

EC-4076. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report regarding the NASA Industrial Plant (NIP) at Downey, California; to the Committee on Commerce, Science, and Transportation.

EC-4077. A communication from the Secretary of Defense, transmitting, a notice of retirement; to the Committee on Armed Services.

EC-4078. A communication from the Manager of the Federal Crop Insurance Corporation, Farm Service Agency in the Department of Agriculture, transmitting, pursuant to law, four rules including one entitled "Catastrophic Risk Protection Endorsement; Final Rule," (RIN0563-AB09, 0563-AB56, 0563-AB11) received on September 12, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4079. A communication from the Director of the Office of Congressional Affairs, U.S. Nuclear Regulatory Commission, transmitting, pursuant to law, a rule regarding advanced control room designs and advanced human interfaces (received on September 12, 1996); to the Committee on Environment and Public Works.

EC-4080. A communication from the Director of the Office of Regulatory Management and Information, U.S. Environmental Protection Agency, transmitting, pursuant to law, five rules including one entitled "Approval and Promulgation of Implementation Plans; Washington," (FRL5603-7, 5609-3, 5601-5, 5606-4, 5607-2) received on September 12, 1996; to the Committee on Environment and Public Works.

EC-4081. A communication from the Administrator of the Agriculture Marketing Service, Department of Agriculture, transmitting, pursuant to law, a rule entitled "United States Standards for Grades of Frozen Oakra (Final Rule)" (FV-95-328) received on September 12, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4082. A communication from the Administrator of the Agriculture Marketing Service, Department of Agriculture, transmitting, pursuant to law, a rule entitled "United States Standards for Grades of Frozen Field Peas and Frozen Black-Eye Peas (Final Rule)" (FV-95-329) received on September 12, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4083. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a report regarding tied aid credits; to the committee on Banking, Housing, and Urban Affairs.

EC-4084. A communication from the Chairman of the Surface Transportation Board, transmitting, pursuant to law, a report regarding a rule entitled "Rail General Exemption Authority—Exemption of Ferrous Recyclables," (received on September 12, 1996); to the Committee on Commerce, Science, and Transportation.

EC-4085. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, a report regarding eight rules including a rule entitled "Amendment to Class E Airspace; Lebanon, NH," (RIN2120-AA66, 2120-AA64, 2120-A64) received on September 12, 1996; to the Committee on Commerce, Science, and Transportation.

EC-4086. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of Notice 96-48 (received on September 12, 1996); to the Committee on Finance.

EC-4087. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, trans-

mitting, pursuant to law, the report of Notice 96-46 (received on September 12, 1996); to the Committee on Finance.

EC-4088. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report with respect to Notice 96-47 (received on September 12, 1996); to the Committee on Finance.

EC-4089. A communication from the Assistant Attorney General of the Antitrust Division, transmitting, pursuant to law, a rule entitled "Removal of 28 C.F.R. Part 25—Recommendations to the President on Civil Aeronautics Board Decisions," (RIN 1105-AA41) received on September 12, 1996; to the Committee on the Judiciary.

EC-4090. A communication from the Secretary of the Securities and Exchange Commission, transmitting, pursuant to law a report regarding a rule regarding distribution of shares by a registered Open-End Management Investment Company, (RIN 3235-AG59) received on September 12, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC-4091. A communication from the Director of Regulations Policy in Management Staff, Office of Policy, Food and Drug Administration, Department of Health & Human Services, transmitting, pursuant to law, a rule with respect to current good manufacturing practices for blood and blood components (received on September 12, 1996); to the Committee on Labor and Human Resources.

EC-4092. A communication from the Secretary of Veterans Affairs, transmitting, a draft of proposed legislation "Department of Veterans Affairs Employment Reduction Assistance Act of 1996;" to the Committee on Veterans' Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 655. A bill to authorize the hydrogen research, development, and demonstration programs of the Department of Energy, and for other purposes.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 1786. A bill to regulate fishing in certain waters of Alaska.

H.R. 3198. A bill to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1010. A bill to amend the "unit of general local government" definition for Federal payments in lieu of taxes to include unorganized boroughs in Alaska and for other purposes.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 1719. A bill to require the Secretary of the Interior to offer to sell to certain public agencies the indebtedness representing the remaining repayment balance of certain Bureau of Reclamation projects in Texas, and for other purposes.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1804. A bill to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 1889. A bill to authorize the exchange of certain lands conveyed to the Kenai Native Association pursuant to the Alaska Native Claims Settlement Act, to make adjustments to the National Wilderness System, and for other purposes.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2033. A bill to repeal requirements for unnecessary or obsolete reports from the Department of Energy, and for other purposes.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAMS:

S. 2072. A bill to amend the Internal Revenue Code of 1986 to eliminate the requirement that States pay unemployment compensation on the basis of services performed by election workers; to the Committee on Finance.

