

equipment, and in some cases new broadcast towers. Collectively, the broadcast industry has invested over a billion dollars into this new technology.

America's broadcasters have demonstrated their commitment to making the DTV transition, but they cannot do it alone. A collaborative effort by the FCC, cable operators, consumer equipment manufacturers and Congress is needed if we are to meet the timetable that has been established. Several issues must still be addressed to build on the progress that broadcasters are making in rolling out digital television to their viewers. In particular, we must work to overcome the economic and technical roadblocks that are currently preventing small broadcasters from successfully launching DTV.

Mr. Speaker, with the continued efforts of our Nation's broadcasters I am sure that we will overcome these obstacles and make a successful transition to DTV. I remain confident that the future of television is digital and I believe that future is bright.

#### EXPATRIATE LEGISLATION

#### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 6, 2002*

Mr. RANGEL. Mr. Speaker, today I am introducing legislation to prevent tax avoidance through the device of renouncing one's allegiance to this country.

Citizenship in this country confers extraordinary benefits. Our citizens are able to enjoy the full range of political and economic freedoms that our government ensures. With the benefits of citizenship comes the responsibility to contribute to the common good. Avoiding that responsibility through renouncing citizenship should not be tolerated.

This country is fortunate in that it can depend on the voluntary compliance of its citizens to collect its taxes. In that respect, we are unique in the world. The willingness of our citizens to continue voluntarily to comply with our tax laws is threatened when very wealthy individuals can avoid their responsibility as citizens by turning their backs on this country and walking away with enormous wealth.

I reject any suggestion that my bill is a form of class warfare or motivated by class envy. It is true that my bill will affect only very wealthy individuals. Only very wealthy individuals have the resources necessary to live securely outside the borders of this country as expatriates. Closing a loophole that only the extraordinarily wealthy can utilize is not class warfare. It is a matter of fundamental fairness to the rest of our citizens.

Opponents of effective reform in this area have gone so far as to suggest that those reforms would be inconsistent with our Nation's historic commitment to human rights. I strongly disagree. The individuals affected by the bill are not renouncing their American citizenship because of any fundamental disagreement with our political or economic system. These individuals simply refuse to contribute to the common good in a country where the political and economic system has benefitted them enormously. Some opponents have gone so far as to compare the plight of these wealthy expatriates to the plight of the persecuted

Jews attempting to flee Russia. That argument is worthy of contempt. Our bill imposes no barrier to departure. Indeed, most expatriates have physically departed from this country before they renounce their citizenship.

For reasons that continue to puzzle me, there was a bitter partisan dispute in 1995 over this issue. The partisan nature of that debate obscured the fact that there was a genuine bipartisan consensus that tax avoidance by renouncing one's American citizenship should not be tolerated.

The dispute during 1995 involved an argument over the appropriate mechanism to be used to address tax-motivated expatriation. The Clinton Administration, the Senate on a bipartisan basis, and the House Democrats all supported legislation that would have imposed an immediate tax on the unrealized appreciation in the value of the expatriate's assets. The House Republicans supported a provision that imposed a tax on the U.S. source income of the expatriate for the 10-year period following expatriation. Armed with revenue estimates from the Joint Committee on Taxation that showed their version as raising more money, the House Republicans prevailed and, in 1996, enacted their version of the expatriation legislation.

There was an article in *Forbes Magazine* several years ago that summarized the effect of the 1996 legislation as follows: "It ain't workin'." Although the law appears to be draconian on its fact, there are plenty of loopholes. In the first quarter of 1999 alone, a grandson of J. Paul Getty; a son of the shipping magnate Jacob Stoll-Nielsen; and Joseph J. Bogdanovich, the son of the Star-Kist mogul, took advantage of those loopholes. The article suggests that many other expatriates deliberately have lost citizenship without formally renouncing it, believing that was a simple way to avoid the 1996 Act.

The 1996 legislation made several modifications to ineffective prior law expatriation provisions. It eliminated the requirement to show a tax-avoidance motive in most cases and eliminated one simple method of avoiding the rules, involving transfers of U.S. assets to foreign corporations. There were many other ways of avoiding those rules such as delaying gains, monetizing assets without recognition of gains, and investing indirectly through derivatives. Those techniques were left untouched.

The 1996 legislation made no serious attempt to prevent the avoidance of the estate and gift taxes, even though expatriation has been described as the ultimate technique in avoiding estate and gift taxes. Bill Gates, one of the wealthiest individuals in the world, has approximately \$90 billion in assets. If he were to die or transfer those assets to his children by gift, the potential liability would be substantial. If Bill Gates were to expatriate, he could immediately make unlimited gifts in cash to his children without any gift tax liability. If he expatriated ten years before he died, his entire \$90 billion stake in Microsoft could be transferred to his heirs with no income tax or estate tax ever being imposed on that accumulation of wealth.

Following is a brief summary of my bill.

