

and the community he served. He was awarded the Department's highest award—the Medal of Honor—after he and his former partner broke up a drug buy on November 1, 1998. The community mourns the death of a great role model.

As a committed man of faith and family, Officer Leon will be greatly missed by his wife Grace, their children Justin, age 5, Gabrielle, age 4, and Nicholas, age 2. His father, retired Cleveland Police Lieutenant Duane “Jake” Leon, brothers Dean, Tony, and Jake, and his parents-in-law Sam and Maryann Scampitilla, also survive him. I take this opportunity to express my deepest condolences to the family.

It is a terrible tragedy when a police officer falls in the line of duty protecting the public and serving his or her country. Officer Wayne Leon exemplified the very best police departments have to offer. He will be missed by all.

I ask the House to join me in commemorating this model public servant and dedicated family man. The State of Ohio and the Nation owe him a great debt of gratitude. My fellow colleagues, please join me in honoring Officer Wayne Allen Leon.

#### INTRODUCTION OF THE FUEL EXCISE TAX RELIEF ACT (FETRA)

#### HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Mr. COLLINS. Mr. Speaker, today I am introducing the Fuel Excise Tax Relief Act (FETRA), for a moratorium on Federal fuel excise taxes until March 31, 2001.

Fuel is not a luxury, it is a necessity for Americans. It is necessary for a dad commuting to his job or a soccer mom picking up her children. Higher fuel costs don't stop at the pump because the cost of shipping is built into the price of every product purchased by families and businesses across the country.

There is not one Member in this Chamber whose constituents are not daily suffering sticker shock when they go to the gas pump, and wondering why, for the past 6 months, nothing has been done about gas prices.

A few months ago, Secretary of Energy Bill Richardson admitted he had been asleep at the switch, and promised Americans that prices would soon decline, thanks to his arm-twisting of OPEC.

Perhaps we should be asking if Mr. Richardson was twisting OPEC's arm the wrong direction and convincing the oil states to restrict production. Certainly, 3 months later, gas prices did not go lower, but went higher.

These skyrocketing fuel prices are borne on the backs of working families across this country, because they have an impact on the cost of every product or service that depends upon transportation.

I am concerned that high fuel prices could affect the economy, just as they did after the oil shocks of 1973 and 1979. Both resulted in higher interest rates and recessions.

Congress must take both short-term and long-term action now.

Presently, the United States is dangerously dependent upon foreign oil. We must work more aggressively with OPEC to increase supply. We must explore the use of the Strategic Petroleum Reserve to temporarily increase the

supply. We should allow environmentally responsible oil drilling to increase domestic supply.

We should also take steps to ensure that our environmental regulations protect the environment without driving independent producers and refiners out of business. When they are gone, competition decreases, and prices rise.

We can also encourage the use of mass transit and build new systems. Tax and investment incentives will help further develop technology for fuel cells, electric cars, hybrid cars, and alternative fuel vehicles.

All of these responses take a while to affect prices at the pump. But there is one act Congress can take to provide immediate relief to America's working families.

This would be to pass the Fuel Excise Tax Relief Act (FETRA) which imposes a moratorium on Federal fuel excise taxes until March 31, 2001. I will shortly be introducing this legislation with several colleagues, and I invite your support.

FETRA would provide relief to every American of every income strata. It would reduce transportation costs which affect the price of every good or service purchased by consumers. It imposes a moratorium on the federal fuel excise taxes: cutting 18.3 cents per gallon on gasoline, 24.3 cents per gallon on diesel, and 4.3 cents per gallon on aviation jet fuel.

The FETRA tax moratorium will be effective upon enactment and end March 31, 2001. This will give the new administration and new Congress time to draw up something that has been lacking the past 8 years—a coherent energy policy.

FETRA also holds the transportation trust funds harmless from any revenue shortfalls, and will make up the difference out of general funds. None of our infrastructure projects will be affected by FETRA.

This tax relief is long overdue for American consumers. To ensure they get the benefit of this tax relief, FETRA directs the Comptroller of the United States to report to Congress on whether the tax cut is being passed through to consumers. Additionally, the act requires the Administration to prepare a report on changes in the prices of gasoline, diesel and other fuels over the previous 12 months, and the impact on prices of the reformulated gasoline mandate, and the feasibility and appropriateness of maintaining the reformulated fuel mandate.

Mr. Speaker, The American people are looking toward Congress for leadership on this issue. I agree that we must work on long-term and medium-term solutions to high fuel prices, but FETRA is where we should start.

#### AMENDING INTERNAL REVENUE CODE TO REQUIRE 527 ORGANIZATIONS TO DISCLOSE POLITICAL ACTIVITIES

SPEECH OF

#### HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 27, 2000*

Mr. BLUMENAUER. Mr. Speaker, the House has finally done something about the shadowy political action committees organized under Section 527 of the tax code which can

hide their donors, activities, and even their existence from public view. Sunshine is the best disinfectant and now some light will be shed on these stealth PACs that have been flying under the radar to avoid detection.

