

solution will erase indefensible distinctions that tear neighborhoods apart and help some D.C. businesses, neighborhoods and residents over others that are similarly situated.

We are simply asking the Congress to do for the business tax breaks what it has already done for the Homebuyer credit: make it available in all parts of the city. The \$5,000 Homebuyer Tax Credit has always been citywide, and the success of its citywide approach shows that effective tax breaks can and should be used to encourage the economy throughout the city.

## 2. EXTENDING THE LIFE OF THE D.C. ENTERPRISE ZONE BENEFITS

Currently, the District of Columbia Enterprise Zone Benefits (including the \$3,000 wage credit, zero percent capital gains taxation, tax exempt bonds) expire at the end of 2003. Last Congress, other jurisdictions which enjoy similar tax incentives, had their benefits extended until 2009. The Tax Incentives Improvement Act would extend the life of the D.C. Enterprise Zone Benefits to 2009 to match those of other states.

Since 1997, the economic impact of these valuable tax incentives have been felt across the city, and the evidence of their clear success has enabled me to renew these benefits several times. The evidence is now so convincing that I am seeking not only to renew but to enhance and improve the benefits. In return for hiring D.C. residents, local businesses have claimed hundreds of thousands of dollars in \$3,000 employment tax credits which has resulted in the hiring of D.C. residents as required to receive any tax breaks. Representative D.C. businesses that have claimed wage credits include hotels and restaurants, retailers (such as Safeway Foods, CVS Drugs, and Subway Restaurants), offices, janitorial and maintenance services, parking facilities, and telephone, electric, and gas utilities. Although the Internal Revenue Service does not have a mechanism that captures the amount of wage credits claimed, there are thousands of representative examples throughout the city: an accounting firm with 15 District clients that documented claims of \$1.9 million over three years; a D.C. manufacturer that claimed tax credits of \$400,000 over the same period; a partnership that owns a D.C. hotel that claimed credits of more than \$500,000 each year since 1998; and one of the District's largest hotel operators, for tax year 2001, will claim employment tax credits of more than \$1.7 million.

In addition, more than \$150 million in tax exempt bonds have been issued on behalf of new and expanding for-profit businesses, including such neighborhood retail businesses as K-Mart and CVS Drugs; tourist destinations such as the new International Spy Museum; commercial parking facilities, and social service providers such as the United Planning Organization. Specific amounts include: \$11.3 million in tax exempt bonds for the Arnold and Porter law firm; \$13 million for a subsidiary of Pepco; \$9 million for the Crowell and Moring law firm; and \$4.5 million for the American Immigration Lawyers Association. The current pipeline consists of projects valued at over \$150 million.

## 3. IMPROVEMENTS TO CAPITAL GAINS PROVISION

The District seeks the high technology and computer companies that have made the rest of the region rich and that can help diversify the city's economy. Under current federal en-

terprise zone law, elimination of taxes on capital gains (such as increases in the value of investments in stock or property), does not apply to earnings to D.C. companies and entrepreneurs whose assets consist substantially of so-called "intangible" assets (those assets which do not have a physical substance). The most common types of businesses that deal principally in intangibles are information-based technology companies, including those that develop software or maintain Internet sites. Recently, the Internal Revenue Service ruled that businesses in the District holding intangibles could not receive the zero percent capital gains taxation allowed in many neighborhoods in the D.C. enterprise zone. My bill allows technology and other companies to receive the special capital gains treatment subject to appropriate safeguards to ensure that D.C. is not used by such companies as a tax haven.

My bill also makes other important improvements to the capital gains provisions in the D.C. enterprise zone law, including reducing the holding period for assets from five years to two years to help spur investment and growth and reducing the amount of business that must be derived from the zone to receive the special capital gains treatment. Currently, District businesses must derive 80% of their business from the enterprise zone while other jurisdictions only have to derive 50%. My bill corrects this inequity.

## 4. MAKING THE DISTRICT OF COLUMBIA A PERMANENT \$5,000 HOMEBUYER CREDIT JURISDICTION

This provision 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 turnaround effect on a major 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 1998, its first full year, despite the city's financial 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 covering a portion of 1997 and all of 1998, 70% of D.C. homebuyers have used the credit, and 51% purchased homes because of the credit. In 1999 alone, single family home sales have risen in the District by over 10,000 homes. Fannie Mae has converted the \$5,000 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 minimally necessary if the city is to have any chance of increasing its still small and depleted tax base, an urgent necessity for self-sufficiency. The credit has proved itself so definitively that to get the full effect, it should be enacted permanently.

