

Today, Hispanics continue to contribute to the fabric of our community. On Long Island, I would like to acknowledge four residents of my constituency who are truly leaders among the Hispanic community and have flourished in their fields: Mr. Angel M. Rivera for his excellence in youth services; Miss Alexandra Feliciano for her outstanding academic leadership; Mr. Hector D. LaSalle for his contributions to the legal profession; and Dr. Dennis Da Silva for his dedicated activities in the medical field and community.

The list of achievements is endless. For that reason it is of utmost importance to honor the rich contributions of Hispanic-Americans in our society. I proudly applaud their efforts. Mr. Speaker, it is with great pleasure that I commemorate Hispanic Heritage Month.

DISAPPROVING THE RECOMMENDATIONS OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

SPEECH OF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 8, 1995

Mr. FAZIO of California. Mr. Speaker, I rise today in strong opposition to the BRAC Commission's 1995 base closure list and in support of House Joint Resolution 2.

No where in the United States has BRAC had such a devastating impact as it has had in the Sacramento area. In all four rounds of BRAC the Sacramento area has shouldered well over a quarter of all jobs lost in California due to BRAC.

BRAC made a terrible decision to close McClellan AFB which I represent. Sacramento has been hit far more than any other community in this country. No where in the United States has a community been hit three separate times. Sacramento has already given its fair share to base downsizing.

I voted for the creation of an independent base closure commission because it would be insulated from the politics of individual Members of Congress and their districts so that BRAC could make fairminded decisions as to which bases ought to be closed based on the basis of national need.

However, I must say with great regret and dismay that this BRAC Commission was exceedingly political, made its decision in a vacuum, and in my mind deliberately inflicted undue pain on the people of Sacramento.

BRAC made its decision based not on the facts, but rather the politics of base closures, that up until now have been void from the process.

I believe that BRAC grossly distorted the process and abdicated its responsibility as an independent commission.

This decision was based on data and analysis generated by the Commission staff that was not certified. Further, there was no opportunity—even when specifically requested—for the Air Force or DOD to review the staff analysis and determine the operational impacts of the recommendations. The impacted communities were not provided with an opportunity to respond to this analysis either.

I believe that this approach seriously undermines what was designed to be an open and

fair process and contradicts the spirit of the BRAC statute.

I would like to discuss three areas where I feel that the BRAC Commission substantially deviated from the intent of the BRAC statute as well as its total disregard for the Department of Defense's recommendations. In my mind and the minds of many of my colleagues on both sides of the aisle that have been adversely affected by this decision, the BRAC Commission clearly subverted and deviated from the BRAC statute and past BRAC Commissions.

ECONOMIC IMPACT

The Sacramento region has suffered two previous base closures—Mather AFB (1988) and the Sacramento Army Depot (1991). These closures resulted in the loss of 11,516 direct jobs and 28,090 total.

The closure of McClellan will result in a loss of 13,000 direct jobs and over 31,000 total jobs.

The total combined effect of all three closures results in over 59,000 total jobs lost which represents 7.8 percent of the region's total employment. These three closures make Sacramento the hardest hit community in the entire country for all four BRAC rounds.

MILITARY READINESS

The recommendations to close McClellan and Kelly are simply unacceptable. Of all the options for eliminating excess capacity in the Air Force depot system, the Commission's approach will cause the most turbulence, will cost the most money, and will have the most negative impact on mission support capabilities.

The substitution of judgment by the BRAC staff on the cost and savings associated with these two bases is deeply troubling. Changing assumptions and parameters based on anecdotal information and running COBRA analyses using nonbudget quality data and with no input from military officials are causes for great concern.

A review of the military's BRAC budgets demonstrates that previous cost assessments of prior rounds understated. In fact, earlier this year, the Navy reprogrammed more than \$700 million from operations and maintenance accounts to cover cost overruns in its base closure account. We should not risk the readiness of our troops on a cost and savings evaluation which did not receive the same level of budget scrutiny as Secretary Perry's original recommendations.

In a letter dated June 21, 1995, Secretary of the Air Force Sheila Widnall and Air Force Chief of Staff Ron Fogleman wrote to the BRAC Commission that "the staff generated BRAC proposal described to us will * * * preclude the Air Force from carrying through on vital readiness and modernization programs."

Secretary Widnall and General Fogleman further stated that "the essential business of the Air Force * * * would be greatly disrupted."

CROSS-SERVICING

There is widespread agreement, including the recently published Commission of Roles and Missions Report, that cross-servicing and privatization are the smartest, cheapest, and least disruptive methods of downsizing large industrial facilities. Every major study in this area, from the Defense Science Board to the Joint Chiefs of Staff, agree that cross-servicing

and privatization are the right way to downsize depot maintenance.

The fact that neither the Defense Department nor the Commission were successful in instituting cross-servicing in a comprehensive manner to remove redundancies among the services is a major disappointment.

