

We have worked to help promote sound Federal bicycle policies and encourage the construction of thousands of miles of bicycle paths. Our rides have served to raise the awareness of the cycling climate here in Washington, D.C. and to work with groups in the community to improve the cycling conditions in the District.

At the end of the month of March, there will be hundreds of cycling advocates from around the United States here on Capitol Hill to deal with the first annual Bicycle Summit. It will be a time to concentrate on those areas where the Federal Government can be a better partner in providing greater transportation choices so that our communities can be safer and our families can be healthier and economically secure.

PRESIDENT BUSH'S TAX RELIEF PLAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, this body last week passed President's Bush's tax relief plan, the first step towards a broad tax reduction for our generation. The timing, Mr. Speaker, could not be better for all of us. We have to tighten our belts and prepare for a possible change in our economy.

In fact, the NASDAQ stock exchange closed below 2000 points yesterday, the first time the index closed so low since December, 1998.

President Bush's tax relief plan is a vital means of ensuring the economic engine that we have today continues to move forward, continues running; and of course, we do not want the economy to stall. By returning Americans' hard-earned dollars back to their wallets through tax relief, we will be saving Americans their checking accounts and, of course, and this is my point this afternoon, from Congress spending their money. For, if we fail to return money back to all those hard-working Americans, men and women, the Federal Government will just keep writing checks to spend their money. It is important we give it back to them, with the economy starting to slow.

How much money would Congress spend? Well, due to previous threats of a government shutdown by former President Clinton, and now a practically evenly divided Congress, the Federal Government has been on a spending spree of record proportions since the budgets emerged in 1998.

I believe President Bush has proposed holding spending at roughly 4 percent, a 4 percent increase. He has also offered to pay down the debt while reducing the record tax burden shouldered by all Americans, furthermore removing from Congress the temptation to spend the tax overpayment Americans are presently paying to the U.S. Treasury.

Even Chairman Alan Greenspan agrees with this plan. When the Congressional Budget Office, CBO, came out with its most recent budget estimates, one number, Mr. Speaker, stood out: \$5.6 trillion. That is the size of the projected surplus over the next 10 years. It is enough, of course, to pay down the debt, reduce the tax burden through broad tax relief, and target spending at some of the important programs that President Bush just talked about: health care, defense, and education.

But within that budget analysis, there was another number that garnered less attention. That number was \$561 billion. That is the amount of new spending Congress added during last fall's spending spree, discretionary, mandatory, and additional interest expense, \$561 billion. That amount represents fully one-third the size of the proposed Bush tax relief plan.

It also represents the iceberg's proverbial tip. Since the surplus emerged in 1998, Congress has accelerated spending increases three-fold. In the 3 years prior to 1998, discretionary budget authority grew at a reasonable approximately 2 percent a year. Since 1998, discretionary budget authority has grown at a galloping 6 percent a year.

How much has this increase in discretionary spending reduced the projected surplus? It is \$1.4 trillion. Again, that is just the discretionary spending. According to the CBO, the mandatory spending adopted by Congress last fall reduced the available surplus by \$70 billion.

Mr. Speaker, in 3 years we have already reduced the projected surplus by almost the equivalent of President Bush's tax relief plan. Moreover, the Office of Management and Budget estimates that if discretionary spending continues to grow at its current rate, the 10-year surplus would be \$1.4 trillion less over the next 10 years; again, almost equal to the Bush tax relief. So if we do not give it back to the people today, Congress will spend this money beyond inflation's cost of living.

An analysis of spending since the budget surpluses first emerged showed that if Congress had avoided this simple temptation to increase spending above the budget baseline caps, today we could offer American families a tax relief program equivalent to the Bush plan, and still we would be able to have a \$5.6 trillion surplus left over to pay down the debt, increase funding for education, health care, and defense, and still cut taxes even further.

Mr. Speaker, I conclude by urging the other body, the Chamber in the Senate, and other Americans to support the President's broad-based tax relief for American families, and of course, hold spending to 4 percent.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members will be reminded to refrain from

urging the other body to take certain action.

ECONOMIC DEVELOPMENT FOR PUERTO RICO

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Puerto Rico (Mr. ACEVEDO-VILÁ) is recognized during morning hour debates for 5 minutes.

Mr. ACEVEDO-VILÁ. Mr. Speaker, the United States is currently faced with great challenges and at the same time great opportunities. The balanced Federal budget and projected surplus provide economic alternatives that some years ago were not available. However, the indications of an economic slowdown have helped generate calls from the President and Congress to create economic stimulus through a variety of proposals.

Last week the House voted in favor of generous individual income tax reductions. Debate continues on the size and scope of tax cuts and what should be done to spur real economic growth. As the Representative of Puerto Rico before Congress, I will work hard and in a bipartisan fashion to develop and pass the necessary and deserved economic stimulus package that will benefit the 4 million U.S. citizens living in Puerto Rico.

We have before us a unique opportunity to use current budgetary circumstances as a tool for economic development through the creation of jobs and investment in businesses in Puerto Rico.

During the period of 1993 to 1996, Congress took the necessary steps to balance the budget and eliminate the deficit. Many Members may already appreciate how Puerto Rico paid substantially during this process. In 1993, Congress passed the Omnibus Reconciliation Act, which included a provision that substantially curtailed the tax incentives provided by section 936 of the Internal Revenue Code to U.S. companies doing business in Puerto Rico.

In 1996, Congress enacted another set of amendments that eliminated all incentives for new or expanded business operation and investment in Puerto Rico. As of today, Puerto Rico has no Federal incentive to create new jobs, and those that apply to companies already doing business on the island are set to expire in the year 2005.

The negative consequences of the decisions taken in 1993 and 1996 are clear. The phase-out of these incentives is having disastrous effects on Puerto Rico's economy. In the last 4 years, more than 18,000 jobs have been lost in the manufacturing sector as a direct result of the phase-out, and Puerto Rico has not been able to attract significant new economic investment.

The vast majority of these jobs are moving out of the U.S. jurisdiction to countries like Malaysia and Singapore. Employment and wages from American companies are a critical part of Puerto