#### SUMMARY OF BILL

The bill would impose a tax on the unrealized appreciation in the value of an expatriate's assets. The amount of that tax would be determined as if the expatriate has sold his assets for their fair market value on the

date that he expatriates. To the extent that those assets are capital assets, the preferential capital gains tax rate would apply.

The bill exempts the first \$600,000 (\$1.2 million for a married couple) of appreciation from the tax. It also exempts U.S. real property interests and interests in retirement plans.

The expatriate would be provided an election to defer the tax with interest until the property is sold.

The bill would eliminate the ability to avoid estate and gift taxes through expatriation by imposing a tax on the receipt by U.S. citizens of gifts or bequests from expatriates. The new tax would not apply in circumstances where the gift or bequest was otherwise subject to U.S. estate or gift taxes. In addition, the new tax would be reduced by any foreign estate or gift tax paid on the gift or bequest.

The bill would eliminate the ability to expatriate on an informal basis. It would require a formal renunciation of citizenship before an individual could avoid tax as a U.S. citizen.

Generally, the bill would apply to individuals formally renouncing their citizenship after the date of action by the Committee on Ways and Means. The provisions designed to prevent avoidance of estate and gift taxes would apply to gifts and bequests received after such date.

#### CONGRATULATIONS TO KANSAS CITY'S DIGITAL BROADCASTERS

#### HON. KAREN MCCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 6, 2002*

Ms. MCCARTHY of Missouri. Mr. Speaker, the broadcasting business is unique in that it provides its service for free. Most communication mediums, like high-speed Internet, satellite TV, and cable require a subscription. But anyone willing to purchase a TV set and rabbit ears can enjoy local TV.

Three stations in my district have already invested to see that this tradition continues into the digital era. I would like to thank Hearst-Argyle stations KMBC, ABC, and KCWE, UPN, for their recent conversion to digital broadcasting on April 30, 2002, and again praise KCPT, Kansas City's public television station which has been broadcasting a digital signal since November 9, 1998. Actions speak louder than words, and these stations, through their actions, have demonstrated a commitment to the future of free, over the air television. KMBC, KCWE, and KCPT should be commended for making digital television broadcasts available to homes in Missouri's Fifth District.

I look forward to the ongoing transition to digital television, and I commend my local stations for leading the way. Let me offer my thanks and congratulations to them for flipping the digital switch.

#### HONORING THE WOMEN VETERANS OF AMERICA

#### HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 6, 2002*

Mr. GEKAS. Mr. Speaker, I would like to take this opportunity to express my deepest

gratitude to the millions of women who have donned the uniform of our armed forces and served proudly in the every military conflict in which this Nation has engaged. On Saturday, May 18, I spent some time with a group of ladies of whom we should all be extremely proud. I was honored to take part in the Harrisburg Armed Services Day celebration of Women Veterans organized by City Councilwoman Patricia L. Stringer and local veteran Barbara Lewis. I could not commend the women veterans attending that gathering enough then and cannot do so now. Nevertheless, it is only fitting that we should attempt to honor those who have sacrificed so much for our benefit.

The roughly 2 million women who have served with the military have served in every conflict since the American Revolution. Over 55,000 of these veterans have come from my home, the great Commonwealth of Pennsylvania. All have left a legacy of service, duty and patriotism. We would do well to remember their devotion to country, and to imitate their heroic sense of responsibility, especially as we find ourselves confronted with new enemies and a new war.

On Saturday, May 18, I spoke with veterans such as Sandra Mosten and Betty Curtis, a former WAC corporal, who served in the Army at a time coincident with my service in the early 1950s. Sandra and Betty served our country proudly, and perhaps without realizing it, have blazed a path for women who have come after them. Indeed, 90,000 women serve in the U.S. Armed Forces today, and all have been strengthened in their commitment to the military by the examples of the strong women who have gone before them—veterans like Sandra Mosten and Betty Curtis.

Mr. Speaker, the history of women in uniform moves me each time I recount their great accomplishments. The Army Nurses Corps, founded in 1901, served as the vanguard unit for official participation of uniformed women within the military. The Navy and Marine Corps soon followed suit and enlisted women into a variety of roles during World War I. By World War II, 400,000 women served in non-combatant military positions. Many of us will remember the Women's Army Corps organized by Oveta Culp Hobby, the first lady of Texas and, later, the first Secretary of Housing and Education. The WACs, as they were fondly dubbed, were joined by the Navy's WAVES, the Coast Guard's SPARS and Air Corp's WASPs. Their jobs may have been labeled noncombatant, the risk was often just as great as those faced by men in the front lines. For example, 87 military nurses fell into enemy hands as POWs during the war.

