

Student Council Representatives; and the Patriotic Committees from each school level for their hard work to make this happen.

On Friday, they will present a check to Captain Paula Hinger, the Commanding Officer of the Corpus Christi Naval Air Station to formalize their gift of the heart to our warriors.

I ask my colleagues to join me in commending these young people and the school officials for their generosity and for remembering the difficult service our military offers the United States of America.

A RESOLUTION HONORING JAMIE TITUS, LEGRAND SMITH SCHOLARSHIP WINNER OF FULTON, MI

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. SMITH of Michigan. Mr. Speaker, let it be known that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership and community service, that I am proud to salute Jamie Titus, winner of the 2003 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Jamie is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, Michigan.

Jamie is an exceptional student at Athens High School, and possesses an outstanding record of achievement in high school. Jamie has received numerous awards for her excellence in science as well as her volunteer activities on missions to Mexico and Canada. Jamie has been recognized for her outstanding performances in Track and Cross Country, and is a member of the Fellowship of Christian Athletes.

Therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Jamie Titus for her selection as winner of a LeGrand Smith Scholarship. This honor is a testament to the parents, teachers, and others whose personal interest, strong support and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

THE SECONDARY MORTGAGE MARKET FAIR COMPETITION ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. STARK. Mr. Speaker, I rise today to introduce, the "Secondary Mortgage Market Fair Competition Act." The bill would allow states to tax Fannie Mae and Freddie Mac on their pre-tax earnings by eliminating Fannie and Freddie's state and local tax-exempt status under their federal charter.

When Congress chartered Fannie Mae and Freddie Mac (in 1968 and 1970 respectively)

there was a need to provide a steady stream of revenue for home mortgage loans in order to increase homeownership in the U.S. Congress provided certain privileges to Fannie and Freddie in their charter that would allow that stream of revenue to continue to grow. Fannie Mae and Freddie Mac corporations are now the leaders of the secondary mortgage market and have established a strong revenue source for the primary mortgage market. It is due to these successes that I believe it is time for Congress to amend the corporations' charter and repeal their local and state tax-exempt status. Due to the current state fiscal crises, Congress should not wait to enact this amendment.

A bank originates a loan to a home purchaser and turns around and sells that loan to Fannie Mae or Freddie Mac, thus allowing the bank to use the proceeds from that first loan to originate another loan. Fannie Mae and Freddie Mac finance the purchase of these loans by issuing a tradable commodity in the form of mortgage-backed securities or MBS. When Congress chartered Fannie Mae and Freddie Mac it granted them special privileges—among these is the state and local tax exemption—not available to other private-sector firms. This was done to attract investors to purchase Fannie Mae and Freddie Mac securities. This in turn provided a steady stream of revenue available for home mortgage loans and thus, increased homeownership in the U.S. In 1992, Congress refined their charter and placed new requirements on the corporations to expand homeownership opportunities to underserved communities.

Fannie and Freddie are now thriving, successful private corporations. In 2001, Fannie and Freddie earned \$10 billion in profits combined and made Fortune magazine's list of most profitable companies. Fannie ranked 13th while Freddie ranked 18th. Both have shown record profits every year during the past 10 years. Fannie and Freddie guarantee payments to bond investors for \$2.7 trillion in mortgage debt or 44% of the U.S. total. Thirty-five years after Fannie Mae's charter, these two entities are strong and profitable enough to provide a steady stream of home loan revenue without the state tax-exempt privilege.

Their income is currently taxed at the federal level. But, they do not pay state or local corporate income taxes. In addition to the state tax exemption, other advantages of their federal charter include exemptions from Securities and Exchange Commission registration fees. The implied federal guarantee on their mortgage-backed securities also gets them lower borrowing costs than their competitors. In fact, in 2001 the Congressional Budget Office found that Fannie Mae and Freddie Mac's government-chartered status translates into a subsidy of \$13.6 billion per year for these private, self-sufficient corporations.

One might think that a subsidy of this nature is justified since the corporations are supposed to provide homeownership opportunities to underserved homebuyers. However, recent reports show that despite this worthy goal, Fannie and Freddie may not be fulfilling this promise. In April 2002, the Department of Housing and Urban Development (HUD) found that, "they continue to underperform the conventional conforming market in funding the affordable home purchase loans for borrowers and neighborhoods targeted by the housing goals." The report also indicates that Fannie

and Freddie "account for a very small share of the market for important groups such as minority first-time homebuyers."

