

farms and ranches should not have to be sold simply because the owner passes away.

Mr. BLUMENAUER. Mr. Speaker, today's debate is really one of priorities and fiscal discipline, not the estate tax. There is no question that the inheritance tax is badly in need or reform. Since I came to Congress, I have supported increasing the exemption, adjustments for inflation, modification of rates, and protections for closely-held and family businesses. That approach would gain the support of the vast majority of my colleagues, and would also offer more immediate and more reliable relief than a phased-in repeal that could be halted at the first sign of economic trouble.

By contrast, the bill the President vetoed contained much less than met the eye—and much less than those who own businesses, woodlots and farms deserve. Far from offering predictability, certainly and immediate relief, this proposal promised only a roll of the dice, continuing current inequities over a ten-year period and inviting future freezes and reversals.

More fundamentally, since I have been in Congress, I have been dismayed by our eagerness to act on the problems of those who need help the least, while ignoring those who need help the most. We have put the needs of children, senior citizens and working families of modest means on hold. For example, congress has proposed repealing the "death tax" that affects a few hundred of America's wealthiest people, but has done nothing to address the "life tax" that affects the poorest of the 1.6 million people—22 percent of America's elderly—in nursing homes. They cannot receive assistance with their nursing home costs, which run \$46,000 on average, unless they "spend down" their non-housing assets to less than \$2,000. This policy imposes financial hardship on the most vulnerable before they die—300,000 people in 1998 alone—and in some cases exacts on extraordinary cruel emotional toll, as when long-married couples are counseled to seek divorce.

Congress has done nothing to help the 1/3 of our poorest senior citizens who have not prescription drug coverage and pay the highest drug prices in the world. Nor has Congress addressed the health insurance needs of 11 million uninsured children. A study by the Oregon Center for Public Policy found that, despite an extraordinarily strong economy, working Oregonians were basically no better off than they had been ten or 20 years ago. One in seven working families with children is poor, and one in nine faces hunger at some point during the year.

This is part of a huge tax reduction that makes it harder to meet our long-term priorities while ignoring the needs of most American families. I do not believe that anyone should ever have to sell a family business because a principal has died. Nor do I believe that elderly Americans should have to divorce their spouses in order to afford a nursing home, or that parents should have to choose between providing food or health care for their children. If Congress acts responsibly, we can solve these problems. The President is correct in resisting a series of tax cuts that favor those who need help the least until there is equal attention to the plight of those who need our help the most.

Mr. KNOLLENBERG. Mr. Speaker, the Estate tax is one of the most egregious examples of bad tax policy in Washington. It's un-

fair, unseemly and economically unsound. Under the guise of making the rich pay their fair share, the death tax has a negative impact on the economy and hurts ordinary Americans. Ironically, those most affected by the death tax are not the wealthy, who have resources to shelter their assets as well as incentive to simply spend their wealth while they are alive but family owned businesses.

The death tax is one of the major reasons businesses don't survive because owners are forced to sell their businesses in order to pay the tax. Less than half of all family owned businesses survive the death of a founder and only 5% survive to the third generation.

The death tax forces businesses to divert money from productive uses such as capital investment and job creation to estate planning. Sixty percent of small businesses owners report they would create new jobs over their coming year if estate taxes were eliminated.

With the nation's savings rate at a record low, we should be encouraging savings, not punishing it. Americans should not be taxed for working hard to pass their wealth on to their children so that they may have a better life. This legislation will help the American people and the American economy. I urge the President to reconsider and sign this bill into law.

Mr. BEREUTER. Mr. Speaker, this Member rises today to oppose the veto override of H.R. 8, the Estate Tax Elimination Act of 2000. This Member does not support the complete repeal of the Federal inheritance tax for the wealthiest Americans—billionaires and mega-millionaires.

On June 9, 2000, this Member voted for H.R. 8 based on his desire to move the inheritance tax reform process forward by dramatically increasing the Federal inheritance tax exemption level. In this Member's statement in the CONGRESSIONAL RECORD on June 9, 2000, he indicated that if a conference report did not change from the House-passed bill, this Member would vote no. But, of course, the Senate passed the House bill, and there was no conference report. Accordingly, this Member has given his word in writing that he would not vote for such a bill to become law. This Member cannot break his promise to his constituents.

If the Presidential veto is sustained, it is this Member's hope that meaningful legislation could be passed this year which would increase dramatically the exemption level to the Federal inheritance tax and would also provide a reduction in Federal inheritance tax rates for all those who pay this tax whether they are subject to the highest inheritance tax rate (55%) or the lowest inheritance tax rate (18%).

