

Act authorizes parts A (Basic Centers Program), B (Transitional Living Program), C (National Communications System), and D (Coordination, Training, Research, and Other Activities) at \$105 million for fiscal year 2004 and at such sums for fiscal years 2005 through 2008 and authorizes part E (Street Outreach Program) at such sums for fiscal years 2004 through 2008.

Additionally, the bill addresses the needs of missing, abducted, and sexually exploited children by reauthorizing the Missing Children's Assistance Act. This legislation increases the authorization level of the National Center for Missing and Exploited Children from \$10,000,000 to \$20,000,000 for fiscal years 2004 through 2008 to mirror the Prosecutorial Remedies and Other Tools to End the Exploitation of Child Today Act of 2003 (PROTECT Act), and extends the authorization of the remaining activities under the Act through 2008. The Runaway, Homeless, and Missing Children Protection Act also allows the National Center for Missing and Exploited Children to coordinate the operation of a cyber tipline to provide online users an effective means of reporting Internet-related child sexual exploitation in the areas of distribution of child pornography, online enticement of children for sexual acts, and child prostitution.

This piece of legislation has been worked out in a very bipartisan fashion and I am happy that we were able to come together to help address the needs of runaway, homeless, missing and exploited youth. These at-risk youth receive much needed services through these Acts and I urge my colleagues to support this important piece of legislation.

HONORING MR. FRED LEWIS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 2003

Mr. HYDE. Mr. Speaker, I would like to bring to your attention today the exemplary work and most commendable public service of a fine and most outstanding music teacher, Mr. Fred Lewis. After 45 years as director of the Fenton High School Band located in Bensenville, Illinois, Mr. Fred Lewis is retiring in June of 2003.

During his tenure, he has instructed over 2000 band members and conducted hundreds of community concerts. Since 1955 the band has toured every two years throughout the United States and Europe gaining national and international recognition.

Mr. Lewis' final concert will be held on May 10, 2003. At that time, a scholarship fund will be established in Mr. Lewis' name at Fenton High School. Each year the Fred Lewis Scholarship Fund Committee will provide a cash award to a graduating senior band member to be used for continuing music education. Also, the Fenton Auditorium will be renamed Lewis/Huffman Auditorium.

I hope my colleagues will join me in honoring and offering congratulations to this outstanding teacher of 45 years for his selfless dedication to his students and to Fenton High School.

TRIBUTE TO THE MARINES FROM
THE 2ND BATTALION, 23RD MARINE
REGIMENT, 4TH MARINE
DIVISION

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 2003

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to the Marines from the 2nd Battalion, 23rd Marine Regiment, 4th Marine Division, headquartered in Encino, CA and to their families who support them, give them strength, and struggle heroically to keep things going at home while they serve overseas.

I am particularly pleased to join Major General John J. McCarthy, Commanding General, 4th Marine Division, Judge Harry Pregerson and all of the family members of this Battalion in celebrating our own special "Marine Family Day," an event which is planned both to provide some recreation for the family members of our reservists and to honor the more than 900 members of this Marine Forces Reserve unit who served in Iraq, and especially those 38 who were wounded in action. Sadly, one Marine, Staff Sergeant James Cawley was killed in action during this conflict.

Since the creation of the 2nd Battalion, 23rd Marines in July 1942, the battalion has valiantly fought in numerous campaigns from World War II where its members saw action at Iwo Jima and Saipan to Desert Shield, Operation Desert Storm, and, of course, Operation Iraqi Freedom. They were deployed in February of this year, and have earned the distinction of being the longest-serving reserve unit in theater. While this status has earned them honor and respect, it was gained at enormous sacrifice on the part of both them and their loved ones.

Not only have these reservists risked their lives, many have taken steep pay cuts and put their careers on hold to do so. They have missed birthdays, holidays, and other important family events. These men and women are police officers, firemen, doctors, lawyers, executives, and workers of every stripe and variety; people who make up the fabric of our communities. They are our husbands, wives, fathers, mothers, brothers, sisters and friends. They are patriots.

I am proud that many of these reservists and their families live and work in my congressional district and I am honored to be celebrating with them this Saturday. I ask my colleagues to join with me in saluting the men, women, and families of the 2nd Battalion, 23rd Marine Regiment, 4th Marine Division.

CELEBRATING POLISH
CONSTITUTION DAY

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 2003

Mr. EMANUEL. Mr. Speaker, today I rise in celebration of Polish Constitution Day, Saturday, May 3rd. More than 111,000 people of Polish descent live in the Fifth Congressional District of Illinois. Amazingly, Chicago has more people of Polish descent than any other city except Warsaw, and I know they will all be

reflecting on their proud heritage this Saturday.

Members of this body may not be aware of the Third of May Constitution, but passed on May 3, 1791, it was the second constitution in the world—second only to the Constitution of the United States. It was the first in Europe. This important event in the history of Poland, indeed the history of the world, is too often overlooked. Recently, however, there has been a movement to resurrect the memory of this important event, and today I stand before you in honor of its significance.

