

the House Veterans Affairs Committee, Jerry worked tirelessly on their behalf. In fact, it was largely through his work and dedication that the Veterans Administration was elevated to a cabinet-level department.

Jerry was a man who didn't mince words—he was fair and principled and called things as he saw them. We got along well because we were similar in many ways and agreed on a lot of things. But, sometimes, we disagreed. I never, for example, quite saw the merits of the Northeast Dairy Compact the way he did—but even when we disagreed, we disagreed like gentlemen.

It is a testament to his character as a legislator, and a reflection of his leadership, that during his final years in the House, he served as Chairman of the powerful House Rules Committee. This is particularly noteworthy because as many of you know, he was the first Republican to have that position in four decades!

When Jerry spoke, people listened. Not because he was Chairman of the Rules Committee, but simply because if he took the time to tell you something, you could bet it was worth your while to pay attention to him.

It is with a heavy heart that I say good-bye to my friend Jerry. My wife Cheryl and I would like to express our condolences to Jerry's wife Freda, their five children, six grandchildren, and brother, in this time of sorrow and sadness. They will be in our prayers.

**CELEBRATING 60TH ANNIVERSARY
OF THE BOYS & GIRLS CLUBS OF
OAKLAND**

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 2001

Ms. LEE. Mr. Speaker, I rise today to honor the 60th Anniversary Celebration of the Boys & Girls Clubs of Oakland, California.

In 1941, the Filbert Street Boys Club merged with the East Oakland Boys Club to become the Oakland Boys Clubs. The purpose of this club was to create a fun environment while at the same time provide educational programs and services specifically tailored to the needs of young men. For many years the Oakland Boys Clubs were solely focused on providing for the well-being of boys. However, in 1989 the Board of Directors agreed that their organization should be a club that is inclusive rather than exclusive. Therefore, they extended their membership to young women. They wanted the Oakland Boys Clubs to become the Boys & Girls Clubs of Oakland which would welcome young people of all backgrounds.

The Boys & Girls Clubs of Oakland have a membership of 2,400 people who are taking full advantage of the programs and services this organization has to provide. The Boys & Girls Clubs offer career development, character and leadership development, health and life skills, arts, sports, fitness and recreation opportunities. They empower young men and women to live a happier, healthier and fuller lives.

The Boys & Girls Clubs of Oakland strives to instill and enhance a sense of competence, usefulness, belonging, influence and responsibility in each child. This organization is dedicated to enriching the lives of our youth.

I ask Congress to join me and the constituents of the 9th Congressional District in celebrating the 60th Anniversary of the Boys & Girls Clubs of Oakland and in wishing them many more years of success and positive influence on our young leaders of tomorrow!

HONORING COMMUNITY VETERANS

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 2001

Ms. VELÁZQUEZ. Mr. Speaker, I rise today to honor and give thanks to Latino veterans across the nation and in New York's 12th District—those brave soldiers who served in our Armed Forces during times of turmoil and crisis in our Nation's history.

Today, the Borinquen Senior Center celebrates another anniversary—close to the landmark one of a quarter of a century. Since its doors opened 24 years ago, the center has been a safehaven for hundreds of seniors and veterans in the Williamsburg, New York community. The Borinquen Center serves three meals per day to almost two hundred seniors, including veterans. It provides meals on wheels for homebound seniors, offers workshops on healthcare and other important issues, arranges activities, and provides classes such as ESL (English as a Second Language). Through its work, the center plays a very important role in the community. And as the Borinquen Center celebrates its anniversary, it will also honor—for the first time—the veterans of this country who served so bravely in our Armed Services.

Given the war against terrorism our great Nation is now waging both here and overseas, I believe we must take time to honor and give thanks to a few of our Nation's Latino veterans from the 12th District. Many of these men were young men, unaware of how war would change them when they enlisted in the Armed Forces during World War II, the Korean War, and the Vietnam War. They joined the service with hopes of strengthening our nation's security, fighting for the ideals of democracy and freedom, and ensuring a more peaceful world. Although many returned home with lasting wounds, their spirit was never broken. It is important that we remember on this Veteran's Day the sacrifices they made for this country.

Therefore, it is with much appreciation that I honor the Latino veterans of my district in celebration of November 11: Luis Maldonado, 1940–1946; Angel Acevedo, 1941–1947; Jose La Fuente, 1942–1945; Herminio Rivera, 1942–1947; George Feliciano, 1947–1967; Jose Calderon, 1951–1954; Oscar Figueroa, 1951–1954; Gilberto Bonilla, 1952–1954; Isamel A. Torres, 1952–1956; Francisco Adames, 1953–1955; Felix Gonzalez, 1953–1957; Jose Rendon, 1953–1961; Fundadon V. Cancel, 1954–1958; Gerardo Torres, 1954–1959; George A. Maldonado, 1954–1956; Carlos M. Colon, 1956–1958; Augustin Perez, 1957–1959; Adolfo Rivera, 1960–1962.

