

but they also have to watch their loved one's legacy be snatched up by the federal government—an entity not known for great wisdom in spending money. This is as wrong as it is tragic. And it dishonors the hard work of those who have passed on.

The purpose of the estate tax, or "death tax" as many call it, has evolved over time. It has been enacted three other times in our Nation's history as a way to help fund wars—the naval war with France in 1797, the Civil War in 1862, the Spanish American War in 1898, and World War I. Although it was repealed within 6 years in each of the first three instances, in 1916 the Federal Government put its hand in the pocket of Americans to fund WWI and never took it out. Over time, the tax began to reflect political philosophy as liberal politicians sought to break up what they perceived to be the concentration of wealth in society by heavily taxing estates. It has become less of a tax on wealth, however, and more of a tax on the accumulation of wealth of those who are trying to get ahead and save for the future.

It is the small businesses and family farms that are particularly vulnerable to the death tax. Asset rich and cash poor, these enterprises do not have the liquid resources to settle a tax bill of up to 55 percent with the Federal Government. Their only option is to sell some or all of the land or business, thereby diminishing the asset generating the wealth for that family.

Today, less than half of all family-owned businesses survive the death of a founder and only about 5 percent survive to the third generation according to the Life Insurance Marketing Research Association. Under current tax law, it is cheaper for an individual to sell the business prior to death and pay the individual capital gains rate than pass it on to heirs. This is terrible public policy.

The amount of money spent complying with, or trying to circumvent, the death tax is astronomical. Congress' Joint Economic Committee reported that the death tax brings in \$23 billion in annual revenue, but costs the private sector another \$23 billion in compliance costs. Therefore, the total impact on the economy is a staggering \$46 billion. When one calculates the amount of money spent on complying with the tax, the number of lost jobs resulting from businesses being sold, or the resources directed away from business expansion and into estate planning, it is no wonder that a grandswell has formed to eliminate this punitive tax that constitutes only 1.4 percent of all federal revenues.

Congress has attempted to help ease the burden of the death tax by increasing the personal exemption—which now stands at \$650,000—to adjust for the inflation of assets. Unfortunately, this will continue to be too little help as home values, the increasing popularity of defined contribution retirement plans, and the trend toward more small business entrepreneurship drives middle-income people above the exemption. If you calculated the personal exemption that existed under Franklin Roosevelt's administration in today's dollars, it comes out to \$9 million.

In particular, Congress has tried to help small businesses by creating an additional death tax exemption for family-owned businesses. Here too, however, is where good theory becomes impractical in the real world. The family-owned business exemption en-

acted as part of the Taxpayer Relief Act of 1997 creates 14 new definitions with which a business must comply before it is eligible for relief. Although a good idea at the time, this exemption has proven to be nothing more than a boondoggle for attorneys and estate planners who are hired by families trying to navigate their way through these eligibility hoops.

The Death Tax Elimination Act (H.R. 8) is the right answer at the right time. The productivity of enterprising Americans and a Republican-led Congress intent on reducing wasteful spending has helped to produce the first budget surplus in a generation. What will be Congress's response to this surplus? Will it spend the money on dozens of government programs that could no doubt be created or expanded? Or, will it cobble together a complicated tax plan that aims to help everybody and, therefore, helps almost no one? We must provide the American people with fairness in our tax system so that individuals who save and invest for their children and grandchildren's future will no longer be punished.

Restoring fairness to our tax system must center around two main principles: the non-Social Security surplus belongs to the American people and it ought to be returned to them; and we must preserve the foundations on which strong communities are built. I can think of no better idea that fulfills both these principles than repeal of the death tax. The ingredients to a successful family or business—savings, investment, and hard work—must be once again rewarded, not taxed.

Mr. Speaker I commend the effort of Senator Hillman, Representative Young, and the Colorado General Assembly. They remind us that the impact of our decisions here will be surely felt in Colorado and everywhere in America. I hereby submit for the RECORD Colorado's Senate Joint Memorial 99-004.

SENATE JOINT MEMORIAL 99-004

Whereas, The Federal Unified Gift and Estate Tax, or "Death Tax" generates a minimal amount of federal revenue, especially considering the high cost of collection and compliance and in fact has been shown to decrease federal revenues from what they might otherwise have been; and

Whereas, This federal Death Tax has been identified as destructive to job opportunity and expansion, especially to minority entrepreneurs and family farmers; and

Whereas, This federal Death Tax causes severe hardship to growing family businesses and family farming operations, often to the point of partial or complete force liquidation; and

Whereas, Critical state and local leadership assets are unnecessarily destroyed and forever lost to the future detriment of their communities through relocation or liquidation; and

Whereas, Local and state schools, churches, and numerous charitable organizations would greatly benefit from the increased employment and continued family business leadership that would result from the repeal of the federal Death Tax. Now, therefore, be it

*Resolved by the Senate of the Sixty-second General Assembly of the State of Colorado, the House of Representatives concurring herein:*

That the Congress of the United States is hereby memorialized to immediately repeal the Federal Unified Gift and Estate Tax; and be it further

*Resolved*, That copies of this Joint Memorial be sent to the President of the United States, the Speaker of the United States

House of Representatives, the President of the United States Senate, and each member of the Colorado congressional delegation.

