# March 28, 1995

Moran

Myers

Neal

Nussle

Obey

Olver

Ortiz

Owens

Oxley

Parker

Pastor

Paxon

Pelosi

Petri

Pombo

Porter

Quinn

Rahall

Rangel

Reed

Riggs

Rivers

Rogers

Roth

Royce

Schiff

Scott

Shaw

Sabo

Johnston Jones Kanjorski Kaptur Kasich Kelly Kennedy (RI) Kennelly Kildee Kim King Kingston Kleczka Klink Klug Knollenberg Kolbe LaFalce LaHood Lantos Largent Latham LaTourette Laughlin Lazio Leach Levin Lewis (CA) Lewis (GA) Lewis (KY) Lightfoot Linder Lipinski Livingston LoBiondo Longley Lowey Lucas Luther Malonev Manton Manzullo Markey Martinez Martini Mascara Matsui McCarthy McCollum McCrery McDade McDermott McHale McHugh McInnis McIntosh McKeon McKinney McNulty Meehan Meek Menendez Metcalf Mevers Mfume Mica Miller (CA) Miller (FL) Mineta Minge Moakley Molinari

Shays Shuster Mollohan Montgomery Sisiskv Moorhead Skaggs Skeen Morella Skelton Murtha Smith (MI) Smith (NJ) Myrick Smith (TX) Smith (WA) Nethercutt Solomon Neumann Souder Ney Norwood Spence Spratt Stark Oberstar Stearns Stenholm Stockman Stokes Studds Stump Packard Stupak Talent Pallone Tanner Tate Tauzin Taylor (MS) Payne (NJ) Taylor (NC) Payne (VA) Tejeda Thomas Peterson (FL) Thompson Peterson (MN) Thornberry Thornton Pickett Thurman Tiahrt Torkildsen Pomeroy Torres Torricelli Portman Poshard Towns Traficant Quillen Tucker Radanovich Upton Vento Visclosky Ramstad Volkmer Vucanovich Waldholtz Regula Walker Reynolds Walsh Richardson Wamp Ward Watt (NC) Roberts Watts (OK) Roemer Waxman Weldon (FL) Rohrabacher Weldon (PA) Ros-Lehtinen Weller White Whitfield Roukema Wicker Williams Wise Salmon Wolf Sanford Wyden Sawyer Wvnn Saxton Yates Scarborough Young (AK) Young (FL) Schaefer Zeliff Schumer Zimmer Seastrand Sensenbrenner Serrano Shadegg

#### NAYS-14

Schroeder

Slaughter

Waters

Woolsev

Brown (OH) Lincoln DeFazio Lofgren Filner Mink Hinchey Roybal-Allard Kennedy (MA) Sanders

## NOT VOTING-17

	Pryce
Graham	Rose
Hilliard	Rush
Jefferson	Velazquez
Nadler	Wilson
Orton	
	Hilliard Jefferson Nadler

# □ 1809

So the motion was agreed to. The result of the vote was announced as above recorded.

#### APPOINTMENT OF CONFEREES ON H.R. 831, PERMANENT EXTENSION OF THE HEALTH INSURANCE DE-DUCTION FOR THE SELF-EM-PLOYED

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 831) to amend the Internal Revenue Code of 1986 to permanently extend the deduction for the health insurance costs of self-employed individuals, to repeal the provision permitting nonrecognition of gain on sales and exchanges effectuating policies of the Federal Communications Commission, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

#### PARLIAMENTARY INQUIRY

Mr. GIBBONS. Reserving the right to object, Mr. Speaker, I only reserve the right to object to propound a parliamentary inquiry.

The SPEAKER pro tempore (Mr. EWING). The gentleman from Florida will state his parliamentary inquiry.

Mr. GIBBONS. Mr. Speaker, I have a motion to instruct conferees, and will I be recognized, if this unanimous consent request is agreed to, to then present my motion to instruct conferees?

The SPEAKER pro tempore. The gentleman is correct; yes, he will.

Mr. GIBBONS. Mr. Speaker, I do not object, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. GIBBONS Mr. GIBBONS. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. GIBBONS moves that the Managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 831 be instructed to agree to the provisions contained in section 5 of the Senate amendment which change the tax treatment of U.S. citizens relinquishing their citizenship.

The SPEAKER pro tempore. Under the rule, the gentleman from Florida [Mr. GIBBONS] will be recognized for 30 minutes, and the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Speaker, may I propound a parliamentary inquiry at this point?

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GIBBONS. Mr. Speaker, do I understand in this debate I have the right to close?

The SPEAKER pro tempore. The gentleman is correct.

Mr. GIBBONS. Mr. Speaker. I vield myself such time as I may consume.

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

Mr. GIBBONS. Mr. Speaker, I am going to depart from my usual practice of speaking extemporaneously and read a statement because the statement is so serious and the names that I will mention here are names of Americans and I do not want to defame them, I want to be very accurate in what I say, and so I am going to read from a prepared statement these remarks.

#### □ 1815

Mr. Speaker, section 5 of the Senate amendment to H.R. 831 changes the tax treatment of U.S. citizens who renounce their citizenship. Under the Senate proposal, individuals who renounce their citizenship would be subject to income taxes on the unrealized gains which they accrued while they enjoyed the benefits of being a U.S. citizen

Mr. Speaker, this is a serious loophole in our tax laws, and is one that the Senate has picked up and one that we must close immediately, because the amounts of money here are large, and the equities are very unfair.

Mr. Speaker, I believe that these provisions should be enacted for two reasons. The Senate provisions, first, as a matter of fairness, individuals who have enjoyed the benefits of being a citizen of the United States and who enormous fortunes amassed have should not be permitted to not pay taxes on these gains by merely renouncing their citizenship. Mr. Speaker, this proposal that the Senate has put forward that I ask the Members to instruct the conferees to adopt, this proposal does not punish anyone for renouncing their citizenship. But it merely ensures that these people who renounce their citizenship will pay a tax comparable to that paid by many patriotic wealthy individuals who have not abrogated their responsibility through renouncing their citizenship. In other words, Mr. Speaker, there are many wealthy and fine patriotic Americans who pay their taxes. They do not like them. I do not blame them. But they pay them. There are only a few who escape paying their regular taxes by renouncing their citizenship.

