

Mr. Speaker, I am an environmentalist. The ranchers in my district of northern California are environmentalists. Klamath Basin farmers are environmentalists. In fact, one could not find a group of people who have worked harder to preserve the environment for fish, for birds, and for wildlife refuges in their area. No one knows the land better. No one cares for it more than those who depend upon it for their survival.

Americans should be outraged. We do not have to sacrifice the well-being of our citizens to protect species in this country. It does not have to be an either-or proposition. You see, through fish screens, improvements to water quality, and other common-sense steps, we could have found a solution that would have enabled Klamath Basin fish and farmers to get well together without callously taking 100 percent of their water away from these communities.

The dirty truth is the radical environmentalists do not want balance, and species protection is not necessarily their goal. They want to bankrupt farmers and other rural Americans because they want the water and they want the land, and they are misusing the Endangered Species Act to that eminently destructive end.

Mr. Speaker, I stand here today to plead with my colleagues that they take a hard look at how the Endangered Species Act is being used as a political tool, and to recognize that it is no longer working as a species protective tool. Many of us have long observed this happening.

This week's National Academy of Sciences study lends incredible proof for the Nation to see. Our farmers must be made whole for the economic losses that they have sustained. The administration must act immediately to ensure full water deliveries. We must also demand updates in the law that will guarantee that future species decisions will be solidly grounded in fact, just by sound science, tested and supported by available evidence. Only then will we be able to truly protect the environment and ensure that American citizens are protected from the calculated misuse of the law.

#### UTAH WELCOMES THE WINTER OLYMPICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. MATHESON) is recognized for 5 minutes.

Mr. MATHESON. Mr. Speaker, tomorrow the 2002 Winter Olympic Games will officially begin. Tomorrow the world will be welcome to Utah. Visitors from across the globe will quickly discover that they have arrived at the most beautiful and diverse of the 50 States.

People will be thrilled by the snow-capped rugged mountains, the rustic lands and the greatest snow on Earth. Utah will welcome the world with its

beauty, its charm and its unique warmth and personality. It will not take long for visitors to witness the kindness, hospitality and common decency that are the hallmarks of the great people of the State of Utah.

There will be artistic demonstrations, performances and opportunities for all who participate to learn about the great heritage of the West. Utah will welcome the world with its values.

Preparing for the Olympic Games has not been a short-term task. Individuals in Utah have devoted years to anticipating and planning for this time. And the manner in which they have prepared is demonstrative of their spirit. In Utah, record numbers of individual citizens will serve as Olympic volunteers. Doctors and nurses will donate their time to be first responders in case of illness or injury. Active citizens will greet athletes at the airport, be on hand to provide directions, and ensure a smooth and successful Olympic Games.

For the first time in Olympic history, Salt Lake City has developed a plan to ensure that its neediest populations are served during the Olympics. For example, each evening volunteers will pick up surplus food from Olympic venues and deliver it to the Utah Food Bank from which it will be available to families and the elderly. Utah will welcome the world with its tradition of service.

Throughout all the planning there has been a focus on safety and security. With Federal support and volunteers from surrounding States, Utah's courageous law enforcement personnel will ensure the greatest level of safety possible during the Olympic Games. Utah will welcome the world with its preparation and security.

□ 1245

In every preparation, the Olympic efforts have not been accomplished by one individual. They have taken the sacrifice and dedication of all the citizens of Utah, but in the end, they will not be Utah's games. They will be America's games.

It will be the triumph of our Nation that in the face of great tribulation we did not shrink; we did not fear to go forward in the effort. We demonstrated great courage by pressing on and opening our hearts and our country to the world. America will welcome the world with its unity and resolve.

As the Winter Olympic Games for 2002 have taken on a particular significance as a symbol of global unity and peace, the moral value of the games has become apparent. In order to protect the value and integrity of such international competitions, and of amateur athletics in general, we must not allow the practices like the use of performance-enhancing substances to tarnish the spirit of such significant events. We should expect, in fact we should demand, that Olympic athletes, that all athletes, compete free of performance-enhancing substances.

