Today, on behalf of the State of South Carolina, I offer a word of thanks as Ms. Kitt embarks on a performance from her heart. This week she participates in a special homecoming performance of Walter Rutledge's ''SOULS—The Calah'' benefiting Benedict College in Columbia, SC. Ms. Kitt's extraordinary talents, which have endeared this woman of the South to an international audience, will now be showcased for those back home.

I join with all South Carolinians in thanking Eartha Kitt for the example she has set, the accomplishments she has achieved, and the contributions she has made to our cultural livelihood. Her life as a testament to what one can achieve if their dreams are not deferred.

IN PRAISE OF CREDIT UNIONS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. KUCINICH. Mr. Speaker, I rise to praise credit unions. Credit unions do not charge exorbitant bank fees; they do not have excessive account minimums. They make low interest loans, mainly to their members in the communities in which they live. Credit unions are run by their members, who have a voice in the operation and policies of their credit union.

Small businesses depend on credit unions for those reasons because offering credit union membership as a benefit to prospective employees is a benefit which workers value.

Credit unions are very small compared with banks. The average credit union has less than $28 million in assets—less than one-sixteenth the assets of the average bank. The two largest U.S. banks—Chase and Citibank—combined have more assets than all 12,047 credit unions combined.

Credit unions are modest compared to banks. Banks today control nearly every dollar in savings—93 percent—and in loans—94 percent—in the United States.

Banks overshadow credit unions by market share and profitability, as was recently detailed in the March 14, 1997, edition of the American Banker, ''Commercial Banks Set $52 Billion Profit Record Last Year, FDIC Says.'' I commend it to my colleagues.

[From the American Banker, Mar. 14, 1997]

COMMERCIAL BANKS SET $52 BILLION PROFIT RECORD LAST YEAR, FDIC SAYS

(By Dean Anason)

WASHINGTON.—The banking industry earned a record $52.4 billion last year, although losses on consumer loans continued to grow.

The Federal Deposit Insurance Corp. said Thursday that the nation's 9,528 commercial banks earned $13.7 billion in the fourth quarter, up 14.5% from the same period a year ago.

For the year, profits rose 7.5% despite the $650 million banks paid to help rescue the Savings Association Insurance Fund.

Profits were driven by noninterest income from fees and service charges, which increased 13.5% in 1996 to $93.6 billion. Interest income rose to $162.8 billion, but at half the rate of noninterest income.

Despite the record profits, FDIC Chairman Ricki Helfer described as ''worrisome'' the yearend statistics on consumer loans, particularly credit card loans.

Net loan losses rose to $15.5 billion, a 27% increase from 1995. Credit card loan writeoffs accounted for $9.5 billion of that total.

''We have seen both delinquent and noncurrent consumer loans increase at the same time that chargeoffs have risen dramatically,'' Mrs. Helfer said. ''Chargeoff rates are approaching the levels reached in the last recession.''

Commercial banks wrote off 2.29% of their consumer loans, compared with 1.73% in 1995. Credit card writeoffs amounted to 4.3% in 1996, up from 3.4% the previous year. Writeoffs reached 4.72% in the fourth quarter.

The doubling of credit card loans in the past four years and rising personal bankruptcy filings only exacerbate concern, Ms. Helfer said.

Ms. Helfer declined to say whether banks should tighten their credit card lending standards more, but she cautioned that banks must be ''very careful'' in making assumptions about a very unpredictable line of business. Further, she warned against underestimating risk caused by liabilities from credit card loans that have been securitized.

Not all loan categories performed poorly. Commercial and industrial loans rose 7.3 percent to $710 billion, and real estate loans jumped 5.5 percent to $1.1 trillion.

Average return on investment approached record levels, rising to 1.19 percent in 1996 from 1.17 percent in 1995. Nearly 70 percent of banks equaled or surpassed the traditional benchmark 1 percent ROA.

