

## TAX CODE CHANGES

Mr. DURBIN. Mr. President, those who have followed the proceedings of the Senate over the last 2 weeks understand we have been debating changes in the Tax Code. The two changes we have focused on are changes in the estate tax and changes in what is known as the marriage penalty. These are two very interesting proposals that have been before the Senate but they really tell the story about the priorities of the Senate when it comes to dealing with the economy and helping families across America.

The estate tax, which we have considered and passed in a version last week to ultimately repeal it, is a tax which affects a very small percentage of Americans. In fact, fewer than 2 percent of American families will pay the estate tax. Those who end up paying it are the wealthiest people in America.

It is curious to me that when we established our list of priorities in this Congress as to tax relief, the first people in line were the wealthiest people in America. That is not to say we should not consider tax relief that involves them, but I think everyone understands that average families, smaller businesses, and family farms have priorities, too, when it comes to tax relief.

Take a look at what the Republican proposals under the estate tax, as well as the so-called marriage penalty tax, would do in terms of the people in America and their income groups.

For the 20 percent of American families lowest in income, the Republican proposals, two of them—the estate tax as well as the marriage penalty—result in tax breaks of \$24 a year. Then, as you start moving up in income, you see that not until you get up to the level of the next 15 percent here, of the top wage earners in America, do you find people even seeing a tax break of about \$900 a year—about \$75 or \$80 a month.

Now look at what happens when you go to the top 1 percent of wage earners in America, the wealthiest people in America: \$23,000 in tax breaks coming from this Republican-led Senate under these two bills, estate tax reform and marriage penalty.

So if you happen to be in a working family, down here, you are not going to notice what has been going on in the Senate because, frankly, the tax relief they are sending your way hardly pays for a magazine. But look what happens at the highest income levels: \$24 for the lowest wage earners, the people struggling to survive in America; \$23,000 for the wealthiest people in this country. Time and time and time again, the Republican leadership, given a chance to deal with tax equity in America, decides the best thing that can be done is to give to the wealthiest Americans more tax breaks.

This tells the story as well. I will not go through it in all detail, but the top 1 percent of wage earners in this country, people making over \$300,000 a year—those folks are going to see a tax

break of \$23,000; 43 percent of all the tax relief coming in these two Republican bills goes to people making over \$300,000 a year.

There are people who will say perhaps they need it. I am not one of them. Frankly, I can tell you who needs it, as far as I am concerned. A working family trying to figure out how they are going to pay for their kid's college education expenses, those are the folks who need a tax break. When we put on the floor a measure sponsored by my seatmate here, Senator Charles SCHUMER of New York, to allow people to deduct \$12,000 a year in college education expenses instead of giving tax breaks to the wealthy, it was rejected by the Republican majority. A \$12,000 deduction for college education expenses was rejected while we give a \$23,000-a-year tax break to the wealthiest among us.

Then Senator DODD of Connecticut, who has been a leader in child care, stood up and said we have a lot of people going to work in America every day worried about the safety and quality of child care; let's give them a tax break so they can pay for good, professional, safe child care and have peace of mind while at work that their kids are in good hands. It was rejected by the Republican majority. The idea of helping working families take care of their kids was rejected.

Then Senator KENNEDY and others offered a prescription drug benefit for seniors and the disabled under Medicare, struggling to pay for their drug bills. We said we think that is a higher priority than a \$23,000 tax break for the wealthiest people in America. The Republican majority said no, it is not a higher priority; it is a much higher priority to keep in the front of the line at all times the wealthiest people in America. That is what this debate is all about.

The question is, Whom do we stand for? Do we stand for working families in this country or do we stand for the financially articulate who, frankly, lord over this political process with their representatives who come in expensive suits, well dressed, standing in the corridors here saying we have to help the wealthy of America.

For good Heaven's sake, for the last 8 years this economy has been on such a roll, the wealthiest in America have done very, very well. I don't begrudge them that. But when we talk about helping people in this country, why don't we remember the folks who get up and go to work every single day, who worry about their kids' education expenses, who are concerned about day care where they can leave their kids safely, who want to make certain their parents can afford the prescription drugs they need to stay healthy?