Second, Mr. Speaker, this amendment raises substantial amounts of revenue that should be devoted to deficit reduction as intended by the Senate. The Joint Committee on Taxation has estimated that these provisions will raise \$3.6 billion over the 10-year period. I want to repeat that, Mr. Speaker: This is not a small loophole. This is not just a careless amount of money. Our joint committee estimates that the savings from this to the rest of us American taxpayers will amount to \$3.6 billion over 10 years.

Mr. Speaker, last week we debated welfare reform which reduced Federal expenditures by reducing benefits payable to the poorest Americans. I think it is appropriate that this week we debate a proposal which requires individuals who have benefited extraordinarily from the American economic system to continue to contribute to reduce this national deficit.

The provision we are talking about today affects a very few individuals. The proposal of the Senate exempts all gains of these individuals from real estate tax holdings, it exempts all taxqualified retirement plans, and it exempts an additional \$600,000 of gains from other assets, a very generous exemption to these people who renounce their citizenship.

In addition, there are provisions for installment payments of these regular taxes to these people who renounce their citizenship. The Treasury Department estimates that individuals owning less than \$5 million in assets will rarely be impacted by these proposals of the Senate. The Treasury Department also estimates that fewer than 12 or perhaps as many as 24 individuals would be affected by this proposal each year.

Mr. Speaker, several arguments have been raised against this proposal which I would like to respond to. First, some people have argued this proposal is the result of the punitive level of taxation in this country.

Mr. Speaker, this is simply not correct. Compared to other industrialized countries, the United States has a relatively low tax burden. I think I am correct when I say that of all the 21 industrial countries, large industrial countries, on this planet, the U.S. taxes are next to the lowest in all of those 21 countries. I may be incorrect there, but I think that is my recollection of them. It should be noted that other countries such as Canada, Germany, and Denmark have enacted similar proposals to that proposed by the Senate.

Other objectors have raised the issue of human rights. They have compared these provisions to efforts of the Soviet Union to prevent emigration by its citizens from the Soviet Union. This comparison is entirely misguided. The individuals affected by this proposal are not renouncing their citizenship because of lack of economic or political freedoms in this country, but, rather, these are individuals who are simply unwilling to contribute to a country whose political and economic system has benefited them extraordinarily well.

They should be proud to be American citizens. They should not be renouncing their citizenship just for tax purposes.

Recent examples of individuals who have renounced their citizenship include Kenneth Dart, an heir to the drinking cup businesss, and John Dorrance III, a Campbell Soup heir. Both of these individuals are billionaires, Mr. Speaker. Mr. Dart claims to have taken up residency in Belize, a

country that we used to know as British Honduras, and a country not known for its political or economic freedom.

Mr. Speaker, this tax proposal, this proposed tax of individuals who are fleeing, not fleeing economic or political repression, but are attempting to shed their moral obligations of citizenship in this country of ours because they can move to tax havens and because the rest of Americans will provide through our defense and security systems for their protection in these tax havens, will enable these wealthy Americans to live safely in other parts of the world, but they will probably spend most of their lives here, but they will still be wards of the American Government

Mr. Speaker, this proposal appropriately taxes the economic Benedict Arnolds of this country, and this proposal to instruct the conferees should be enacted.

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN], a member of the committee.

Mr. PORTMAN. Mr. Speaker, I thank the chairman for yielding.

I just have one small point to make. I think a lot of us on this side want to get at this same issue the gentleman from Florida has been discussing, and many of us agree this is a problem that should be addressed in the tax law. We are not sure this is the right place to do it or the right time to do it or this is the right proposal to do it.

One of the things I have been hearing from some of my colleagues is what we would do in this legislation is similar to what other countries do, Australia, Canada, and so on. I have looked into it a bit as has the staff, both of the Committee on Ways and Means and the Joint Tax Committee. That is simply not true, What we do here is something different than is done in those other countries. There are specific differences.

Other countries do impose some kind of an exit tax. They are Australia and Canada. But they are different than ours. As an example, they would allow a step-up in basis, so if you were to go, for example, from Hong Kong to Canada and then emigrate from Canada somewhere else, you would get the step-up in basis, so the gain would only be during the time in which you are a resident or a citizen of Canada. That is a big difference from our proposal that we have before us which would not allow that step-up in basis.

Second, those two countries allow a deferral, so you can allow a deferral in the payment of the gain until the asset is actually sold. Again, that is a big difference.

I just think as we go through the debate, we ought to look at all the proposals before us, but make it very clear what we are talking about doing here in this motion to instruct is to accept language that is very different from

that imposed by other developed countries on their citizens.

Perhaps the gentleman from California [Mr. MATSUI] or others will discuss this issue later. I think it is important for us not to say we are going to be doing something that other countries do.

Mr. GIBBONS. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I thank the gentleman from Florida [Mr. GIB-BONS] for yielding the time.

You know, at a time when we are trying to deal with the issue of the deductibility of the self-insured insurance premium, we are paying for it because we want to close a loophole, and that loophole is the FCC loophole which gives preference to minorities, and we all know the Viacom case, the case in which if it went through would cost the taxpayers of America up to \$600 million.

The reason we have moved quickly on the FCC and the Viacom issue is because we did not want people to take advantage of the Tax Code, because one individual, Frank Washington from California, was basically a front for the TCI Corp. which was buying the assets of Viacom, and so if we are willing to take on Viacom, if we are willing to take on the FCC regulations, because it is unfair, because we know that it is being abused, the tax system is being abused, how could we possibly, how could we possibly not take on these people that are American citizens who leave the United States, only renounce their citizenship only because they want a tax break, they want to avoid taxation? And as the gentleman from Florida [Mr. GIBBONS] has said, we have calculated over the next 10 years the Federal Government will lose \$3.6 billion if in fact this loophole is not taken care of.

And, second, even more critically, if this loophole is not taken care of, you are going to see more and more American citizens renounce their American citizenship. It could be up to \$10 billion or \$12 billion over the next 10 years. The reason for it is because they are going to recognize, they are going to find out that this is a basically abusive tax proposal that they can take advantage of, and so as more and more people find out about it, they are going to take advantage of it. That is why we have to close this loophole in this particular conference.

I know if you want to make changes in it and clean it up a little bit, we can do that. The conference will have 4 or 5 days in which they can work.

We have got the Treasury Department, we have the fine minds of the majority and minority to make sure this proposal will work.