**PAYING TRIBUTE TO MR. ELDON
H. STRODE**

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and memory of Eldon H. Strode and thank him for his contributions to the community of Glenwood Springs, Colorado. Eldon passed away this October at his residence in Wickenburg, Arizona.

Mr. Strode came to Colorado in 1945. He began work in the ranch industry, working the land for more than two decades. After his work in ranching, he ventured in the coal industry for thirteen years until his retirement in 1981.

Eldon was an avid sports enthusiast in the Glenwood Springs community where he was a member of the basketball and softball league. Eldon also volunteered his services as a member of the youth baseball program and as a member of the chain crew for many football games at Glenwood Springs High School. In 1980, he was honored for his contributions to the team. Mr. Strode continued his involvement in the ranch industry by volunteering his knowledge to several cattlemen associations such as the Colorado Cattlemen and the Holy Cross Cattlemen's Association.

Mr. Speaker, it is with profound sadness that we remember Eldon H. Strode. The many people he impacted will remember his contributions and dedication. My thoughts and prayers are with his family and friends during this difficult time.

**INTRODUCTION OF H.R. —, THE
MERCHANT MARINE COST PAR-
ITY ACT OF 2001**

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 2001

Mr. OBERSTAR. Mr. Speaker, we are a nation of immigrants, most of whom arrived on the shores of the United States by ship. We are a country in which 95 percent of our imports from noncontiguous countries are brought to us by ship. Yet, less than one percent of our imports and exports are transported on U.S.-flag ships.

The Baltimore Sun recently published two articles that accurately described the decline of the U.S.-flag fleet. As the article states, vessels don't fly the U.S.-flag anymore "because American cargo ships are also the most expensive in the world." The first article was titled "Merchant marine's demise endangers war readiness". Not only will we not have sufficient ships to move our war materials, but we won't have enough trained sailors to operate the laid-up fleet of Government-owned ships that the Department of Defense is depending on to transport our tanks and heavy equipment when they are mobilized.

In 1991, the United States needed more than 200 cargo ships to support Operation Desert Storm. To get those vessels operating, we called up retired seamen who had sailed during World War II. Today, we have fewer ships and fewer trained personnel.

President Franklin Roosevelt recognized the need for a privately owned and operated merchant marine. Without the U.S.-flag merchant marine, Great Britain would not have had the supplies to survive the onslaught of Germany. Today, the world would be a very different place had it not been for the men who served our nation during World War II in the U.S. merchant marine. President Roosevelt proposed, and Congress passed, the Merchant Marine Act of 1936. This program established the Operating Differential Subsidy program to help pay U.S. shipowners for the higher cost of operating their vessels under the U.S.-flag.

By 1951 there were 1,238 privately owned U.S.-flag vessels sailing on the oceans of the world. Unfortunately, it has been all down hill from there. Today, there are 94 U.S.-flag vessels in the U.S. foreign trade and seven U.S.-flag vessels "in trade between foreign countries.

The question is: Why has this happened? The answer: The higher cost of operating a vessel under the U.S.-flag due to various Federal requirements.

Today, shipowners can buy quality ships from many countries in the world. Container-ships, tankers, and cruise ships all must be built to high standards established by the International Maritime Organizations. However, which country the owner chooses to register the ship can significantly affect the cost of the operating the ship. Shipowners change their vessel's registration every day to avail themselves of lower costs offered by different flags. If you choose to register your ship in Panama, you don't have to pay any income taxes on your shipping income. You can hire low cost crews from countries like the Philippines and Malaysia. And, if you register in these countries you don't have to worry about the cost of being sued when a seaman is injured or killed.

All of the European countries have seen similar declines in their flag fleets, because shipowners choose to transfer their country of registry to lower cost countries. However, in the past several years, countries such as Norway, Germany, and Great Britain have changed their laws to make their fleets more competitive in the international market. In the past 18 months, the size of the British fleet has increased by 40 percent due to the changes in their tax and maritime policies.

It is time for the United States, once the greatest maritime power in the world, to make similar changes. Instead of proposing a subsidy program like the one proposed by President Roosevelt, it is time to look at the underlying laws that increase the cost of operating under the U.S.-flag.

Today, I have introduced H.R. —, the "Merchant Marine Cost Parity Act of 2001". This legislation, which Transportation and Infrastructure Committee Chairman DON YOUNG has cosponsored, addresses four areas that significantly increase the cost of operating a vessel under the U.S.-flag: tax costs, wage costs, insurance costs, and vessel inspection costs.

This act will help to decrease the tax liability for operating a vessel under the U.S. flag. Currently, a shipowner must pay a traditional "income tax" on his profits if the vessel is registered in the United States. H.R. — is modeled after the British Tonnage Tax system that replaced its tax based on income with a flat tax based on the tonnage of the ship.

