doubt be driven out of graduate school and away from careers in research and teaching.

The proposed changes in tax code will force universities to dramatically increase teaching and research assistant salaries to maintain a reasonable standard of living for graduate students. In turn, this could increase tuition for undergraduates and dramatically increase pressures on already burdened federal research programs. The proposed elimination of Subsection 117(d) is a dramatic step in the wrong direction.

The new provisions will make graduate school unaffordable to millions of Americans throughout the next decade. We respectfully ask you to work against the new legislation which eliminates Subsection 117(d) of the IRS code and to support provisions which are more encouraging of graduate education. The future of our nation requires it.

We thank you for your cooperation,

Sincerely,

Graduate Students at the Massachusetts Institute of Technology

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STATEMENT BY SAM LIU, GRADUATE STUDENT, THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY, JULY 16, 1997

My name is Sam Liu. I come from Washington Crossing, PA, and I am a doctoral candidate in economics at MIT.

The current House tax proposal would eliminate the tax exempt status of tuition waivers for graduate research and teaching assistants (known as RAs and TAs). There are over 2,700 RAs and TAs at MIT who work with faculty in teaching and research and who rely on these waivers to make graduate school an affordable opportunity. The elimination of Section 117(d) of the tax code would have grave consequences for graduate students and for higher education.

The typical MIT graduate student relies on a research or teaching assistantship to pay for his or her schooling. The assistantship covers the cost of tuition and pays a stipend of about $1,300 per month to cover our living expenses. Currently, under Section 117(d), only the stipend portion of this award is taxed by federal and state income taxes. After taxes, the typical stipend for an unmarried student amounts to about $1,100 a month.

If the current House tax proposal were to become law, my taxes and those of my fellow graduate students would increase dramatically. Our tuition waivers would be considered taxable income. This means that our taxable income will increase by the $22,000 cost of MIT's tuition. Instead of paying taxes on $12,000 for the academic year, I would have to pay taxes on $34,000. That would increase my taxes by over 300 percent. My stipend would be reduced to less than $600 per month. It would be virtually impossible for me to live on this small amount of money. My monthly rent for a shared apartment is more than $400/month. The tax proposal would leave me with less than $200 a month to cover food, books and other expenses. Other students have families they must take care of and have even greater expenses. Many of my fellow students have told me that if Section 117(d) is eliminated, they would not be able to continue their graduate studies.

If the tax proposal is passed, and if MIT were to raise our stipends in order to compensate us for the huge decline in our net income, the Institute would see its costs increase by over $19 million annually to retain its RAs and TAs. These costs would be translated into either sharp cutbacks in teaching and research programs or higher tuition fees for undergraduates.

My fellow graduate students and I urge Congress to keep our tuition waivers tax-free and keep Section 117(d) intact. We would also like to thank Representatives Kennedy, Neal and McGovern and the other members of the Massachusetts delegation for their leadership and support on behalf of graduate education.

MORATORIUM ON LARGE FISHING VESSELS IN ATLANTIC

SPEECH OF

HON. JACK METCALF

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1997

Mr. METCALF. Mr. Speaker, I rise in opposition to H.R. 1855 and to express my strong concerns with this bill. We have heard much today about the Atlantic herring and mackerel fishery stocks, as if somehow they are in danger. Yet this bill is not really about the fishery resources at all. It is about competition. It is about changing the rules in the middle of the game.

It is about destroying an American company whose principals are fishermen from Washington State and from Maine. This company has invested in a $40 million project based on every known fishery management policy and law on the books. Policies that encouraged the development of vessels of this size are completely reversed by this Federal legislation. In fact, this company's vessel, the *Atlantic Star*, is the only vessel that will be legislated out of existence—and into bankruptcy—by enactment of H.R. 1855. Such a result is not only bad fishery policy, it is bad Government policy and is manifestly unfair. We here in Congress should be trying to prevent Government takings of private property, not facilitating them, as this legislation most certainly does.

In 20 years of managing our fisheries resources, this is the first bill ever to waive the entire Magnuson-Stevens Fishery Conservation and Management Act. It preempts the Regional Fishery Management Councils and attempts to micromanage the Fishery from Washington, DC. And why? Because it is the only way that competitors can keep a single large vessel, the *Atlantic Star*, out of the fishery. This boat presently meets all necessary requirements. It has all permits needed for these fisheries. It is a U.S.-built, U.S.-flag, U.S.-owned and U.S.-crewed vessel that will generate over 100 new jobs, both on board and on land, as well as $25 million per year in benefits to the U.S. economy.