For sports to meet this standard, there must be a fair testing process. In the year 2000, the Center on Addiction and Substance Abuse's National Commission on Sports and Substance Abuse published a report on the practice of doping in Olympic sports. The report says there has been no independent and accountable organization with the authority to create and administer a truly effective antidoping program, and recent data has shown that doping is occurring in increasing rates among our youth.

This report made several specific recommendations to address the practice of doping, and these included mustering the political will to demand a drug-free Olympics; ensuring that an independent authority exists and standards are set for testing practices; researching the long-term health consequences of performance-enhancing substances, with particular emphasis on youth; improving the cost effectiveness of testing; and conducting non-competition testing to develop baselines and generate valid and reliable tests.

Several of those steps have already been implemented.

In year 2000, the U.S. Olympic Committee established the U.S. Anti-Doping Agency as a result of criticism that drug testing and rules enforcement needed to be completely independent of the Olympic committee, and the antidoping agency was designated as the official antidoping agency for Olympic sport.

Another recommendation of the commission has already been implemented by the Salt Lake Olympic Committee, the concept of "Athlete Testing Passports." But more must be done.

For there to be fair, dope-free competition, there must be a fair, reliable and valid method to test for banned substances. Without a fair method of testing, athletes and the public cannot have confidence in the fairness of the competition itself. Much is at stake if the practices of doping are not curtailed.

There is the symbolic value of the Olympics, there is the examples we are setting for our youth, and finally there is the actual health of our youth. That is why I introduced legislation this week that would implement many of the other recommendations of the committee's report.

My bill, the Fair Play in Sport Act, would invest additional resources in developing more valid and reliable tests and conduct more extensive research into the long-term health aspects.

I certainly encourage people's support of this bill. We look forward to welcoming the world to Utah with the Olympic games.

#### ELIMINATING INCOME TAX ON UNEMPLOYMENT COMPENSATION BENEFITS

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order

of the House, the gentleman from Pennsylvania (Mr. GEKAS) is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, yesterday, I introduced a piece of legislation that would have the result of eliminating income taxes on unemployment compensation benefits. Since 1986 that had been a part of the tax structure of our country, that even those who have lost their jobs and have received and started to receive unemployment compensation benefits would have had to include those benefits in their gross income for tax purposes.

My bill would eliminate that from now on. Actually the bill would call for elimination of tax on unemployment benefits starting retroactively to January of 2001 so that the entire tax year of 2001 would be one in which there would be no income tax applicable to unemployment compensation benefits. This has the happy circumstance and coincidence of also covering all the people who lost their jobs after September 11, and we know what happened to the economy as a result of that terror jolt that happened across the world.

So here we have a prospect of eliminating a vexatious tax, and it has some admirable consequences. Number one, it fits in perfectly with President Bush's first announced support of extending unemployment compensation, which is going to occur, we are sure.

Secondly, it comports with his desire to cut taxes as an economic stimulus tool. So here we have perhaps just a modest number of dollars that will remain in the pockets of our unemployed; but that in itself, that modest amount, can act as additional wherewithal for an unemployed person to use for his family, so that the tax cut that is employed also acts as an economic stimulus. So we have the best of all worlds.

The bill standing by itself, I aim to make a subject of a "Dear Colleague" to entertain as many cosponsors as possible; but I have a larger scenario in mind. The other body has passed, we believe, an unemployment compensation extension of 13 weeks to the current system of unemployment comp. When that reaches the House, I aim to add or try to add my bill as an amendment to the extension of unemployment benefits and thus be able to complete the entire issue in one fell swoop.

This unemployment compensation benefit tax cut, as I want to call it, should meet with approval from every sector of our economy and from our employer base and from our IRS operatives as well. This will be one way that some of the paperwork in which they are engaged can be eliminated and proper credit be given to unemployment compensation benefits.

One other note, Mr. Speaker. If this should not pass and become law before April 15, it means that the tax returns filed for the year 2001 would not be able to include credit for the taxes paid by unemployed people on their benefits.