For example, under H.R. —, if the container ship *Regina Maersk* (43,399 net tons) were

registered under the U.S.-flag it would pay a flat tax of \$17,476 a year to the U.S. Government. This is computed by the shipowner being allocated a daily income for the ship based on the tonnage of the ship at a rate of \$.40 for each ton up to 25,000 net tons and \$.20 for each ton over 25,000 net tons. Therefore, the owner of the *Regina Maersk* would have a daily income of \$136.80. When multiplied by 365 days, this totals an annual income of \$49,932. This amount is taxed at the 35 percent U.S. corporate income tax rate to establish a total tax liability of \$17,476 a year for the shipping income of the *Regina Maersk*. This is comparable to the tax liability that would be due if this ship were registered under the British flag. What is ironic is that this provision should not cost the Federal treasury much money because with fewer than 100 ships currently operating under the U.S.-flag in the foreign trade, there will be a minimal amount of tax revenue lost. In addition, most foreign-flag vessels don't have to pay the treasury any income taxes on their shipping income today. Therefore, if they transfer to the U.S. flag and pay \$17,000 in tonnage taxes, it's certainly more than the amount they're paying in income taxes now under a foreign flag.

Federal law requires seamen employed on U.S.-flag vessels to be U.S. citizens. We in the United States have the benefit of a much higher standard of living than many of the countries that supply seafarers for foreign-flag vessels. However, U.S. tax laws do not treat U.S. seamen the same as we treat other U.S. citizens working overseas. If a U.S. citizen is working overseas for any other industry, such as a bank or oil company, he or she do not have to pay any U.S. income tax on their first \$80,000 in income. While seamen are working overseas, they do not get any similar tax break. H.R. — helps to decrease the cost of operating on a U.S.-flag vessel by granting seamen working on U.S.-flag vessels in the foreign trade the same exclusion from taxation on their first \$80,000 in income as we grant every other U.S. citizen working overseas.

H.R. — also seeks to address the higher vessel design costs imposed by complying with U.S. Coast Guard standards. My bill exempts the vessel from Coast Guard standards as long as the vessel meets the safety standards established by the International Maritime Organization. This provision will allow U.S.-flag vessels "in the foreign trade to meet the same standards as their foreign-flag competitors.

The cost of buying insurance for U.S.-flag vessels engaged in the foreign trade is also higher than the costs for foreign-flag vessels. H.R. — allows the shipowner and the employee representative to agree upon an "insurance policy that will adequately compensate seamen when they are injured or killed on-board these vessels. To ensure that the shipowner does not force the policy limits too low, the Secretary of Transportation will establish a minimum amount of coverage that must be provided, such as the amounts provided in the Longshore Act.

Mr. Speaker, capital investments go to where you can make money. For more than 100 years, the United States Government has placed financial burdens on the U.S.-flag vessel shipowner that has driven these vessels from our shores. I cannot accept the United States Government continuing to allow the de-

cline of our fleet until there are no privately owned U.S.-flag vessels engaged in our foreign trade.

The United States must develop a long-term and integrated strategy that will adequately address all of the cost issues that drive capital investment away from the U.S.-flag shipping industry. I believe that H.R. — can provide the foundation for that strategy. I look forward to working with the Administration, shipowners, and labor to ensure we can truly put U.S. merchant marine on a cost parity with their quality foreign-flag competition.

When Great Britain announced its intention to develop the tonnage tax system, P&O Nedlloyd Lines announced that they would bring at least 50 ships to the UK register. Today, I would like to challenge the maritime industry to make a similar commitment to the U.S. flag.

With the help of the Administration, maritime industry, and labor, we can ensure that Old Glory is raised on the stems of hundreds more U.S.-flag vessels.

PERSONAL EXPLANATION

HON. BETTY MCCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 2001

Ms. MCCOLLUM. Mr. Speaker, I unavoidably missed votes on November 6, 2001 because I was in my congressional district on official business. I would like the record to reflect that had I been present, I would have voted yea on roll call votes 426, 427, and 428.

LEADERS TAKING ACTION FOR INCLUSION

HON. JAMES P. MCGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 2001

Mr. MCGOVERN. Mr. Speaker, I rise today to join Worcester County and The National Conference for Community and Justice in honoring four individuals for their promotion of understanding and respect among all races, religions and cultures. John S. Hamilton, Dr. Ogretta V. McNeil, Most Rev. Daniel P. Reilly, and Albert M. Toney III, dedicated themselves to fighting bias, bigotry and racism in America and making the nation a better place for all of us.

Mr. Hamilton put into action his belief that small, culturally diverse businesses make the difference in the economic viability of their communities. He has been a strong advocate for under-served populations, especially minority and women owned small businesses. Active with Centro Las Americas and the Business Inclusion Council, and the Martin Luther King Business Empowerment Center, he was named Massachusetts Financial Services Advocate of the Year (1999) by the US Small Business Administration. Mr. Hamilton was the driving force behind obtaining funding for the establishment of the Martin Luther King Business Empowerment Center. He was instrumental in Bay State Savings Bank sponsorship of the successful grant application for the renovation of the Odd Fellows Hall on Main