

Above-the-line deduction for higher education expenses. Are we against allowing people to deduct their education expenses?

How about an above-the-line deduction for out-of-pocket teacher classroom expenses, are you against that?

All we are hearing about is, well, why are you doing it for capital gains and how this is going to affect the top people, the people right at the top of the income level. I would like to point out who is going to benefit from the reduced rate on dividends.

Nearly 60 percent of the Americans receiving capital gains or dividend income have incomes of less than \$100,000; and believe me, that is not millionaires, and you can even take it down to \$50,000 and find one in five will benefit from the capital gains deduction because of incomes under \$50,000. Those are not millionaires, but let us get down to talk about why we are doing it now.

If we were to allow the capital gains rate to expire and jump back up and increase, what we are simply doing is pushing back the increase so they do not increase. This is very important, and it is important for capital formation. It is important for planning your life and future and what you are going to be able to do; and also, I think that it is just good sense. It is good for our economy. Our economy has grown under this structure, and let us let the economy continue to grow.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

I am so glad to hear my friend from Florida talk about the economic growth that we can expect by making certain that the capital gains tax cut and the corporate dividend tax cut do not expire. What bewilders most people is that this does not expire until 2008. Nobody would be adversely affected until 2009, and unless the gentleman does not believe he will be in the majority in the next few years, I do not see why he would have to say that people who are out of work, who are looking for work, who have lost their pension should believe that this tax cut that will continue to 2009 is going to help them.

But maybe the gentleman from Mississippi, who understands that not many of his constituents are going to understand this, might clarify some of the problems we have.

Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Mississippi (Mr. TAYLOR), who really knows what economic growth should be.

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman for yielding me time.

Last night, about 12,000 Mississippians went to bed in somebody else's house or in their carport or in their car or in their tent. They are waiting on a FEMA trailer. I did not promise them a FEMA trailer. The President of the United States did. He has not fulfilled that promise yet. It is over 102 days past the storm.

As we speak, there are tens of thousands of Mississippians, average Joes, who are about to lose their house. See, they lived outside the flood plain. They had wind insurance, and a storm of magnitude that has not occurred in 300 years either destroyed or flooded their homes.

Now they have no home. They have a mortgage to pay, and their insurance company, which contributes heavily to the folks over there, says you are not getting a dime because that was water and not wind, but they will use any excuse they can.

I have introduced legislation to try to help those folks, and it is expensive. It is going to cost about \$5 billion to help those folks hang on to their homes and hang on to their mortgage; and in 102 days we have not had a hearing or a vote on it. But if you are a member of the political contributor class, the guys who write the big checks to the RNC, guys who write a big check to a Congressman here, Senator there, we have got a vote on your tax cut that does not even expire for 3 years.

You want to know what this House's priorities are? It is not with the average Joes. It is with the political contributor class. You call them what you want. You can call them rich, but we all know it comes down to who writes the checks.

By the way, the guy on Coleman Avenue whose house washed away, he does not write big checks. So maybe that is why you do not listen to him. It has been 102 days, and you have done nothing. There is no talk of doing anything.

There are 12,000 Mississippians waiting on a FEMA trailer. So what do you bring to the floor? Is it hurricane relief? Is it something to help the average Joes? It is a tax break for the wealthiest 1 percent of America who, by the way, write the big checks to the political parties. Tell me your priorities are not screwed up, because I am going to tell you they are.

Mr. CAMP of Michigan. Mr. Speaker, I yield myself such time as I may consume.

I just want to point out to the Members that yesterday the House passed the Gulf Opportunities Zone Act 415-4 which dealt with many items to help gulf coast area residents who had been hurt by the hurricane, incentives to help rebuild housing, investment to provide depreciation and expensing for small businesses, bonding authority so that tax-exempt bond authority could help rebuild devastated infrastructure in the hurricane zone.

So this House has acted to help hurricane victims.

Mr. Speaker, I yield 2½ minutes to the gentleman from Arizona (Mr. HAYWORTH), a distinguished member of the Ways and Means Committee.

(Mr. HAYWORTH asked and was given permission to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I rise in strong support of the legislation precisely because of the challenges outlined by my friend from Mississippi.