I think what people have to understand is American citizens are renouncing their citizenship not because they want to go to another country because they find the country is a better country to live in, but because they do not want to pay taxes that you and I pay and we will have to pay more of it in fact they do this.

Bear in mind, these people do not have to leave the United States physically. They can still stay in this country. They just will not be American citizens. They can stay in this country for up to 120 days a year.

This is an abusive approach. These people are taking, as the gentleman from Florida [Mr. GIBBONS] says, we know the Dart family that have done it. We know a lot of families that have done it.

I have to tell you in terms of what the gentleman from Ohio has said, other countries have done it but not quite as abusive as we have. We have a list of about 10 countries that have current similar laws, Germany, the Netherlands, Denmark, Sweden, Norway, Finland, France, Philippines, Canada, and Germany, for example, will withhold 25 percent of one's assets if a person has been a resident of Germany for more than 10 years. This is much more stringent than the proposal that is being proposed in this conference.

We have other countries like Norway who will deem a tax period for over 5 years even though that person has not been a citizen for 5 years; he will have been deemed to be a citizen for 5 years; he will have been deemed to be a citizen of Finland for tax purposes. Our proposal is much less stringent than Finland's.

These 10 countries have proposals that are very, very stringent. I would further add that both Senator DASCHLE, the minority leader of the Senate, and Senator DOLE, the majority leader of the Senate, have said keep this provision in, keep this provision in because when we go to the conference, we may want to use this money not only for deficit reduction but maybe for giving the small-business owner, instead of 25 or 30 percent, maybe give them up to 40 percent in terms of a deduction

Why not do that? Why not give some of these small businesses a larger deduction on their health insurance deduction instead of allowing these tax cheaters who leave the country, renounce their citizenship, the right to avoid U.S. taxes?

And so I might just conclude by making one final observation in my time. As the gentleman from Florida [Mr. GIBBONS] says, we are talking about \$3.6 billion, or \$1.4 billion over the next 4 years, and we are only talking about 12 to 25 citizens on average per year, and this just indicates exactly the amount of money that these people are trying to avoid in taxes.

This is the proposal that must be taken out and put in this conference. This is a proposal that must become law at the same time we go after Viacom and others who attempt to abuse the tax system.

#### □ 1830

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

Mr. Speaker, the provisions in this motion to instruct which would force the House or attempt to force the House to accept the Senate provisions on which we have had no real deliberations over on the House side, and which the Senate gave only cursory attention to, were put in place, a new provision in the tax law, a tax increase that we are not really in a position to fully comprehend.

But, more importantly, it will potentially jeopardize the very badly needed deduction for health insurance for the self-employed, which must get out of this Congress and be signed into law before April 15.

That means out of the Congress before we recess next week.

The gentleman from California said it is easy to fix this in conference, that it will only take 5 days or so. That is too late.

We need to push through this 30-percent deductibility for the self-employed on their health insurance and make it permanent, which this bill will do, and not encumber it with the type of debate that is going on tonight.

It is very interesting to note that there is already a law on the books for over 30 years that is intended to deal with tax-motivated expatriation. But Treasury has never issued regulations to implement this provision in the law. Treasury has indicated it has no information about the number of taxpayers who expatriate for tax-avoidance purposes. We need to know much, much more about this.

We do not need to rush into it now, and our committee will carefully consider this issue as the year progresses. It should not be left to encumber the passage of badly needed tax relief for the self-employed on their health insurance.

Contrary to what the gentleman from California said, the provisions will make us the only country in the world that does this in the full dimension that is provided in the Senate bill.

It seems strange to me that where we have held out the banner over the years as supporting the ability of free exit from any country where a citizen disagrees with the policy of that country, where we have criticized other countries for putting in place exit fees; where we have stood strong for freedom, and this being the basic freedom without barriers, that we now are going to perhaps jeopardize our leadership role in the world in this regard, by thrusting through something that has not been adequately considered.

I encourage a vote against this motion to instruct, to give us the opportunity to adequately address this issue later on this year.

Mr. Speaker, I reserve the balance of my time.

Mr. GIBBONS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I have listened to the debate. I was not at the subcommittee hearing, but I have worked on it since then. And I really am perplexed why the majority is defending the status quo. It feels like you are stonewalling on this issue, and there is no reason to do it.

If there are some imperfections in the Senate proposal, they can be looked at and they can be remedied in the conference. Compared to the other technical issues that are considered in a conference committee of the Committee on Ways and Means, this is relatively easy. It is relatively easy. It is not going to take 4 days.

I talked to the Treasury just a few hours ago, and they are persuaded that you can work it out. So why not work it out?

There is an abuse going on here. People are leaving the country, giving up their citizenship to avoid taxation. We know who they are. It is no mystery. You are talking about a dozen to two dozen people. All we are saying is tax their unrealized gains as they leave. You know where the money is going to come from that will go into the Treasury, as I understand it? It is not from the people who leave and cash in their gains, it is because those people will not renounce their citizenship. That is where the money is going to come from.

The abuse is going to end, and we are going to pick up money as a result.

What bothers me are some of the arguments. For example, with due respect to my friend whom I am so fond of and much admire, the exit thing, I do not think we should use extreme examples on this floor. To compare this with the Soviet Union, people can leave here if they want, they can renounce their citizenship; just do not let them take unrealized gains with them because they renounce their citizenship so they could take them free of charge and essentially cheat us out of several billions of dollars.

That is all we are saying. It is a perfectly free country. But why should they take advantage, kind of use a loophole? And in terms of the tax treaty, there is not going to be any problem, because these people are not going anywhere.

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Texas.

Mr. ARCHER. I thank the gentleman for yielding.

Mr. Speaker, I know the gentleman was shoulder to shoulder with me when we passed the Jackson-Vanik amendment, which was then called Jackson-Vanik-Mills-Archer amendment, and we heard the very same comments out of the Soviet Union. These people owe us something. We educated them. They have taken advantage of our system. Therefore, they must pay an exit fee when they leave. It is the very same thing that this country railed against, because I know, I was out in front railing against it. And I think we give up the high ground here without knowing precisely what the end result of our actions is going to be.

Mr. LEVIN. I am glad the gentleman raised the question. I was not here at the time. I would have voted for it. I admired the gentleman's efforts. It was a controversial issue.

