

Valley, she has been able to bring about programs and progress that have effected positive change for all of us.

Those of us who have been privileged to work with Laura over the years will sorely miss her continued participation in the betterment of our region. I thank my esteemed colleagues for taking this opportunity to recognize the public service that Dr. Fliegner has extended to the community at large.

**SALUTING CUYAHOGA COUNTY
BAR FOUNDATION PUBLIC SERV-
ANTS MERIT AWARD RECIPIENTS**

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 7, 1995

Mr. STOKES. Mr. Speaker, I rise today to salute eight individuals who are being honored as outstanding public servants. On Thursday, February 16, 1995, the Cuyahoga County Bar Foundation and the Cuyahoga County Bar Association will be hosting the 49th Public Servants Merit Awards luncheon at the Marriott at Society Center. On that occasion, eight individuals will receive the Franklin A. Polk Public Servants Merit Award. The individuals are: John D. Chmielewski, Rita B. Cloonan, Carrie Cook, Gail A. Dadich, Deidre Taylor, Sherman S. Terry, Jr., Robert C. Townsend II, and George F. Williams.

The Public Servants Merit Award is named in honor of Franklin A. Polk, a distinguished lawyer who chaired the Annual Public Servants Awards luncheon for 40 years. As the 49th Awards luncheon approaches, Frank will be remembered for recognizing the efforts and contributions of public servants.

Mr. Speaker, I take special pride in saluting the 1995 Public Servants Merit Award recipients. I want to share with my colleagues some information on these outstanding individuals. Mr. John D. Chmielewski has served his entire career with the clerk of courts. He currently holds the post as deputy of the criminal division office. Mr. Chmielewski is a native of Cleveland. He is a graduate of Holy Name High School, Cuyahoga Community College, and Cleveland State University.

Mr. Chmielewski can boast numerous accomplishments during his career. He is responsible for developing an integrated information system, which upon completion will link the county's various criminal justice offices. He is a member of the jail utilization committee which facilitated the design and construction of the new annex. In addition, he is credited with the development of the State's first updatable microfiche system for court system use; the creation of a bar-coded charge-out system for criminal files, and an optical imaging system to replace the photocopying process.

Mr. Chmielewski, who resides in Brecksville, is also active in his community. He has conducted various seminars for neighborhood community and records management principals, and coached for the Brecksville/Broadview Heights Soccer Organization. He is also a member of the Brecksville/Broadview Heights Band Boosters. He and his wife, Susan, are the proud parents of three children, Adam, Jason, and Laura.

Mr. Speaker, Ms. Rita Cloonan is also a native Cleveland, and a graduate of Charles F.

Brush High School. Her tenure with the Cuyahoga County Probate Court spans 24 years. She currently serves as deputy clerk/secretary for the court. During her career, she has worked in the account department, release of assets, and the application counter.

As deputy clerk, Ms. Cloonan schedules hearings, processes adversary complaints, assists attorneys and law clerks with court filings, and the general public in estates and guardianship filings. She is also responsible for compiling data and filing monthly status reports for judges and referees.

Ms. Cloonan is an active member of her community. She is a volunteer at St. Malachi Church, where she helps to feed homeless and needy individuals. She is also a member of the Westlake Irish-American Club, and coordinates the Ohio Irish festival. Ms. Cloonan is also politically active, serving as a campaign volunteer with the Rocky River Democratic Club. Bowling, gardening, needlework, antique shopping and travelling are just a few of her favorite hobbies.

Mr. Speaker, Mrs. Carrie W. Cook graduated from high school in Columbus, MS, where she was born, and has attended Cuyahoga Community College. At present she is enrolled at Moody Bible Institute. Mrs. Cook has been employed at Cuyahoga County Juvenile Court since 1970.