Very early this morning, we voted to require these tax-exempt groups to disclose their activities. The Senate adopted very similar legislation earlier this month. It has been perfectly within the rights of anyone to give unlimited sums of money aimed at influencing American elections with no limits, no restrictions, and complete anonymity.

Here's how the loophole worked: You set up a bank account, collected as many millions as you could, ran ads under whatever innocuous name you chose—Americans for a Decent Society or whatever—and attacked or supported any candidate you chose. All you had to do was refrain from using the “magic words” like “vote for,” “vote against,” “elect,” “defeat,” etc. in reference to a particular candidate. You could mention the candidates by name. You could show their unflattering visage against a backdrop of belching smokestacks. And then you could disappear from the face of the earth.

That unique combination—unlimited funds with total anonymity—was the beautiful thing about the 527s, if you were a clever political fundraiser, or a billionaire with a private agenda.

But that is changing now. The Campaign for America, a group of well-respected business leaders founded by Jerome Kohlberg, recently stated, “Tax-exempt status is a subsidy, not an entitlement. Accordingly, organizations obtaining this subsidy have obligations and responsibilities to the public that provides this benefit. Every other nonprofit involved in electioneering such as parties, PACs and campaign committees discloses to the Federal Election Commission. There is no justification for making an exception for these 527 organizations. In return for the public's largesse, these organizations should at least be required to disclose their existence, substantial contributors and substantial expenditures.”

The legislation we passed requires “527” groups to disclose who they are, where they get their money, and how they spend it. It does not adequately cover political activities during this election cycle, but it is a good start.

By closing this loophole, we are beginning to repair the damage that our current campaign system has done to public trust in government. This could be the first meaningful campaign finance reform passed in Congress in many years. Let's lift this curtain of secrecy that has shrouded elections for too long.

#### TRIBUTE TO AARON HALPERN

#### HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention to the deeds of a person I was proud to call my friend, Aaron Halpern of Clifton, New Jersey, who was remembered on Thursday, June 1, 2000 because of his many years of service and leadership. He is deserving of this memorial, for he had a long history of caring, generosity and commitment to others.

Aaron was recognized for his many years of leadership in Clifton, which I have been honored to represent in Congress since 1997, and so it is only fitting that these words are immortalized in the annals of this greatest of all free-elected bodies.

Mr. Halpern worked for the Clifton School System for 43 years, beginning as a high school teacher and guidance counselor. He became the principal of School 7 in 1959 and of Woodrow Wilson Middle School in 1962. A year later he became the principal of Clifton High School. He served that post for 25 years until his retirement on November 1, 1988.

During his tenure at Clifton High School, Aaron implemented many educational innovations including computer technology, student counseling and placement services. When he retired in 1988, it was estimated that more than 20,000 students had passed through the school in the years that he was in charge.

Aaron received the New Jersey Principals Supervisors Association's Distinguished Service Award in 1993, and the Clifton Parents Football Boosters named him 1982-83 Man of the Year. He also had a wing at Clifton High School named after him in 1997.

Principal Halpern was a member of the Executive Committee of the New Jersey State Interscholastic Athletic Association, where he was responsible for many athletic rule changes. He was a life member of the National Education Association and the New Jersey Congress of Parents and Teachers.

An Army Air Corps veteran of World War II, Principal Halpern was a member of the Clifton Jewish Center and its Men's Club, the B'nai B'rith and Humboldt-Ezra Masonic Lodge 114, all in Clifton.

A graduate of Passaic High School in 1938, Aaron received a Bachelor of Science Degree in Education from Newark State College, and Master's degrees in Administration and Supervision from Montclair State College (now University), in Guidance from Rutgers University, and in Secondary School Administration from Teachers College at Columbia University.

Aaron is survived by his wife, the former Dorothy Leibowitz, a daughter, Doretta Halpern of Cedar Grove and his nephew Jack Birnberg, Chairman of the Board of Waldorf Group, Inc. of Little Falls, New Jersey.

Mr. Speaker, I ask that you join our colleagues, Aaron's family and friends, Clifton High School, the Clifton Board of Education, the City of Clifton and me in recognizing the outstanding and invaluable service to the community of Aaron Halpern.

#### ELECTRIC UTILITY INDUSTRY

**HON. ED BRYANT**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Mr. BRYANT. Mr. Speaker, at a time when this Congress is beginning the debate over the future of our electric utility industry, I call to the attention of my colleagues an article in the current edition of Forum For Applied Research and Public Policy. The article is entitled "Electricity: Lifeline or Bottom Line?", and it is by Terry Boston, Executive Vice President of the Tennessee Valley Authority's Transmission and Power Supply Group. Mr. Boston oversees TVA's 17,000 miles of transmission lines,

one of the largest transmission systems in the country.

The article largely embodies information I received from Mr. Boston in a briefing earlier this month. The news media has given considerable coverage recently to the expected demands on our electric utility grid this summer and how those demands will almost certainly strain the system. Mr. Boston makes the point that more is being invested in generation and marketing than in transmission, distribution and reliability, and that until these two different facets of the business are brought more into balance, the strains on the system will continue.

