

may not occur at all if incentives to make the city more competitive with the suburbs are not enacted; (2) expenditures are inexorably rising faster than revenues; and (3) years of disinvestment in the services provided to residents and especially children, in infrastructure and in basic neighborhood amenities require immediate and substantial funds to hold and attract businesses and residents.

The new tax credit approach we offer today has the twin advantage of greater efficiency and greater reliance on approaches already sanctioned by Congress: (1) Congress has already approved tax credits for the District and increasingly uses tax credits nationally as a tool; (2) a federal tax credit is the fairest way to recoup the cost of services because most of the commuters are federal employees, most of the services rendered to non-residents are due to the federal presence, and most of the land taken off the tax rolls is federal land; (3) a tax credit would spread the obligations of securing a viable economy in the nation's capital to the entire country; (4) the tax credit is set at 2%, the average of non-resident taxes in the country; and (5) a standard commuter tax, other taxes, or other subsidies, are all politically impossible today, while the region has always supported the federal payment, a federal solution.

The tax credit would net the District \$400 million the first year, and, unlike the flat federal payment would automatically rise every year because incomes increase every year. The take-home pay of commuters would not change because the 2% of their salary that would otherwise go to the federal government would instead transfer to the D.C. government (thereby also eliminating any new administrative burden).

TITLE II: DISTRICT OF COLUMBIA CITY-WIDE ENTERPRISE ZONE

Several extraordinarily valuable enterprise zone tax benefits constitute the major financial tools that have been used for business revival and new commercial and office construction in the city. Among the most successful have been the wage tax credit allowing an employer a 20% credit for the first \$15,000 of an employee's income if that employee is a D.C. resident. This credit not only helps attract and retain businesses, it also helps to correct the severe imbalance that allows two-thirds of the jobs in the city to go to commuters. Another new benefit, the elimination of capital gains altogether, is expanding and creating businesses in many city neighborhoods and downtown. The success of zero capital gains has already led the Senate to make this provision city-wide. A third tax incentive, tax exemption for up to \$15 million in bonds, is fueling much of the construction boom the city is experiencing, and construction alone accounts for the major portion of the increased economic output of the District today.

However, because the District is small and compact, multiple enterprise zones have had unintended effects. High income university students with little personal income have brought Georgetown and Foggy Bottom businesses within the zone, but businesses in struggling areas of Ward 5 do not qualify. This title would eliminate an unearned advantage that forces competition among our already depleted pool of businesses instead of between those in and outside of the District.

The solution is to designate the District of Columbia itself an enterprise zone. Only this

solution will erase indefensible distinctions that tear neighborhoods apart and help some D.C. businesses, neighborhoods and residents over others that are similarly situated. The citywide zone solution also draws upon the criterion of poverty already in the law because the present law requires a 20% residential zone poverty rate for businesses to receive the tax benefits, and a 10% poverty rate to qualify for capital gains tax elimination. Since the poverty rate for the District is 22%, it makes sense to use the city-wide poverty rate to designate the entire city an enterprise zone.

The \$5,000 Homebuyer Tax Credit was always citywide and has proved so successful that the Senate has tried to raise the income limit (see below). The citywide success of the Homebuyer Credit shows highly effective tax breaks can and should be used to encourage the economy throughout the city.

TITLE III: D.C. ECONOMIC RECOVERY ACT (DCERA)

As valuable as the tax credits the District has achieved are, it is the one that the city has not yet achieved that has consistently provoked the greatest excitement and would have the greatest effect. There is general agreement that the 15% Progressive Flat Tax (PFT) would promote a dramatic increase in residents and would stop taxpayer flight altogether. A residential increase in indispensable to the survival of this city. The control board conservatively estimates the need for an increase of 100,000 residents to support city government services unattainable under present conditions.

The 15% progressive flat tax works this way: After affording sharp increases in the traditional standard deduction and personal exemption, a uniform rate of 15% would be applied progressively up the income scale to reduce a resident's tax liability—from approximately 80% reduction to a one-third reduction in taxes owed, depending on income. The lower the income, the greater the tax reduction. The DCERA would take 50% of D.C. residents off of the tax rolls altogether. The uniform rate also would rescue the remaining taxpayers from bracket creep, and assure that income increases resulting from the tax cut are not then significantly taxed away.

I first introduced the Progressive Flat Tax in the 104th Congress. I remain persistent not only because of the city's continuing and serious taxpayer deficit, but particularly because of the strong support I have received for the PFT from congressional leadership. They include Senate Majority Leader TRENT LOTT (R-MS), who sponsored the first-ever D.C. town meeting in the Senate and Senator CONNIE MACK (R-FL), Chairman of the Joint Economic Committee, and other members, who remain strong supporters of the PFT.