The industry's asset growth slowed for the second year in a row, increasing 6.2 percent to $266 billion in 1996. Assets had grown at annual rates of 7.5 percent and 8.2 percent in the two prior years. Ms. Helfer described that as ''probably a good sign'' considering that rapid asset growth in the late 1980s and early 1990s foreshadowed industry downturns.

The bank deposit insurance fund topped $2 trillion for the first time and reached reserves of $1.34 for every $100 of insured deposits at the end of 1996. After a $4.5 billion capitalization in October, the thrift fund achieved reserves of $1.30 for every $100 at the end of the 1996, versus 55 cents per $100 six months earlier.

A slowdown in merger activity and rising numbers of new banks caused the smallest quarterly decline in commercial banks in 11 years, according to the FDIC. Only five banks and one thrift failed in 1996, the fewest since 1972.

Echoing recently released figures by the Office of Thrift Supervision, the FDIC reported healthy thrift profits, too. The nation's 1,924 savings institutions earned $7 billion in 1996 despite spending $3.5 billion to capitalize the thrift fund.

INTRODUCING THE CORPORATE RESPONSIBILITY ACT OF 1997

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. VISCLOSKY. Mr. Speaker, today I am introducing legislation that will cut an estimated $35.3 billion in corporate welfare over the next 5 years. My bill, the Corporate Responsibility Act of 1997, eliminates or reforms 12 Federal programs that currently use billions of taxpayers dollars to subsidize corporate America.

I am introducing this legislation because I am extremely concerned about the hundreds of billions of taxpayer dollars spent every decade on special interests and Fortune 500 corporations. Estimates of current total corporate welfare expenditures range from $200 billion to $500 billion over 5 years, money that would go a long way toward balancing the budget and investing in our future. Last year, the Congress passed important legislation to reform the welfare system. It is time to reform the corporate welfare system by getting dependent companies off the Government dole.

In the 104th Congress, I introduced similar corporate welfare legislation. That bill, H.R. 3102, took aim at seven of the worst corporate welfare programs in the Federal budget, including the Market Promotion Program, the U.S. territorial possessions tax credit, and the Export Enhancement Program. I was extremely pleased when legislation was signed into law last year, Public Law 104–188, that eliminated the territorial possessions tax credit. Eliminating this program, which gave companies a tax break for sending good U.S. job abroad, will save taxpayers $10.6 billion over the next 10 years.

While the premise of my new bill remains the same—to reduce corporate welfare—I have expanded the scope of my legislation, and added a lockbox mechanism to ensure that all savings and revenue go directly toward deficit reduction. This bill would save $35.3 billion over 5 years by ending eight corporate welfare programs and reforming four others. Because I've limited this legislation to the most egregious examples, my bill is a litmus test for anyone is serious about ending corporate welfare. In short, this bill puts a balanced budget, jobs, education, and a clean environment ahead of handouts to Fortune 500 companies and special interests.

The legislation I am introducing today represents an important step in the effort to end wasteful spending and balance the Federal budget. I urge you and my other House colleagues to cosponsor and support the Corporate Responsibility Act.

The Corporate Responsibility Act of 1997 would:

Eliminate the Export Enhancement Program [EEP]: The U.S. Department of Agriculture [USDA] subsidizes the export of agricultural commodities by paying exporters cash bonuses to export agricultural products. Since its inception in 1985, EEP has paid out more than $7 billion in bonuses, mostly to giant agribusinesses. Taxpayers should not be asked to hand out these corporate giveaways or subsidize the purchase of food products by foreign consumers. Estimated savings: $2.1 billion over 5 years.

Eliminate the Market Access Program [MAP]: USDA subsidizes foreign advertising costs of multinational and U.S. corporations, such as McDonalds and Wrangler. MAP—formerly known as the Market Promotion Program—funds consumer-related promotion of products through trade shows, advertising campaigns, commodity analysis, and training of foreign nationals. Taxpayers should not be asked to pick up the tab for the advertising costs of large companies that can afford to advertise on their own. Estimated savings: $350 million over 5 years.

