



The Daily Whip

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WEDNESDAY, APRIL 28, 2004

House Meets At...	Last Vote Predicted At...
10:00 a.m.: Legislative Business Unlimited "One Minutes"	5:00 p.m.

- **DEMOCRATS ARE URGED TO SIGN REP. EDWARDS' (D-TX) DISCHARGE PETITION (No. 8) TO ALLOW CONSIDERATION OF H.R. 548 WHICH PHASES-OUT THE BENEFIT-REDUCTION TO MILITARY SURVIVING SPOUSES. 75 MEMBERS HAVE SIGNED ON. CHECK THE CLERK'S WEBSITE TO SEE IF YOUR MEMBER HAS SIGNED ON:**
<http://clerk.house.gov/108/lrc/pd/petitions/Dis8.htm>
- **TOMORROW, WE MAY CONSIDER THE REPUBLICAN BUDGET CONFERENCE REPORT FOR FY05. PLEASE NOTIFY THE DEMOCRATIC WHIP'S FLOOR STAFF IF YOUR BOSS WILL BE ABSENT.**

FLOOR SCHEDULE AND BILL SUMMARY

Today, National Security Advisor, Dr. Condoleezza Rice, is the guest speaker at a Special Democratic Caucus Meeting. The meeting will take place at 1:00 p.m. in 2118 Rayburn (the Armed Services Committee Room). In addition, administration officials including Secretary of Defense Rumsfeld, Chairman of the Joint Chiefs of Staff Myers and Chief of Staff of the Army Schoomaker will brief Members on Iraq and Afghanistan. This meeting will take place at 4:30 p.m. in 2118 Rayburn.

Suspensions (6 bills):

- 1) **H.R. 4219** - Surface Transportation Extension Act of 2004, Part II (Rep. Young {AK} - Transportation & Infrastructure). This bill extends funding for highway and transit programs for an additional sixty days.
- 2) **S. 1904** - To designate the United States courthouse located at 400 North Miami Avenue in Miami, Florida, as the "Wilkie D. Ferguson, Jr. United States Courthouse" (Sen. Graham / Rep. Meek - Transportation & Infrastructure).
- 3) **H.Con.Res. 376** - Authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby (Rep. Hoyer - Transportation & Infrastructure)
- 4) **S. 2043** - To designate a Federal building in Harrisburg, Pennsylvania, as the "Ronald Reagan Federal Building" (Sen. Specter - Transportation & Infrastructure)
- 5) **H.Con.Res. 388** - Authorizing the use of the Capitol Grounds for the National Peace Officers' Memorial Service (Rep. LaTourette - Transportation & Infrastructure)
- 6) **H.R. 3170** - Increased Capital Access for Growing Business Act (Rep. Kelly - Financial Services)

H.R. 4181 - To permanently extend the increased standard deduction, and the 15-percent individual income tax rate bracket expansion, for married taxpayers filing joint returns (Rep. Gerlach - Ways & Means) (Subject to a Rule). As presented to the Rules Committee yesterday, H.R. 4181 would make permanent an increase of the standard deduction for joint returns to twice the size of the standard deduction for single returns; and make permanent an increase of the size of the 15% tax bracket for joint returns to twice the size of the 15% tax bracket for single returns. These are two of the three "marriage penalty relief" provisions adopted in the 2001 tax bill (and which were accelerated last year to make



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them fully effective for tax years 2003 and 2004). The third provision included in the 2001 tax bill was an increase in the phase-out level of the Earned Income Tax Credit (EITC) for joint filers (phased in over the course of seven years), which the 2003 tax bill did not accelerate and H.R. 4181, as introduced, did not include.

H.R. 4181 was not considered in the Ways and Means Committee, and after criticism for the bill's lack of relief to low-income couples, and reviewing the Democratic substitute, Republicans included a self-executing amendment to H.R. 4181 in the Rules Committee to make permanent the increase in the phase-out level of the earned income tax credit. The Republican amendment, however, does not accelerate the EITC provisions. The Joint Tax Committee estimated that H.R. 4181, as introduced, would cost \$96 billion over 10 years, and making the EITC provisions permanent could increase the cost to \$105 billion and it is not paid for.

The Rules Committee recommended a modified closed rule that provides one hour of general debate; provides for consideration of the Rangel substitute amendment; and provides one motion to recommit with or without instructions.

- **Rangel Amendment in the Nature of a Substitute (1 hour).** The Democratic substitute makes permanent all three "marriage penalty relief" provisions outlined above, accelerates the phase-out level for the EITC provisions to its full amount of \$3,000 starting next year (rather than in 2008 as under current law), and is offset by reducing the tax cuts available to couples earning more than one million dollars. In addition, the Democratic proposal includes provisions to prevent the tax cut benefits offered in the bill from being nullified for some taxpayers by the alternative minimum tax (AMT).

Democrats are urged to VOTE YES on the Rangel Substitute.

TOMORROW'S OUTLOOK

The GOP Leadership has announced the following schedule: On Thursday, the House will meet at 10:00 a.m. and may consider the **Conference Report on H.Con.Res.393** – Republican Budget Resolution for FY05.

Daily Quote...

"[T]he fiscal ideologues in the House want only half the rule. They say Congress should offset any new spending increases, but not any new tax cuts. That's a bizarre position, considering that President Bush hasn't proposed significant new spending but has proposed substantial new tax cuts, despite a federal deficit that is now approaching \$500 billion. The House logic seems to run as follows: If lawmakers keep cutting taxes, the economy will grow its way out of deficits. And if it doesn't, then Congress will be forced to cut spending. The theory is appealing, but the nation has tried this experiment, before and it didn't work. It was called Reaganomics. The result was rapid economic growth for much of the 1980s - but also record federal deficits, an explosion in the U.S. trade deficit and a federal debt that taxpayers are still paying off today."

- An editorial in *The (Minneapolis) Star-Tribune*, 4/22/04