For the past 15 years, Mrs. Cook has supervised the traffic unit. In this post she is responsible for directing and coordinating activities of the department. The position also involves a close working relationship with other court offices and staff. Mrs. Cook's court tenure has also included providing administrative support to child support counselors and the Equal Employment Opportunity Commission manager.

Mrs. Cook is a member of First Bethel Baptist Church, where she is president of the gospel choir, a Sunday school teacher for the adult class and a member of the executive board. Her hobbies include reading, cooking, crafting, home decorating, and helping the needy. She and her husband, Arthur, will mark their 28th wedding anniversary this year. They reside in Cleveland Heights, and are the proud parents of a son, Ereka.

Mr. Speaker, Mrs. Gail A. Dadich is the next Public Servants Merit Award recipient. For the past 13 years, she has served as the journal department administrative assistant/court community service liaison for the Cuyahoga County Domestic Relations Court. A native of Berea, OH, she is a graduate of James Ford Rhodes High School.

In her current post, Mrs. Dadich reviews journal entries to make certain that all documents required by statute and local rules are attached. She also monitors contempt of court cases for compliance with the court's order for community service in lieu of jail time. Additionally, she fills in as acting bailiff and scheduler for the judges.

Mrs. Dadich and her husband, Dan, are residents of North Royalton. They are the proud parents of three children, Devon, Danny, and Derek. In her spare time, Mrs. Dadich enjoys cross-stitching, movies, and sports. She is an avid Cleveland Browns fan, and supports the North Royalton Soccer Club, where her sons are team members.

Mr. Speaker, the next honoree, Mrs. Deidre Taylor, has enjoyed a 24-year tenure with the courts. She is currently the administrative as-

sistant to the Eighth District Court of Appeals. Mrs. Taylor is a native of Cleveland and a graduate of St. Augustine Academy. She is currently enrolled in Dyke College where she is working toward a bachelor's degree in management.

In her role as administrative assistant, Mrs. Taylor is responsible for budget preparation and personnel administration. She also oversees the purchase of furniture and supplies for the office. Prior to this assignment, she served as administrative clerk for the common pleas court.

Mrs. Taylor, and her husband, James, have been married 23 years and reside in Euclid. They are the proud parents of four children, Colleen, Katie, James, and Megan. Mrs. Taylor is a member of the East Side Irish-American Club, St. Felicitas School PTU and Boosters, and the Ohio Association for Court Administration. Her other activities include coaching girls' summer league softball and reading.

Mr. Speaker, Mr. Sherman Sumner Terry, Jr., has been employed by the common pleas court for 26 years. He is a native Cleveland and a graduate of John Adams High School. Mr. Terry currently serves as assistant chief scheduler in the central scheduling office. He is the former president and vice president of the bailiff and attaches association.

Mr. Terry is a decorated veteran who saw active duty in Korea with the United States Army's 40th Infantry Division, 160 Infantry Regiment, Company D, and attained the rank of staff sergeant. His military decorations include the Combat Infantryman Badge, Korean Service Medal with three Bronze Stars, United Nations Medal, National Defense Medal, Good Conduct Medal, and the Republic of Korea Presidential Unit Citation Badge.

Mr. Terry and his wife, Ruby, are residents of Shaker Heights. They have two adult children, Sherman III and Celeste, and a daughter-in-law, Gail. Mr. Terry is a Boy Scout leader and a volunteer for the United Black Fund. At the Fifth Christian Church [Disciples of Christ] he has served as treasurer, a member of the Christian men's fellowship and the male choir. Mr. Terry is also a gifted artist, an avid photographer, and enjoys travelling.

Mr. Speaker, our next honoree, Robert C. Townsend II serves as the chief bailiff for the Cleveland Municipal Court. He is a graduate of Glenville High School and Clark-Atlanta University. His previous positions with the court have included personal bailiff, deputy bailiff, equal employment opportunity compliance and personnel officer and deputy court administrator.