Overhaul the 1872 Mining Act: Allowing foreign companies to buy public land for $2.50 per acre and pay no royalties on the valuable minerals extracted is a license to steal that should be revoked. Many of the mining interests that benefit from this system are not even U.S. companies. My bill would establish a leasing system and require these companies to pay an 8-percent royalty on the valuable minerals extracted from Federal land. Estimated savings: $300 million over 5 years.

Eliminate the subsidy for the Tennessee Valley Authority [TVA]: TVA receives $106 million each year in a direct Federal subsidy. In this era of power deregulation and deficit reduction, the Government can no longer afford to subsidize the TVA in this way. Even TVA's chairman, Craven Crowell, has said that his agency can make due without its annual appropriation. Estimated savings: $500 million over 5 years.

Reform irrigation subsidies: Under current law, USDA gives farmers—often large agribusiness—Freedom to Farm payments along with irrigation subsidies for the same crops on the same land. My bill would end this double dipping by requiring recipients to pay for irrigation costs if they are already receiving Freedom to Farm subsidies. Estimated savings: $500 million–$1 billion over 5 years.

Eliminate the Tobacco Program: The Federal Government aids producers of tobacco through a combination of marketing quotas, price-supporting loans, and restrictions on imports. Tobacco is the sixth largest cash crop in the country and most of the price-supports and marketing quotas benefit huge companies like Phillip Morris and RJR Nabisco. Estimated savings: $200 million over 5 years.

Eliminate the Advanced Technology Program [ATP]: ATP gives away nearly half a billion dollars a year in research and development grants to huge high-technology firms like Caterpiller, General Electric, and Xerox to help develop new products. These companies are very well financed and should be using their own money for R&D. Estimated savings: $1.1 billion over 5 years.

Reform process for developing timber roads in national forests: Timber companies profit tremendously from the use of roads in national forest lands, but they pay virtually none of the cost of building them. My bill would stop subsidizing the construction of roads which are mainly used by timber companies go gain access to timber. Estimated savings: $250 million over 5 years.

Reform the U.S. role in the General Arrangements to Borrow: The General Arrangements to Borrow [GAB], part of the International Monetary Fund [IMF], are intended to prevent any future internal monetary crisis caused by developing countries that are unable to pay their bills. We are bailing out these countries—and the banks that support them—despite the fact that they have enough capital to spend vast amounts of money on money-losing State-sponsored industries, huge bureaucracies, and large militaries. My bill would prevent increased U.S. participation in the GAB. Estimated savings: $3.5 billion over 5 years.

End special tax treatment of alcohol fuels: Manufacturers of gasohol, a motor fuel composed of 10 percent alcohol, received a tax subsidy of 54 cents per gallon of alcohol used. Archer-Daniels-Midland—which produces most of the country's gasohol—has made billions of dollars from this tax break. These subsidies have a dubious balance of public versus private benefits, and they are an inefficient use of our energy resources. Estimated savings: $2.4 billion over 5 years.

Eliminate the Foreign Sales Corporation [FSC] tax break: The Tax Code's FSC provisions permit U.S. exporters to exempt 15 percent of their export income from U.S. taxation. This encourages U.S. companies to form subsidiary corporations in a foreign country—which can just be a mailing address—to qualify as an FSC. A portion of the FSC's own export income is exempt from taxes, and the FSC can pass on the tax savings to its parent company because domestic corporations are allowed a 100-percent dividends-received deduction for income distribution from an FSC. Estimated savings: $7.5 billion over 5 years.

Eliminate the ''title passage'' tax break: Companies can treat sales income as foreign source income—therefore realizing a tax break—by passing title to the property sold offshore even though the sales activity may have taken place in the United States. The title passage rule allows a company with excess foreign tax credits to classify more of its income as foreign source, then the company receives an implicit tax subsidy. My bill would put an end to this practice by closing this tax loophole. Estimated savings: $16.6 billion over 5 years.