I personally remember the WACs and WASPs of Central Pennsylvania who instilled in the youth of the community a renewed sense of duty—a sensibility I carried with me, into my adulthood and which propelled me forward during my time in the Army during the Korean War. In fact, the years just prior to my enlistment were critical to the future of women in the military. In 1948, President Truman signed into law the Women's Armed Services Integration Act of 1948. The Act granted women permanent status in the Regular and Reserve forces of the Army, Navy, Marine Corps, and newly created Air Force. Over 500 women then served in the combat zones of Korea. When America entered that long conflict in Vietnam, women again were an integral

part of military operations. Nearly 7,500 women served their country honorably during that conflict. Following their example, President Ford signed into law an Act admitting women into the service academies of the various military services. The WAC formally dissolved a few years later, marking in many ways the full integration of women into the military, free of segregated units. We only need to view the heroic exploits of women in Desert Storm and Afghanistan to see how far women have come in the military. I need look no further than the confines of my Congressional District.

I am reminded of the new traditions of women's military service that are being created each and every day when I look at the Headquarters of our Pennsylvania National Guard, located at Fort Indiantown Gap near Annville, Pennsylvania. There, the first woman to attain the rank of General in the Pennsylvania Guard commands the Army Guard with devotion and professionalism. I had the great honor of noting Deputy Adjutant General Jessica Wright's promotion to Brigadier General in this body last Congress. Let me also note the tremendous accomplishment of a young soldier I met just a few months ago, Krista Griffith of Hershey, Pennsylvania. Krista has recently become the first woman to attain the rank of Sergeant Major in the Pennsylvania Guard. Old enlisted veterans like myself will note that Sergeant Major is one of the non commissioned officers (NCO) in the Army. Sergeant Major Griffith, an intelligence specialist, will soon serve 6 months in Bosnia as part of the SFOR operations the 28th Infantry Division of the Pennsylvania Guard will soon undertake.

Mr. Speaker, I am honored to know General Wright, Sergeant Major Griffith, Sandra Mosten, Betty Curtis, Barbara Lewis and so many other women veterans from Central Pennsylvania. We as a country should be honored to remember the 2 million women veterans who have served this country and the thousands who serve in uniform today during this time of war. We will never forget their sacrifices or their commitment to service. I thank them all on behalf of the people of my district. I know my colleagues will join me in thanking them on behalf of a grateful Nation.

#### PERSONAL EXPLANATION

#### HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 2002

Mr. KOLBE. Mr. Speaker, earlier today, I was unavoidably detained and missed a vote on a motion to adjourn. Had I voted, I would have voted "no" on this vote—No. 213.

#### IN RECOGNITION OF MR. FREDERICK J. STOKLEY

#### HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 2002

Mrs. ROUKEMA. Mr. Speaker, I rise today in recognition of an outstanding individual who has demonstrated a true commitment to education, Mr. Frederick J. Stokley, C.E.O. and

Superintendent of Schools in Ridgewood, NJ. Tomorrow, on June 7, 2002, the Ridgewood community will celebrate Mr. Stokley's 15 years of service to the Village of Ridgewood. Amid fireworks, plays, and tributes to Mr. Stokley, the community will thank him for his dedication. The results of his work are felt not only in the public schools of Ridgewood, but throughout our community. He is a wonderful example of the type of person who makes Bergen County such a wonderful place.

The Ridgewood school district is considered to be one of the premiere suburban school districts in the New York metropolitan area, and indeed the entire State of New Jersey. Much of this is because of the guidance of Mr. Stokley as Superintendent. The experience that he brought to the job has continued the strong tradition of excellence in Ridgewood's education system. When Mr. Stokley joined Ridgewood in 1987, he had already served as Superintendent of Schools in Massachusetts and Louisiana. Additionally, Mr. Stokley has taught at outstanding institutions such as Harvard University, Cambridge College, and Boston College. Ridgewood was lucky to have a man of such intelligence, experience, and devotion join its fine school system.

As a former member of the Ridgewood Board of Education and former educator, I can tell you first hand the importance of leadership and serious commitment to the public school system. And I believe, as the residents of Ridgewood will agree, Mr. Stokley has provided those very qualities for our community. I applaud his dedication and his service in the past 15 years in our community. And I wish him all the best for the years ahead.

Mr. Speaker, I ask my colleagues to join me in congratulating Mr. Stokley on his 15 very successful years with the Ridgewood Public Schools and thank him for his fine example for all of us committed to providing a quality education for our children.

#### IN REMEMBRANCE OF HOWARD EISENBERG

#### HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 2002

Mr. BARRETT of Wisconsin. Mr. Speaker, the City of Milwaukee lost one of its most brilliant and compassionate citizens on Tuesday when Howard Eisenberg died of complications of a heart attack.

Dean of the Marquette University School of Law since 1995, Mr. Eisenberg symbolized the humanity and dedication to public service toward which all lawyers and jurists should strive. Hailed by members of the legal community across the country, Mr. Eisenberg earned praise for his efforts to give everyone access to the justice system. In Milwaukee, he owned a well-deserved reputation for offering help to those in need, giving advice to those who asked, and taking on pro bono cases on behalf of those with limited financial means.

Even Mr. Eisenberg's hobbies and leisure time activities reflected his drive to help those in need. He was, after all, a lifelong fan of the Chicago Cubs.

Mr. Eisenberg was as groundbreaking as he was compassionate. He served as Wisconsin's chief public defender from 1972 to 1978,