address part of the problem and certainly next year when the authorization bill is up that hopefully we can get rid of this program and allow the marketplace to work in this country and give benefits to the American consumer.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

(Mr. ENGEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ESSENTIAL HOSPITAL PRESERVATION ACT OF 2000

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. KANJORSKI) is recognized for 5 minutes.

Mr. KANJORSKI. Mr. Speaker, I rise today to announce the introduction of the Essential Hospital Preservation Act of 2000. It is a bill designed to use Medicare to assist economically distressed hospitals in regions where the combination of managed care, Medicare, and commercial payments changes have threatened to destroy the entire health care delivery infrastructure.

My proposal would give hospitals in regions of the country like northeastern and central Pennsylvania a minimum of a 5-year 10 percent increase in Medicare payments while they work through the development of long-range economic recovery programs.

These payment increases will constitute no new Medicare spending, and will not affect other existing providers.

Mr. Speaker, over the last 9 months I have met with chief executive officers, financial officers of institutions within my district and outside of my district in Pennsylvania, with the General Accounting Office, with the Payment Advisory Commission Medicare, with HCFA, with staff members of the committees of jurisdiction in the House. And when I studied and have analyzed the problems of the hospitals in my district, they are not unlike some of the problems in other districts of the country where similar phenomenon exist. That is where the hospitals rely on an overly elderly population in high concentration, and where the formula of Medicare as applied to those hospitals returns them an insufficient payment to meet their basic costs.

One hospital in my congressional district loses \$1,500 for every Medicare patient they serve. As one of the board of directors' members said, prudent business would mean that they should meet the patient at the door, hand him a check for \$500 and send them on their way to another hospital in another area.

If Medicare fails to pay its way because of the Medicare formula, or because of the failure of this government to recognize that there are disproportionate areas of the country that are distressed economic areas and that contain very large proportions of Medicare patients, then we have to have a system in effect to make sure that we do not lose the health care infrastructure system while we redress the Medicare problem as we will over the next several years.

My bill effectively allows hospitals to gain an increase of Medicare payment on an emergency basis for 5 years, to a maximum of 10 percent. It requires the hospitals to reorganize the wherewithal and come up with an economic recovery program that the Secretary and HCFA will participate with

so that the managed care system, the Medicare system, the emergency systems, the other high-cost systems could be put into play in a more efficient economic way, but we will not lose the efficiency of the structure itself.

Mr. Speaker, I urge all the Members of this Congress to join in reviewing this bill. Study the problems that are a crisis in many of the senior citizen areas of this country as a direct result of underpayment by Medicare, and to cooperate with myself, the gentleman from Pennsylvania (Mr. SHERWOOD) and Senator Arlen SPECTER, who are the three of us trying to work together to come up with a methodology to save our hospitals. This is a start. This is one of the potential alternatives we have.

Mr. Speaker, we do not have very much time. I urge my colleagues to address this issue and to understand that legislation must be passed this year and a remedy must be put in place or all our decisions to try and help Medicare, to provide prescription drugs, or do anything we want to do will come to naught if we fail to provide the basic essential care under the Medicare program that was intended some 35 years ago today.

So I urge my colleagues to study and join us in supporting the Essential Hospital Preservation Act of 2000.

Mr. Speaker, I am today introducing the Essential Hospital Preservation Act of 2000, a bill designed to use Medicare to assist economically distressed hospitals in a region where the combination of managed care, Medicare, and commercial payment changes have threatened to destroy the entire health care delivery infrastructure.

My proposal would give the hospitals in regions of the country like Northeastern and Central Pennsylvania a minimum of a five-year, 10 percent increase in Medicare payments, while they work through the development of a long-range economic recovery program. These payment increases will constitute new Medicare spending and they will not come out of payment reductions to other providers.

The extra payment will help the hospitals in a distressed region develop new, more economically viable services, right-size acute care beds and convert to needed nursing facility, rehabilitation, psychiatric, or long-term care hospital beds. It will also allow the hospitals in a region to cooperate in ensuring that the emergency room network survives and, indeed, is improved. It permits hospitals to work together to ensure that high cost services are coordinated and shared so as to deliver quality care at less cost. Most of all, my bill helps finance these long-term conversion plans through additional payments above and beyond the 10 percent five-year increase.

Mr. Speaker, the hospitals in my region are in deep distress. Many of them are in economic difficulty. I believe other regions of Pennsylvania and the country are facing the same crisis. We simply cannot allow these hospitals to go out of existence. Simultaneously, we also know that the nature of hospitals and the need for acute care beds is changing dramatically. My bill would provide a