This vessel is presently in the shipyard being refitted to fish mackerel and herring stocks that are so strong that Government scientists have for years characterized them as underutilized. The most recent information from National Marine Fisheries Service [NMFS] scientists tells us that ''the Northwest Atlantic mackerel stock is currently at a high level of biomass and is underexploited.'' In fact, the Spawning Stock Biomass [SSB] is an incredible 2.1 million metric tons, yet last year's total reported domestic landings were less than 16,000 mt. The story is the same for Atlantic herring, with NMFS scientists calling the stocks extremely underutilized with a biomass of 2.2 million mt and domestic landings of about 100,000 mt.

Even assuming that these fishery stocks were somehow at risk, what is it exactly that H.R. 1855 does to protect them? First of all, it waives the entire Magnuson-Stevens Act, as it must because what it attempts to achieve is flatly prohibited by that act. Economic allocation decisions, such as this one, must be ''fair and reasonable to all fishermen'' under the Magnuson-Stevens Act. Prohibiting a single fully permitted U.S. vessel from fishing while allowing in thousands of other vessels with far greater capacity most certainly fails this standard. Although larger than the bill's size thresholds of 165 feet and 3000 horsepower, the freezer trawler *Atlantic Star* takes only 250 mt of fish per day, because it catches only as much as it can freeze in a day. However a boat that comes under the size thresholds can easily take 500 mt per day or more, twice as much as the *Atlantic Star*. How serious can we be in protecting the stocks when this bill imposes no limit at all on the number of these 500 mt per day vessels that come into these fisheries, yet a single vessel taking half as much per day is legislated out of business?

What is perhaps even more surprising is that while this bill puts an American company out of business and destroys American jobs, it does nothing to prevent Russian-flag processing vessels of similar size from continuing to operate within our waters processing the same species of fish, employing Russian crews and paying no Federal income taxes. What is wrong with this picture? The Magnuson-Stevens Act was supposed to give U.S. vessels priority over foreign vessels, yet this bill would reverse that policy as well.

This bill is an unwarranted Federal intervention in a system that is working and needs no help from Washington, DC. If it is to be enacted, however, it should at least include a savings clause to allow those projects that are in the pipeline and whose principals have invested in reliance on existing law not to be penalized. I am unaware of a single fishery management plan anywhere in the country that has not accommodated projects in the pipeline when new rules are adopted. We regularly adopt savings clauses in Congress to prevent exactly the kind of inequity that this bill, in its present form, will deliver to this single company.

We can do better and we should. This kind of legislation is not needed, it is bad policy, it destroys American businesses and I urge you to oppose it.

LEGISLATION TO IMPOSE A SIZE LIMITATION ON ATLANTIC MACKEREL AND HERRING FISHING VESSELS WOULD NOT PROTECT THE FISHERY RESOURCE WHILE LEGISLATING INTO BANKRUPTCY A $40 MILLION U.S.-FLAG FISHING VESSEL PROJECT AND COST OVER 100 U.S. JOBS

Throughout the 1990's the consistent fisheries management policy of the Regional Fishery Management Councils and the federal government has been to encourage American development of the abundant Atlantic mackerel and herring pelagic resources, and to do so with large vessels. In reliance on that policy, the owners of the *Atlantic Star* commenced a $40 million vessel project with the first large U.S. boat ever designed exclusively for these fisheries. Now legislation has been introduced which would reverse that policy, impose a ''moratorium'' to limit entry of some large vessels (while allowing others in), and destroy this investment before the *Atlantic Star* is even delivered from the yard where refitting work is now underway. While there are legitimate questions as to whether Congress should be

micromanaging these fisheries in this way, at the very least the bill should be amended to allow the *Atlantic Star*—the only vessel in the pipeline—to come in.

1. The Resource: Government scientists agree that both the Atlantic mackerel and herring stocks (''pelagic resources'') are abundant, healthy and underexploited.

Atlantic Mackerel: The estimated overall biomass is 2.1 million metric tons (mt); the estimated biomass available for fishing is 383,000 mt (current proposed Allowable Biological Catch, or ABC), and the last reported U.S. domestic landings were only 15,712 mt. National Marine Fisheries Service (NMFS) scientists recently concluded ''the Northwest Atlantic mackerel stock is currently at a *high level of biomass and is underexplotied.*'' SARC–20 at p. 71 (2/96) (emphasis added).