By Mr. NICKLES:

S. 2073. A bill to require the District of Columbia to comply with the 5-year time limit for welfare recipients, to prohibit any future waiver of such limit, and for other purposes; read the first time.

By Mr. THURMOND:

S. 2074. A bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers; to the Committee on Finance.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWN:

S. Res. 291. A resolution to designate November 18, 1996, as "American Free Enterprise Day"; to the Committee on the Judiciary.

By Mr. PRESSLER (for himself and Mr. GRAHAM):

S. Res. 292. A resolution designating the second Sunday in October of 1996 as "National Children's Day," and for other purposes; to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAMS:

S. 2072. A bill to amend the Internal Revenue Code of 1986 to eliminate the requirement that States pay unemployment compensation on the basis of services performed by election workers; to the Committee on Finance.

### THE ELECTION WORKERS UNEMPLOYMENT REFORM ACT

• Mr. GRAMS. Mr. President, I offer legislation that would remove a costly and unnecessary burden imposed by Washington upon our State and local governments.

Current Federal law requires States and counties to pay unemployment tax and benefits for people who work as election officials—even if they work as few as two days a year.

This requirement has created a serious inequity for State and local governments. Under the law, polling place officials are considered as employees for unemployment insurance purposes, regardless of the number of days they work. Local governments are liable for payment of unemployment insurance for those election workers who apply for it after the elections, since they are being "laid off from the employment through no fault of his or her own." As a consequence, their unemployment benefits could far exceed the stipend they receive for services on election day, because unemployment benefits are based on income from the previous year.

During this time of belt-tightening at every level of government, many communities are having difficulty financing even the most fundamental activities, including election administration. Requiring local governments to spend their precious tax dollars paying unemployment benefits for such short-term employees would add a tremendous financial burden to budgets that in many cases are already strained to the breaking point.

Mr. President, this current requirement does more harm than good to those it intends to protect. It hurts those civic-minded Americans who play a vital role in our democratic system through their willingness to serve as election officials, because it diverts limited public funds that would otherwise be used to balance local budgets or increase the salaries of election workers. It also makes it more difficult to retain and recruit an adequate number of qualified people to serve as election officials in our communities.

My legislation seeks to free our communities and the taxpayers from this costly and unnecessary, federally imposed burden. It simply eliminates the requirement that state and local governments must pay unemployment compensation tax on the basis of services performed by election workers. Instead, it gives the States the freedom to design and run their own unemployment compensation programs for their election workers.

I might add that according to the Congressional Budget Office, this bill is budget neutral.

Mr. President, this is a reasonable and moderate attempt to correct an inequity for our States, cities, and counties, whose budgets are already tightly stretched providing the services upon which our communities depend. I therefore urge my colleagues to support this legislation.●

By Mr. THURMOND:

S. 2074. A bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers; to the Committee on Finance.

#### ESTATE TAXES LEGISLATION

Mr. THURMOND. Mr. President, I rise today to join my colleagues in discussing reform of our tax system. I commend the Senator from Georgia,

for his leadership on this issue. I wish to address another aspect of our unfair tax system—the estate tax.

Today I am introducing a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers. This bill is very simple. It repeals, in its entirety, subtitle B of the Internal Revenue Code of 1986. This repeal is effective for estates of decedents dying and gifts and generation-skipping transfers made after the date of enactment.

Mr. President, the Federal estate and gift tax structure is perhaps the most unfair and inefficient revenue source used by our Government. First, these taxes represent multiple taxation on savings and investment. Income is initially taxed when it is earned. If any of that income is saved, the earnings on the savings are taxed. A third level of taxation occurs as capital gains taxes are paid. Finally, after a lifetime of savings and investment, estate and gift taxes are assessed. Estate and gift tax rates are much higher than income tax rates.

Second, these taxes inhibit economic growth and job creation. Family owned businesses, farms, and ranches are the source of most new jobs created in the United States. Yet it is these family owned businesses that are most affected by estate and gift taxes. In many cases, family businesses do not have sufficient liquid assets to pay estate taxes upon the death of the owner. Frequently the business is liquidated or they sell the farm. As a result, jobs are lost and economic activity ceases.

