the years. And, in recognizing these sacrifices, that all Americans today to exercise their democratic rights, including free speech, and the right to vote.

The Allied Veterans Council of Cudahy has made a wise choice naming Bill Crivello Veteran of the Year. Bill, his wife, Gertrude, and their children and grandchildren should all feel a sense of pride in receiving this honor.

Bill, on behalf of our area's veterans, and your friends and neighbors, I encourage you to keep up the great work. As you are proud of our veterans, they, too, are quite proud of you.

ASSEMBLYMAN ARTHUR ALBOHN: PUBLIC SERVANT

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 19, 1995

Mr. FRELINGHUYSEN. Mr. Speaker, today, I rise to pay tribute to a good friend and former colleague, Assemblyman Arthur Albohn of Hanover Township who is retiring from the New Jersey General Assembly after 16 years of dedicated service.

Having served with Art in the Assembly for 11 of those years as the junior member of the 25th Legislative District, I must say that it was difficult referring to oneself as a fiscal conservative while sitting next to him in the Assembly Chamber. Art has voted ''no'' on so many spending bills during his career that he makes the 104th Congress look like the previous forty. In the process, he earned the respect of his colleagues, the appreciation of his constituents and the admiration of all New Jerseyans.

He was elected to the General Assembly in 1979 after serving on the Hanover Township Committee for 27 years, including 5 terms as Mayor, 18 years as the Director of Finance and 12 on the Sewerage Authority.

However, Art's forte was developed earlier in life during his education in New York. Born in Queens, Art graduated from Columbia University and earned an additional degree in Chemical Engineering. Since that time, Art had worked in chemical engineering and management consulting for Goodyear, Rayonier, Celanese and more recently retired from the Komline-Sanderson Engineering Corporation of Peapack-Gladstone.

Art has utilized his proficiency in this field while serving as Chairman of the Assembly Solid and Hazardous Waste Committee and as a member of the Assembly Local Government Committee and New Jersey Commission on Science and Technology. As former colleagues in the Assembly, Representatives JIM SAXTON, DICK ZIMMER, BOB FRANKS, FRANK LOBIONDO and BOB MENENDEZ can each attest to Art's commitment to legislation based on common sense and sound science.

Anyone who knows Art Albohn knows that he could not have been so successful without the love and support of his wife of 51 years, Regina, who has been at his side and often out in front during his political career. As far as we know, Regina is the only person to whom Art has never said ''no''!

Although they will want to spend time with their three children and two grandchildren, I have no doubt that Art and Regina will remain active in public life and still have much to contribute to the quality of life in Morris County, NJ. I, for one, will still count on his friendship and good counsel. I will miss him as a fellow elected official, his strong, independent views, his dry humor and unfailing dedication to the Jeffersonian proposition ''that government which governs least, governs best.''

HEALTH OF OUR CITIZENS AT RISK

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 19, 1995

Mr. MATSUI. Mr. Speaker, today, we are not making health care policy. We have taken a number, randomly selected by the Budget Committee, and devised a mechanical computation to reach an arbitrary $270 billion goal. In the process, we have placed the health of our citizens severely at risk.

The United States is renowned for its health care. Our hospitals are considered the finest in the world. This is because we, in America, place a unique value on each, individual life. It doesn't matter who you are, how old you are, or what you have chosen to do with your life—everyone deserves quality health care.

Under the Republican plan, this value will be challenged. Hospitals will no longer have the resources to provide quality care, and ill people of all ages will lack the security of knowing that everything possible is being done for them.

Moreover, the elderly will not be able to live out their final years in comfort. The vast majority of senior citizens in this country are not wealthy, and new costs imposed on necessary medical services will be prohibitively expensive. The question we must answer is whether a civilized society has a role to play in improving the lives and health of its older members. In the past, we have answered this question in the affirmative; today, the Republicans have a different response.

The Medicare system has been subject to careful reform virtually every year since its inception. These changes have been deliberate and grounded in thoughtful policy. Reforms have been made with the health of American citizens in mind.

I am saddened to see that the bill before us is not based on the same honorable values. Instead, it represents a mathematical solution to a cold, mechanical $270 billion challenge. Calculations were made devoid of reason, research, and compassion. Qualify health policy played no role. Our elderly and all American people deserve more.

FIRST ANNUAL PART-TIME PROFESSIONALS' DAY

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 19, 1995

Mr. MORAN. Mr. Speaker, it is with great pleasure that I rise today in recognition of the First Annual Part-Time Professionals' Day. This day was brought to my attention by the Association of Part-Time Professionals, a national nonprofit organization that is a leading authority on flexible work options. The First Annual Part-Time Professionals' Day recognizes the nearly 4.6 million men and women who currently work in part-time professional jobs.