In my view, the Commission's recommendations are not an appropriate or acceptable substitute for eliminating capacity in defense industrial facilities the right way through cross-servicing.

This BRAC list comes up short. The enormous costs, loss of capabilities, and overall impact on readiness are too great a risk. There is a right way and a wrong way to downsize depots. This is definitely the wrong way.

I understand probably better than most that we as a Congress have the responsibility to close bases down that are unneeded in the wake of the end of the Soviet Union and the cold war.

But BRAC's decision risks readiness, will not eliminate excess capacity, and asks the people of Sacramento to shoulder a far higher proportion of pain than does the rest of the country.

The BRAC Commission has gone too far this time, I ask my colleagues to support this resolution and reject the Commission's ill-advised recommendations.

THE GREEN REVENUE PATH

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1995

Mr. STARK. Mr. Speaker, as we consider changes to the Tax Code, I hope that we can consider bills to discourage pollution and the depletion of scarce natural resources.

I've long proposed these kinds of tax changes, and I am today introducing the first in a series of such tax bills—a bill which will eliminate various subsidies designed to encourage the consumption of polluting materials and the destruction of scarce natural resources.

I would like to enter in the RECORD at this point an excellent op ed on this subject which appeared in the September 10 Washington Post entitled, "The Green Revenue Path." Over the coming months, I plan to introduce other bills to advance the ideas contained in this article.

THE GREEN REVENUE PATH—FOR HEALTHY GROWTH, WASHINGTON SHOULD TAX RESOURCES, NOT LABOR

(By Ted Halstead and Jonathan Rowe)

For all the talk of radical tax reform in Washington, there's a basic question that the politicians and experts have somehow missed. The leading proposals, whether Democratic or Republican, are justified by what they wouldn't tax—capital gains, interest income, etc.—not by what they would tax. Purporting to encourage savings and investment, these proposals would all tend to shift the burden of taxation in one way or another from income onto work—that is, onto the folks who, in Sen. Phil Gramm's apt phrase, "pull the wagon."

There's a better way, one that doesn't penalize the things—work and enterprise—that America needs most. Instead of taxing the creation of wealth, the government ought to

tax the depletion of it. The federal government should be moving toward elimination of payroll and income taxes and toward taxation of the use of finite natural resources and the pollution that results. Instead of using taxes simply to raise revenues, the government could raise revenue in a way that helps reduce the need for both government and taxes.

This idea of resource-based taxation is quite different from President Clinton's BTU tax proposal in 1993 that was mainly a new tax on top of the existing income tax structure. By contrast, we're talking about replacing the income and payroll taxes on the middle class with taxes on the use of finite resources such as oil and coal, on pollution and on virgin materials that end up in the trash. The federal income tax would be restored to what it was in the early 20th century—a kind of excise tax on only the very richest Americans (a historical fact that the Democratic party seems to have collectively forgotten).

Such a tax shift would provide a big boost for jobs and for America's ability to compete in the world.

First, eliminating income or payroll taxes for most of the middle class would cut the cost of labor in America without reducing wages. The real "job killer" of the current tax system is not the tax on capital gains, as Republicans claim. Much more debilitating for employment in America is the payroll tax, which slaps a big penalty on small businesses for the heinous act of hiring a worker. Resource-based taxes provide a practical way to reduce that penalty.

Second, a shift to resource taxes would push our whole economy toward more efficiency. A few pioneering companies have already shown the economic gains that are waiting to be tapped, as Joseph J. Romm demonstrates in his book "Lean and Clean Management." Boeing, for example, installed efficient new lighting that has cut electricity use for that purpose by 90 percent. West Bend Mutual Insurance, in West Bend, Wis., cut total energy use almost in half with a new office building designed to conserve resources.

Since conservation technologies and practices employ many more people than does the use of virgin resources, more jobs would result. Many of those new jobs would be in recycling, which would boom because virgin materials would no longer have the subsidies they enjoy under current tax laws. This, in turn, could help bring manufacturing jobs back to the inner cities, which could become the new supply depot of recycled raw materials, the equivalent of the mouth of the mines, that companies seek to be near.

Third, resource-based taxes would help solve our environmental problems by reducing the need for cumbersome, top-down regulation. Boeing's manager of conservation, Lawrence Friedman, has noted that if every company in America adopted the lighting efficiencies that Boeing did, "it would reduce air pollution as much as if one-third of the cars on the road today never left the garage." In other words, a resource tax system would make tax avoidance both legal and socially desirable. As individuals and corporations sought to cut their tax bills, the environment would become cleaner and the economy more efficient—and regulators less necessary.

