

means her love for Forest and Scott County. She was truly a dedicated Christian lady, and a great American. I extend my heartfelt sympathy to her family. Also, I want to express my appreciation, and that of all citizens of the 3rd district for her life of service, and contributions to the betterment of our world.

INTRODUCTION OF ESTATE TAX RELIEF LEGISLATION

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 25, 2000

Mr. ETHERIDGE. Mr. Speaker, I am proud today to introduce legislation to provide significant and much needed relief to those who inherit family farms and family-owned small businesses. The current estate tax dramatically reduces any legacy a parent wishes to leave to his or her children. Often, inheritors are forced to sell crucial assets of a business or farm in order to pay this federal tax. This greatly discourages the next generation from continuing the family business or life on the farm.

I hear all the time from parents who fear that they will not be able to pass their operations onto their sons and daughters because of the steep tax due upon their death. Due to inherent value of business or farm equipment, property and other assets, an estate of a family-run business—as many farms are—can quickly and greatly surpass the current exemption of \$1.3 million. To me, it is absolutely unfair that people who work all their lives to build a business can have it snatched away from their families by Uncle Sam after they die. According to the Congressional Research Service, more than 70 percent of family businesses do not survive the second generation, and 87 percent are not passed onto a third generation.

Our economy is currently experiencing the largest peacetime expansion in our nation's history. We are constantly reminded that small business has been the engine of this growth. Why can't the fruits of this prosperity be passed to the next generation? Because of a tax code which has not kept up with the rate of economic growth in America.

My bill would increase the current estate tax exemption for family-owned businesses from \$1.3 million to \$4 million over the next five years and then index the exemption to inflation. I know that this is not as far as some of my colleagues would like to go. However, I believe reducing estate taxes in this way stands a better chance of becoming law than repealing the tax altogether. Frankly, I'd rather get some estate tax relief enacted as opposed to getting nothing accomplished.

Our families deserve to see the fruits of their labor passed on to the next generation, and reducing the burden of estate taxes is something that we absolutely must accomplish. I hope my colleagues will join me in supporting this approach to estate tax relief. Let's get something done on this issue rather than grandstand and obtain nothing.

HONORING THE WOMEN'S DAY 2000
COMMITTEE OF ST. ANTHONY
BAPTIST CHURCH "STRIVING TO
BE A VIRTUOUS WOMAN" PROV-
ERBS 31:10

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 25, 2000

Mr. TOWNS. Mr. Speaker, I rise today to honor the Women's Day 2000 Committee of St. Anthony Baptist Church in Brooklyn, New York. On Sunday, May 28, 2000, the Women's Department of St. Anthony will celebrate their annual Women's Day.

To celebrate the first Women's Day of the new Millennium, the theme of the event will be "Striving to be a Virtuous Woman," which is taken from scripture, Proverbs 31:10. The task of being virtuous is not easy to accomplish, but it is attainable. The woman of Proverbs 31 had it all. She had excellence, greatness, the favor of God, love and honor, the law of kindness in tongue, morality and character. All of these amazing attributes are the result of a God-centered life.

Mr. Speaker, the reference to the Virtuous Woman in the scriptures is fine and appropriate for this inaugural Women's Day celebration of this new Millennium. I know the ladies of St. Anthony well, and I can say without hesitation, in the tradition of the late First Lady, Sister Grace McCollum, that every one of them exemplifies excellence in leadership, spiritual integrity, high moral and ethical standards. They truly are made in the image of the Virtuous Woman.

While space will not allow me to name each of these remarkable women individually, I do want to pay special tribute here to Rev. Dr. Carrie Johnson, Rev. Renee Washington and Rev. Barbara Williams Norman, the eloquent and passionate guest speakers at the celebration.

Mr. Speaker, I'd also like to recognize the Chairperson, Sister Elizabeth King-Atwood and Co-Chairperson, Sister Alisa Parris, as well as Captains of the Women's Day 2000 Committee: Sister Tiffany Hiers; Sister Wilhelmina Lewis; Sister Deidre Lewis; Deaconess Enid Hinds-Robinson; Sister Earnestine Frazier; Sister Penny Lilley; Sister Alma Reedy-Dorsey; Sister Carolyn Vails; Sister Clara Martin, and Sister Clara Hayes.

Finally, Mr. Speaker, I'd like to recognize Rev. Theresa Moon, Chaplain; Evangelist Mary Harden; Evangelist Eva Wise; Mother Lucille Norman; Mother Lillian Carter-Wilson; Mother Selma Alexander, and Mother Beatrice Brockington. These women, and the many I could not name here, deserve our recognition and praise.