That is not a priority among the Republican leadership here. They don't want to talk about it. They want to go to their convention in Philadelphia in 2 weeks and talk about how they have worked so hard for tax cuts and Presi-

dent Clinton and the Democrats have stopped them. Don't forget to ask them the question, Who are the winners under your tax cuts? The winners are those who turn out always to win when the Republicans are in control. The wealthiest win again and again in America.

I see Senator HARKIN. Senator HARKIN came in with his own proposal, trying to help those concerned about tax equity. I am happy to yield to him at this point.

Mr. HARKIN. Mr. President, I thank my friend for his very eloquent and decisive statement. I think my friend has really put his finger on it.

I would add one other thing to what we attempted to do here with the future surpluses the Senator was mentioning, the various things we wanted to do to try to help average working people. I had offered an amendment a couple of weeks ago to fully fund the Individuals with Disabilities Education Act so we could help the States help families with children with disabilities to send them to school to get them the best possible education. We were stymied by the Republicans. Most of them voted against it.

Yet they find it within themselves to give, as the Senator pointed out, to the top 1 percent of this country 43 percent of the tax breaks. The surplus we have coming in the next 10 years is being used up by these tax breaks. I might ask the Senator if that is not so. It is my information, just this year, up until right now, this Senate, under Republican leadership, has passed something over \$1.3 trillion in tax cuts. Am I in the ballpark, I ask the Senator?

Mr. DURBIN. The Senator from Iowa is correct. As these charts indicate, those tax breaks are going to the wealthiest people in America. I think the Senator from Iowa, from my neighboring State, believes as I do: Hard-working people in this country are not looking for a handout; they are looking for an opportunity. Give them a chance to pay for their kids' college education; give them a chance to pay for prescription drugs; give them a chance to pay for day care. And the Republicans say consistently: That is not a priority. That is not important.

Mr. HARKIN. I see my distinguished colleague from Massachusetts. The other day, Senator KENNEDY was pointing out that the Republicans have passed \$1.3 trillion in tax cuts. Yet we have not purchased one book; we have not reduced the size of one class, we have not hired one new teacher, modernized one school, brought one prescription drug for the elderly. Yet they spend \$1.3 trillion of the surplus that is there because of hard-working Americans the Senator from Illinois is talking about.

Mr. DURBIN. I might say in response to the Senator from Iowa, to think we live in a nation where 30 percent of our population cannot read any higher than a fifth-grade level, this is a waste of resources in our country. We will

need to be a productive society in the 21st century. The fact is that this Republican-controlled Congress does not even view education as a high enough priority; they would rather put our time and our effort into tax breaks for people who are doing very well under our economy.

I will be happy to yield again to the Senator from Iowa.

Mr. HARKIN. Mr. President, the Senator knows that next week we celebrate the 10th anniversary of the Americans with Disabilities Act. A recent court decision upheld the ADA, trying to get people with disabilities the right to live independently in their own communities. That is going to require us to make some changes in this country. It is going to require us to invest in making sure people with disabilities have the kind of support they need so they can get education and jobs and independent living and transportation. If we do that, they are going to be wage earners and taxpayers and not living in institutions.

I say to the Senator from Illinois, as we celebrate the ADA next week, we ought to think about that, where all the money is now going, because the Republicans are giving it all to the top 1 percent and there will not be anything left to help make our country more fair and just, and to make sure we live up to our obligation to people with disabilities so they are fully integrated into our society.

Mr. DURBIN. I will be happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. Just before the Senator leaves that thought about the need for support for special education, this is something the Senator from Iowa has been particularly interested in and in which he is strongly supported by the Senator from Illinois and myself.

We have heard a lot of lectures out here about the importance of helping local communities who have these extraordinary challenges of families who have children with these special needs, and it places a very special burden on local communities. I think the Senators from Iowa and Illinois and others understand the importance of giving help and relief to these communities all across this country. We hear about the need out there.

I am wondering whether the Senator shares my belief that after giving \$1.3 trillion away, whether we should not have used some of those resources to try to help local communities and help families who have these kinds of special needs for their children?

We are going to be hard pressed to find the resources to do that. Perhaps the Senator would also tell me why it is now that we have gone all of this last year, all of this year, and we still can't get a minimum wage up to look out for the interests of 13 million Americans who are working 40 hours a week, 52 weeks a year, who take pride and have a sense of dignity, that we can't have an opportunity to address

it, when in the last 5 days we have given \$1.3 trillion away to the wealthiest individuals.