I think Jackson-Vanik did some good. But there is no comparison. People were being kept in the Soviet Union. The whole purpose of the Soviet system was to keep people in, not to let them out. We are not trying to keep people here. If they want to leave, it is a 100-percent free country. Do not let them use the artifice of renouncing citizenship to avoid taxes when they just come back here and live anyway. That is what the issue is.

This is a pure artifice that a few very wealthy families are using to avoid legitimate taxation on what they realize, what they gained in the United States of America. I am not trying to go after them because they are wealthy. I am glad they made their wealth here. But do not let them use a technique, a loophole to renounce citizenship to avoid taxes when they end up here anyway.

I do not understand what motivates the gentleman. If it is the imperfection of this amendment, look, I will take your instructions of the last 12 years which I have been here.

Look, we all know the thrust of these instructions. It is not that we are asking you to take it lock, stock, and barrel. You do not have to do that. What this is, is a statement of the House, it is a statement that we are asking you to work to perfect this and to keep it in the bill.

No one is trying to sink the self-employed provision. I am very much for it. If we can expand it from 30 percent to 35 percent or 40 percent with the benefit of this money, let us do it. I am really serious here. I do not know why the gentleman is resisting this. Take the instruction, try to work it out. If you feel you cannot work it out in the end, you will come back without it. But at least accept the thrust from the House that this makes good policy sense and work out the details.

I think the gentleman from Florida [Mr. GIBBONS] is on the mark here, and I rise in support of closing this loophole and using the money for good purposes.

<sup>^</sup> Mr. ARCHER. Mr. Speaker, I yield 4 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], the chairman of the Subcommittee on Oversight, which has just begun hearings on this issue.

Mrs. JOHNSON of Connecticut. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to the motion, although I do not rise in opposition to the concerns expressed by the gentleman from Florida, for whom I have great respect, or for my colleague and ranking member on the Oversight Committee, who also supports the motion.

I am not defending the status quo. I think the administration has found a real problem. I think we need to deal with it. I do not believe, from the testimony we received yesterday, that it is possible to deal with it in 5 days. However, we can, by retaining that portion of this bill in conference, retain the date and therefore have the same effect in a month or 2 that we would have this week, if we bring it out of conference.

Now, it is important that we do the right thing in creating a more effective law in this area.

Let me give you an example of the kinds of misinformation that is afoot. For instance, in the Germany situation, Germany only taxes you if you own 25 percent of a corporation's stock. And then they only tax you at one-half of the normal rate and only on that stock that you own.

The scope of this bill is extraordinary. It is absolutely everything you own.

Furthermore, it forces you to pay taxes on something that you may have no way of generating income to pay.

Now, I was very interested that my colleague from California said there were 24 people involved. I questioned the representative of the Treasury Department yesterday. He did not know how many people were involved. He never mentioned numbers like that. He never gave any examples.

I am not confident that we are going to catch in our net so few people. Those people do need to be caught. There should be no tolerance in America for using relinquishing of your citizenship as a way of avoiding taxes that you are responsible to pay.

But this bill has some very serious and very significant problems. First of all, as I mentioned, the scope of the bill is enormous. It covers every kind of asset and it treats every one of those assets as if you could turn them into cash so that you could pay taxes on them.

In the area of trust, even the advocates of the bill said you must fix the problems in the trust area, but we do not know quite how yet. So, even those who testified in favor of the bill had some real concerns about some of its significant technical problems.

In the area of double taxation, this will require that we renegotiate all our tax agreements with other nations or we will subject people to terribly unfair double taxation. We are a Nation where justice matters. If we are going to adopt a law that will guarantee that everybody pay the taxes that they should—and we should do that—we should not want them to be taxed again on those same assets in another country. And without renegotiation of those tax agreements, that is exactly what will happen.

We had to negotiate an agreement with Canada to prevent that kind of action when they adopted legislation in this area. We will have to renegotiate all those agreements as well.

Let me close by commenting on two other aspects of this bill.

If we act precipitously in a way that appears hostile to foreign investors and this bill from the outside, without hearing our debate, can easily appear hostile to foreign investment—we run a very grave risk. We are a Nation whose currency values are plummeting, we are a Nation that depends on foreign investments to fund our debt, a Nation that depends on foreign investors to fund our economic growth. We cannot afford to chill the interest of foreign investors in our economy by acting precipitously in a way that is not rational.

#### □ 1845

Finally I would say in regard to the human rights issue, Let me quote from the testimony of Robert Turner who was the staffer when they passed the Jackson-Vanik amendment.

He says:

If the proposed "exit tax" is designed to discourage citizens from exercising their right to renounce U.S. citizenship, I think it is contrary to the law. If it is designed to impose an immediate and substantial financial burden upon citizens—on the specific and expressed grounds that they have elected to renounce their citizenship and emigrate to another country-and it is a burden that would not be imposed upon otherwise identically situated citizens who elected to remain American citizens (and did not elect to sell or dispose of their property or take other action that would recognize capital gains liability), then I think you have a very serious problem. In that event, I would want my money "up front" if I were asked to argue before an international tribunal that the proposed U.S. exit tax complies with the spirit of the Jackson-Vanik amendment.

Mr. Speaker, I say: My colleagues, if you impose a tax that a person cannot generate the resources to pay, you automatically prevent that person from having a choice about whether they continue to be a citizen or they don't continue to be a citizen. That is an entirely different issue than holding them liable for taxes they owe our country. To impose a tax that compromises the right to choose to be a citizen or choose not to be a citizen is a very serious human rights matter in this world, and it's one that we have been closely identified with over decades in our long struggle against communism.

So I would urge my colleagues to be patient in this matter. We can address this problem. We can use the effective date in the bill that is in the conference, but we absolutely must address the domestic and international implications of this proposal and do it wisely.

Mr. GIBBONS. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I thank the gentleman from Florida [Mr. GIB-BONS] for yielding this time to me. I strongly support what the gentleman from Florida [Mr. GIBBONS] is trying to do on this motion to recommit. Let me just respond, if I may, to a few of the points that were being made from the other side of the aisle.

First of all, this is not precipitous action. This was in the original President's budget in February of this year. We held extensive hearings on the entire administrative budget, so this did not come up just last Friday or last Monday.

Second, Steve Shay, who also testified; he was the international tax counsel for the Reagan administration at the State Department; he supports this proposal, and he says this was under deliberation under President Reagan, when Reagan was President.

So, this is an issue that was vetted, talked about, and has been constantly discussed within the administration for years and years, so this is not a new proposal.

