

Democrats—moved forward with the earned-income tax credit. It has grown and become a major factor for low-wage working Americans. The whole concept behind the earned-income tax credit was to encourage Americans to work, to affirm their work, to provide aid and assistance to them, unlike welfare. It is tied to their work. Now, I have to tell you, I have looked at it, and I do not think it is achieving quite what we want it to do. In fact, I would like to change that and have suggested it over the years but, regardless, that is the deal.

So how is it, then, that we would think we have an obligation to provide, as a reward to someone who came to our country illegally, a benefit they are not now receiving, did not expect to receive when they came to the country, legally or illegally, and then, just as an additional benefit and reward to their legalization, we provide a \$1,700-per-year benefit? It does not make good sense to me. I think it is bad policy, and it has a huge impact on our bottom line in the budget we have to deal with.

I also note that in 1996, when we passed the Welfare Reform Act, after much effort and work—President Clinton vetoed it twice but finally signed it—an effort was made to ensure that persons who obtained a green card did not receive means-tested benefits until at least they had a green card for 5 years. In other words, if you were coming to our country as an immigrant, we wanted to be sure you were not coming for welfare benefits, but to work, and that you would not receive means-tested benefits until you had a green card for at least 5 years.

So what happened was, when they wrote that, it did not touch the earned-income tax credit. I guess that is a Finance Committee matter. It is a tax committee matter. It was not considered a normal welfare-type payment, and that was not included in the list of things a person was not allowed to get. But, in my own mind, I say to my colleagues, it is perfectly consistent in philosophy and in principle with that because the earned-income tax credit is a payment from the Federal Government to working Americans. You file a tax return and obtain the Earned Income Tax Credit after a year's work. When your work shows your income level was below a certain level in America, you reach a qualifying level, and you get a tax refund of \$1,700, \$1,000, \$2,400, depending on the circumstances of yourself and your family. So that is what happens today for working Americans. The individuals who are in our country illegally at this moment have not been expecting to get that, have not been getting it unless they are filing fraudulently, and they should not get it. They should not get it as an additional benefit to receiving a Z visa, which allows them permanent residence in the United States and a pathway to citizenship.

That Z visa would also allow them to obtain quite a number of other bene-

fits, such as food stamps—which would not be affected by my amendment—health care for children, and, of course, anyone who goes into a hospital who has an emergency need will be treated whether they have insurance or legal status or not. So their children would be educated in our school systems. All those things would occur. Nothing would impact those things. But it is not correct as a matter of law, as a matter of principle, and certainly it is not a matter of fiscal responsibility for this Congress to pass an immigration reform bill that confers another \$18 billion to \$20 billion in earned-income tax credit on people whom we just rewarded with permanent residence in our country. That is not required. There is no requirement of that.

The Congressional Research Service describes the EITC in this way:

The earned income tax credit began in 1975 as a temporary program—

Typical of Washington, isn't it, that we start something that is temporary, and it is \$40 billion a year now—

to return a portion of the Social Security taxes paid by lower-income taxpayers and was made permanent in 1978. In the 1990s the program was transformed into a major component of Federal efforts to reduce poverty and is now the largest antipoverty entitlement program.

I bet most Americans did not know that the EITC is the largest entitlement program on the books.

Now, I have had a fairly positive view of the earned-income tax credit. I think in many ways it is a good philosophy to help Americans get out, get moving, make some work. They often start out at lower wage jobs, and it sounds bad sometimes for them, and they are not making enough to get by. This earned-income tax credit can really be a benefit to them, and if they stay at that job, if they work at it, if they are responsible and they come to work on time and do their duty effectively, most people in America get promoted. Their wages go up, and they do better and better. So I do not think it is a bad program, but it is a very expensive program, and for a number of reasons it could be operated better.

I will again say to my colleagues, I am not of the belief that it is required of us that we should confer on persons who came into our country illegally every single benefit we confer on those who wait in line and come to our country legally. I just do not think that is required. One of the things in particular I would suggest not to be conferred—should not be conferred—upon them is the extensive benefits of the earned-income tax credit.

In other words, we do not want to attract people to America on things other than their wages and salary. We have enough people who need help in America. We have a lot of people out there working who, frankly, maybe did not have a good home life. They have not been as reliable as they should have been. Maybe they have gotten in trouble a time or two. We need our

American businesses to take a chance on those people. We need to help them get their lives together and establish a good work history and start making some money. The earned-income tax credit comes in as a refundable tax credit on top of that as a real bonus to them, and that is good. But it should not be an attraction to draw people into our country because most of the persons who come into America as an illegal immigrant, at least in the first years, tend to make the salary levels that qualify for the earned-income tax credit. So there will be a disproportionately high number of persons who will qualify for that.

I see my time is about up. I will reluctantly accept having a vote, as Senator KENNEDY suggested we can do early in the next week when we come back, if that will help move us along tonight. But I want to tell my colleagues to think about this amendment—really think about it. This is not a harsh amendment. This is not an amendment to hurt anybody. It is an amendment that says: OK, if you are in our country, just like the 1996 Welfare Reform Act said, and you qualify for the Z visa under this amnesty program, or whatever you would like to call what we have in this bill, you are not automatically eligible for the earned-income tax credit. We absolutely should not allow that to happen. It is not necessary. It is not right to do so. It is a raid on the Treasury of the United States. It draws money from people who have paid taxes for years.

I would have to note, under the bill that is on the Senate floor, the immigration bill before us, are individuals who have been here illegally, some of whom may have made nice incomes and are absolved from paying a portion of their back taxes. So they don't even pay all back taxes. Then we are going to give them, immediately, the next year, an earned-income tax credit that could be a very substantial amount of money, and that comes right out of the taxpayers' pockets, a billion here and a billion there and a billion here and a billion there. It does add up, and it is significant.

So I would urge my colleagues to consider this and hope that they will.

I also wanted to express my support for Senator HUTCHISON for the analysis on Social Security of persons who come here to work and who violate their stays and overstay, that they should not receive the full benefit of Social Security. One of the things you have to have if you are going to have an effective immigration policy is you must have a situation in which you don't reward people for bad behavior, for heaven's sake. We certainly are not very good at apprehending people who violate the law, who either came in illegally or overstayed and removed them from the country, but surely we ought to set up a system that says if you violate the law, the way you come or stay here, you don't get Federal taxpayer benefits and a reward as a result of