## 5. EXEMPT ENTERPRISE ZONE BONDS FROM PRIVATE ACTIVITY BOND LIMIT

Under legislation recently enacted by the Congress, Enterprise Zone bonds issued to finance commercial development projects in Empowerment Zones and Renewal Commu-

nity Bond Limit or PAB. The PAB is the state's annual authorized limit for total tax-exempt bonds projects. Currently, that limit is \$150 million per year in the District. The failure to apply this exclusion to the District places the city at a competitive disadvantage with the states, particularly with respect to housing and retail projects. My bill levels the playing field and exempts the District from the \$150 million limit, as well as from the \$15 million per project limit, to give the District the tools to attract economic development projects to the city.

## 6. TRIPLE TAX EXEMPTION FOR DISTRICT SECURITIES

Generally, local jurisdictions that issue securities, such as bonds and notes, are subjected to three different levels of taxation—federal, state, and local. Unlike these jurisdictions, the District is the only local government in the continental United States that does not have a state to assist it in supporting basic government functions and services. Although Puerto Rico, the Virgin Islands, and American Samoa do not have state support either, they have been granted an exemption of federal, state, and local taxes (or triple tax exemption) on their securities (bonds and notes issued by the Council) to help make up for this deficiency. My bill ends the District's inequitable treatment and exempts District securities, like those in the territories without state aid, from federal, state, and local taxation.

## PENSION SECURITY ACT OF 2002

SPEECH OF

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 11, 2002

Mr. UDALL of New Mexico. Mr. Speaker, I rise today in opposition to H.R. 3762, the so-called Pension Security Act of 2002. As we all learned as a result of the monumental collapse of Enron, our pension system needs to be fixed to ensure that Americans' retirement savings are protected.

This bill brought before us today, however, does not ensure this protection. What it does ensure is political cover for the majority so they appear to be protecting people's retirement savings while not creating friction with their corporate allies.

H.R. 3762 doesn't really solve the problems we witnessed last year from the Enron debacle. The majority's bill still restricts employees from selling existing company stock in their pension accounts during the five-year phase-in, and requires them to hang on to employer stock for three years after it is contributed. While employees are restricted during this time, however, company executives would still be free to trade their own stock as they wished.

The substitute bill, which I support, has no such five-year phase-in and allows employees to sell employer stock immediately, once they have been in the plan for three years. The substitute also ensures that employees will know, within three days, when executives are dumping large amounts of their company stock. Ken Lay used loopholes in securities laws to delay disclosure of sales of millions of dollars of company stock. Had employees known about these sales, they may have decided not to continue to purchase Enron stock.

The substitute ensures that such information could not be kept from employees. Also, the substitute holds executives accountable for selling company stock in their special pension accounts by including stiff new criminal penalties for violations.

H.R. 3762 also allows companies to offer workers investment advice, even if there is a clear conflict of interest. For example, an investment management company could serve as both the investment advisor and the plan manager chosen by the company.

I urge my colleagues to oppose H.R. 3672, support the substitute, and help protect the savings of hard-working Americans. The Pension Security Act of 2002 is nothing more than lip service to protecting pensions. 15,000 Enron employees lost more than \$1.3 billion. Clearly this calls for Congress to provide real security and real pension protection and reform of the system that allowed Enron officials to pull the sheets over the eyes of their employees. That is what the Rangel/Miller substitute does and that is the bill I will support. Thank you.

#### PERSONAL EXPLANATION

#### HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 17, 2002*

Mr. CLEMENT. Mr. Speaker, on roll call no. 94, H.R. 4156, had I been present, I would have voted "yea."

#### TRIBUTE TO SERGEANT 1ST CLASS DANIEL AARON ROMERO

#### HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 17, 2002*

Mr. SCHAFFER. Mr. Speaker, it is with a heavy heart and a tremendous amount of respect and admiration that I rise today to honor the tragic, yet heroic death of Colorado Army National Guard Sergeant 1st Class, Daniel Aaron Romero. On April 15, 2002, near Qandahar, Afghanistan, Sergeant Romero gave his life for his country, while fighting the battle against the evils of terrorism during Operation Noble Eagle. Upon reflection of his life and service to this nation, we have come to know Sergeant Daniel Romero as a man who loved his family, loved his home State of Colorado, and loved his country.

Born in Longmont, CO, Daniel was the only son of proud parents, Michael and GERALYN Romero. While earning his living as a Colorado rancher, Daniel decided to concurrently serve with the Colorado Army National Guard in 1991.

Sergeant Romero rose through the ranks of the Colorado Army National Guard, receiving the Army Service Ribbon, Non-Commissioned Officers Ribbon, National Defense Service Medal, and the Colorado Service Ribbon with device. Eventually, Sergeant Romero became a member of the select B/5-19th Special Forces Group, headquartered in Pueblo, CO. This elite group of soldiers is known for parachuting at high altitudes, rappelling from helicopters face first, and furtively permeating

enemy lines. In December 2001, he was placed on active duty to serve in Operation Noble Eagle.