Also, in terms of the renegotiation of treaties, as my colleagues know, a lot of people bring those issues up, and we find ourselves caught in a bind. We do not want to argue the issue substantively; we want to argue technical issues.

The best way to get a foreign country to renegotiate with us is by passing a law. We need to pass this law, and then every country will start negotiating, just as Canada did, just as Germany did, just as these other countries did as well.

I say to my colleagues, "So, you don't start negotiating before we actually pass a law. You pass a law, and then you start negotiating. That's what USTR has been doing recently as well."

The Jackson-Vanik issue:

We have Steve Shays, former Reagan administration official, as I said, who testified. He said there was no Jackson-Vanik or human rights issue. We have a Harvard professor who testified and sent a letter-Professor Bats at Harvard-that says there is no human rights issue, and I cannot understand how Members would at all think that this proposal that is supported by BOB DOLE, TOM DASCHLE, BILL BRADLEY, the gentleman from Florida, Mr. GIBBONS, has anything to do with Jackson-Vanik. I mean it is just not at all common sense to think this has anything to do with Jackson-Vanik, particularly since 12 other countries that we are aware of have similar proposals, some of which are more stringent than the one we have under entertainment.

Let me just conclude by making one further observation about this human rights issue because I think it is very interesting that the opposition is bringing it up. Before this even kicks in we have to have about 5 million dollars' worth of assets. We are talking about couples who have \$1.2 million of capital gains. I mean it does not even kick in until they go beyond a couple beyond \$1.2 million of capital gains treatment. Most of those people end up

going to the Caribbean countries by the way. They are not trying to emigrate to England or some other countries that have democracy like we have, so we are not really talking about human rights. We are not talking about Jackson-Vanik in this situation.

I think we should really be realistic about this—

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. MATSUI. I yield to the gentleman from Texas.

Mr. ARCHER. Mr. Speaker, can the gentleman name one country that has more stringent requirements and restrictions than what is in the Senate provision?

Mr. MATSUI. I mentioned Finland which requires the citizen to be deemed, who renounces citizenship to be deemed, a citizen for 5 years beyond the time he renounces his citizenship. I mentioned Germany which says that, if this individual is a citizen of our country, of their country for 10 years, it is a 25 percent tax on assets—

Mr. ARCHER. But what are the penalties—what country has penalties that are more stringent than in the Senate provision?

Mr. MATSUI. I just mentioned two.

Mr. ARCHER. No, those penalties are not more stringent, as I understood the gentleman's explanation. I am told by staff that has evaluated all the laws across the world that this is the most punitive of any country's.

Mr. MATSUI. As my colleague knows, if one wants to say this is more punitive than a 25-percent tax on one's assets from Germany if they are a citizen for 10 years, I guess it depends upon how one looks at it, but I think that is a pretty punitive tax.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from Missouri [Mr. HANCOCK], a member of the committee.

Mr. HANCOCK. Mr. Speaker, I am not going to go into a lot of detail about the problems we are discussing, only to say that I strongly oppose the approach that we are talking to it.

When I first heard about what had been going on and I first started reading in the newspaper about certain individuals that were giving up their citizenship of the United States for the purpose of avoiding taxes, I have a reputation back home of being a tax fighter, but I certainly, certainly think, that the idea, the mere idea, that people that our tax law has evolved into a situation that people would even consider giving up their citizenship for the purpose of the way our tax law is written. Therefore I was very much in favor of what this motion to recommitquite frankly I was in favor of it, however, after the hearing yesterday in which I sat through most of, and read, and studied, and looked into the situation of exactly what we are doing, how this affects international tax law and also the fact, in my judgment, a green card holder working in the United

States and accumulating a lot of wealth would be better off than our own citizens. He would have to give up his citizenship to get the same treatment.

Now something is wrong with the tax law. So what we need to address is not on this vehicle. At this tax law at this time we need to address it later, and I want to go on record as being strongly opposed to the motion to recommit.

Mr. GIBBONS. Mr. Speaker, I yield, 5 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, I originally came to the floor, and I regret to say there are not many people on the floor at this particular time, and I hope some people are tuning into this discussion. I originally came to the floor because I anticipated there would be no dispute about this. I anticipated that this would be agreed to and we would move ahead.

This is the most appalling debate that I have ever been a part of or witnessed in 21 years of public service. How is it possible? I have got immigrants, immigrants like my ancestors, driven out of Scotland, people in Hawaii today who are immigrants, paying taxes and working, proud to be Americans, striving for the chance to be Americans.

We had a welfare debate in here that said we do not want people in this country unless they are going to be Americans and move toward being American citizens. Otherwise we are cutting them off, even if they are legal immigrants, people that I deal with every day. I say to my colleagues, Maybe some of you come from areas where you don't see many immigrants. Maybe you have forgotten where your ancestors came from in this country. But I see them every day, and we deal with people everyday who are proud to be there.

I watched PBS on television last night where people were standing up, singing the Star Spangled Banner, just become being citizens of this country. They were not running away because they made money here.

I say to my colleagues, I know what program you saw. I know what got you interested in this. These people who have left this country because they don't want to pay taxes, they don't even have a fundamental ideological motive. They are not opposed to the war unless their ideology is, ''I get to make everything I can or take everything that I can, and, when it becomes inconvenient to pay my share of taxes, like everybody else in America, I get to split, and once more I want my rights, my human rights.''

How dare anybody bring up on the floor of this House of Representatives human rights and compare them to people trying to leave the Soviet Union, Jews trying to leave the Soviet Union, kept there in the iron grip of communism? I ask, "Do you think they're able to leave Burma today?" Look at all the analogies that can be made with repression, and dictatorship, and authoritarianism, and compare someone leaving the United States. I hear every aspect of their assets will be looked at.

If I had my way, this bill, this instruction by the gentleman from Florida [Mr. GIBBONS] is lightweight, lightweight. This proposal is not designed to prevent Americans from shifting their assets and citizenship to another country. If it was my instruction, it would. Why should I give two hoots about somebody that wants to give up their U.S. citizenship and shift their assets to another country and then say that they demand human rights, demand human rights as a citizen?

It has been brought up about double taxation. I say, "You can triple or quadruple tax them as far as I'm concerned, run it up to a hundred percent if they want to give up their citizenship because they don't want to pay their taxes."