HONORING THE TEXAS TRANSPORTATION INSTITUTE

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 25, 2000

Mr. LAMPSON. Mr. Speaker, it has recently come to my attention that this year, the Texas Transportation Institute will mark a historic occasion. For more than 50 years, the Texas

Transportation Institute has conducted applied research in all modes of transportation and transferred the results to the public and private sectors, enhancing transportation safety, efficiency and sustainability and I would like to take this opportunity to congratulate Director Herbert H. Richardson and the Texas Transportation Institute (TTI).

Looking back on the history of the Institute gives us an interesting perspective on how far we've come in terms of transportation and technological advances. I was interested to note that some of the earliest safety research performed by TTI was to develop safer roadside structures, including breakaway supports and impact attenuation systems. One of the first real-world tests of a breakaway sign occurred in my congressional district in September 1965 when a driver lost control of his vehicle and skidded into an "EXIT" sign on IH-10 near Beaumont. Less than 24 hours before the accident, the local THD maintenance force had placed the TTI-designed slip base and hinge sign support in place of the old fixed one. In this accident, the driver and passenger escaped uninjured, and the vehicle sustained only minor damage. Less than a year earlier, a driver hit the same sign, then mounted on a standard base, and was killed. Today, highway safety is still an issue of major concern and I am pleased that TTI has continued to develop technological advances, such as the ADIEM crash cushion, to make our nation's roads and highways safer. I am certain that there are many Americans who owe their lives to the development of this technology, which is now in use in nearly 40 states. Dr. Richardson and the Institute can certainly be proud of the work.

In the 1950's, Dean of the College of Engineering, Fred Benson was quoted in the Daily Eagle as saying "The Institute intends to assemble a group of men at this college with a thorough knowledge of all types of transportation. These men . . . will provide a forum for analyzing and discussing problems [and] will outline and guide our research program and provide high level education to mature students with an interest in transportation." Given the fact that TTI employs about 570 people—275 professionals, 105 support staff and 190 students, divided about evenly between graduate and undergraduate students, is home to four National Research Clearinghouses and eight National Research Centers, and has urban laboratories in every major metropolitan area in the state, I am certain that Dr. Benson would indeed be very proud of the men and women of TTI and their many accomplishments. Congratulations and best wishes for the next 50 years.

HONORING ELIAS KARMON

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 25, 2000

Mr. ENGEL. Mr. Speaker, I rise to speak about Elias Karmon, who is being honored tonight at a testimonial dinner celebrating his 90th year. To read what he has done is to wonder if anybody else did anything.

He has generously given of his considerable talents to virtually every worthy cause and individual. In 1943 he successfully fought the

extradition of a young African American to North Carolina. He has been named an honorary Puerto Rican, by the Board of Directors of the Puerto Rican Day Parade, is a charter member and founder of the Bronx Urban League, and a life member of the Zionist Organization of America.

He has been honored by, among too many others to mention, the Bronx Council of churches, the National Conference of Christians and Jews, the Bronx Boys and Girls Club, the American Red Cross, the Bronx YMCA, and the Albert Einstein College of Medicine (which he helped to found).

He has organized fund raisers for many worthy organizations. He helped to found the South Bronx Board of Trade, aiding minority businesses in particular, and was four-time president of the Bronx Chamber of Commerce. If that wasn't enough, he is probably the only man to have a housing development, a gym and a swimming pool named after him.

Elias Karmon's accomplishments would scare lesser people. Even in his 90th year, he is not slowing down, for which we all give thanks. I want to thank him for the many outstanding and wonderful things he has done for the Bronx and its people and wish him many more years.

REAUTHORIZING AND REFORMING THE COMMODITY EXCHANGE ACT

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 25, 2000

Mr. STENHOLM. Mr. Speaker, today our colleague from Illinois, Mr. EWING, who chairs the Subcommittee on Risk Management, Research, and Specialty Crops of the Committee on Agriculture, is introducing a bill to begin the process of reauthorizing and reforming the Commodity Exchange Act (CEA).

Mr. Speaker, the CEA is the primary statute providing for the regulation of futures and futures options trading in the United States. While its provisions are founded in legislation adopted by Congress in the 1920s, the Act has been modified repeatedly over the years in response to changing market conditions. We have changed the Act to cover metals and energy products, to cover trading in foreign currencies, to cover bonds and stock indexes, and to permit trading in options on futures. Each innovation that the market has brought forward presented challenges to Congress and to regulators. Along with the increase in contracts traded, total volume of trading in derivatives has grown vigorously and consistently over recent decades.

In particular, over the last 15 years is the market in over-the-counter derivatives such as swaps and forward rate agreements has increased tremendously. Because these products have economic characteristics so similar to exchange-traded futures contracts, a legal debate has taken place over whether or not they are in fact covered under the CEA. The Commodity Futures Trading Commission (CFTC) has generally found that these products are not appropriately regulated as futures contracts and has used powers at its disposal to settle that question to the extent possible.