We have the pure understanding that if it passes after April 15 the individuals who can benefit from this could file an amended return; and thus we are sure that whatever reduction in their tax would be applicable for the year 2001 would be garnered by them whether it is passed before April 15 or after April 15.

I invite my colleagues on both sides of the House to join with me in this effort to rid the unemployed from a vexatious and unfair tax. It is simply unfair and wrong to continue the practice of taxing unemployment compensation benefits.

#### STIMULATING THE ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes as the designee of the majority leader.

Mr. PAUL. Mr. Speaker, dealing with the slumping economy will prove every bit as challenging to the Congress as fighting terrorism. No one challenges the need to protect American citizens from further terrorist attacks, but there is much debate throughout the country as to how it should be done and whether personal liberty here at home must be sacrificed.

Many are convinced that our efforts overseas might escalate the crisis and actually precipitate more violence. A growing number of Americans are becoming concerned that our efforts to preserve security will result in the unnecessary sacrifice of that which we have pledged to protect, our constitutionally protected liberty.

A similar conflict also exists once government attempts to legislate an end to a recession. In the 1970s, wage and price controls were used to suppress price inflation and to help the economy without realizing the futility of such a policy. Not only did it not work, the economy was greatly harmed. Legislation per se is not necessarily harmful; but if it reflects bad policy, it is.

The policy of wage and price controls makes things worse and represents a serious violation of people's rights. Today, we hear from strong advocates of higher taxation, increased spending, higher budget deficits, tougher regulations, bailouts and all kinds of subsidies and support programs as tools to restore economic growth. The Federal Reserve recognized early on the severity of the problems, and over the past year lowered short-term interest rates in an unprecedented 11 times, dropping the Fed funds rate from 6½ percent to 1¾.

This has not helped, and none of these other suggestions can solve the economic problems we face either. Some may temporarily help a part of the economy, but the solution to restoring growth lies not in more government but less. It is precisely too much government and especially manipulation of credit by the Federal Reserve

that precipitated the economic downturn in the first place.

Increasing that which caused the recession cannot possibly at the same time be the solution. The magnitude of the distortions of the 1990s brought on by artificially low interest rates orchestrated by the Fed on top of 30 years of operating with a fiat currency worldwide suggests that this slow down will not abort quickly. The Japanese economy has been in a slump for over 10 years and shows no signs of recovery.

The world economies are more integrated than ever before. When they are growing, it is a benefit to all; but in a contraction, globalism based on fiat money and an international government assures that most economies will be dragged down together. Evidence is abundant that most countries of the world are feeling the pressure of a weakening economy.

Many of our political and economic leaders have been preaching that more consumer spending can revitalize the economy. This admonition, of course, fails to address the reality of a record high \$7.5 trillion, and rising, consumer debt. "Today a party, tomorrow an economic hangover" has essentially been our philosophy for decades; but there is always a limit to deficit spending, whether it is private or governmental, and the short-term benefits must always be paid for in one form or another later on.

Those who felt and acted wealthy in holding the dot-com and Enron stocks were brought back to Earth with a shattering correction. There is a lot more of this type of correction yet to come in the financial sector. In recessions, to remain solvent consumers ought to tighten the belts, pay off debt and save. In a free market, this would lower interest rates to once again make investments attractive.

The confusing aspect of today's economy is that consumers and even businesses continue profligate borrowing in spite of the problems on the horizon. Interest rates, instead of rising, are pushed dramatically downward by the Federal Reserve creating massive amounts of new credit. This new credit, according to economic law, must in time push the value of the dollar down and general prices up. When this happens and the dollar is threatened on exchange markets, the cost of living is pushed sharply upward. The Central Bank is then forced then to raise interest rates, as they did in 1979, when the rates hit 21 percent.

Even before any need to tighten, interest rates may rise or not fall as expected. This has just happened in the year 2001. Even with Fed fund rates at 40-year lows, the 10- and 30-year rates have not fallen accordingly. Many corporate bond rates have stayed high, and credit card rates have stayed in double digits. This happens because the market discounts for debt quality and future depreciation of the dollar.

The Fed cannot control these rates, and they cannot control where the new