Total estimated savings: $35.3 billion over 5 years.

Deficit reduction lock box: This bill includes a deficit reduction lockbox to ensure that all savings/revenue go directly toward deficit reduction and are not used to finance other programs.

CENTENNIAL OF THE INDIANA OPTOMETRIC ASSOCIATION

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. ROEMER. Mr. Speaker, I rise today to recognize the 100th anniversary of the Indiana Optometric Association. I want to join my colleagues here and in the Senate and House of Representatives in Indiana in commemorating this event. Following is the text of the Concurrent resolution adopted by the 110th general assembly of the State of Indiana:

''Whereas, the Indiana Optometric Association (IOA) was founded in 1897 and will be celebrating its Centennial Anniversary during the year 1997, and

''Whereas, the IOA is marking 100 years of successful advocacy for the profession of optometry in Indiana, and

''Whereas, the IOA has provided 100 years of service the public interest on behalf of the eye care and eye health of Indiana's citizens, and

''Whereas, the IOA was instrumental in the decision of the Indiana General Assembly that established the Indiana University School of Optometry in the early 1950's, and has forged an ongoing professional relationship with the School of Optometry that is a national model, and

''Whereas, the IOA commends the Indiana General Assembly for its continuing support of the profession of optometry and the patients it serves, and

''Whereas, the IOA has historically distinguished itself as an exemplary professional optometric association in the United States, and

''Whereas, the IOA rededicates itself and the profession of optometry to serving the eye health and vision care needs of the citizens of the State of Indiana for the next 100 years,

''Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

''Section 1. That, on behalf of the people of the State of Indiana, we extend our sincere appreciation to IOA for its dedicated service to the people of the State of Indiana and the profession of optometry.

''Section 2. That the Secretary of the Senate is directed to transmit a copy of this resolution to the Indiana Optometric Association.''

Mr. Speaker, it is my sincere pleasure to join my colleagues at the State house in saluting the Indiana Optometric Association. The dedication to the health of our fellow Hoosiers and to the education of future optometrists bring honor to the Indiana Optometric Association. They deserve to be suitably proud of this landmark in their existence.

100TH ANNIVERSARY OF THE UNITARIAN CHURCH OF MONTCLAIR

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. PASCRELL. Mr. Speaker, I would like to bring to your attention the momentous occasion of the 100th anniversary of the Unitarian Church of Montclair, NJ.

The church dates from February 1897, when a few women gathered to consider the feasibility of forming a Unitarian Society. Having a church school for their children was of their greatest concern, and therefore the women began preparing themselves as teachers. In 1898, the church's first minister, the Rev. Arthur Grant, was called, and both the church and the church school were organized. Reverend Grant was succeeded in 1902 by Rev. Leslie Sprague, and it was during his ministry that the church was built on its present site.

In 1906, the Rev. Edgar Swan Wiers was called and continued as minister until his death in 1931. During his ministry, and with keen interest from himself and the congregation in the cultural life of the community, Reverend Wiers established a forum series, a Unity Institute, and a concert series which has continuously brought the best available talent to Montclair. Later in Reverend Wiers' ministry, Unity Institute was expanded to include a travel series as well as a chamber music series. Interest in the institute's programs of the performing arts, theatrical, musical, and the fine arts was vast and continued in numerous concerts, plays, monologs, and art shows. From the forum series grew the Collegiate Pulpit.

Dr. Norman Fletcher became the church's minister in 1932 and his concern for civil rights, as well as his love of English literature and the theater was evident. During the years of World War I, the church's women's alliance was very active in several war projects. The women's alliance continued with its concern for the people as well as its support for the church through projects such as fairs and rummage sales.

Throughout the 1950's, church membership soared with scores of chairs being placed in the church's aisles to accommodate the growing congregation. This remarkable increase in members led to numerous discussions concerning the need for a new church. The