Part-time workers comprise a diverse segment of the work force which includes men and women in search of nontraditional employment schedules to accommodate changing high-tech work environments and family priorities. These individuals include parents seeking better balance between work and family needs, retirees interested in continuing employment, students, and others pursuing outside interests such as volunteer opportunities in our communities.

More than 80 percent of the Association of Part-Time Professionals members live in the Washington metropolitan area. These members and others represent a growing segment of the work force which I am honored and delighted to recognize as valuable professionals in the American workplace.

STUDENT LOAN PROPOSAL HURTS MIDDLE CLASS

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 19, 1995

Mr. ROEMER. Mr. Speaker, last month the education committees of both bodies of Congress reported their respective versions of the budget reconciliation bill. Unfortunately, these proposals would harm our investment in education. Although the proposals are slightly different, their impact is the same: They will raise the cost of college and ultimately deny access to higher education to thousands of American families.

Instead of making a college education more accessible and affordable, the budget reconciliation proposals would cut more than $10 billion from student loans over the next 7 years. One proposed change to the student loan program is a new tax on colleges and universities based on the volume of guaranteed loans used by their students. Twenty million students enrolled at more than 7,000 schools would be adversely affected by this proposal each year.

The proposed student loan tax would force schools to increase tuition or cut back in other services to pay for this fee. Such a tax not only penalizes students, but also unfairly impacts schools that admit students who need financial assistance. College students and their families now have more debt than ever before, and it has become increasingly difficult for students and their families to afford college. For many middle-income families college soon will be out of reach financially.

I strongly oppose the proposed changes and other savings taken from the Student Loan Program which would increase the tax burden of the middle class. As written, the student loan changes represent yet another slap at middle-class working Americans who must rely on Federal student loan programs to help finance their children's college education.

For the benefit of my colleagues, I am inserting in the RECORD an editorial written by the president of the University of Notre Dame, Rev. Edward A. Malloy, which appeared recently in the Chicago Tribune. Rev. Malloy points out that taxing higher education is indeed shortsighted. Such action by Congress will make the American dream of a college education for middle-class families nothing more than a mirage that is completely out of reach for most families.

[From the Chicago Tribune, Oct. 3, 1995]

FINANCIAL BURDEN—TAXING HIGHER EDUCATION IS SHORTSIGHTED

(By Edward A. Malloy)

Hidden away in recent news stories was a report that the Senate's Labor and Human Resources Committee proposes to tax colleges and universities based on the total volume of guaranteed loans used by their students. If such a tax were enacted, many institutions would face yearly assessments running into hundreds of thousands, perhaps millions, of dollars. Not only would colleges and universities be burdened with yet another federally mandated fee, but we would most certainly be required to meet increased federal budget regulation for the ''loan tax'' program. Such an effort by the committee flies in the face of congressional rhetoric championing decreased taxation and less federal intervention in state and private matters.

Federal student loan programs exist to help students and their families afford college educations. Beyond a doubt, post-secondary education is the most significant factor in determining future income. Anything which increases the cost to students, particularly to those middle- and lower-income students who depend on student loans, will have a significant impact on their ability to start, or complete, college programs.

Students already are assessed a fee directly on their federal student loans. An additional fee on institutions of higher education, as proposed by the Senate could have several possible impacts on students—all of them harmful. Many schools simply will pass the fee along in the form of higher tuition. Others will handle the fee by reducing allocations for other priorities, such as undergraduate teaching, financial aid or student services. Students will pay, in fact, they will pay twice—once directly, once indirectly.

The impact of this double tax not only places a financial burden on students, but also in the long run promises to restrict access to higher education and to leave more young people behind as our society enters an increasingly information-based and technology-dependent age.

In developing this fee scheme, the Senate attacks precisely the people it purports to represent, middle-class families who see higher education as the best means of achieving the American dream. In a Congress which is reducing spending for education, particularly higher education, the Labor and Human Resources proposal adds insult to injury by both making loans more expensive and at the same time reducing their buying power. In the end, the student loan fee is nothing more than a tax increase on the middle class, the proceeds of which will find a tax cut for the wealthy.

We know as well that once the federal government begins assessing fees it rarely reduces or eliminates them. In fact, over time the fee most likely will increase. We also will inevitably get more regulatory requirements with the fee. Our institutions already strain under the weight of enormous reporting requirements for programs like the Federal Family Education Loan program. We spend hundreds of man-hours and significant resources meeting federal requirements. Adding a fee structure to this process will only increase this burden. This type of over-regulation forces institutions like my own to seriously consider alternatives to the existing federal programs.