DESIGNATING THE CHESTNUT-GIBSON MEMORIAL DOOR

SPEECH OF

**HON. STENY H. HOYER**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 20, 1999*

Mr. HOYER. Mr. Speaker, one year ago this Friday, the Capitol Building was shaken by a maniacal and senseless shooting spree. This day reminds us once again that the risk is always present for those we ask to defend this free society. The vagaries of life are such that there are those, either demented or angry or for whatever reasons, that take unto themselves the opportunity to commit violence.

We lost Officer Jacob J. Chestnut and Detective John Gibson so that many others might be safe and to indicate that the Capitol of the United States, freedom's house, will not only be accessible, but also protected.

This past May we rededicated the Capitol Police headquarters in honor of Officer Chestnut, Detective Gibson, and Officer Christopher Eney, the first Capitol Police officer killed in the line of duty during a training accident in 1984. This resolution complements the renaming of the headquarters building. Henceforth, every tourist, staffer, Member or head of state that uses the "memorial door" will remember the public service of these three men and the ultimate sacrifices that each of them made.

While this resolution renaming the document door specifically honors Officer Chestnut and Detective Gibson, the memorial door is a tribute to all of the men and women of law enforcement who leave their homes each day and take to their duties to defend America's principles, to defend Americans, and to defend an orderly society.

Just down the street from this building stands the Law Enforcement Officers Memorial. Since last year's tragedy, the names of Officer Chestnut and Detective Gibson have been added to a long list of fallen officers including their colleague, Officer Eney and others from departments around the Nation.

In the last year we have taken some very positive steps in insuring that this type of incident does not happen again. While we can never guarantee that there is not another shooting, the security enhancement plan is an important step in the right direction. With additional officers, acquisition of new equipment, and a restructuring of the department, we can work to decrease the chances of another shooting while retaining the accessibility that the American public and the World over have come to know.

Let us not forget the ultimate sacrifice that these two brave officers made. I thank my colleague Representative DELAY, for bringing forward this resolution and I urge my colleagues to join with me in paying tribute to Officer Chestnut and Detective Gibson on this solemn one-year anniversary by passing this resolution.

IN HONOR OF DOROTHY EPSTEIN

**HON. JERROLD NADLER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 22, 1999*

Mr. NADLER. Mr. Speaker, I rise today to honor Dorothy Epstein, a dedicated community activist. We here in Congress have spent a lot of time talking about Social Security and ensuring that our seniors have the ability to lead safe, healthy, and productive lives. Mrs. Epstein has gone beyond the rhetoric by spending her time relentlessly promoting activism and leadership among older adults so that they, through their own efforts, can secure and protect their future. She played an essential role in creating the Institute for Senior Action, a leadership training program for seniors at the Join Public Affairs Committee (JPAC) for Older Adults in New York. She has served on the JPAC Advisory Committee since 1993 and has used her wisdom to guide that body. These efforts demonstrate Mrs. Epstein's tireless commitment to the cause of senior advocacy: after all, she accomplished all this after retiring at the age of 76.

But this is just another in the long list of Mrs. Epstein's accomplishments, a list which begins at her very first job: organizing unions with the New York City relief bureau. She also served as a chapter president at the Association of Workers in Public Relief Agencies, where she continued to work to prevent discrimination in the workplace and layoffs for civil service workers. Her efforts with these organizations laid the groundwork for what would become the American Federation of State, County, and Municipal Employees. After her great achievements in the public sector, Mrs. Epstein decided to try her hand in the private sector by founding Synergy, a vitamin company. Like all of her efforts, it was a great success.

It was after her retirement from Synergy that she began her extraordinary association with JPAC. Mrs. Epstein was eager to use her experience and vision to confront the issues facing older adults. It did not take long for her to make a big impact, and only a little more than a year after she joined the Advisory Committee, the Institute for Senior Action was born. Under her guidance, the Institute, which graduated its 10th class this year, has pursued vital issues such as the protection of health care, income maintenance, and other social services. The intense, all-day classes stress confidence, cooperation, and help everyone from recent retirees to older seniors get involved in social action. Through the Institute, Mrs. Epstein has been able to spread her energy and dedication to seniors of all backgrounds, who have then been able to make a difference in their own communities.

