

# EXTENSIONS OF REMARKS

## THE BEST GUESS U.S. CENSUS

### HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 24, 1997

Mr. GINGRICH. Mr. Speaker, today I submit to the CONGRESSIONAL RECORD an important column on the topic of the 2000 census by Matthew J. Glavin, president of Southeastern Legal Foundation in Atlanta. Published in the July 15, 1997 edition of the Washington Times, Mr. Glavin's column is entitled, "The Best Guess U.S. Census?" Mr. Glavin points out that while Congress has delegated to the Commerce Department the census-taking responsibility, we have not given away the constitutional mandate that the census be an actual enumeration.

In addition to being inconsistent with the Constitution, statistical sampling techniques are open to partisan political manipulation of whichever administration is in charge of the Commerce Department at the time. We must not go down that path. I strongly commend Mr. Glavin's column to all my colleagues.

[From the Washington Times, July 15, 1997]

THE BEST-GUESS U.S. CENSUS?

(By Matthew J. Glavin)

The 19th century British Prime Minister Benjamin Disraeli warned, "There are lies, there are damn lies, and then there are statistics." Last month, Congress heeded the warning. One of the amendments to the Disaster Relief bill passed by Congress was a requirement that the Census Bureau suspend its plans to use statistical sampling and adjustment in the 2000 Census. It was a simple requirement, really—count actual people; don't fudge the numbers.

President Clinton, deriding the bill as a "political wish list," vetoed the package. Promising instead to "rectify" perceived inaccuracies among minorities in past Census-taking, the president's plan to use statistical sampling in the next Census flies in the face of one of the clearest mandates in our Constitution.

Article 1, Section 2 of the U.S. Constitution calls for the ten-year national census and demands an "actual Enumeration." The purpose was to ensure that all American citizens are properly represented by district in the U.S. House of Representatives. The Founders, aware of the keen competition among the states for power in the nation's Capital, required the "actual enumeration" of our shifting population to guarantee that no group, state or special interest could gain an undemocratic advantage. The Constitution delegated the power to conduct the Census to Congress, which has this year made clear its intent.

Now, the President and his Commerce secretary, William Daley, who supervises the Census Bureau, have proposed a so-called "dual estimation system" (DES) to redress perceived undercounting of certain minority groups—by some accounts as high as 4.8 percent in the black community. Under this system, the Bureau would make its "best guess" as to where the population count was imagined to be low, add a magical percent-

age to the head count for that area, and apply those statistical percentages to similar areas across the nation.

In the 1990 census, for example, the Census-takers' "best guess" demographic group was black women homeowners in their 20's in Chicago and Detroit. Under the Clinton/Daley DES program for the 2000 Census, this demographic group would be statistically "puffed," and the estimated figures would be applied to all similar urban areas across the nation. In addition to the fact that the estimates may not reflect real population figures, statistical sampling will unfairly lump individuals into stereotypical groups.

Presto, chango, "actual" Census figures are gone, replaced by the best guess of a bureaucrat in the Clinton Commerce Department. Still more unsettling is the fact that a "statistically estimated" Census is subject to the political agenda of the executive in power. The potential impact on congressional districts, particularly in those states containing large urban centers, is staggering.

The "no-statistics" rule vetoed by the president should be enforced. Lawmakers on Capitol Hill recognize that the power to call for a ten-year Census comes to them directly from the Constitution. While Congress has properly delegated the Census-taking responsibility to the Commerce Department, it has not given away, and indeed could not give away, the constitutional requirement that the census be an "actual enumeration." That requirement still applies no matter what administration implements the Census.

The Clinton administration's "best guess" plan lacks compassion, offers a poor solution to a real problem, and flies in the face of a clear constitutional mandate. Should the 2000 Census be comprehensive and accurate? Of course. Will it reflect the true population of our nation? By law, it must. "Actual" versus "estimated" enumeration is a distinction with significant legal consequences. As required by the Constitution, Congress has made clear its intent.

It may fall to the third branch of American government, our courts, to decide the fate of the Clinton "best guess" census plan. The politicization of the national census must be avoided. Real justice, and our Constitution, demand it.

## CARL D. PERKINS VOCATIONAL TECHNICAL EDUCATION ACT AMENDMENTS OF 1997

SPEECH OF

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 22, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act:

Mr. BEREUTER. Mr. Chairman, this Member would like to express his concern about the Mink amendment offered to H.R. 1853, the Carl D. Perkins Vocational—Technical Education Act amendments and to make it clear

why this Member felt compelled to vote against it on principle and in order to provide the necessary flexibility to the States to better meet the diverse requirements and conditions of their populations.