As my friend from Michigan just pointed out, yesterday this House took steps to reignite the engines of economic opportunity, to deal with job creation and getting help to the people of the gulf coast. I would assure this House, Mr. Speaker, this is not some sort of abstraction.

As my friend from Mississippi knows, Brother Rex Yancey, the pastor of First Baptist Church in Pascagoula, is my wife's uncle. This is not some sort of statistic or abstraction. Just as Brother Rex and everyone in Mississippi and on the gulf coast are facing challenges, we need to work together to make sure the climate of economic opportunity exists for all.

Just as heartfelt as his concern is for his constituents, Mr. Speaker, I must correct the record. It does this House no service to come to this well, no matter the challenges confronted, and try to claim either class warfare or crass political opportunism in a quid pro quo. It is beneath the dignity of every Member of this House to suggest that somehow this has to do with contributions.

As my friend from Mississippi knows, the most philanthropic State in the Union where people step up to help neighbors in need, that example does not fall on deaf ears. I will say economic opportunity is important, not only for Wall Street, not only for Main Street but for your street, Mr. Speaker, for every street because we understand economic opportunity is not exclusive.

There may be some who believe that this modern economy is some sort of caste system. There may be some who always want to fill in the blank as follows: tax breaks for the blank, tax breaks for the rich. That is their story and they are sticking to it. No hope, no opportunity when the facts are otherwise.

We have had solid economic growth. Revenues to the government have actually increased.

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And not only has there been some \$69 billion in immediate hurricane relief given by this Congress and this government to the storm victims, but the promise of future help and economic prosperity as the people of the gulf coast get back on their feet.

Stand up for growth and opportunity. Pass this legislation.

Mr. RANGEL. Mr. Speaker, I had an old law professor, and he once told me, if you don't have the facts going for you, raise your voice. I never understood it, but I do now.

Mr. Speaker, I yield 30 seconds to the gentleman from Mississippi (Mr. TAYLOR) to share with us what economic growth means to him under this bill.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to remind the gentleman that when your house is washed away, your job is washed away. You are not looking for a tax break. You are looking for your fellow Americans to

help you out while your kids are serving in the Mississippi National Guard over in Iraq.

You have not done that for 102 days. Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois (Mr. EMANUEL), a distinguished Member of the Ways and Means Committee.

Mr. EMANUEL. Mr. Speaker, I rise today in strong opposition to this Republican plan for the wealthiest Americans.

President Kennedy once said, "To govern is to choose." So let us look at the choices. This tax cut falls on the heels of a deficit reduction plan passed before Thanksgiving that cut children's health care, child care assistance, college aid, child support, and will actually increase the deficit by \$20 billion. That is what they refer to as new math in America.

What kind of Congress calls this fiscal responsibility? A Republican Congress, but of course.

With all the problems facing middle-class Americans, soaring energy costs, coupled on top of skyrocketing health care costs, educational expenses, and flat incomes 5 years in a row, what is the solution offered by this Republican Congress? Cut capital gains and dividend taxes for millionaires.

It is time for a change in new priorities rather than that same old tired failed policies that got America to where it is today.

This budget cuts \$9.5 billion, adversely affecting \$6 million children's health care. It cuts 40,000 children from nutritional assistance. It cuts child care assistance leaving 330,000 children without child care assistance. It cuts \$14.5 billion from student aid and college assistance. It cuts child support collections \$4.5 billion.

This budget gives a whole new meaning to women and children first. And what do they do in return? Fifty-three percent of the benefits of this tax cut on dividends and capital gains goes to people earning \$1 million or more, and 62 percent of the benefits go to those earning \$500,000 or more.

What kind of Congress would throw children over the side to pay for more tax cuts for the wealthiest Americans? A Republican Congress, but of course.

These are the wrong priorities for America. We can do better. It is time for a change and for a new direction.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. BEAUPREZ), a distinguished member of the Ways and Means Committee.

Mr. BEAUPREZ. Mr. Speaker, this has been an interesting debate, as it always seems like it is these days in this House. In 2003, I actually thought we did some very good things with the tax cuts we implemented, and I thought we did them for families back home in all of our districts. So on August 2, 2005, I joined with a colleague of mine from Colorado, Congresswoman MUSGRAVE, a member of the Small Business Com-

mittee, and we explored the effect of at least one of those tax cuts that we are talking about extending today, section 17, which increases the allowable expensing limits from \$25,000 on depreciable assets to \$100,000.