They say here that maybe—it is impossible for me to understand why we are not passing this. I will tell my colleagues this:

I've tried mostly in my campaigns to say what I stand for and what I believe and not go to the other person, but I'm going to be very interested what the vote is. This is an instruction. This is just an instruction. We all know what 'instruction' means. This is a guidepost to you to go into this. I can't believe that anybody will come down here and vote against this instruction, and, if you do, I tell you not only when I go home, but in every chance that I get to speak in this country, and, believe me, I get plenty of them, and to everybody here, I'm going to ask, 'How can you be against legal immigrants? How can you be against the kids? How can you say that we should all do our share in America, including making all the kids, and the elderly people, and everybody else, have to contribute to the deficit, to bring it down, and at the same time allow these sleazy bums, who don't want to pay their taxes, to leave this country, and renounce their citizenship, and expect me to have one iota of sympathy for them."

Pass this instruction, and stand up for America.

Mr. ARCHER. Mr. Speaker, I yield 5 minutes to the chairman from California [Mr. THOMAS], chairman of the Subcommittee on Health, a valued member of the Committee on Ways and Means.

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

Mr. THOMAS. Mr. Speaker, in case some folks think that what we are talking about is what was just talked about, let us take a look at what we are really talking about, and that is specifically a motion from the gentleman from Florida to require the House conferees to agree to the provisions contained in section 5 of the Senate amendment, not to the administration's proposal, not to the Clinton pro-

posal to change the law we have on the books, which is clearly flawed.

## □ 1900

Not to the administration's proposal; not to the Clinton proposal to change the law we have on the books, which is clearly flawed. That is not what we are being requested to do. We are being requested to bind ourselves to the Senate language.

What does that Senate language do that the Clinton administration language does not do? The Clinton administration language said we should go after noncitizens and citizens. What does the Senate language say? We should go after only citizens.

In other words, if we bind ourselves to the Senate language, we will treat citizens of the United States worse than noncitizens. Aliens can come in this country, take that money, and leave, and this provision of the law would not apply to them. It is only to citizens.

What happened to you folks when you moved from the majority to the minority? What is this, comparing us to other countries? We should not be compared to any countries. We should not take other countries' laws and say we are as good or this is not as bad as they are when it deals with citizens.

When the gentleman from Florida stands up and states his position, I will disagree with that position, but I will defend his right to say it. I will never, ever oppose his right to say it. When we offer citizenship, we ought not to offer it qualified. If we have a problem with the law, let us change the law. Maybe the problem is the Tax Code as well, in which Americans take a look at the confiscatory tax structure that we have and go so far as to say in weighing choices, maybe I will take a look at citizenship. If we buy the Senate position, a holder of a green card, a noncitizen, would never have to make that decision. We have American citizens making that decision. There is a law on the books that says if you renounce your citizenship for tax purposes, you will be punished. Should we change that law? Yes, we need to change the law. It is not working. It is hard to nail those people. We have to perfect the law. But not here, and not now, and especially not with the Senate provision.

Now, we have been told that we have to follow the Senate instructions. Then we have been told no, just go in and work out your differences. If it is not the specific instruction to buy the Senate provision, then let us go ahead and try to figure out a way in a couple of hours in a closed room how to solve this problem, when the gentlewoman from Connecticut came in front of you and said she held a hearing on it and the Treasury could not even produce accurate numbers of the number of people who are exercising this provision. We want to change the law, but not here, not now.

If you want to see the frustration of the minority, it is a little bit like the fellow trying to train his dog, and it will not behave. So if it is sitting, he says "sit;" if it stands, he says "stand;" if it is lying down, he says "lie down;" because they are desperate for some kind of control.

That is exactly what we are seeing here. You are putting so much weight into this motion to instruct on a flawed Senate provision, I do not understand. You heard the gentlewoman, who is chairman of the Oversight Committee saying we need to solve the problem, we need to sit down and resolve the law. Not here, not now.

We have said the money in the Senate bill is tied to the deficit. We have heard do not have it go to the deficit, we can have it go to the self-employed, up their percentage. We will have it this or we will have it that. However it is, you want it your way.

The answer is, this area needs to be changed. For you folks to stand up and get carried away about the question of citizenship is to put this out of complete context. You want control. You will go to the lengths you have just exhibited to show that control.

We have already said we want to sit down and perfect the law. The Senate provision is flawed. You want us to try to get it right in a couple of hours on a conference that is critically timed to the tax bill provisions so that these people can get the relief they so desperately seek.

What is the difference in a couple of months, if the gentlewoman from Connecticut has told you the date is locked in. Because of this discussion, we have the date locked in. Let us not do it fast. Let us do it right. If you are really honest about wanting to solve this problem, you will join with us in getting it right, and at the same time begin to change the Tax Code so no American citizen will ever consider renouncing their citizenship to get away from the confiscatory taxes that we have in this country.

Mr. GIBBONS. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I am glad to hear this pledge about taking time and doing things right and not doing them too hastily. I thought the contract outlawed that.

I wanted to explain to my colleagues why our friends on the other side are not so worried about this. They are not worried because they have the solution. We are worried about wealthy people feeling that the Tax Code burdens them too heavily and renouncing their citizenship. But you forget, they are going to change the Tax Code. By the time they are through with the Tax Code, if they have their way, no wealthy people will feel bothered by it. By the time they are through weakening the minimum tax and giving them capital gains and giving tax credits for people with hundreds of thousands of dollars, there will not be any problem.

So they are solving the problem the other way. They are going to make the Tax Code rich-people-friendly, and no one will leave.

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

Mr. Speaker, let me simply say that what this issue is about today is not really substance. This issue can be discussed in the conference committee. But the motion to instruct would attempt, without having any binding force, I must say, to tie the hands of the conferees for a specific provision without change. This is unnecessary. We will be going to conference, we will be discussing this issue, and it is a nonbinding motion to instruct.

Mr. Speaker, I yield 4 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I do want to reiterate that I do not oppose amending the law so that people cannot use renunciation of citizenship to avoid the payment of legitimately owed taxes. But this bill does need amending. We cannot accede to the Senate language. And I want to make very clear that we are not just talking about 24 multimillionaires.