This Member supports the direction incorporated in H.R. 1853, which is to move away from Federal set-asides and toward giving authority to States, local school districts, and post-secondary institutions to determine their own priorities for reform and funding. In addition to allowing for greater decisionmaking at the local level, this bill includes enforcement mechanisms that are necessary to ensure that special populations are accommodated under H.R. 1853. This bill requires States to provide vocational education opportunities for special populations including, specifically, displaced homemakers, single parents, and single pregnant women. If the State application fails to show how the State will ensure that the special populations meet or exceed State benchmarks, then enforcement mechanisms in H.R. 1853 require the Secretary of Education to reject the application. Further, if a State fails to meet its own benchmark for these special populations, then the Secretary and the U.S. Department of Education has the authority to intervene to bring the State up to a minimum adequate level of performance.

Mr. Chairman, H.R. 1852 already allows States and local communities to continue to fund programs for special populations such as displaced homemakers, single parents, and single pregnant women to ensure that they have the opportunity to participate in vocational education programs. States should have the flexibility to choose and set priorities for themselves and protect their own citizens without being given a Federal mandate.

This Member strongly believes that there is no reason to suspect that a State or local official will not make the right decision. This bill ensures that special populations will continue to receive vocational and technical education.

In addition, Mr. Chairman, this Member has a record of support for assisting displaced homemakers, single parents, and single pregnant women, to ensure that they have access to educational opportunities. For example, during the previous sessions of Congress, this Member supported an amendment offered by the gentlelady from Hawaii [Mrs. MINK] to the CAREERS Act to require States to include in their work force development and literacy plans a description of how the State will maintain programs for single parents, displaced homemakers, and single pregnant women, as well as programs designed to promote the elimination of sex bias.

Mr. Chairman, in closing, this Member would like to reiterate that States must have the flexibility to set priorities for themselves and protect their own citizens. This Member will continue to monitor the progress of this important legislation to reform the Carl D. Perkins Vocational-Technical Education Act. Further, this Member pledges his commitment to an effort to have his home State of Nebraska comply with this legislation and to continue to

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

provide needed educational assistance to displaced homemakers, single parents, and single pregnant women.

#### SMALL BUSINESS MICROLOAN PROGRAM IMPROVEMENT ACT

### HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 24, 1997*

Mr. BALDACCI. Mr. Speaker, in rural States such as Maine, small businesses are responsible for the large majority of economic growth and job creation. Approximately 99 percent of all businesses in Maine fall into the small business category, with a majority of those falling into the category of very small businesses, or microenterprises.

Unfortunately, it's often difficult, if not impossible, for such businesses to get financing through traditional means because it's not feasible for private lenders to make such small loans. Also, because many microborrowers are either startup or growth phase businesses, they are often unable to meet a lender's collateral or credit requirements. In response to this problem, Congress authorized the SBA, in 1992, to start a demonstration project to address the capital and technical assistance needs of microenterprises. The program targets underserved startup and existing small business owners who have the capacity to operate a successful small business, but may not be able to access credit.

While it has been a very successful and popular program, the authorization for this project ends on October 1. That is why I am introducing legislation today that will make the SBA's Microloan Demonstration Program permanent.

The microloan program is a partnership between the SBA and nonprofit intermediaries. The SBA provides funding to intermediaries, who in turn provide financing and technical assistance to very small businesses. They also furnish them with grant funding to provide microborrowers with technical assistance to ensure the business succeeds and the loans are repaid. The intermediaries provide microborrowers with small loans of up to \$25,000, as well as the technical assistance.

The program is successful, and a fine example of cooperation between the government and private sector in efforts to help promising entrepreneurs. It is also low-risk for the Federal Government. According to a 1996 report from the SBA, they have made 182 loans to intermediaries totaling \$68.9 million with no loss to the Federal Government.

Maine has a very strong entrepreneurial spirit. Our economy is dependent on very small businesses and microenterprises. My legislation will ensure that many of the underserved startup and existing small business owners who have the capacity to operate a successful small business will have the opportunity to do so.

#### THE 26TH ANNIVERSARY OF THE HARDIN COUNTY YOUTH THEATER

### HON. RON LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 24, 1997*

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today to congratulate the Youth Theater of Hardin County, KY, on its 26th anniversary. The Youth Theater of Hardin County is now the oldest educating and performing community youth theater program in the Commonwealth of Kentucky. More than 1,275 students have participated in this program and over 3,000 students and adult volunteers have assisted in this endeavor. It has been an integral part in promoting and advancing theater among Kentucky's youth for over a quarter of a century. For that, it deserves special recognition.