Atlantic Herring: The estimated overall biomass is 3.6 million mt; the estimated biomass available for fishing is 540,000 mt; and the last reported U.S. domestic landings were 87,648 mt. NMFS scientists have concluded the stock is ''at a high biomass level and is *underexploited*'' and that *''increased fishing . . . is encouraged.''* SARC–20 at p. 19(2/96) (emphasis added).

2. Fisheries Policy: the consistent message has been to Americanize and develop the fishery by emulating the foreigners with larger vessels to achieve economies of scale.

A principal objective of the Magnuson-Stevens Fishery Conservation and Management Act is the Americanization of our domestic fisheries through a statutory priority for U.S. flag vessels to catch and process our marine resources. It has been so successful that the only fisheries in which foreign processing vessels are still used is in herring internal waters joint ventures on the East coast. The consistent policy for twenty years has been to displace all foreign vessels with U.S. flag vessels, as they come on line, yet the proposed legislation would eliminate the U.S. flag *Atlantic Star* from the herring fishery while still permitting Russian fish processing vessels to operate in our waters.

The Atlantic Herring Plan prepared by the Atlantic States Marine Fisheries Commission in 1993 cited the reasons for the lack of U.S. development of the herring resource as the high volume necessary for profitable production and the fact that ''there were no freezer-trawlers in the US fleet which would have been necessary to operate successfully on Georges Bank and to supply that high quality products [for the world market].''

In 1993 the International Trade Commission (ITC) conducted an exhaustive study of the domestic Atlantic mackerel industry, including public hearings and detailed cost comparisons between large foreign vessels the size of the *Atlantic Star* and the domestic fleet, and concluded that if Americans were to be successful in developing the mackerel fishery, they would need to use larger vessels to increase the economies of scale so as to be competitive on the world market, both in terms of production and transportation costs.

The Mid-Atlantic Council reached similar conclusions in developing Amendment #5 to the Mackerel Fishery Management Plan (FMP). The following text appeared in the draft plan amendment in 1994, again in the final amendment in 1995, and was repeated once more with the publication of the annual mackerel specifications in July 1996: In order to compete in the world bulk market, the US will have to emulate its foreign competitors which harvest, process, and ship mackerel in large quantities so as to take advantage of economies of scale. Currently the US east coast industry does not have the large vessels necessary to participate in this market.

In developing the Mackerel FMP the Mid-Atlantic Council expressly rejected a moratorium for mackerel citing the need for an ''infusion of investment capital into the industry for market and infra-structure development''. Instead the Council's policy is to impose a control date, but only when the commercial landings reach 50% of the ABC. The last reported landings were only 4% of the ABC.

Finally, every Council in the country that has adopted a control date where there have been projects in the pipeline has either expressly recognized and included those projects, or has subsequently moved the control date forward to allow those who have made investments on the previous policy to complete those projects and come in before shutting the door. Against this regulatory backdrop, the only surprise is why the Atlantic Star project, or something like it, did not happen sooner. To now usurp the Regional Fishery Management Council process with federal legislation retroactively reversing that policy so as to eliminate the Atlantic Star would be manifestly unfair.

3. The Vessel: The Atlantic Star is U.S.-built, U.S.-owned, and U.S.-crewed and offers 80 new on board jobs for the East coast industry, new market opportunities and other benefits.

Built in the mid-1980's in Tacoma, Washington, the boat is presently undergoing a $40 million refit for the mackerel and herring fisheries. Originally intended as an incinerator vessel, but never operated as such, the boat is ''overbuilt'' with a complete double hull, heavy guage steel and meets the highest Coast Guard standards.

The boat has on-board accommodations for full-time NMFS observers and scientists. With a registered net length of 332.8 feet (and length overall of 369 feet) the boat is designed to achieve the economies of scale (through its freezer capacity and ability to take 250 mt daily) identified by fishery managers as necessary to compete on international markets.

The boat presently has all necessary federal fishing permits for these fisheries.

Eighty new on-board jobs will be created, plus as many more jobs on shore in supporting the boat. Anticipated crewshare, payroll, supplies and other vessel support is expected to pump $10 million directly into the economy annually, with additional multiplier effect (at 2.5x), the total benefits are estimated at $25 million. A $7 million shore based facility will add even more jobs.