The committee is seeking an easy way to meet its budget obligations by imposing a tax on the nation's higher education system. Such a tactic is more than simply misguided, it is wrong, Higher education, including students and parents, already has been targeted for more than our fair share of budget cuts. We face reduced funding for basic research, for the humanities and the arts, a proposed reduction in the interest subsidy for student loans, elimination of the federal portion of Perkins Loans as well as State Student Incentive Grants and consistent underfunding of the Pell Grant program.

I believe I can speak with confidence when I say all of higher education would oppose an institutional fee on student loans. The government simply should not be taxing universities to pay for unwanted B–2 bombers and submarines.

Higher education is one of our nation's most successful enterprises and most valuable commodities. Why would Congress seek to undermine it by placing it out of reach for more and more families? To do so would be egregiously shortsighted. American needs the richness and diversity of its system of education. We must demand that Congress treat higher education as the national resource and national treasure it is, and not as some untapped ''revenue stream'' to subsidize other federal spending.

RECONCILIATION PROVISIONS

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 19, 1995

Mr. MARTINEZ. Mr. Speaker, as Will Rogers once said ''All I know is what I read in the newspapers'' and over the past few weeks, I have been reading about a provision that is, I am told, being wrapped into the massive reconciliation bill that is coming to the floor shortly.

Last month, after 7 hours of floor debate, this House passed H.R. 1594, the Pension Protection Act of 1995.

The purpose of that bill, we were told, was to protect America's seniors from the alleged dangers in the form of so-called economically targeted investments.

Because I have yet to be convinced that any action of Secretary of Labor Reich might have changed the rules under the Employee Retirement Income Security Act [ERISA] which require pension fund managers and trustees to act in the sole interests of the participants in pension plans, I could not support H.R. 1594.

The crocodile tears shed by the proponents of that legislation were almost legendary on this floor.

Now I read about something that should cause those same Members to shed more than tears, because, hidden in this massive tax bill is a provision that spells doom for the pensions of all Americans.

In the early 1980's, we saw corporations making use of so-called excess pension assets—those not needed to pay immediate pension benefits—for purposes that were certainly not in the interests of retirees.

It took a case like Pacific Lumber, and its cozy relationship with Executive Life, to bring out the significant dangers inherent in these activities.

As you may remember, Pacific Lumber was acquired in a leveraged buyout by another company, and the first thing the purchasing company, Maxxam, did was to terminate the pension plan that Pacific Lumber had provided for its employees.

Because legally they could not just walk away from the current retirees, they purchased insurance from Executive Life to guarantee the retirement benefits.

Of course, Executive Life was chosen because it was the low bidder, but it was also the holder of a significant proportion of the junk bonds issued in connection with the leveraged buyout, as well as other questionable investments. Executive Life failed, as we all know, and the retirees were left holding an empty bag.

Because of abuses like that, in 1990, Congress decided to limit the uses for which any company can put so-called excess pension assets.

And we limited access to those funds solely to allow the company to fund retiree health insurance programs, and imposed an excise tax of 50 percent where the company ended the plan.

Now, I am told, the Republicans, in the name of fiscal responsibility are seeking to expand the uses to which corporations can put these funds—to any purpose they wish to make of the funds.

They can use the funds to pay themselves even more lavish salaries or perks—to acquire other companies and close other factories—putting even more workers out of jobs—or just to have a party.

Of course, they could use this excess accumulation to provide a COLA or adjust benefits for participants, but I don't think that is likely.

To the extent that a withdrawal is made—the company making the withdrawal must pay income taxes on that amount.

And the bean counters over at Ways and Means have translated this into a windfall for the Treasury of $10 billion.

Well, based on what I have read about corporate tax liabilities over the past decade, that would be almost miraculous.

Current corporate tax rates top out at around 34 percent.

Corporations would have to draw down nearly $40 billion to produce that kind of tax, not considering all of the other factors, such as the fact that those taxes would be offset by loss carryovers, credits, and other adjustments.

So we are looking at a potential pension grab of tens of billions of dollars—with absolutely no protection for the pensioners or those workers who continue to expect their retirement to be protected.

And, there is no provision for notice to anyone, especially the participants and beneficiaries.

And another quiet little aspect of the provision is that the amount that can be withdrawn from pensions is based on a valuation date of January 1, 1995 or earlier, while the drawdown will not take place before January 1996.

So a pension fund that was in very healthy condition in December 1994, but which had suffered financial losses, or significantly increased claims for pensions—which happens when you force workers into early retirement—could be reduced significantly overnight.

The economically targeted investments that were the subject of such dire predictions by my friends on the other side of the aisle benefit all America—through job creation, new housing, and rebuilt infrastructure.