This Member is a long-term advocate of inheritance tax reduction, especially in regard to protecting small businesses and family farms and ranches. This Member believes that inheritance taxes unfortunately do adversely and inappropriately affect Nebraskan small business and family farms and ranches when they attempt to pass this estate from one generation to the next.

Accordingly, to demonstrate this Member's very real support for inheritance tax reform, this Member supported the Taxpayer Relief Act of 1997 which passed on July 31, 1997. This Act phased-in an increase in the unified credit exemption from the current level of \$675,000 to \$1.0 million in 2006. Also, it provided an immediate exclusion of \$1.3 million

(not in addition to the broader exclusion) for a limited variety of eligible closely-held family farms and businesses.

At the current time, this Member does not support the complete elimination of inheritance taxes. It would be a great political error and controversy to eliminate the inheritance tax on people like Steve Forbes or other billionaires or mega-millionaires. Also, it would discourage some of the largest of the charitable contributions and the establishment of charitable foundations. The benefits of these foundations to American society are invaluable. Our universities and colleges, too, would see a very marked reduction in the gifts they receive if the inheritance tax on the wealthiest Americans was totally eliminated. Despite the legal talents the super-rich can afford, such an inheritance tax change would have major consequence. The total elimination of the inheritance tax is a bad idea.

This Member's past vote for this legislation was a demonstration of his desire to move the inheritance tax reform process forward by increasing dramatically the exemption level to the Federal inheritance tax. There is overwhelming support among his constituents for this kind of reform.

It is important to remind constituents that Congress did pass into law the Taxpayer Relief Act of 1997, with this Member's support. This Act phased-in an increase in the unified credit exemption from the current 2000 level of \$675,000 to \$1.0 million in 2006. Also, it provided an immediate exclusion of \$1.3 million (not in addition to the broader exclusion) for a limited variety of eligible closely-held family farms and businesses.

Specifically, this Member does not support repealing the inheritance tax, with the final step completed in this legislation to zero percent inheritance tax from the year 2009 to the year 2010 as proposed. Instead, this Member prefers the Ewing approach which he enthusiastically supports. This Member is an original cosponsor of H.R. 4112 which was introduced by the distinguished gentleman from Illinois (Mr. Ewing) on March 29, 2000. This measure (H.R. 4112) would immediately increase the Federal inheritance tax exemption from a rate of \$675,000 to \$5 million and would then increase this exemption annually over the next three years until it reaches a total of \$10 million in 2003. After reaching the \$10 million level in 2003, the exemption would be indexed annually thereafter to account for inflation. Essential inheritance tax relief is provided by H.R. 4112 for even wealthy business and farm families. This Member is even willing to raise the exemption level beyond \$10 million to, for example, \$15 million.

By the way, most Nebraskans pay more state inheritance taxes than Federal inheritance or estate taxes so Nebraskans should also consider pushing for reductions or reforms in their state taxes.

Again, Mr. Speaker, for the aforementioned reasons, this Member rises today to oppose the veto override of H.R. 8, the Estate Tax Elimination Act of 2000.

Mr. PAUL. Mr. Speaker, I am pleased to rise in support of the Social Security Tax Relief Act (H.R. 4865). By repealing the 1993 tax increase on Social Security benefits, Congress will take a good first step toward eliminating one of the most unfair taxes imposed on seniors: the tax on Social Security benefits.

Eliminating the 1993 tax on Social Security benefits has long been one of my goals in

Congress. In fact, I introduced legislation to repeal this tax increase in 1997, and I am pleased to see Congress acting on this issue. I would remind my colleagues that the justification for increasing this tax in 1993 was to reduce the budget deficit. Now, President Clinton, who first proposed the tax increase, and most members of Congress say the deficit is gone. So, by the President's own reasoning, there is no need to keep this tax hike in place.

Because Social Security benefits are financed with tax dollars, taxing these benefits is yet another incidence of "double taxation." Furthermore, "taxing" benefits paid by the government is merely an accounting trick, a "shell game" which allows members of Congress to reduce benefits by subterfuge. This allows Congress to continue using the Social Security trust fund as a means of financing other government programs and mask the true size of the federal deficit.

Mr. Speaker, the Social Security Tax Relief Act, combined with our action earlier this year to repeal the earnings limitation, goes a long way toward reducing the burden imposed by the Federal Government on senior citizens. However, I hope my colleagues will not stop at repealing the 1993 tax increase, but will work to repeal all taxes on Social Security benefits. I am cosponsoring legislation to achieve this goal, H.R. 761.

Congress should also act on my Social Security Preservation Act (H.R. 219), which ensures that all money in the Social Security Trust Fund is spent solely on Social Security. When the government takes money for the Social Security Trust Fund, it promises the American people that the money will be there for them when they retire. Congress has a moral obligation to keep that promise.

