

one works for a small employer and is laid off, the old bill and the bill of the other party will not help them. This will give them a 60 percent premium subsidy, whether they buy their own health insurance, whether their employee is COBRA-covered or not. Everyone will be treated the same. All unemployed will get help, with health insurance benefits as well as extended unemployment benefits. I thank the gentleman for yielding his precious time.

Mr. ROYCE. Mr. Speaker, I want to thank the gentleman from Connecticut (Mrs. JOHNSON) for her good work on this bill, and I thank all of my colleagues for participating in this Special Order.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KENNEDY of Minnesota). The Chair would again remind all Members that it is not in order to characterize Senate action or inaction, to encourage action by the Senate, or refer to individual members of the Senate, except with respect to sponsorship of bills or amendments.

#### AMERICA NEEDS BIPARTISAN STIMULUS PACKAGE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, let me say that I do plan initially to respond to some of the comments that were made by my Republican colleagues about the potential stimulus bill that I gather we may see on the House Floor as early as tomorrow. Regardless of the substance of the stimulus package that the Republican leadership may bring up tomorrow, I think the bottom line is, and everyone needs to know, that it is going nowhere. They are fully aware of the fact that it is going nowhere. I think what we are going to see tomorrow, and I think it is very unfortunate, is basically a replay of what happened a couple of months ago when, in the aftermath of September 11 and the World Trade Center and Pentagon tragedies, there was an effort in the few weeks afterwards, because of the realization of the impact on the economy and because the recession was only, if you will, accelerated by the events on September 11, there was a recognition that we needed to do a stimulus package to get the economy going again, and that the only way to achieve that, given that we have a divided government, one body Democrat, one body Republican majority, that we needed to work across party lines and to bring the House and the Senate together.

So there was sort of understanding that we would all sit down and work on a stimulus package together, Demo-

crats and Republicans together, Senate and House together, as well as with the President.

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But unfortunately, very quickly that dissolved because the House Republican leadership wanted to pass their own version of a stimulus package and was not willing to work with the Democrats in the House or with the other body. A bill was passed very narrowly, I think it passed by one or two votes here in the House, and of course it was never taken up in the other body. There was no meeting of the minds and no effort to try to come to any kind of accommodation across party lines.

I would suggest, having been here, I guess, 12 years, that anything like that, where one party which is in the majority tries to simply shove down their throats, if you will, a bill that the other party cannot stomach because they think it is the wrong way to go, is doomed to failure.

Every one of my colleagues who spoke on the other side of the aisle just in the last hour knows very well that if all they do tomorrow is bring up another Republican leadership bill that has not been negotiated with the Democrats, which this one has not been, then the end result is failure. The end result is that that bill will go nowhere, no stimulus package will pass; and we will go home within the next few days having accomplished nothing for the American people.

The very fact that they are even talking about this bill means that my Republican colleagues in the Republican leadership have basically decided that they do not care to pass a stimulus package. So when they suggest that they are going to try to help the unemployed, that they are going to provide health benefits, that they are going to do things for corporate America that are going to help create jobs, the very fact that they are bringing a bill to the floor that was not negotiated on a bipartisan basis means that those things will never happen; and it is very unfortunate.

It is also very unfortunate that they keep talking about passing another bill when the first one was doomed to failure; and the second one will be, as well, because it is really nothing more than a hoax on the American people. The American people will not see a stimulus package. The best thing they could do would be to go back and sit down and talk to the Democrats in the other body, in the Senate, and try to come to some sort of accommodation, rather than just bashing and bashing and hammering as this goes on.

I want to talk a little bit about why the Democrats feel that this Republican stimulus package is really nothing different from the previous one and will not help, even if it did pass, to stimulate the economy.

Understand, on the one hand I am saying tonight that this bill that they

are going to bring up tomorrow, if it is brought up, cannot pass; so it is hopeless from the beginning, cannot pass both houses and be signed into law. But even if it did pass, it would not do anything to stimulate the economy. That is what we are really trying to do here, stimulate the economy on a short-term basis to have the recession be over.

I wanted to talk a little bit about the Democratic alternative to the original Republican bill to give my colleagues the flavor, if you will, of what the Democrats would like to see and why the Democratic alternative would serve the purpose of helping displaced workers get unemployment compensation, get health benefits, and stimulate the economy.

The original House bill that I was talking about, the original Republican bill that was doomed to failure, passed the House on October 24, almost 2 months ago. It passed strictly on party lines, 216 to 214. This is the Republican stimulus package. What it called for, and this one, as well, that they intend to bring up tomorrow calls for, is essentially tax cuts for big businesses and the wealthy.

Now, how do we get the economy going again if all we do is give big tax breaks to big corporations and wealthy people? They do not have any obligation, wealthy persons do not have any obligation to spend that money. They may just put it in the bank. They may put it in stocks or do something else. They are not immediately going to spend the money, which is what is needed to stimulate the economy.

The way the economy is stimulated is when people have to spend money because they have to buy food or have to pay their rent or whatever they have to do. Generally speaking, our middle-class people or even poor people, they go out and spend money, they shop, and the economy gets going again.

This notion that we are just going to give these big tax breaks to big corporations, again, that has no stimulative effect. They do not necessarily have to take that money and invest it in new equipment or in new jobs or new production of any sort. I would venture to say that many of them probably would not.

So the whole premise of the Republican proposal, which is essentially tax cuts for big businesses and the wealthy, really does not help anything. It does not help stimulate the economy, and it certainly does not help with those workers who have been displaced and are looking for a job.

The Democratic alternative that we have proposed back in October and that we still have been pushing for today by contrast would provide workers with extended unemployment benefits, health coverage, and tax breaks for low- and moderate-income Americans.

If I could use my home State, I could say that I have some statistics, if you will, from the U.S. Department of Labor with regard to New Jersey. They say that an estimated 361,942, and I