Estate and gift taxes further stifle economic growth because of the increased cost for capital accumulation. When lifetime savings are taxed at high rates, the incentive to save is reduced. Spending and consumption replaces savings and investment. As a result, wage rates and employment suffer.

Third, estate and gift taxes result in economic inefficiencies, as taxpayers attempt to avoid or minimize these taxes, or allocate resources for estate planning. A survey by the Center for the Study of Taxation found that 80 percent of owners of family businesses reported taking some steps to plan for estate taxes. Such mechanisms included life insurance, buy/sell agreements, restructuring family partnerships and trusts, and charitable bequests. According to a report on this survey, 62 percent of the family businesses stated they would not have spent the time or money on estate planning. They did so because they felt estate and gift taxes threatened the survival of their businesses.

Mr. President, with all the negative economic consequences resulting from estate and gift taxes, one must ask if these taxes are worth the cost. I, and many others, have concluded they are not.

There is a misconception that such taxes only affect the very wealthy and that these taxes generate large

amounts of revenue. The fact is, these taxes impact everyone, directly or indirectly. Furthermore, these taxes are a minor revenue source for the Federal Government, accounting for only 1 percent of total Federal receipts. The amounts actually collected must be offset by the billions spent each year for enforcement and compliance activities.

Mr. President, it is time to abolish Federal estate and gift taxes. These taxes are unfair and inefficient. They hinder economic growth, destroying family businesses and jobs. They result in resources being diverted to estate planning activities, away from economic growth. These consequences, as well as the actual costs of collecting these taxes, do not justify such taxes or the minimal revenues they produce. I urge my colleagues to support repeal of the Federal estate and gift taxes. I ask unanimous consent that a copy of the bill be printed following my remarks.

S. 2074

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Estate and Gift Taxes Repeal Act of 1996".

#### SEC. 2. FINDINGS.

Congress finds the following:

(1) The Federal estate and gift tax structure is an unfair and inefficient revenue source. Such taxes represent a multiple tax on earnings. After paying income taxes, capital gains taxes, and property taxes, lifetime savings are finally subjected to estate taxes at rates that are generally higher than income tax rates.

(2) Owners of family-owned businesses and farms are among those who suffer the greatest impact of such taxes. Many businesses fail after the death of the founder because of estate taxes. Families faced with these taxes are often forced to liquidate farms or businesses to pay estate taxes. In the process, jobs and financial security for family members and employees are destroyed.

(3) The estate tax results in inefficiency in the economy because of "estate planning" and other tax avoidance mechanisms.

(4) Estate and gift taxes have a negative impact on economic growth. Such taxes foster spending and consumption, rather than savings and investment. Repeal of these taxes would result in increased capital formation, additional jobs, and a higher gross domestic product. Increased economic activity and investments would also result in additional personal and corporate income tax revenues.

(5) Estate and gift taxes are a minor revenue source for the Federal Government. In fiscal year 1995, estate and gift taxes accounted for only 1 percent of total Federal receipts. Furthermore, the Government spends billions of dollars each year for administrative and compliance costs for these taxes.

(6) The repeal of Federal estate and gift taxes is consistent with and will be a major step toward establishing a tax code based on fairness, simplicity, neutrality, visibility, and stability.

#### SEC. 3. REPEAL OF FEDERAL TRANSFER TAXES.

(a) GENERAL RULE.—Subtitle B of the Internal Revenue Code of 1986 is hereby repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after the date of the enactment of this Act.

#### ADDITIONAL COSPONSORS

S. 151

At the request of Mr. BUMPERS, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 151, a bill to reduce Federal spending by restructuring the Air Force's F-22 program to achieve initial operating capability in 2010 and a total inventory of no more than 42 aircraft in 2015.

S. 152

At the request of Mr. BUMPERS, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 152, a bill to reduce Federal spending and rapidly enhance strategic airlift by terminating the C-17 aircraft program after fiscal year 1996 and by providing for a program to meet the remaining strategic airlift requirements of the Department of Defense with non-developmental aircraft.

S. 153

At the request of Mr. BUMPERS, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 153, a bill to reduce Federal spending and enhance military satellite communications by reducing funds for the MILSTAR II satellite program and accelerating plans for deployment of the Advanced EHF Satellite/MILSTAR III.

S. 154

At the request of Mr. BUMPERS, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 154, a bill to prohibit the expenditure of appropriated funds on the Advanced Neutron Source.

S. 155

At the request of Mr. BUMPERS, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 155, a bill to reduce Federal spending by prohibiting the backfit of Trident I ballistic missile submarines to carry D-5 Trident II submarine-launched ballistic missile.