Mr. Speaker, whether she was organizing unions, fighting discrimination, or educating seniors, Mrs. Dorothy Epstein has dedicated her life to empowering people. So, even though she is pulling back from the day-to-day work at the Institute, the ripple of hope that she created with her life's work will continue to grow and expand, changing more and more lives along the way. It is for this ongoing contribution that I honor her today.

## PERSONAL EXPLANATION

**HON. SOLOMON P. ORTIZ**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 22, 1999*

Mr. ORTIZ. Mr. Speaker, due to a medical evaluation on Tuesday, July 20, 1999, I was absent for rollcall votes 311–315. If I had been present for these votes, I would have voted as indicated below.

Rollcall No. 311—"Yes";  
 Rollcall No. 312—"No";  
 Rollcall No. 313—"No";  
 Rollcall No. 314—"No";  
 Rollcall No. 315—"No".

THOMAS MAKAR OF CLEVELAND,  
OHIO ATTAINS EAGLE SCOUT**HON. DENNIS J. KUCINICH**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 22, 1999*

Mr. KUCINICH. Mr. Speaker, I rise today to honor Thomas Makar of Cleveland, Ohio, who will be honored August 21, 1999 for his attainment of Eagle Scout.

The rank of Eagle Scout is the highest honor in which a Scout can earn. Each Eagle Scout must earn 21 merit badges, twelve of which are required. The merit badges an Eagle Scout must earn range from First Aid to Camping to Citizenship of the Community, Nation, and the World. Additionally, each Eagle Scout must complete an Eagle Project that benefits the community in which he must plan, finance, and execute. Furthermore, an Eagle Scout must hold a variety of leadership positions in which he learns important life skills. Thomas has accomplished this and more.

Thomas has proved himself as an exceptional young man who lives by the Scout Law; Scout Oath; Scout Promise; and Scout Motto. Thomas is also the first second-generation Eagle Scout in his troop history, and this is a tribute to the entire Makar family.

I ask you to please join me in recognizing and congratulating Thomas for his achievement.

## TRIBUTE TO LT. COL. RODOLFO DIAZ-PONS

**HON. DAVE CAMP**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 22, 1999*

Mr. CAMP. Mr. Speaker, I rise today to pay tribute to Lt. Col. Rodolfo Diaz-Pons, who is retiring after 22 years of military service and 4 years at Central Michigan University as a professor and chair of the military science department.

I would like to commend Lt. Col. Diaz-Pons for his service to his country and congratulate him on his retirement on August 31. Since beginning his career in 1977 after graduating from the U.S. Military Academy at West Point in New York, he has served several leadership positions in the United States and in Germany.

While at Fort Carson, CO, Lt. Col. Diaz-Pons held positions as commander of an "A

Team" and served as group plans officer in the 10th Special Forces Group Airborne. Following his completion of the Infantry Officer Advanced Course, he served as rifle and headquarters company commander in the 4th Battalion 8th Infantry. During his time in Germany, he served as the battalion operations officer to the 1st Battalion 39th Infantry.

Lt. Col. Diaz-Pons entered into service because he wanted to develop his leadership abilities. He has achieved this goal. As he begins his retirement, he continues to advance his leadership skills and volunteer in his community. He will serve as full-time pastor of Riverbend Baptist Church in St. Louis, MI, where he was previously serving as volunteer pastor.

On behalf of the residents of the 4th Congressional District of Michigan, I would like to recognize Lt. Col. Diaz-Pons today and wish him the best as he begins his new journey. His school, community and nation are grateful to him.

## AMERICAN EMBASSY SECURITY ACT OF 1999

SPEECH OF

**HON. CAROLYN B. MALONEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 21, 1999*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2415) to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes:

Mrs. MALONEY of New York. Mr. Chairman, I rise in opposition to the Goodling amendment.

India is one of our most valuable allies. The oldest democracy and the largest democracy share many things in common. India is moving forward with free-market reforms that offer tremendous opportunities for American trade and investment.

U.S. assistance to India, and elsewhere, serves our national interests and is provided because it promotes our policy priorities, not as a reward for voting with us.

We should not cut assistance to countries based solely on their voting practices in the United Nations General Assembly. We should consider more than just a voting record. For example, we agree on a host of other UN activities. India has sent significant troop contingents to various peace-keeping missions around the world, serving as a partner to further our mutual interests.

But even if you consider their voting record, in votes identified by the State Department as "important," India voted with the U.S. 75% of the time. This amendment will do nothing but damage our relations with a valuable ally by identifying India as an opponent of U.S. policies, when, in fact, we have a great deal in common.

Mr. Chairman, I urge my colleagues to join me in voting against this amendment.