The Youth Theater is composed of 7th through 12th grade students from Hardin County Schools, Elizabethtown's Independent Schools, and Fort Knox Community Schools. It is designed to educate students in the performing arts and to promote cultural growth and awareness with quality performances. In the process of putting together a production, students learn skills that are essential to a successful life. Skills such as team work, self-esteem, and the power of the human voice to stimulate and entertain audiences. In this regard, the Hardin County Youth Theater has been very successful.

The Youth Theater's impact on the arts community is being felt locally, nationally, and internationally. Several individuals and groups have won talent recognition at the local and State levels, as well as the Youth Talent International Competition. And the achievements don't stop after students leave.

Alumni from this distinguished Youth Theater are performing throughout the country and contributing to every aspect of the arts community. They are performing as equity and nonequity actors, singers, dancers, choreographers, technical directors, and technicians. Young, aspiring actors have left the Hardin County Youth Theater to perform on collegiate stages, regional stages, national stages, and even international stages. Several alumni have performed in off-broadway productions, and one has made an impact in Hollywood.

When students leave the Hardin County Youth Theater, they continue to give back to their communities in a variety of ways. Former students are working with regional and national entertainment parks as costume characters, live characters, singers, dancers, and technicians. One such student is now serving as an instructor to other aspiring performers with a multinational entertainment conglomerate. Another is the director of the Kentucky Governor's School for the Arts. The Youth Theater is, indeed, an integral part of our Nation's arts community.

Meanwhile, those students who do not choose to follow theatrical careers credit the Youth Theater with preparing them for the future. They credit their poise, responsibility, self-esteem, and their ability to work individually and with diverse groups directly to their participation in Youth Theater and its activities. These alumni have chosen a variety of different career fields. They are professionals,

businessowners, white and blue collar workers, and even farmers. Regardless of profession, they contribute vastly to society.

The Hardin County Youth Theater has been successful in many regards. It has contributed to the arts community at all levels. It has given students the skills needed to lead a successful life. And it has encouraged its students to give back to their communities and leave them better than they found them. I congratulate the Hardin County Youth Theater on its 26th anniversary. Hardin County is better because of it, and the Commonwealth of Kentucky is proud to claim it. I look forward to its continued success, and I'm sure it will strive to reach even higher heights in the future.

#### SUPPORT FOR A MEANINGFUL REDUCTIONS IN CAPITOL GAINS TAX RATES

### HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 24, 1997*

Mr. MORAN of Kansas. Mr. Speaker, I rise today to enter into the RECORD a letter from one of my constituents, Alan E. States of Hays, KS, which was recently published in USA Today. Mr. States lays out precisely what is wrong with a Tax Code that discourages entrepreneurship and savings. He writes,

Twenty-five years ago, I purchased 80 acres of Kansas farmland for \$10,000. The money came from my savings while in Vietnam, which, along with my Chevy, constituted my entire net worth. I was just glad to be alive, home again and ready to live the American dream.

I used the 80 acres as a down payment on 400 additional acres and proceeded to build my own farm. I've been successful and now farm more than 4,000 acres. Much of it is rented.

Now I have another business opportunity. I considered selling the farmland to raise the investment money. I could sell the 80 acres for \$40,000. The federal capital gains tax would come to \$8,400.

The problem is that because of inflation since I purchased the land, my true basis on the land is \$37,000. So my real gain on the sale is only \$3,000. Therefore, the \$8,400 tax represents a 280% tax on my actual gain. Is this what has become of the American dream? This is the system the President proposes we keep.

The tax code makes no sense. Income and estate taxes for too long have tried to redistribute wealth. It hasn't worked. The code should have the sole purpose of raising revenue. If we are to tax income, it should be fair.

To be fair, it must do four things: Tax all income; tax it the same without regard to source; tax it only once; and tax it only if it is real and not the result of inflation.

What will I do under the current system? I certainly won't sell the land. I will borrow against it. I can borrow the land at 8.5%. I can deduct the interest as a business expense, reducing my rate to 5.2%. From that, I adjust for 3% inflation, and my effective rate of borrowing the money is only 2.2%. The tax code discourages savings and encourages debt.

Rather than the Treasury making \$1,200 on the sale of the asset, it now loses \$1,300 because of my interest expense. Do some people really say we can't have tax reform because it will cost the Treasury too much?

ALAN STATES,  
Hays, KS.