Mr. DURBIN. I say to the Senator from Massachusetts, if you take a look at this chart, this is what the Republicans want to do for those who are working for the minimum wage, for less than \$13,000 a year. They want to give them a tax cut of \$24. Two dollars a month is their response. We are trying to give them a dollar an hour increase under Senator KENNEDY's leadership in the minimum wage. Yet those at the highest level, those making over \$300,000 a year, under the Republican proposal, will see a tax break of \$23,000 a year. That is almost double what people making minimum wage are receiving in income. We are going to give that much in a tax break to those making over \$300,000.

So instead of raising the minimum wage for the millions that the Senator refers to—and the 350,000 people who get up and go to work every day in Illinois at minimum-wage jobs—we are, instead, giving a tax break to the wealthiest among us.

Mr. KENNEDY. Will the Senator respond to another question?

Is it the Senator's position—and we have been joined by the Senators from California and New York—that there is a greater priority to provide a prescription drug program for the 40 million Americans who need prescription drugs than there is to grant the \$1.3 trillion to the wealthiest individuals, that the Senator from Illinois shares the belief that we ought to be addressing that particular issue prior to the time that we give away all of these funds to some of the wealthiest individuals?

Mr. DURBIN. I agree completely.

When Senator FEINGOLD offered his amendment that said anyone with an estate over \$100 million a year will have to pay estate taxes, it was rejected by the Republicans. To think people that wealthy should not pay their taxes, while many seniors have to choose between filling their prescription drug prescriptions or filling their refrigerators with food, I think tells the difference between the two parties when it comes to helping America.

Mrs. BOXER. Will the Senator yield?

Mr. DURBIN. I am happy to yield.

Mrs. BOXER. I do not know if the Senator has mentioned this, but it seems to me this Republican Congress wants to take care of the top 2 percent of income earners in this country; and as far as the other 98 percent, they don't seem to care.

Why do I say that? Because you have to look at the action. I ask the Senator to again hold up that chart. What is happening here? If you asked the average person in the higher income brackets, who is doing so well in this particular time—thanks to the policies, I would say, of the Clinton-Gore team, supported by those of us in Congress—they don't need to get back \$23,000 a year. They are doing extremely well.

Does my friend think it is time to take a little of this emotion—I watched

the debate when Senator FEINGOLD offered his amendment to exempt estates of any taxes up to \$100 million. I thought at least on that point our friends on the other side could join hands with us. But no, the emotion on the other side of the aisle, defending the people, the "poor" people who are worth more than \$100 million, was so powerful that I only wished we could take a tenth of that emotion and address it to the minimum wage and prescription drugs and good public education.

I wonder if my friend noted the strong emotion and feeling on the other side of the aisle when it came to defending and protecting the wealthiest in this country, rather than the 98 percent of the people who need it. Did he take note of that?

Mr. DURBIN. I say to the Senator from California, time and again, the Republican Senators here have felt the "pain" of being wealthy in America. They can feel the "pain" of those who make over \$1 million each year, over \$300,000. They don't seem to feel any pain or any sense of emotion when it comes to the working families.

#### DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPRO- PRIATIONS ACT, 2001—Resumed

AMENDMENT NO. 3798

The PRESIDING OFFICER. The hour of 9:45 a.m. having arrived, the question now occurs on the Reed amendment No. 3798.

The Senator from Rhode Island.

Mr. REED. Mr. President, I believe my colleague, Senator GORTON, has a modification to my amendment, which I will accept. He is prepared to offer the modification to my amendment.

Mr. GORTON. Mr. President, what is the order of business? It is 9:45.

The PRESIDING OFFICER. There are 2 minutes evenly divided for explanation on the Reed amendment No. 3798.

Mr. GORTON. Mr. President, Senator REED and I have come to an accommodation, and we have a modification to his amendment.

First, I ask unanimous consent that the yeas and nays on the Reed amendment be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3798, AS MODIFIED

Mr. GORTON. Mr. President, I send a modification to the Reed amendment to the desk, and ask unanimous consent that it be immediately considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

(Purpose: To increase funding for weatherization assistance grants, with an offset)

On page 182, beginning on line 9, strike "\$761,937,000" and all that follows through "\$138,000,000" on line 17 and insert "\$763,937,000, to remain available until expended, of which \$2,000,000 shall be derived by