

But it gets worse: the budget assumption that the cost of a prescription drug for these veterans will go from \$7 a prescription all the way up to \$15 a prescription. Now, we just increased this co-payment from \$2 to \$7 about a year and a half ago, and now we want to take it up to \$15 a prescription. If you are on a fixed income and you make \$22,000 a year and you get eight or 10 prescriptions a month, that is a big chunk of your disposable income.

Well, it gets worse. The budget also assumes that we will increase the cost of a clinic visit for a veteran. I think the American people are getting the picture. We applaud our servicemen and women. We thank them for their service. But when they really need help from our government, we nickel and dime our veterans.

What about our children? In this tax cut we passed a week before last, we left 12 million children out; 12 million children whose parents make somewhere between something like 11,000 to 25 or \$26,000 a year will end up getting nothing, while a child whose parents make 40,000 or \$60,000 a year will get an additional \$400 tax credit. It is just simply unfair.

There is something else that ought to make every one of us who serves in this Chamber stay up at night and worry about our actions: many children of young men and women who at this very moment are serving this country in Iraq will have their children excluded in this tax package. Think of that. Moms and dads being sent to Iraq to defend the freedoms of this country and their children are going to be excluded from the benefits of this increased child tax credit.

But I want to tell you, we can solve some of these problems if we are willing to do one thing. If we are willing to close the loophole, the tax loophole that allows large profitable corporations to go to Bermuda and get a post office box while keeping all of their operations in this country and doing that simply so they will not have to pay their fair share of taxes. Think of that. And many of these corporations who have chosen to engage in this tactic, which I consider highly unpatriotic, are benefiting by getting multimillion dollar contracts under the Department of Homeland Security.

So here is what we have: corporations that do not want to pay their taxes going to Bermuda and yet getting multiple millions of dollars from this government under the Department of Homeland Security. We take care of the wealthy in this Chamber, but the veterans and the children are too often left behind.

TAX PLAN HELPS RICH AND ABANDONS CHILDREN AND VETERANS

THE SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida). Under a previous order of the House, the gentleman from New York (Mr. CROWLEY) is recognized for 5 minutes.

Mr. CROWLEY. Mr. Speaker, during the debate on the tax bill, the Republicans continually stated how the Nation's economic policy should alleviate taxes on the rich as they are the ones doing the so-called creating of wealth, as opposed to the middle-class people actually doing the labor in our Nation's plants, ports, factories, warehouses, and offices.

When Democrats pointed out that they were, in fact, providing a tax cut to the richest and wealthiest 1 percent of Americans, something that my Republican colleagues never denied, the Republicans accused Democrats of playing class warfare. But class warfare is pitting people against each other, and that is what the Republican tax bill has done.

Nothing highlights class warfare of the Republicans against middle-class people more than the midnight actions of the Republicans and President Bush when they stripped out many of the child care tax credit provisions for hard-working poor families. Numbers crunching is, I think, what they call it. I believe the cutting of the child tax credit for the poorest in this country is unconscionable.

Now, I understand that after leaving the economic policies of the past 3 years, which have led to the loss of over 2.7 million private sector jobs, that the Republicans would be unfamiliar with the term "working people" as they have eliminated so many of them to date; but they do, in fact, exist. In fact, in addition to the 2.7 million jobs that have disappeared under the Bush economic plan, millions more Americans have slipped out of the middle class and into the category of working poor. They include the over 3 million new Americans without any health insurance. They are the families who work two jobs to pay the rent and put food on the table, the same people who actually are seeing their taxes rise under the Bush plan, the ones who are losing education and health benefits under the Bush plan. They are the 8 million children stripped of benefits by the Republicans in this House. All the while the Republican bill will ensure millions of new rich Americans will pay no taxes.

They are the people referred to by the conservative Wall Street Journal as the "lucky duckies."

Class warfare is putting interests of the richest 1 percent of the people, including those millionaires who shelter their income in overseas accounts and pay no taxes, over those of hard-working poor people in this country. I had always been taught that it was women and children first. But in this sinking ship of the U.S. economy, the Republican ship captains are letting women and children go down with the ship while saving the strongest first.