The boat is owned by American Pelagic Fisheries Company, LP, a U.S. partnership of two U.S. companies and a Dutch company (with a 49% minority limited partnership interest). The owner meets the most stringent U.S. citizenship standards for fishing vessels under the vessel documentation laws. The minority partners bring necessary access to European markets as well as extensive experience in pelagic fishing.

For the first time, this project brings together the vessel size, access and technology for Americans to compete successfully in the world market for pelagic fish.

4. The Legislation: H.R. 1855 and S. 1035 would pre-empt the Regional Fishery Management Council process with a purported ''moratorium'' that would not limit catches, overcapitalization, or new entrants, but would exclude the Atlantic Star.

Any legislated solution sets a troubling precedent by pre-empting the well-established Regional Fishery Management Council process with a federal micro-management of the resource (the bill begins by waiving the entire Magnuson-Stevens Act). The Council's have within their existing power the ability to impose a moratorium, to limit vessels by size, gear type, or in other ways, all within the framework of the Magnuson-Stevens Act. The fact that the New England Council has had 20 years to develop a herring plan and has not is no reason for Congressional intervention now. Both the New England the Mid-Atlantic Councils have already acted to put new entrants on notice that large vessels may be subject to the kinds of limitations contained in H.R. 1855. The Council process is working. Federal legislation sets a dangerous precedent and is simply not needed.

H.R. 1855/S. 1035 would waive the Magnuson-Stevens Act and impose a moratorium on ''large''fishing vessels in the Atlantic Herring and Mackerel Fisheries until (1) NMFS has completed new population surveys of the stocks (even though there is no evidence why NMFS current assessments are unreliable, or that the stocks are in any way threatened), and (2) the Secretary of Commerce has approved amendments to the relevant fishery management plans regarding large vessels (even though both Councils have had ample opportunity to do so, and the Mid-Atlantic, in particular, has encouraged large vessels as noted above). The bill's definition of ''large vessels'' bears no relationship to a vessel's fishing power, only an arbitrary length and horsepower cap. By defining a ''large vessel'' as one that does not exceed 165 feet and 3000 horsepower the bill would allow the following vessels into the mackerel and herring fisheries notwithstanding the ''moratorium'':

All vessels that are either less than 165 feet, or less than 3000 horsepower. These include the 316' Stellar Sea (3000 hp); the 200' Ocean Peace (ex-Amfish) (2250 hp), and in the 165' range, e.g., the Meghan Hope (1860 hp), Constellation (2250 hp), and Pacific Prince (2000 hp).

Every one of the 120,000 documented fishing vessels could be rebuilt essentially into new factory trawlers of 165' and 300 horsepower.

All new vessels regardless of length, provided only that horsepower is under 3000.

All new vessels regardless of horsepower, provided only that length is less than 165'.

It is also significant that a number of the existing vessels on the East coast, and any of the new vessels built within the moratorium size limitations or those that are rebuilt, could easily have daily catches well in excess of the Atlantic Star. These vessels can take as much as 600 mt per day whereas the Atlantic Star is necessarily limited to catch only as much as it can freeze, i.e., 250 mt per day. Consequently existing vessels (and new ones permitted under the bill) that are under the size limitations can outpace the Atlantic Star on a daily catch basis.

The bill would also preclude the Atlantic Star or similar large vessels from operating as dedicated processing vessels in these fisheries, thus depriving existing East coast fishermen of new at-sea markets. Such a prohibition makes no sense, particularly with a strong resource and when so many existing vessels are still permitted to come in to the fishery.

Clearly the proposed ''moratorium'' would not limit overcapitalization, slow growth, restrict new entrants, control harvest levels or otherwise protect the resource or provide any kind of meaningful moratorium. While H.R. 1855/S. 1035 would discourage the speculative entry of new large vessels from parts of the country other than the East coast, the only known boat presently intending to enter these fisheries that would be legislated out is the Atlantic Star.

5. Conclusion: H.R. 1855/S. 1035 is substantively flawed and creates bad precedent. If it moves forward, it should be amended to permit the only vessel in the pipeline into these fisheries.

This legislation turns the Magnuson-Stevens Act Americanization process upside

down. Not only does it pre-empt the Regional Councils, but it would eliminate a U.S. flag vessel while allowing Russian vessels to process the very same resource. It does not reflect sound management policy nor a reasoned approach to what is only a potential problem. It also flies in the face of national Standard #4 which requires allocation decisions among U.S. fishermen to be ''fair and equitable to all such fishermen.'' A result which eliminates the enormous investment made by the owners of the Atlantic Star in complete reliance on every known fishery statute, regulation and policy would be unprecedented and manifestly unfair. If legislation moves forward to address the speculative entry of large mackerel and herring vessels, then due process and simple fairness require that the bill be amended with a savings clause to allow the Atlantic Star to remain in these fisheries.