Do you realize that any Cuban-American who came here to escape Castro, started their own small business, it could be a single woman, the small business did very, very well over time, she bought a very nice house, she bought a very nice car, made some other investments, now Cuba gets freed, she wants to go back. She wants to for symbolic reasons renounce her American citizenship, but she wants to leave a trust for her kids here and wants to leave her business here moving along. But she wants to sell her house, she wants to take a lot of her assets back, and she wants to be a Cuban citizen.

This bill catches her, and the trust provisions are such and the tax she would owe on the business she built are such that she would have to sell them to pay this level of tax.

This is not just about billionaires. This is about everybody who renounces their citizenship, and it is going to catch a lot of Cuban-Americans, it is going to catch a lot of Hungarian-Americans, and Czech-Americans and others who flew Communist nations and came here and worked with extraordinary energy and resources and built something for themselves and now decide to leave.

So let me say that this is a tough provision. It needs some improvement. My colleague said it is not tougher than the taxes of other countries. He used Finland as an example. Listen to what Finland does. A Finnish citizen who leaves the country is deemed to be a resident for 3 more years. In other words, they are treated for tax purposes as being a resident for 3 more years. Current law treats people as deemed to be a resident for 10 years. Our current law is tougher than the Finnish law.

Let us look at Germany. Germany has been held out saying they are tougher than we are. To pay this tax, you have to own 25 percent of the stock of a corporation, or more, of a corporation. You have to be a big stockholder in a German corporation to be caught in this tax, and then you are taxed only on the gain in the stock in that corporation and at half the regular tax ratio.

This is an entirely different tax than the tax being proposed; it would have an entirely different impact on foreign investors.

Furthermore, if you came into Germany and then left, you would only be taxed on the gain during the period you were in Germany.

Now, my friends, we are absolutely obliged to support the administration in closing a loophole they have identified. But we must treat noncitizens and citizens the same way, and must not adopt a tax that is so extraordinarily different than that of other countries that it has ramifications for people who are making investment decisions. We also must adopt a tax that is respectful of trust obligations and other obligations for which it is not possible to generate cash to immediately pay off tax obligations as defined under this bill.

It is perfectly possible for us to solve these problems. I only ask that in conference you give yourselves the time to do that, and not bind yourself to the Senate language. I do not ask that my colleagues, because this is a difficult issue, vote with me. I do not ask that. I do ask that this debate be considered by the conference and that we not adopt a policy that would be destructive for us as a Nation and probably in the long run destructive of our economic strength.

Mr. ARCHER. Mr. Speaker, on the assumption that the gentleman from Florida [Mr. GIBBONS] will close, I yield back the balance of my time.

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

Mr. Speaker, this is not a new issue. About 2 weeks ago this came up in the Committee on Ways and Means. The gentleman from Washington [Mr. MCDERMOTT] had an amendment like this, and, Mr. Speaker, every single, solitary Republican on the Committee on Ways and Means voted against it. Let me repeat that: This amendment came up in the Committee on Ways and Means 2 weeks ago, and every single, solitary Republican on the Committee on Ways and Means voted against it. They are still here defending these people who would escape taxation by renouncing their American citizenship, the place where they made the money.

All right. Now, the gentleman from Texas [Mr. ARCHER] would scare the people to death about how complicated this would be in conference. If we adopt my motion, all that the gentleman has to do is say I have been instructed by the House to accept the Senate lan-

guage on this matter, and in 15 seconds that issue will be behind us.

All of you have been to conference. You know how it works. All the gentleman has to do is say, I am following instructions, and it is over. The Senate cannot take it off the table and it is a matter that becomes law. So there is nothing to that.

Now, this does not affect foreign investment in the United States. This does not affect anything except those selfish people who would make a fortune here in the United States, or inherit a fortune here in the United States, and would like not to pay any U.S. taxes, so they just renounce their citizenship. They do not even have to leave the country, Mr. Speaker. They can stay here and still just renounce their citizenship and say I am keeping it, fellows, the rest of you slobs pay taxes. But not me, because I am in that privileged category. I just renounced my American citizenship.

How stupid can we be? This is a tax loophole of major proportions, Mr. Speaker. It is a tax loophole for very wealthy Americans. They are the only people that are taking advantage of it, and not all the very wealthy Americans are taking advantage of it, Mr. Speaker. They stay here and they pay their taxes just like all the rest of us.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Florida [Mr. GIBBONS].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were-yeas 193, nays 224, not voting 17, as follows:

> [Roll No 272] VEAS 102

	YEAS—193	
Abercrombie	Chapman	Doyle
Ackerman	Clement	Duncan
Andrews	Clyburn	Durbin
Baesler	Coleman	Edwards
Baldacci	Collins (IL)	Engel
Barcia	Collins (MI)	Eshoo
Barrett (WI)	Condit	Evans
Becerra	Conyers	Fattah
Beilenson	Costello	Fazio
Bentsen	Coyne	Fields (LA)
Berman	Cramer	Filner
Bevill	Danner	Flake
Bishop	de la Garza	Foglietta
Bonior	Deal	Ford
Borski	DeFazio	Frank (MA)
Boucher	DeLauro	Furse
Brewster	Dellums	Gejdenson
Browder	Deutsch	Geren
Brown (CA)	Dicks	Gibbons
Brown (FL)	Dingell	Gonzalez
Brown (OH)	Dixon	Goodling
Bryant (TX)	Doggett	Gordon
Cardin	Dooley	Green

# H 3852

Greenwood Gutierrez Hall (OH) Hamilton Hastings (FL) Haves Hefner Hilliard Hinchey Holden Hoyer Jackson-Lee Jacobs Johnson (SD) Johnson, E. B. Johnston Kanjorski Kaptur Kennedy (MA) Kennedy (RI) Kennelly Kildee Kleczka Klink LaFalce Lantos Laughlin Levin Lewis (GA) Lincoln Lipinski Lofgren Lowey Luther Maloney Manton Markey Martinez Mascara Matsui McCarthy McDermott Allard Archer Armey Bachus Baker (CA) Baker (LA) Ballenger Barr Barrett (NE) Bartlett Barton Bass Bereuter Bilbray Bilirakis Bliley Blute Boehlert Boehner Bonilla Bono Brownback Bryant (TN) Bunn Bunning Burr Burton Buyer Callahan Calvert Camp Canady Castle Chabot Chambliss Chenoweth Christensen Chrysler Clinger Coble Coburn Collins (GA) Combest Cooley Cox Crane Crapo Cremeans Cubin Cunningham Davis