TITLE IV: THE DISTRICT OF COLUMBIA \$5000 HOMEBUYER CREDIT ACT

This title would make permanent the \$5,000 Homebuyer Credit, perhaps the most successful economic stimulus in the city's history. It is chiefly responsible for stemming the flight that almost destroyed the city's tax base during the 1980s and during the financial crisis and insolvency of the 1990s. The credit offers significant evidence that a tightly targeted tax incentive can have a major turn around effect on a specific problem confronting a city.

The credit has been so successful that we have recommended that states do the same for the many large cities that are rapidly losing taxpayers. In its first year, despite the city's fi-

nancial problems and damaged reputation, the credit made the District first in home sales increases in the United States. According to an independent study by the Greater Washington Research Center, 70% of D.C. homebuyers have used the credit, and 51% purchased homes because of the credit.

Last Year, the Senate was so impressed with the Homebuyer Credit results that it increased the income limits for joint filers from \$130,000 to \$180,000. The limit for individual filers is \$90,000. This increase was passed by the House and Senate, but no omnibus tax bill was enacted last year. Nevertheless, the Senate action demonstrates congressional acknowledgment of the effectiveness of tax credits in general and of the \$5,000 homebuyer credit in particular. Fannie Mae has converted the credit into up-front money towards the purchase of a home, affording the credit significantly greater value to the individual.

The \$5,000 homebuyer credit proved itself so quickly and so well that I have been able to get it repeatedly extended by Congress. The credit is similar to the PFT in its magnet effect. Until the PFT is enacted, the \$5,000 credit is minimally necessary if the city is to have any chance of increasing its still small and depleted tax base. The credit has proved itself so definitively that to get the full effect, it should be enacted permanently.

TRIBUTE TO LUE IDA HILL

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 2000

Ms. KAPTUR. Mr. Speaker, I commend the 100th birthday of Lue Ida Hill from Swanton, Ohio. This remarkable woman lives a life that celebrates every day as a gift, every sunrise as the herald of new opportunities.

When Mrs. Hill referred to her centennial birthday as "just another day", she does so not to comment on the routine of life, the monotony of "just another day", she sets an example to us all that everyday, indeed, every moment, ought to be a cause for celebration. For by celebrating, we give thanks for the blessings bestowed upon us by God.

Mrs. Hill has never known what most of us call retirement, for she continues to keep herself busy by helping her neighbors and bringing joy to those around her. With a bow in her hair, a tradition she began while working as a butcher, she was careening about her home in a motorcycle sidecar just months before her birthday.

Lue Ida is a first class woman from a first class community. She's never stopped working, whether it was at the farm helping out with the plowing or mending shirts for Arizona State University students. She's done it all with a gracious and genuine smile. Now, with 68 grandchildren, great-grandchildren, and great-great-grandchildren, Lue Ida keeps the fellow residents of the Harborside Healthcare Facility hopping. There, they refer to her as a social butterfly, playing cards and chatting with her friends and neighbors.

If only we could all be half the "butterfly" Lue Ida is. Bringing happiness to those around us, joy to our loved ones, and recognizing the gift of what we have instead of complaining for what we don't.

Our entire community wishes to extend its warmest and most caring congratulations to Lue Ida Hill on the attainment of her 100th year. Few Americans reach this incredible life pinnacle. May God bless Lue Ida and keep her as America and the world move toward the new millennium. She is a legendary teacher to us all.

**FRIENDS OF MUSTANGS RECEIVES
THE "MAKING A DIFFERENCE"
AWARD**

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 2000

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize an exceptional group, the Friends of the Mustangs group, who were honored by the Bureau of Land Management with the "Making a Difference" award. The BLM selected the Friends of the Mustangs group because of their dedication to Colorado and to its outdoors.

For the past 17 years, the Friends of the Mustangs group have volunteered and managed the BLM's Little Book Cliffs Wild Horse Area. There, they saved the BLM over \$20,000 by volunteering over 2,500 hours, maintained the grounds, fixing fences and trails. They also performed pre-adoption inspections. As a result, the Friends of the Mustangs group has played an integral role in managing wild horses.

Mr. Speaker, it is obvious why the Friends of the Mustangs group was chosen for the "Making a Difference" award. I think we owe them a debt of gratitude for their service and dedication to Colorado and to its outdoors.

HONORING MR. DONALD ALMQUIST

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 2000

Mr. KLECZKA. Mr. Speaker, I honor my friend, Mr. Donald Almquist, who is retiring after serving on the School Board in Greenfield, Wisconsin for 23 years. Don was the School Board president for eight years, and has also served as vice-president, and as treasurer.

After retiring from a lengthy career in the Marine Corps, Don settled down in Greenfield where he has been an outstanding member of the community ever since. His work with such civic organizations as the Greenfield Lions Club, Greenfield Historical Society, American Legion, Boy Scouts of America, Greenfield Little League, and Vietnam Veterans of America have helped to make his community a better place to live.