Throughout his career, Mr. Townsend has received special training in criminal justice and court administration. He has studied at Case Western Reserve University, Cleveland State University, and George Washington University. Mr. Townsend and his wife, Roberta, are the proud parents of a daughter, Alisa, and a son, Robert.

Mr. Townsend has been active in more than 25 community-based organizations where he has been an officer or board member. They include the Association of Neighborhood Councils, NAACP, Cleveland Magnet School Advisory Committee, Community Organizations for Community Progress, and the Corrections Planning Board of Cuyahoga County, just to name a few. He was honored as most

trusted volunteer by the Federation of Community Planning, and is the former chair of the Cuyahoga Metropolitan Housing Authority.

Mr. Speaker, the final honoree for the Public Servants Merit Awards is George F. Williams. Mr. Williams is a native of Knoxville, TN. He attended John Hay High School and Kent State University.

Prior to joining the Cleveland Municipal Court, Mr. Williams was employed at Precision Metalsmiths, Inc. Currently, he serves as a deputy clerk at the court, where he is the assistant supervisor of the criminal counter division. He has been employed by the Court for 26 years.

Mr. Williams is an active member of the Emanu-El AME Zion Church, where he is a member of the board of trustees and the victory chorus. His other hobbies include listening to jazz music and travel. Mr. Williams and his wife, Yvonne, have been married nearly 38 years. They are the proud parents of a son, George F. Williams, Jr., and daughter, Peggy J. Dunlap.

Mr. Speaker, I take pride in saluting the eight individuals who have been selected to receive the Public Servants Merit Awards. They have each exhibited a strong commitment to public service and personal excellence. I also commend the bar foundation and bar association for recognizing the importance of honoring employees who strive to make the court system work more effectively.

A BILL TO REVISE THE TAX TREATMENT OF MUNICIPAL SECURITIES PURCHASED AT MARKET DISCOUNT

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 7, 1995

Mr. CARDIN. Mr. Speaker, today I am introducing, along with my Ways and Means Committee colleague, Representative CLAY SHAW, legislation to repeal a provision of the 1993 tax bill that has reduced secondary market liquidity for municipal bonds and complicated the Tax Code unnecessarily. The existing law will likely make it more difficult for States and localities to invest in our Nation's crumbling infrastructure.

The provision in question changed the way certain municipal bonds are treated under the Internal Revenue Code and caused some of these bonds to be less attractive to investors. As a result of this provision, State and local issuers attempting to address America's chronically underfunded public investment needs may be forced to offer higher yields on their securities, which would drive up their borrowing costs.

Of critical importance to the success of the American system of public finance is the liquidity of the secondary market for municipal bonds. Investors are willing to accept lower rates of return on State and local government securities because of the tax exemption, but also because they know they can readily sell their bonds, if necessary, before maturity. It is this indispensable characteristic of the municipal bond market that was handicapped in 1993 by the Budget Act.

In certain situations, holders of municipal bonds seek to sell their securities at what is

known as a market discount. Market discount is the difference between the purchase price of a bond and its stated redemption price at maturity. In general, market discount occurs when a bond is purchased on the secondary market at a price below par or below the adjusted issue price. Market discount is typically caused by a rise in market interest rates or a decline in the creditworthiness of the borrower.

Before the enactment of the 1993 budget reconciliation bill, accreted market discount on a municipal bond was taxed as capital gain at the time the bond was sold, redeemed, or otherwise disposed of. A strong public policy argument can be made that, consistent with the tax exemption on municipal bond interest, market discount on State and local government securities should be exempt from taxation altogether.

However, the legislation Congressman SHAW and I have introduced today seeks only to restore the traditional capital gains treatment of market discount bonds. We believe that increases in the value of market discount bonds should be treated as capital gains, consistent with the standard treatment of increases in the value of most investments.

Under the new law, however, accreted market discount is taxed as ordinary income. Since they are now subject to higher ordinary income tax rates, market discount bonds have become more difficult to sell on the secondary market than other municipal bonds.