In fact, Republicans refuse to eliminate a corporate tax loophole that allows corporations to escape U.S. taxes by filing shell corporations overseas. Democrats wanted to change this by

ensuring that 8 million children receive fair benefits while eliminating tax loopholes that hurt the U.S. While these children will not get the average \$93,000-plus tax exemptions that millionaires will get, they do deserve some help. Democrats have a plan while Republicans have a scapegoat.

But let me hand it to the Republicans and President Bush. They have been adept at telling working men and women that their economic ideas will elevate them, when in reality it will give them the shaft. Not only are we literally taking money out of the hands of poor children; we are doing it to provide a tax credit to the richest 1 percent of Americans while blowing a hole in a deficit and not creating jobs.

In fact, even the conservative Wall Street Journal again states the Republican tax package will not create jobs. They argue that the President's plan is a "no go on job creation" and that the elimination on taxes on dividends will diminish the abilities of businesses to take tax incentives on capital investments and R&D, things that actually create jobs.

Even the President's own outside team of economic consultants stated that the surging deficits caused by his bill will actually "do more harm than good" as "surging budget deficits would raise interest rates and lower savings rates and actually discourage job creation."

So while Republicans like to keep stressing this is another \$350 billion windfall, they ignore other important numbers such as \$450 billion and rising, our annual budget deficit; \$1 trillion, what this will add to our national debt because of the high interest payments we will pay on borrowing this money for a tax cut for the rich; 563, the number of jobs lost every working hour of every working day since President Bush has become President.

This tax bill was bad for the American people when we passed it, when it was signed into law, and it will be bad for the history of the United States.

2.7 million—the number of private sector jobs that have been lost since Bush took over
8 million—the number of children who will lose benefits from the tax bill because of Republican chicanery

150,000—the newly unemployed in NYS since Mr. Bush assumed the presidency

120,000—the newly unemployed in NYC since Mr. Bush assumed the presidency

30,000—the newly unemployed in Queens, NY since Mr. Bush assumed the presidency

16,000—the newly unemployed in the Bronx since Mr. Bush assumed the presidency

Democrats opposed the first Bush tax cut claiming it would do nothing for job creation and blow a hole in our national budget, we were right then, and unfortunately, we will be right again

It gives Democrats no joy to watch as the Republicans squander our nation's resources, bankrupt our nation and overtax the middle class, but it is what Republicans from President Bush on down are doing.

The American public must demand a more accountable government, one that puts the interest of workers over millionaires.

Republicans refuse to listen.

So if America wants a real economic recovery with real job and wage growth, then we must add President Bush and the Republican Congress to the growing list of the 2.7 million people who have lost their jobs because of the misguided policies of the Republican party.

Fairness is not stealing from poor children.

Fairness is not overtaxing the middle and working classes.

Fairness is not encouraging millionaires to pay no taxes while we lose 563 American jobs an hour.

Fairness is not what the Republican economic package is about.

It is a shame and Congress, if it had any honor, would work to resolve the stolen benefits of those 8 million children as well as create jobs for those 2.7 million American unemployed adults.

MILLIONAIRE TAX BREAK LEAVES CHILDREN BEHIND

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

Mr. McDERMOTT. Mr. Speaker, in this business you can tend to talk in big numbers, and you can talk about big issues and a lot of other things; but very often some of the most poignant and powerful things come to you in the mail or in e-mail.

All the Members of the House walk around with these Blackberrys on their waist, and I got an e-mail today from a woman in my district. I really do not know how she got my e-mail. I am sort of surprised by that, but she is pretty creative. But she says: "Our government should stand for basic fairness and justice. That is why I do not understand why families earning between \$10,000 and \$26,000 per year would be excluded from receiving the \$400 per child tax refund that the wealthier families will receive this summer just so millionaires can have bigger tax cuts."

She gets it. She understands that we have taken money away from the people at the bottom and said we are going to give it to the people at the top. The American people understand.

She went on to say: "As a constituent I ask you to please amend President Bush's unfair tax cut plan to include these poor families and their 12 million kids."

She even has the numbers right.

To leave the tax cut as it is brings too much shame upon this great Nation. Then she adds: "I know this firsthand. I have a son trying to support a wife and two children on \$11 an hour."