Over the past 23 years, Don has left his mark on the quality of education in Greenfield. He has initiated many programs for Greenfield students including a school breakfast program, and a Junior ROTC program. He was also instrumental in beginning the filming of School Board meetings for cable television broadcasting.

Though this is his second retirement, Don will certainly have no trouble keeping himself

busy. While he will no longer be a member of Greenfield's school board, he will continue his public service as the city's 4th district alderman, and president of the Common Council. He will also remain active in the Lion's Club, as well as the Education Scholarship Foundation, and a number of other community organizations.

Don has received many awards from the Greenfield Lion's Club including: The President's Award, the Governor's Award, and the Melvin Jones Fellow Award. He was also honored with the 1996 Achievement Award as one of Wisconsin's Outstanding Vietnam Veterans.

And so it is my great pleasure to extend my gratitude to my good friend Donald Almquist for his years of service, and my congratulations to him and his wife, Beverly, on a well deserved retirement.

IN HONOR OF THE UNITED CEREBRAL PALSY OF HUDSON COUNTY EIGHTH ANNUAL "OUTSTANDING ACHIEVEMENT AWARD" DINNER DANCE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 2000

Mr. MENENDEZ. Mr. Speaker, today I honor the United Cerebral Palsy of Hudson County Eighth Annual "Outstanding Achievement Award" Dinner Dance.

Since 1951, United Cerebral Palsy (UPC) of Hudson County has had one mission: "To advance the independence, productivity, and full citizenship of people with disabilities." At UPC of Hudson County, this is more than a mission, it is a cerebral way of life. And the annual "Outstanding Achievement Award" honors those who have truly embraced this way of life, giving of themselves in a profoundly selfless and compassionate manner.

This year there are three such individuals, and I am proud to honor them as well. I honor them for their compassion; I honor them for their dedication; and I applaud them for what they have done for people with disabilities.

Henry Sanchez, Migdalia Viole, and Vincent J. Bottino were chosen by UPC of Hudson County to receive the "Outstanding Achievement Award" because they exemplify the strength of character and sense of purpose necessary to become outstanding community leaders. Hudson County has benefited enormously from their very special contribution to the community.

I ask my colleagues to join me as I honor these extraordinary individuals for their unparalleled commitment to bettering the lives of people with disabilities. Congratulations to this year's "Outstanding Achievement Award" winners.

**BLOOMFIELD CITIZENS COUNCIL
AWARDS**

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 2000

Mr. COYNE. Mr. Speaker, today I honor a number of Pittsburgh residents who will be

honored on May 6 with Bloomfield Citizens Council Awards. Every year, the Bloomfield Citizens Council presents these awards as a way of recognizing members of the community who have made a significant contribution to the quality of life in Bloomfield. I would like to take this opportunity to mention the 2000 award recipients and commend them for their efforts to make Bloomfield a better place to live.

For their hard work, commitment, and enormous amount of volunteer time given for the love of the community and its children, members of the Immaculate Conception School Parent Teacher's Guild are receiving the Mary Cercone Outstanding Citizens Award. The members of the Guild being honored include: Nick and Amy Balestra, Tammy Bruno, Nancy Cherico, Beverly Helwich, Craig and Rosina Koziell, Janet Langer, Larry Lordeon, Frank and Renee Magliocco, Faye Parker, Ray Polk, Crystal Scullion, and Antonette Surmacy. This group of people is a symbol of the family values and the rich heritage of the Bloomfield community.

As president of the Immaculate Conception Christian Mothers for 38 years, Ann Scullin has earned the Neighborhood Loyalty Award. She has demonstrated a sincere dedication to the betterment of Bloomfield with the unselfish giving of her personal time and willingness to work with others as a true team player.

Patrick McGonigle is the 2000 recipient of the Community Commitment Award for this consistent willingness to assist the Bloomfield Citizens Council in its efforts to work for the betterment of Bloomfield. He has given his time to promoting the Bloomfield Halloween Parade and the Bloomfield Preservation Center.

This year, the Extra Mile Award is given to Jolene Owens. She has given a decade of service to the Bloomfield Citizens Council. She has improved the BCC through her constant willingness to volunteer and by successfully accomplishing every task she is assigned.

For her heroic actions in entering a burning building to alert the second and third floor tenants of a life-threatening fire, Mary Gratta is the recipient of the Heroism Award. She risked her own life in the interest of saving others.

Nick and Amy Balestra have won the Keeping Christ in Christmas Award for their front yard display of a large handmade manger.

For their creative Christmas decorations that added beauty to the community, George and Eleanor Scullo are receiving the Most Outstanding and Completely Decorated Home Award.

Russell and Leah Carlisle are given the Most Creative Design Award for their balanced, colorful Christmas decorations.

The recipients of this year's Bloomfield Citizens Council awards have all made significant contributions to the quality of life in Bloomfield and deserve recognition for their efforts. I commend them all, as well as the Bloomfield Citizens Council, for their dedication to their community.