Furthermore, any security issued by a State or locality could become a market discount bond at some point during its life, so secondary market liquidity for all municipal securities has decreased. With the repeated rises in interest rates over the past year, the 1993 change has had dramatic consequences for the secondary market in these bonds.

The change to ordinary income tax treatment for market discount bonds also reduces their liquidity because investors cannot use capital gains on market discount bonds to offset capital losses. Investors in secondary market municipal securities now demand higher rates of return to compensate them for higher tax rates on discount bonds and for increased risk that the securities will be more difficult to sell.

The bottom line on the higher tax rates for market discount is that State and local governments could ultimately face higher costs in issuing securities to pay for much needed public infrastructure investment. Early anecdotal evidence suggests that yields on market discount bonds are as much as 25 basis points higher than they would have been under the old rules. These effects have been exacerbated over the past year as interest rates have risen and bond prices have fallen.

Moreover, the new market discount rule has resulted in a reporting nightmare for bond dealers, mutual funds, bank trust funds, and others who are required to sort out and document income to taxpayers. Some tax-exempt mutual funds have simply stopped buying market discount bonds altogether because of this complexity, further reducing the liquidity of and demand for these securities and driving up their yields.

The new market discount rules could result in higher capital costs for State and local municipal bond issuers, raise extremely complex financial considerations that repel investors, and provide little or no economic advantage to the Federal Government. As Federal and

State budgets get tighter and tighter, the importance of the tax-exempt market increases. For those reasons, I propose that Congress restore the law to its pre-1993 status.

The current proposal to cut the capital gains tax presents us with an opportunity to address this important issue. Consistent with that effort to encourage investment, we should reverse the destructive proposal enacted in 1993, and remove the penalty on investors and issuers it imposed. I encourage my colleagues to join me as cosponsors of this legislation.

TRIBUTE TO JAMES A. WILLIAMS

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 7, 1995

Mr. BORSKI. Mr. Speaker, I rise today to pay tribute to my good friend, Jim Williams, who will be honored as "Glazier of the Year" at the Glaziers, Architectural Metal and Glass Workers Union Local No. 252's annual stewards dinner on March 11, 1995.

Mr. Williams has been chosen for this honor because of his unparalleled dedication to the glazing industry and organized labor. As a third generation glazier, Jim has provided the members of local No. 252 with the finest training in the country, fair and decent contracts, and the access to a dignified retirement. His tireless efforts on behalf of all unionized workers will benefit the labor movement for years to come.

Jim Williams began his apprenticeship with Glaziers and Glass Workers Local No. 252 in 1968 upon graduating from Northeast Catholic High School. The next year he enlisted in the Army to serve our country in Vietnam. As an infantryman, he was awarded two Bronze Stars, the Army Accommodation Medal, and an Alr Medal. Returning home in 1971, Jim completed his apprenticeship and began work as a journeyman glazier. He was elected president of local No. 252 in 1975. He was subsequently chosen as business manager in 1979, serving until August, 1994, when he was elected to his current position as vice president of the International Brotherhood of Painters and Allied Trades.

As business manager, Mr. Williams made Glaziers Local No. 252 into a well respected and influential force in the Delaware Valley, with membership tripling. He personally oversaw the construction of a new union hall in the northeast in 1982, which has since expanded with an Apprentice Training Facility.

Jim Williams has also been very successful in many other areas. He has served as a member of the board of trustees of Temple University, and vice president of the Philadelphia Building Trades Council. In addition, he has been a board member of the Private Industry Council of Philadelphia and Special trustee and general representative of the I.B.P.A.T. Along with these esteemed positions, Mr. Williams has been honored repeatedly for his contributions to various organizations. In 1982, he received the prestigious UNICO Man of the Year Award. He was also chosen as Labor Man of the Year by the Israeli Bond Association in 1990, and in 1992 he received the Vietnam Veterans Labor Leader of the Year Award.