I sat down and figured out what that amounts to. That is \$22,000 a year in Seattle, which is a very high-cost area to live in, and they are trying to live on less than \$2,000 a month. They pay taxes. They pay the FICA taxes. They pay for their Social Security, and they pay for their Medicare. They pay 7 percent of that \$22,000. So that means every year they pay \$1,400 in taxes. I do not know how much they pay because I

could not get to them. I called them. I could not find out if they paid any income tax or not, but they are paying taxes.

And the President and the group who put this bill together, I cannot understand how you could look at somebody in the eye who is working full time, has a wife and two children, the wife is staying home taking care of the kids, how you could look at them and say, We are not going to give you one thin dime. I mean, that takes a real heart of steel or rock. But we are going to give you who have a million dollars, we are going to give you \$93,000.

Now, think about the unfairness of that. People want to talk that this is class warfare; that that is warfare on working people who are trying hard to get there. Now, the President says we are not going to leave any child behind. He stood right in here and I was moved by that. I thought, as a child psychiatrist, I thought how wonderful to have a President who is not going to leave any child behind. And then I saw his budget. He puts the bill out here, and he told us how much it was going to cost to do this education program, Leave No Child Behind; but they gave \$9 billion less than was necessary.

Now, I do not know how he figures that we could have a program where we are not going to leave anybody behind, but we do not put out the money that we say we need.

□ 1930

That is this family, this family. These kids need an education.

Tell me, how are their parents going to put any money aside so that they can go to college? They are making \$22,800. What is the likelihood that they are putting money away for those kids to go to college? One does not have to be a rocket scientist to know that they are spending every dime on rent and food, or maybe they are buying their house.

I hope they have got a house, although it is pretty hard to get a loan when a person only has that kind of income. But let us hope they are buying their house and they have got food for their kids and clothes and some gasoline for the automobile, maybe the car payment, and what is left after a person has \$22,800?

People came in here and rammed this bill through. It did not have a hearing in the Committee on Ways and Means. They were not going to let us do that. We had 2 hours of debate and out she goes, and then they send us home and the President signs it and hopes nobody figures out what is in the bill.

This lady figured it out. She is not stupid. Her kids are not stupid, but the Republicans think they are, and they are not going to get away with that. The American people are not going to stand up for this.

TAX CUT WILL NOT BOOST ECONOMY

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART). Under a previous

order of the House, the gentlewoman from Ohio (Mrs. JONES) is recognized for 5 minutes.

Mrs. JONES of Ohio. Mr. Speaker, today we stood here and we debated the amendment that would outlaw burning the flag and everybody stood on the floor or everybody, those on the Republican side of the aisle, stood on the floor and talked about liberty and justice for all as we pledged allegiance to the flag. Clearly, that liberty and justice for all applies sometimes and not at tax time.

I have been fortunate to serve as a new member of the Committee on Ways and Means, and I sat through hearing after hearing after hearing about the tax cut; and in the hearings it was said that the tax cut would boost the economy. Several times we reminded the speakers that were speaking that the 2001 tax cut did not boost the economy, so what makes them think that another tax cut, again in 2003, will boost the economy?

The real unfairness of the situation in some of those debates was the issue about dividend tax cuts as it impacted low-income housing tax credits, and we pushed them on this and we pushed them on this. Oh, I am not sure it is going to have an impact, but all of us understand that right now people are investing in urban communities because of the tax credit they will get, not because that they are such dogooders.

That brings us home to where we are right now, where we have families who make between \$10,500 and \$26,625, and they will not benefit from this tax cut. It is a shame. It is not justice for all, and we need to bring them out. We need to pull the sheet off this mess that we have here. We need to open the doors to daylight. We need to let the American people understand that the working folk that make between \$10,500 and \$26,000, that pay the same \$2 for gasoline, that pay the same \$2 for a loaf of bread, that pay the same \$7 for a pound of meat, that pay all the same things that the millionaires pay, well, maybe the millionaires pay more because they can afford to get more exclusive-type things, but those people are not going to benefit from this tax cut. They are not going to be able to get that \$400 and run out the door and buy their kids some new shoes or clothes, or buy more stuff or put some more food on the table.

This tax cut, as it is presented, will not boost the economy, and surely it is not going to boost the lives of low-income American families, and they will pay.

REALITIES OF THE TAX CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is interesting, as I follow