Slavic in origin, Poland has a tremendous history of more than a thousand years. During that time it has been invaded, occupied and liberated on numerous occasions. Yet, throughout a tumultuous history, Poland has remained uniquely Polish. Today Poland plays a vital role in Eastern Europe and is a friend to the United States.

Like most of Europe, Poland began life as a feudal state. But it also has a rich democratic history. In 1346 Casimir the Great established the first Polish legal code and in 1364 laid the foundation of Krakow University, providing two vital ingredients for democracy—rule of law and an educated populace. In 1430, Poland established the "Nieminem Captivabimus," similar to our Habeas Corpus. By 1493, Poland established a Parliament with two houses, a Senate of dignitaries, and the Sejm which consisted of elected representatives. Following 1505, Parliament's consent was required for all new laws. The Third of May Constitution represents the culmination of these democratic reforms.

On May 3rd, 1791, the Sejm passed the Government Act, or what is today known as the Third of May Constitution. Embracing Enlightenment ideals like Rousseau's doctrine of national sovereignty and Montesquieu's concepts of a tripartite government, the Third of May Constitution demonstrates Poland's important role in helping to establish the modern world. While the Government Act still retained some resemblances of Poland's feudal heritage, it extended rights to citizens who previously had little or no rights. Peasants, for example, were officially placed under the protection of the "law and government of the country." Unfortunately, soon after enactment Russia invaded Poland and the country was partitioned by Germany and Russia, abolishing the Constitution. Still, Poland can proudly look back on 1791 as a time when Poland helped establish modern democracy.

Mr. Speaker, on Saturday I look forward to joining the people of my district, as well as those of Polish descent around the world, in celebrating the common bond of democracy. I hope the members of this body will join me in saluting this important day.

PERSONAL EXPLANATION

HON. MARK STEVEN KIRK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 2003

Mr. KIRK. Mr. Speaker, on April 30, 2003, I missed rollcall vote number 149, H. Res. 206, the rule for H.R. 1350 due to my service on active duty as a reserve naval officer. Had I been present I would have voted "yea".

THE INDIVIDUAL TAX
SIMPLIFICATION ACT OF 2003

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 2003

Mr. NEAL. Mr. Speaker, today I am introducing "The Individual Tax Simplification Act of 2003," and I invite all my colleagues to join me in sponsoring this legislation, which is identical to legislation I filed last Congress.

The tax code seems to get more and more complex each year, despite calls for simplification. Recently, the Joint Tax Committee determined that taxpayers are increasingly relying on paid return preparers, up 27 percent over a decade. Over the same period, the reliance on computer software has jumped from 16 percent of returns filed to 46 percent. Tax code complexity leads not only to taxpayer frustration and confusion, but also increased costs. Tax code complexity also leads to difficulties for the IRS in administering our tax laws fairly and consistently.

The simplification bill that I have re-introduced will eliminate hundreds of lines from tax forms, schedules and worksheets. I believe that it is possible and preferable to accomplish simplification in a revenue neutral manner, and without moving money between economic income groups. While some may argue that there is no constituency for simplification, I would say that is certainly changing. One survey found that two-thirds of taxpayers said the federal tax system is too complicated, up from barely 50 percent five years ago.

The Individual Tax Simplification Act has three parts. The first is based on legislation I introduced in the last three Congresses regarding nonrefundable personal credits. The second part simplifies the taxation of capital gains. The third part repeals two hidden marginal tax rates on high-income individuals, and repeals the individual minimum tax.

Title I—Simplification Relating to Nonrefundable Personal Credits

In recent years, much tax relief has been given to taxpayers in the form of nonrefundable credits, like the education credits. These credits are not usable against the alternative minimum tax. That means that more and more individuals will lose all or part of these credits, and will have to fill out the extremely complicated Alternative Minimum Tax (AMT) form. Congress has recognized this problem by enacting a short-term waiver of this exclusion. Congress has also permanently taken the child credit and the adoption credit out of the AMT. Now is the time to finish the job.

The other problem with nonrefundable credits is that the phase-out provisions vary from credit to credit, causing unnecessary complexity. In addition, the same additional dollar of income can result in a reduction in more than one nonrefundable credit. It is fundamentally wrong to promise the American public tax relief, then take all or part of it away in a backhanded manner. This fundamentally flawed policy, enacted in 1997, will get worse each and every year as more American families find themselves to be AMT taxpayers simply because of the impact of inflation, or because of their desire to take advantage of the tax relief we have promised them. Not only that, this situation has gotten much worse since the passage of the 2001 tax cuts.

This bill addresses both concerns. First, it permanently waives the minimum tax limitations on all nonrefundable credits. Second, the bill creates a single phase-out range for the adoption credit, the child credit, and the education credits, replacing the current three phase-out ranges.