In conclusion, Mr. Speaker, I urge my colleagues to help free senior citizens from oppressive taxation by supporting the Social Security Benefits Tax Relief Act (H.R. 4865). I also urge my colleagues to join me in working to repeal all taxes on Social Security benefits and ensuring that moneys from the Social Security trust fund are used solely for Social Security and not wasted on frivolous government programs.

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 274, nays 157, not voting 4, as follows:

[Roll No. 458]

YEAS—274

Abercrombie	Bateman	Boucher
Aderholt	Berkley	Brady (TX)
Andrews	Berry	Bryant
Archer	Biggart	Burr
Armye	Bilbray	Burton
Bachus	Bilirakis	Buyer
Baird	Bishop	Callahan
Baker	Blagojevich	Calvert
Ballenger	Bliley	Camp
Barcia	Blunt	Campbell
Barr	Boehlert	Canady
Barrett (NE)	Boehner	Cannon
Bartlett	Bonilla	Capps
Barton	Bono	Castle
Bass	Boswell	Chabot

Chambliss	Houghton
Chenoweth-Hage	Hulshof
Clayton	Hunter
Clement	Hutchinson
Coble	Hyde
Coburn	Inslee
Collins	Isakson
Combest	Istook
Condit	Jenkins
Cook	John
Cooksey	Johnson (CT)
Costello	Johnson, Sam
Cox	Jones (NC)
Cramer	Kasich
Crane	Kelly
Cubin	King (NY)
Cunningham	Kingston
Danner	Klink
Davis (VA)	Knollenberg
Deal	Kolbe
Delahunt	Kuykendall
DeLay	LaHood
DeMint	Lampson
Diaz-Balart	Largent
Dickey	Latham
Dooley	LaTourette
Doolittle	Lazio
Dreier	Leach
Duncan	Lewis (CA)
Dunn	Lewis (KY)
Ehlers	Linder
Ehrlich	Lipinski
Emerson	LoBiondo
English	Lucas (KY)
Etheridge	Lucas (OK)
Everett	Maloney (CT)
Ewing	Manzullo
Fletcher	Martinez
Foley	McCarthy (NY)
Forbes	McCollum
Ford	McCrery
Fossella	McHugh
Fowler	McInnis
Franks (NJ)	McIntosh
Frelinghuysen	McIntyre
Galleghy	McKeon
Ganske	Metcalf
Gekas	Mica
Gibbons	Miller (FL)
Gilchrest	Miller, Gary
Gillmor	Mink
Gilman	Mollohan
Goode	Moore
Goodlatte	Moran (KS)
Goodling	Morella
Gordon	Myrick
Goss	Nethercutt
Graham	Ney
Granger	Northup
Green (WI)	Norwood
Gutknecht	Nussle
Hall (TX)	Ose
Hansen	Oxley
Hastert	Packard
Hastings (WA)	Paul
Hayes	Pease
Hayworth	Peterson (MN)
Hefley	Peterson (PA)
Herger	Petri
Hill (MT)	Phelps
Hilleary	Pickering
Hobson	Pitts
Hoekstra	Pombo
Holt	Porter
Hooley	Portman
Horn	Pryce (OH)
Hostettler	Quinn

NAYS—157

Ackerman
Allen
Baca
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Bereuter
Berman
Blumenauer
Bonior
Borski
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Cardin
Carson

Clay
Clyburn
Conyers
Coyne
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Edwards
Engel
Eshoo

Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sanford
Saxton
Scarborough
Schaffner
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (FL)

Jackson (IL)
Jackson-Lee
(TX)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Klecza
Kucinich
LaFalce
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)

Meeks (NY)
Menendez
Millender-
McDonald
Miller, George
Minge
Moakley
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo

Sanders
Sawyer
Schakowsky
Scott
Serrano
Sherman
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Taylor (MS)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu
Wynn

NOT VOTING—4

Greenwood	Vento
Jefferson	Young (AK)

□ 1602

Ms. KAPTUR and Mr. HILLIARD changed their vote from "yea" to "nay."

Mr. FORD changed his vote from "nay" to "yea."

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The message and the bill is referred to the Committee on Ways and Means.

The Clerk will notify the Senate of the action of the House.

MAKING IN ORDER A MOTION TO SUSPEND THE RULES ON TODAY

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to authorize the Speaker to entertain a motion to suspend the rules and pass H.R. 4844 today.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there any objection to the request of the gentleman from Pennsylvania?

There was no objection.

RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2000

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4844) to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries, as amended.

The Clerk read as follows:

H.R. 4844

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Railroad Retirement and Survivors' Improvement Act of 2000".