S. 773

At the request of Mrs. KASSEBAUM, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 773, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for improvements in the process of approving and using animal drugs, and for other purposes.

S. 1963

At the request of Mr. ROCKEFELLER, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1963, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 1987

At the request of Mr. FAIRCLOTH, the names of the Senator from New Hamp-

shire [Mr. SMITH], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 1987, a bill to amend titles II and XVIII of the Social Security Act to prohibit the use of social security and medicare trust funds for certain expenditures relating to union representatives at the Social Security Administration and the Department of Health and Human Services.

S. 2030

At the request of Mr. LOTT, the names of the Senator from Vermont [Mr. LEAHY], and the Senator from Michigan [Mr. ABRAHAM] were added as cosponsors of S. 2030, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles, and for other purposes.

AMENDMENT NO. 5264

At the request of Mr. FRIST, his name was added as a cosponsor of Amendment No. 5264 proposed to H.R. 3756, a bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1997, and for other purposes.

#### SENATE RESOLUTION 291—TO DESIGNATE NOVEMBER 18, 1996, AS "AMERICAN FREE ENTERPRISE DAY"

Mr. BROWN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 291

Whereas American prosperity is founded on the free enterprise system of individual opportunity and economic freedom;

Whereas the roots of American free enterprise can be found in the experiences of the people of Jamestown and Plymouth, the earliest American colonies;

Whereas the basis of free enterprise is the right to ownership of private property, which ensures to individuals the fruits of their own labor and encourages the virtues of self-reliance, thrift, and industriousness;

Whereas the settlers at Jamestown and Plymouth were initially deprived of the fruits of their own labor and therefore lacked the incentive for private initiative and hard work;

Whereas William Bradford, Governor of the Plymouth Plantation, wrote that in response to the misery and want experienced by the people of Plymouth he decided "that they should set corn every man for his own particular; and that regard trust to themselves . . . This had very good success, for it made all hands very industrious, so as much more corn was planted than otherwise would have been by any means the Governor or any other could use.";

Whereas on November 18, 1618, "The Great Charter" endowed the colonists of Virginia with the right to profit from property under their individual control for the first time; and

Whereas the result of the Great Charter was a blossoming of individual initiative and self-sufficiency that laid the foundations for the American tradition of economic freedom, prosperity, and self-government: Now, therefore, be it

*Resolved*, That the Senate—

(1) commends the men and women of our first colonies who began the American tradition of hard work and individual initiative;

(2) honors all those who have defended the right of individuals to own property, pursue their own initiative, and to reap the fruits of their own labor; and

(3) designates November 18, 1996, as "American Free Enterprise Day".

The President is authorized and requested to issue a proclamation calling upon the people of the United States and Federal, State, and local administrators to observe the day with appropriate programs, ceremonies, and activities.

#### SENATE RESOLUTION 292—DESIGNATING "NATIONAL CHILDREN'S DAY"

Mr. PRESSLER (for himself and Mr. GRAHAM) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 292

Whereas the people of the United States should celebrate children as the most valuable asset of the Nation;

Whereas the children represent the future, hope, and inspiration of the United States;

Whereas the children of the United States should be allowed to feel that their ideas and dreams will be respected because adults in the United States take time to listen;

Whereas many children of the United States face crisis of grave proportions, especially as they enter adolescent years;

Whereas it is important for parents to spend time listening to their children on a daily basis;

Whereas modern societal and economic demands often pull the family apart;

Whereas encouragement should be given to families to set a special time for all family members to engage together in family activities;

Whereas adults in the United States should have an opportunity to reminisce on their youth to recapture some of the fresh insight, innocence, and dreams that they may have lost through the years;

Whereas the designation of a day to commemorate the children of the United States will provide an opportunity to emphasize to children the importance of developing an ability to make the choices necessary to distance themselves from impropriety and to contribute to their communities;

Whereas the designation of a day to commemorate the children of the Nation will emphasize to the people of the United States the importance of the role of the child within the family and society;

Whereas the people of the United States should emphasize to children the importance of family life, education, and spiritual qualities; and

Whereas children are the responsibility of all Americans, thus everyone should celebrate the children of the United States, whose questions, laughter, and tears are important to the existence of the United States: Now, therefore, be it

*Resolved*, That the Senate designates the second Sunday in October of 1996 as "National Children's Day" and requests that the President issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

Mr. PRESSLER. Mr. President, as a parent myself, I understand the pride and joy we all have in our children. Along with many of my colleagues, I am submitting a resolution today declaring the second Sunday in October,