Title II—Simplification of Capital Gains Tax

The second title of this bill substantially simplifies taxation of capital gains. Under current law, there are five different tax rates for long-term capital gains, and a complicated, 40-line tax form that must be endured. Moreover, this part of the tax code is already scheduled to get worse because additional rates will take affect under current law in 2006. The solution is clear. Replace this jumble of rates and forms with a simple 38 percent exclusion. Not only will this result in tremendous simplification, but more than 97 percent of individuals would be eligible for modest capital gains tax reductions.

Title III—Repeal of Certain Hidden Marginal Rate Increases, and of the Individual Minimum Tax

The third title of the bill repeals the hidden marginal rate increases in current law, and repeals the individual minimum tax. For many taxpayers, discovery of the Personal Exemptions Phaseout (PEP) and the "Pease," which limits itemized deductions, can be both confusing and disappointing.

Under current law, itemized deductions are gradually reduced by 3 percent of adjusted gross income (AGI) above approximately \$139,000, or by 80 percent of the otherwise allowable itemized deductions for individuals exceeding \$139,000 AGI, whichever is lower. This is known as the Pease provision. In addition, personal exemptions are gradually phased out for incomes between approximately \$139,000 and \$262,000. This is known as the PEP. If we did not hide the effect of these provisions of current law, more people would know that these provisions result in hidden marginal rate increases. Current law has a hidden marginal rate increase, which gets worse as families grow larger. The 2001 tax cuts as enacted provide for gradual phase-out of both of these limitations in 2006, but then the repeal is subject to a sunset. This bill would immediately eliminate both.

The second part of this title is a complete repeal of the individual AMT. The original intent of the AMT was to make sure that wealthy individuals did not overuse certain tax benefits and unfairly reduce their tax burden. Unfortunately, it no longer accomplishes that goal. Since the AMT is not adjusted for inflation, more and more middle income taxpayers are falling into the AMT. In fact, a recent Tax Policy Center report showed that by the end of the decade, the AMT will hit 97 percent of all families with two children earning between \$75,000 and \$100,000. This is not what was intended, especially when you consider that what pushes taxpayers into the AMT now, more often than not, are state and local income and property taxes, personal exemptions, and the nonrefundable credits. The National Taxpayer Advocate has called for the repeal of the AMT, finding that the AMT calculation adds another 12 hours of preparation time for a taxpayer. Certainly, this is not what Congress was trying to accomplish when the AMT was passed.

My suggestion is to repeal it for individuals, and substitute a simple tax on adjusted gross

income. The current hidden tax is dropped, and is paid for with an explicit tax on the same individuals. They get simplification, and we convert a deceptive practice into an open one.

This bill gives the Secretary of the Treasury the ability to set the rate so that this bill would be revenue neutral over ten years. The threshold amount, chosen to mimic the reality of current law, would be \$120,000, and \$150,000 in the cases of a joint return.

Conclusion

This bill provides fairly dramatic simplification of the individual tax system. It eliminates up to 200 lines on tax forms, schedules and worksheets. It is basically revenue neutral, so it can be accomplished during a year when there is no budget surplus to fund tax cuts. It does not attempt to shift money between income groups. The general philosophy behind the bill is that those who benefit from tax simplification of the current code should offset any revenue loss involved.

With only one-third of individuals actually willing to fill out their own forms, it is time for Congress to act. Unfortunately, the reality is that no one wants to pay for simplification no matter how much they support the goal. Here is my suggestion. I am introducing this legislation to continue the discussion I began during the 106th Congress. I am pleased that this Administration has talked about the need for tax simplification. I am also pleased that since I began this effort, the Joint Committee on Taxation and other Members of Congress have joined the debate. I look forward to working with all interested parties in this simplification effort.

IMPROVING EDUCATION RESULTS
FOR CHILDREN WITH DISABILITIES
ACT OF 2003

SPEECH OF

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 2003

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1350) to reauthorize the Individuals with Disabilities Education Act, and for other purposes:

Mr. LANGEVIN. Mr. Chairman, I rise today in opposition to H.R. 1350, reauthorizing legislation for the Individuals with Disabilities Education Act. The reauthorization of IDEA is critical to the educational outcomes of millions of students with disabilities for years to come. I am sorely disappointed that H.R. 1350 represents a lack of commitment to fulfilling the promise of IDEA by failing to fund the law, and even proposes changes undermining the very philosophy of IDEA.

IDEA was enacted with the clear intention of eliminating discrimination against students with disabilities by promising a free and appropriate education to children with disabilities. Even with the increases in IDEA funding over the last several years, the federal government has never lived up to its share of this promise, which was intended to be 40 percent of the cost of special education services. These recent increases touted on the floor of the House have only added up to 18 percent—hardly significant in a time of state budget crises. As schools are forced to dip into their