In 1989, the Commission issued the "Swaps Policy Statement" laying out in essence a safe

harbor for trading in over-the-counter derivatives. So that the agency would have more flexibility in addressing the swap situation and other situations, the Congress in 1992 granted the CFTC the authority to issue exemptions from the CEA to contracts that meet specified conditions. The CFTC has used that authority to exempt swaps (and other OTC derivatives), hybrid securities, and certain energy contracts from CEA regulation. In spite of these actions, an element of legal uncertainty remains regarding these products.

Mr. Speaker, this Congress has recognized that the financial services industry is changing rapidly. We face this reality very clearly in the derivatives world. During a recent speech before the International Organization of Securities Commissions, CFTC Chairman William J. Rainer pointed out that only two new exchanges sought CFTC approval between 1986 and 1997, while in the last six months the CFTC has become aware of numerous electronic exchanges that may soon seek the agency's approval. Technological advances are greatly complicating our task of keeping our regulatory systems up to date.

Mr. Speaker, financial capital flows across international boundaries today with an ease that was unimaginable only ten years ago. As our commercial world continues to shrink in this manner, we see ever more clearly how vulnerable our industries can be to outside competition if we hamper them with unreasonable or inappropriate regulation.

Mr. Speaker, these changes and trends challenge the Agriculture Committee—working together with the Banking and Commerce Committees—to again update the CEA. Chairman EWING has vigorously engaged all segments of this industry in an effort to discover what improvements need to be made. Thanks to his effort, the task has been clarified and we are poised to proceed ahead on legislation that meets these objectives:

Provides full legal certainty to the OTC derivatives industry so that the rules of commerce will be clear.

Modernizes our scheme for the regulation of trading that occurs on exchanges.

Eliminates statutory barriers to trading products that can be useful to the management of financial risk.

Mr. Speaker, I support Chairman EWING's effort and am committed to participating alongside with him. I share his goals and know that we can find common ground on how they can be achieved. Important components of the legislation he introduces today are the result of very productive industry discussions and I believe they will lay an excellent foundation for modernization of the CEA. Along with industry representatives, the several regulators involved are engaged in cooperative discussions—a condition that has often been lacking in past modernization efforts—and stand to be extremely helpful in resolving these tasks.

Mr. Speaker, while domestic modernization of financial contract regulation is an important goal I will also work to develop provisions that promote the goal of international harmonization of regulatory standards. The Bank for International Settlements (BIS) has demonstrated in recent years that a great deal of coordination can be achieved. In particular, the BIS has devised uniform capital standards that have been widely adopted by bank regulators of the major industrialized nations.

Securities and futures regulators have also made great strides in recent years in creating

formal lines of communication with their foreign counterparts to prepare for coordinated responses to cross-border crises. Already they serve as members of the International Organization of Securities Commissions, which has facilitated much of this progress and served as a tool for its member nations to become familiar with the regulatory systems that exist.

Our recent history has shown us that manufacturing capacity moves easily offshore. The manufacturing capacity of financial contracts—capital—moves across borders with much greater ease in search of the lowest cost investment environment. By encouraging continued international discussions regarding regulatory standards, we can encourage the elimination of artificial distortions that threaten the competitiveness of our futures exchanges and other financial institutions. As we develop CEA improvements, we should do all we can to facilitate international coordination and harmonization.

Mr. Speaker, in the weeks ahead I trust that all interested members of the public will take the opportunity to closely examine the bill Mr. EWING introduces today. I am particularly hopeful that the markets' end-users—including agricultural producers and merchants, energy producers, and investors—will pay close attention and provide detailed comments regarding their view of the challenge of achieving appropriate regulation of derivatives markets. I look forward to assimilating those views and to working closely with Chairman EWING, with the Subcommittee Ranking Member, Mr. CONDIT, and others on the Agriculture Committee and other committees in this effort.

HONORING KAY McMANUS

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 25, 2000

Mr. INSLEE. Mr. Speaker, today I recognize the outstanding achievement of Kay McManus, one of the many constituents who distinguishes my Congressional District.

Kay works tirelessly to ensure that the children in our schools receive the nutrition they need to pay attention in class, participate in after school activities and do all of the things that young adults need to do to grow into thoughtful adults. We know that when a child receives a good breakfast he or she performs at a higher level. Hungry children have more respiratory illnesses and are absent from school more often than children who are well fed. Many children receive two out of their three meals at school—and it is critical that nutritional choices are available to them. Kay's work is making that possible.

The American School Food Service Association recently recognized Kay's hard work by naming her the "Outstanding Director of the Year." This is the first time that this award has ever been given. It will be bestowed annually on a Food Service director whose work serves as a model for Food Service programs across the country. Future recipients of this award have a tough act to follow. I am proud to represent a district that has so many dedicated, committed individuals. Kay, thank you for making America a better place.