All in all, the article will enhance Member's understanding of the problems we face this summer and the challenges that are before us as we confront the complex issue of electric utility restructuring.

[From Forum for Applied Research and Public Policy, Summer 2000]

ELECTRICITY: LIFELINE OR BOTTOM LINE?

(By Terry Boston)

On a blistering day last July, two large cables at a Chicago substation failed, triggering a local blackout that sent hundreds of air-conditioning deprived residents to hospitals and a few, tragically, to cemeteries. At its worst, the blackout left more than 100,000 people without electricity, and thousands remained that way for the better part of three days.

This was only one in a string of blackouts during the summer of 1999 that afflicted hundreds of thousands in New York City, Long Island, New Jersey, the Delmarva Peninsula, and four Gulf states. And the problems were not confined to local power companies; several high-voltage transmission systems—designed to deliver vast amounts of power over great distances in all sorts of weather—strained to keep up with demand. Over the course of five tense weeks, two other blackouts hit Chicago while other electric systems suffered with voltage problems and a few teetered on the brink of collapse.

What's happening here? Why is the world's strongest, most reliable electric grid scrambling to keep up with hot, but not unprecedented, summer weather? And why is it hard for some transmission operators to make eye contact when asked about the prospects for this summer? The reasons are complex, and agreement is lacking, but many point to the pressures competition is placing on an industry still learning how to compete. In short, the move to restructure the electric utility industry has the industry sprinting toward competition before it can walk. As a consequence, the long-sacred focus on reliability is beginning to blur. Instead of filling its traditional role as a lifeline, electricity is in danger of becoming just a bottom line.

#### LIGHTS OUT

Blackouts—small or large—are nothing new; but the reasons for some of last summer's blackouts and near misses are disturbing. For example, the U.S. Department of Energy cited Chicago's Commonwealth Edison for scrimping on its substation maintenance budget—which went from a high of \$47 million in 1991 to just \$15 million in 1998—as it shifted money into its nuclear program and preparations for competition. Other systems, including TVA's, were threatened when operators were unable to predict the massive amounts of power flowing across their systems from eager new sellers on one side to eager new buyers on the other.

Unless transmission operators understand exactly where and when power will flow

across their system, lines that are already overburdened by severe weather can fail, triggering widespread disruptions. Looking at the blackouts of 1999, DOE concluded that "the necessary operating practices, regulatory policies and technological tools for dealing with the changes [resulting from a restructured environment] are not yet in place to assure an acceptable level of reliability."

Energy Secretary Bill Richardson and Federal Energy Regulatory Commission Chairman James Hoecker have warned of more blackouts this summer, and Richardson criticized policymakers who "haven't kept pace with the rapid changes in the electric utility industry." While many would welcome legislation to ensure reliability, the industry desperately needs something more—time. Unless the industry has time to strengthen the grid, time to understand the new pressures that competitive pricing brings, and time to develop the complex computer modeling and analytical tools needed to safely manage the phenomenal increase in electricity transactions, many fear the grid may be headed for the most severe outages since the New York blackout of 1965. The Electric Power Research Institute estimates that power failures in the United States cost the economy approximately \$50 billion per year.

#### THE WORLD'S LARGEST MACHINE

Someone once called the North American electric grid—the massive conglomeration of generators, wires, switches, breakers, and related equipment that produces and moves electricity to almost every point on the continent—the world's largest machine. It's an apt description.

Originally, utilities were built to serve specific geographic regions and were physically isolated from one another. America literally had islands of electricity hives and seas of electricity have-nots. In fact, where TVA was created in 1933, only 3 percent of farms in the Tennessee Valley had electricity. As technology improved and power plants increased in size, these islands grew and began to connect with one another. Many of the connections were established to promote reliability in the wake of the 1965 New York blackout, allowing power to be routed in any number of ways to circumvent local problems.

Today, a single massive, interconnected grid serves the eastern United States and eastern Canada, while two other grids serve Texas and the western half of the continent. On that grid, large transmission lines—some operating at up to 765 thousand volts—move electricity from generators to lower-voltage local distribution systems where smaller lines take it to individual consumers.

Transmission is critical because electricity cannot be stored. Natural gas can be kept in tanks and pork bellies can be stored in freezers, but electricity is consumed the moment it is produced. The challenge then is to make electricity instantly available in the exact amounts demanded 24 hours a day, seven days a week. If the amount of power delivered equals the amount consumed—every second of every day—and if power plants, lines, switches, breakers, and insulators all do their jobs properly, we have reliability. If any part of the machine fails, however, power is interrupted. Interruptions can range from a few milliseconds, unnoticed except by sensitive computer equipment and VCRs, to outages that plunge a single street or entire regions into darkness.

Balance between neighboring power systems is also critical. If one system under-generates—either deliberately to exchange power, or accidentally because a power plant