IN RECOGNITION OF FRANK CARVEN IN REMEMBERANCE OF PAULA AND JAY CARVEN

HON. ROBERT L. EHRLICH, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 1997

Mr. EHRLICH. Mr. Speaker, I rise today to express my full support and praise for the recent passage of H.R. 2005, legislation to improve the application of the Death on the High Seas Act to permit families full recovery for aviation disasters. As an original cosponsor of H.R. 2005, I am pleased with the rapid progress of this very important legislation.

On July 17, 1996, TWA Flight 800 crashed shortly after takeoff, approximately 9 miles off Long Island Sound. On board this tragic flight were Paula and Jay Carven, the sister and nephew of a very close friend of mine, Mr. Frank Carven. Frank's sister, Paula, and her 9-year-old son, Jay, perished when TWA Flight 800 crashed. While the investigation into the accident has drawn considerable public attention, I rise to recognize the private courage and quiet perseverance of Frank Carven. Regardless of the theories, the reasons, and the causes that experts attribute to the TWA 800 explosion, they cannot bring back Paula, Jay, or the more than 220 innocent lives lost on that fateful night.

In the aftermath of this disaster, the Carvens and other victims' families learned that a harsh, broken statute—the Death on the High Seas Act—is the sole remedy currently available to provide compensation for this loss. Unfortunately, the measure of compensation only applies to loss of income, with no possibility of recovering for noneconomic damages. The 1920 statute was intended for maritime accidents and does not adequately cover commercial aviation. Accordingly, Frank and I realized that reforming and updating this antiquated law was the right legal, and moral, thing to do.

In response to the unjust restrictions of the Death on the High Seas Act, Congressman JOSEPH MCDADE introduced H.R. 2005, making the necessary changes to improve this act. I want to acknowledge Congressman MCDADE's hard work on this legislation and extend my appreciation for the expeditious and thoughtful work of the House Aviation Subcommittee. The members and staff involved are to be commended for their timely action on this bill.

While H.R. 2005 will not prevent another airline accident at sea from occurring, this bill will apply commonsense legal considerations for those who tragically lose their loved ones. I want to publicly thank Frank Carven and the many other families of airline disaster victims who have brought this issue to the Congress. I am proud to take part in this important process and look forward to achieving equity for the families and friends of passengers on TWA Flight 800.

TRIBUTE TO COACH RICHARD MARLER

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 1997

Mr. LAMPSON. Mr. Speaker, tomorrow, my friend, Coach Richard Marler, will be inducted into the Texas High School Coaches Association Hall of Fame. For 22 years, Coach Marler was head coach at Stephen F. Austin High School in Port Arthur. He amassed a career record of 138 wins, 86 losses and 9 ties. Nine of his Eagle teams qualified for the State playoffs. Twice, his teams reached the State semifinals.

Coach Marler's fine career is a testament to the need for perseverance. Three of his first four campaigns as head coach were losing seasons. But, in time, success came. Football fans in the Golden Triangle will long remember the Eagles' 1983 season when Coach Marler led his team to a 13–1–1 record and the Class 3A semifinals.

Far above and beyond football, Coach Marler has made a positive impact on the lives of countless young men. He taught them the value of hard work and discipline. He was a role model for many young men who needed one desperately.

Richard Marler continues to be an asset to his community. Before this House of Representatives, I wish to congratulate him on this recognition and to thank him for his friendship.

PERSONAL EXPLANATION

HON. RICK WHITE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 1997

Mr. WHITE. Mr. Speaker, due to unforseen delays caused by technical difficulties and inclement weather, I was unavoidably detained yesterday evening and missed a series of rollcall votes during consideration of H.R. 2209, the Fiscal Year 1998 Legislative Branch Appropriations Act.

Had I been able to cast my ballot, I would have voted against the Fazio amendment (rollcall vote number 332) to eliminate funds to increase the number of staff on the Joint Committee on Taxation. I would have voted for the Klug amendment (rollcall vote number 333) to reduce the number of full-time equivalent staff in the Government Printing Office. I would have voted against the motion to recommit the bill (rollcall vote number 334), and I would have voted for final passage of the bill (rollcall vote number 335)