Now, I think Linda Jones, the owner of Area Rentals back in Westminster, Colorado, will be delighted to understand that she is a member of a special interest and must surely be rich, by definition, because she got a tax break. What she did with that was, in 2003, she used \$57,000 of the allowable expensing limits to purchase some additional equipment that she rents in her store. And because she saved a little over \$7,300 in tax expense, and that came the same year she got a 30 percent increase in her employees' health care costs, she was able to maintain coverage for health care for her employees. The very next year she used an additional \$64,000 of the expensing allowance to purchase even more equipment to expand her store, keep jobs, and, in fact, increase jobs.

Ron Lautzenheiser must be among the rich and the special interests, too, except he runs a big old tire center back in Fort Collins. When he did his calculations, wanting to expand, the increase in expensing limits contained in section 179 allowed him to figure out how to do that. He added two new stores and went from one big old tire center employing but a handful of people to now employing 50 people in three stores.

This is commonsense legislation for the real people back home, and I urge its adoption.

Mr. RANGEL. Mr. Speaker, I reserve the balance of my time, having only one speaker remaining, until the other side reaches that point.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HERGER), a distinguished member of the Ways and Means Committee and chairman of the Human Resources Subcommittee.

Mr. HERGER. Mr. Speaker, today's legislation contains a number of important tax relief provisions, including an expanded research and development credit to keep American innovation competitive; and one supported by my friend from Wisconsin, Paul Ryan, which would adjust the qualified veterans mortgage bond program and expand access to affordable home loans for California veterans who served after 1977.

In addition, the bill before us includes a measure that I have long supported to facilitate greater small business growth. Small businesses are the backbone of our economy, representing over half of all jobs and economic output. The section 17 extension in this bill will enable small businesses to write off new capital investment up to \$100,000 per year, spurring further economic growth and helping to generate new jobs.

In 2003 alone, 4.6 million small businesses used \$44.1 billion of section 179

expensing. According to the National Federation of Independent Businesses' November report, 61 percent of small business owners reported capital outlays over the past 6 months, including new equipment and vehicle purchases, furniture purchases, existing facility expansion, and improvement in new facility construction.

Small business expensing works and it helps drive job creation in areas like my own northern California Congressional District. Unfortunately, the current expensing limits are set to return to significantly lower levels if we do not extend this provision.

Mr. Speaker, I would like to thank Chairman THOMAS and the members of the committee for their support of small businesses, and I urge my colleagues to vote for the legislation before us today.

Mr. RANGEL. Mr. Speaker, I continue to reserve the balance of my time.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER), a distinguished member of the Ways and Means Committee.

Mr. WELLER. Mr. Speaker, I thank the gentleman for yielding me this time, and for his leadership on this issue as well as many others.

It is good to be in the House doing something that is pretty basic. I support this legislation. I would note that if you vote "no," you are actually voting to increase taxes because this is legislation simply extending current law that expires in the coming year.

I also want to point out a provision that is very, very important in districts like mine, in areas like the Chicago suburban area, because it is legislation that addresses the need to revitalize old urban areas, to recycle, and to use old abandoned industrial sites. That is the brownfields provision.

I have worked over a number of years with Chairman THOMAS and others, and we have worked in a bipartisan way, to find ways to encourage reinvestment in old abandoned industrial sites. You will find, in many cases, that these old industrial sites have environmental contamination, and because of that investors would much rather go out and buy a cornfield, a greenfield site, and create an industrial park, which consumes five to six times as much land, creates urban sprawl, and also costs the taxpayers more because you have to replace the water and the sewer and the infrastructure and the roads.

Well, in the coming year, the environmental cleanup provision for brownfields, that tax incentive, expires. So we extend that. But we also do something more, which I think is very, very important. And, really, the recent occurrence of Katrina highlights it, because we have often heard about the petroleum contamination in the New Orleans area and the need for cleanup. Well, if you think of your own communities and the south suburbs of Chicago and rural areas that I represent, we can always think of that gas