DeLav

Dickey

McHale McKinney Sawyer McNultv Schroeder Meehan Meek Menendez Mfume Miller (CA) Mineta Minge Mink Moakley Mollohan Montgomery Moran Neal Oberstar Obey Olver Ortiz Owens Pallone Parker Pastor Payne (NJ) Payne (VA) Pelosi Peterson (FL) Pickett Pomeroy Poshard Rahall Rangel Reed Reynolds Rivers Roemer Rose Roth Roukema Roybal-Allard Sabo Frelinghuysen Longley Lucas Manzullo Martini McCollum McCrery McDade McHugh McInnis McIntosh McKeon Metcalf Meyers Mica Hastings (WA) Miller (FL) Molinari Moorhead Morella Myers Mvrick Nethercutt Neumann Ney Norwood Nussle Oxlev Packard Paxon Peterson (MN)

Petri

Pombo

Sanders

#### NAYS-224

Doolittle Dornan Dreier Dunn Ehlers Ehrlich Emerson English Ensign Everett Ewing Fawell Fields (TX) Flanagan Foley Forbes Fowler Fox Franks (CT) Franks (NJ) Funderburk Gallegly Ganske Gekas Gilchrest Gillmor Gilman Goodlatte Goss Graham Gunderson Gutknecht Hall (TX) Hancock Hansen Hastert Hayworth Hefley Heineman Herger Hillearv Hobson Hoekstra Hoke Horn Hostettler Houghton Hunter Hutchinson Hvde Diaz-Balart Inglis Istook

Schumer Scott Serrano Sisisky Skaggs Skelton Slaughter Spratt Stark Stenholm Stokes Studds Stupak Tanner Tauzin Taylor (MS) Tejeda Thompson Thornton Thurman Torres Torricelli Towns Traficant Tucker Vento Visclosky Volkmer Ward Waters Watt (NC) Waxman Williams Wise Woolsey Wvden Wynn Johnson (CT) Johnson, Sam Jones Kasich Kelly Kim King Kingston Klug Knollenberg Kolbe LaHood Largent Latham LaTourette Lazio Leach Lewis (CA) Lewis (KY) Lightfoot Linder Livingston LoBiondo

# CONGRESSIONAL RECORD—HOUSE

Shaw

Shays

Shuster

Skeen

Souder

Spence Stearns

Stump

Talent

Thomas

Harman

Murtha

Nadler

Jefferson

Porter Portman Pryce Quillen Quinn Radanovich Ramstad Regula Riggs Roberts Rogers Rohrabacher Ros-Lehtinen Royce Salmon Sanford Saxton Scarborough Schaefer Schiff Seastrand

Bateman

Clayton

Clay

Farr

Frisa

Frost

Sensenbrenner Shadegg Tiahrt Torkildsen Upton Vucanovich Waldholtz Walker Smith (MI) Walsh Wamp Smith (NJ) Watts (OK) Smith (TX) Smith (WA) Weldon (FL) Weldon (PA) Solomon Weller White Whitfield Stockman Wicker Wolf Young (AK) Tate Taylor (NC) Young (FL) Zeliff Zimmer Thornberry NOT VOTING-17 Gephardt Richardson Rush

Velazquez

Wilson

Yates

# Orton □ 1933

# Mr. PETERSON of Minnesota and

Mr. LATHAM changed their vote from 'yea'' to ''nay.'

Mr. DUNCAN and Mr. STENHOLM changed their vote from "nay" to ʻvea.

So the motion was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. ZIM-MER). Without objection, the Chair appoints the following conferees: Messrs. ARCHER, CRANE, THOMAS, GIBBONS, and RANGEL.

There was no objection.

### TERM LIMITS

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, when you are given a contract read the fine print. The Contract With America suggests that those who ran on term limits actually believe in it. Well, the fine print allows those folks to hang on a lot longer unless we make term limits retroactive.

Let me suggest that if your Representative campaigned on cleaning out the barn, call them up and ask them, "OK, how long have you been in D.C.?

Today, Mr. Speaker, I am going to submit an interesting list of names of those who support term limits of 6 to 12 years. You can get it on the Internet or in the copy.

I look at the list, and I see a gentleman from Florida first elected in 1980 who is a sponsor of one of these term-limit bills. I see a gentleman from my own State of Illinois, which reminds me, I forgot to congratulate the gentleman from Illinois [Mr. CRANE], first elected 26 years ago, for an award citing him as a term-limits hero. So let us do that right now.

Oh. ves. the Republican version. Mr. Speaker, of term limits, shows there is no limit to the length that they will go try to fool the American people.

ORIGINAL SPONSOR AND COSPONSORS OF THE INCLIS AMENDMENT

(Providing that no person may serve in Congress more than 2 full terms as a Senator, and that no person may serve in Congress for more than 3 full terms as a Representative. Also provides that service as a Senator or Representative before the amendment takes effect shall not be taken into account in determining length of service)

(All Representatives who have served more than three terms are in italic.)

COSPONSORS

ORIGINAL SPONSOR

Inglis (1992)

Dornan (1976) Sanford (1994) Armey (1984) Goss (1988) Hutchinson (1992) Dickey (1992) Royce (1992) Hoekstra (1992) Lewis (KY) (1994) Salmon (1994) Graham (1994) Davis (1994) Heineman (1994) Chabot (1994) Smith (WA) (1994) Ganske (1994) Chrysler (1994) Ensign (1994) Cooley (1994) Christensen (1994) Fox (1994) Calvert (1992) Nethercutt (1994) Shadegg (1994) Metcalf (1994) Whitfield (1994) Bass (1994) Solomon (1978) Forbes (1994) Blute (1992) Smith (TX) (1986) Bachus (1992) Kim (1992) Riggs (1994) Longley (1994) Cox (1988) Smith (MI) (1992) Baker (CA) (1992) Weldon (FL) (1994) Coburn (1994) Radanovich (1994) Roth (1978) Packard (1982) Stump (1976) Everett (1994) Thornberry (1994) Allard (1990) Bono (1994) Cunningham (1990) Tate (1994) Dunn (1992) Talent (1992) Chenoweth (1994) Jones (1994) Burr (1994) Cubin (1994) Stockman (1994) Crane (1969) Peterson (MN) (1988) McIntosh (1994) Fields (TX) (1980) McCrery (1986) Barcia (1992) Minge (1992) Myrick (1994)