Sergeant Daniel Romero is survived by his wife Stephanie, mother GERALYN, father MICHAEL, and sisters Gabrielle and Stephanie. I am sure I speak for this entire Nation when I say our thoughts and prayers go out to the Romero family. May God send His grace upon them during the time of this tragic loss, and may Daniel's bravery and selflessness become the proud example for all those actively serving in America's War Against Terrorism.

#### HONORING ONCOLOGY NURSES AND THE ONCOLOGY NURSING SOCIETY

#### HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 17, 2002*

Mr. BENTSEN. Mr. Speaker, I rise today to bring to the attention of my colleagues the important and essential role that oncology nurses play in the provision of quality cancer care. These nurses are principally involved in the administration and monitoring of chemotherapy and the associated side-effects patients may experience. As anyone ever treated for cancer will tell you, oncology nurses are intelligent, well-trained, highly skilled, kind-hearted angels who provide quality clinical, psychosocial, and supportive care to patients and their families. In short, they are integral to our Nation's cancer care delivery system.

The setting for cancer treatment has changed over the last 10 years. Today, more than four out of five cancer encounters occur in community settings, where the majority of cancer care is provided by oncology nurses. However, Medicare does not adequately reimburse the administration of chemotherapy by oncology nurses, which are referred to as practice expenses. Last September, the General Accounting Office released a study indicating that Medicare's drug reimbursement system, based upon the Average Wholesale Price (AWP), is severely flawed and drug payments are inflated. While I strongly support the efforts to reform the AWP system and ensure that Medicare does not overpay for any supplies, I also believe that Medicare should not underpay for any benefits or services.

Today, more than two-thirds of cancer cases strike people over the age of 65 and the number of cancer cases diagnosed among senior citizens is projected to double by 2030. At the same time, many of the community-based cancer centers are facing significant barriers in hiring the specialized oncology nurses they need to treat cancer patients. It is estimated that there will be 115,000 nursing positions open in the year 2015.

The Oncology Nursing Society (ONS) is the largest organization of oncology health professionals in the world with more than 30,000 registered nurses and other health care professionals. Since 1975, the Oncology Nursing Society has been dedicated to excellence in patient care, teaching, research, administration and education in the field of oncology. Of the 13 ONS chapters in the State of Texas, one is located in the Houston area. These chapters serve the oncology nurses in the state and help them to continue to provide high

quality cancer care to those patients and their families in the State.

In particular, I would like to acknowledge nine special oncology nurses from my district who will be in Washington this week to participate in the ONS Annual Congress and the ONS inaugural Hill Day—Glenda Alexander, Laura Espinosa, Visitacion Junpratepchai, Sherry Preston, and Ellen Siegel from Houston, Vickie Dockery from Alief, Cynthia Segal and Paula Rieger from Bellaire, and Susan Stary from Pasadena. I am looking forward to meeting with these outstanding women who have dedicated their lives to improving the health and well being of people affected by cancer. On behalf of all the people with cancer and their families in Texas' 25th Congressional District, I thank these nurses as well as all of their colleagues in the Oncology Nursing Society for their outstanding contributions to the provision of quality cancer care to those in need.

I would like to also acknowledge Paula Rieger for her leadership within the Oncology Nursing Society. For the past 2 years, Paula has served as the ONS President of the Board of Directors and has been an outstanding leader and spokesperson for the organization. I have had the pleasure of working with ONS and Ms. Rieger over the past few years to advance programs and policies that work to reduce suffering from cancer. Her leadership and vision for ONS have resulted in the organization being more aggressive and effective in its health policy efforts. In addition, through her commitment to outreach and collaboration, ONS has expanded and strengthened its partnerships with other health professional, patient, and advocacy organizations. This week Ms. Rieger is stepping down from the ONS Board of Directors. I thank her for her commitment to ONS, for advancing oncology nursing, and for caring for the people of the greater Houston area.

Mr. Speaker, I would like to commend the Oncology Nursing Society for all of its efforts and leadership over the last 27 years and thank the Society and its members for their ongoing commitment to improving and assuring access to quality cancer care for all cancer patients and their families. I urge all of my colleagues to support them in their important endeavors.

#### TRIBUTE TO COLONEL MICHAEL J. COLEMAN

#### HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 17, 2002*

Mr. CRAMER. Mr. Speaker, I rise today to recognize the contributions of Colonel Micheal J. Coleman to the U.S. Army. I join his family, friends, and colleagues as they celebrate his accomplishments and congratulate him on his retirement from 27 years of service in the U.S. Army.

Colonel Coleman is a native of Montgomery, AL, and earned a bachelor of science degree in Business Administration in December 1975 from Alabama A&M University. Immediately after graduation, he was commissioned as a Second Lieutenant in the Adjutant General Corps and entered active duty on January 6, 1976, thus beginning his long and successful