This is not a pipe dream. We have completed the first draft of a resource tax proposal for the state of California, and found that the state could abolish virtually all existing state and local taxes, and raise the same amount of revenue from resource use and pollution instead. A shift of that scale is not feasible at the federal level. However, a reasonable tax on resource use and pollu-

tion—which would keep the price of gasoline within the levels paid by Europeans and Japanese—would make it possible to eliminate the federal income tax entirely for families making up to \$75,000 a year, and for individuals earning up to \$40,000. Part or all of that money could be used to abolish payroll taxes at the lower wage levels, and to buffer low-income Americans from the impact of the tax.

So why not? Some will warn that the United States would lose competitive position, but the opposite is more likely. With incentives to become lean and efficient in the use of resources, American companies would actually gain a competitive edge. Convinced of this, major international corporations in Sweden, such, including IKEA and Electrolux, are supporting a move toward resource taxes there, and the European Community is moving in this direction as well. Moreover, Prof. Lawrence Goulder of Stanford has shown how a resource tax could be levied on the energy content of key imports, keeping the playing field level for American producers paying such taxes.

Another objection will be raised by technological utopians, who say there's no such thing as "finite" natural resources, because the infinite ingenuity of people will always find substitutes for any resources that run out. If that's true, then resource-based taxation would buy more time for such new technologies to arise; it would also create price incentives that would hasten the development process. This would help bring about exactly what Newt Gingrich says he wants: a Third Wave economy, which Alvin Toffler describes as based on "processes and products that are miserly in their energy requirements."

Resource-base taxation is a proposal designed for where the economy is going, rather than where it has been.

PROGRESS IN THE BATTLE AGAINST DRUGS IN LATIN AMERICA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1995

Mr. GILMAN. Mr. Speaker, the deadly Cali drug cartel is on the run today like never before. The Colombian National Police to their enormous credit, and at great sacrifice in lost lives of many of its finest police officers, have long and courageously battled this scourge. In recent weeks they have successfully captured or brought about the surrender of many of the key drug kingpins, and others associated with the deadly Cali cartel. Now the judicial process in Colombia hopefully will serve to provide these same unsavory figures with prompt trials and the appropriate jail time, commensurate with the enormity of their deadly crimes, especially against our young.

In Peru, President Fujimori has started his second term with a strong democratic mandate. He is publicly committed to crushing the narco-traffickers, as he successfully battled the Shining Path terrorists. The results have also been impressive from Peru's air interdiction efforts on coca paste headed for Colombia. Today, there are more and more drug trafficking flights refueling in Brazil in order to avoid detection by these aggressive Peruvian efforts, as they make their way into Colombia with their deadly cargo.

These and other developments in the Andean region and nearby, give all us guarded

hope that we can expect even more of these courageous and impressive results, aimed at the drug cartels and their deadly cargo. This issue is a major foreign policy concern of mine and others like Mayor Giuliani in New York City, who know full well that this scourge of narcotics must be aggressively fought abroad, before these drugs hit our streets, and infect our cities and schools.

All of these recent developments in Latin America present a challenge and a tremendous opportunity for U.S. international drug policy and interests in the region. It is an opportunity we cannot afford to miss to help reduce the level of deadly drugs coming into the United States.

We all know that once these deadly drugs reach our streets, we suffer billions of dollars in related crime, incarceration, health care, lost worker productivity, and other social ills and costs. Vice President Gore recently put the annual cost to the United States from illicit drug use at \$67 billion. While that figure is very conservative, as a cost analysis, it clearly points out the critical need for our Nation to stay focused on this important subject, especially from a foreign policy perspective. We must also provide the necessary resources abroad, as well as here at home, which are needed to fight this epidemic which costs our society so much, in dollars and lives, each and every day.

Now more than ever, we must keep the pressure on the illicit drug trade and the drug cartels and we must work cooperatively with all concerned nations around the globe against this scourge. Nothing less will suffice for the benefit of our youth and the future of our Nation and the source and transit countries as well.

History clearly demonstrates that those nations which facilitate this illicit trade, also pay a deadly price in the corruption, violence, and inevitable local drug abuse so often associated with this scourge.

SIR GARY F. BELSKY, GRAND
CHANCELLOR OF THE PENN-
SYLVANIA KNIGHTS OF PYTHIAS

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1995

Mr. BORSKI. Mr. Speaker, I rise today to honor Sir Gary F. Belsky, who will be honored by the Pennsylvania Knights of Pythias on September 16, 1995.

Mr. Speaker, the Order Knights of Pythias, to which Sir Gary Belsky gives his time and talent, was founded in Washington, DC in 1864. Established during the Civil War, it was hoped the Knights of Pythias might help to heal the wounds and allay the hatred of the war's conflict.

Since 1972 Gary has dedicated his life to the service of others through the three cornerstones of Pythianism, which are: Friendship, charity, and benevolence. Gary has diligently served as chancellor commander, financial secretary, and treasurer of Barbarossa Lodge #133. Gary Belsky is only the second man of Barbarossa to ever be awarded with the honorable "Sam Ospow Award." This is just one of the many awards attributed to Gary's dedication and service.