Given all of these facts, I believe it is time to withdraw the exemption from state and local taxes for these companies. At a time when states are scrambling to find solutions to their budget shortfalls, passage of this legislation would provide a much-needed new revenue source for states that choose to tax Fannie and Freddie on their corporate income. My bill in no way requires the states to tax Fannie Mae and Freddie Mac, it merely allows them to do so. It will also help to level the playing field for Fannie and Freddie's competitors by eliminating this tax advantage provided to Fannie and Freddie. At a time when states are facing fiscal crises and Fannie Mae and Freddie Mac are facing healthy profits, states should be provided the opportunity to tax these corporations just as states tax their competitors.

The fact that these corporations are doing so well is a clear indicator that Congress' charter has served the public and the home loan mortgage industry well. But these successes should not lead Congress to shelter Fannie and Freddie from the rigors of the marketplace indefinitely. The need for Fannie and Freddie's state and local tax-exempt status has come and gone. Let's be true to states' rights and allow the states to determine the tax treatment of these corporations within their borders.

I urge my colleagues to cosponsor this bill to eliminate the state and local tax-exempt status no longer needed by the Fannie Mae and Freddie Mac corporations.

RECOGNIZING CHICO STATE UNIVERSITY POLITICAL SCIENCE PROFESSOR JON SUTTON EBELING, PH.D. ON THE OCCASION OF HIS RETIREMENT

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize the significant achievements of Dr. Jon S. Ebeling, a retiring political science professor at Chico State University in Chico, California.

Jon Ebeling earned his Bachelors of Arts in History from San Jose State College in 1962. Anxious to educate and serve, Jon entered the Peace Corps after graduation and was assigned to work in the first Peace Corps project in Ethiopia.

Upon completing his Peace Corps project, Jon returned to the United States and reentered school to pursue a postgraduate degree. In 1966 he earned his Masters Degree from UCLA and went on to receive his Ph.D. from the University of Pittsburgh in 1974.

Dr. Ebeling's enthusiasm for subject matter and life are contagious. Whether teaching statistics and research methods, public sector budgeting, evaluation research methods or cost analysis, Dr. Ebeling has the unique ability to make his courses both memorable and inspirational.

It is not surprising that Dr. Ebeling is also very active outside of the classroom. In addition to his full teaching load, he has used the

little free time he has had to direct more than 200 masters' theses.

Mr. Speaker, I earned my Masters Degree from Chico State University. There, I had the privilege of having Dr. Ebeling as a professor and an advisor. Were it not for the encouragement of Dr. Ebeling, I probably would not have my Masters Degree today. He taught my class that we could, and should, make a difference. Dr. Ebeling has the ability to make you believe that you can reach out and touch government; he made me believe I could get involved.

Mr. Speaker, for his invaluable contributions to Chico State University, his students, the Californian state government and our nation, it is most appropriate that we honor Dr. Jon Sutton Ebeling.

HONORING CLAIR MILLER

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. BILIRAKIS. Mr. Speaker, I rise today to honor Clair Miller, a true American hero whose life has come to an end but whose legacy will endure.

Clair lived a remarkable life. He grew up in a small town in Pennsylvania, where he played the piano, started a band, and became a professional musician. He joined the Army Air Forces in 1942 to serve his country. He was captured by the Germans and spent nine months as a prisoner of war, a time during which he endured constant beatings and mental and physical abuse. He received the Purple Heart and many other medals for his service.

In 1964, Clair joined the Office of Special Investigations to investigate Nazi persecution during the war. He then joined the staff of Mease Dunedin Hospital and worked there for 18 years. He was appointed to the Dunedin City Commission in 1979, a body on which he served so ably that it proclaimed December 17, 1982, as "Clair Miller Day."

Clair also was active in many volunteer, service, and military organizations. He selflessly devoted his time, energy, and money to help those less fortunate than himself, to preserve the City of Dunedin's rich history, and to protect the benefits that our veterans earned as a result of their service to our country.

Clair Miller's story, however, is more than that of veteran, volunteer, and community leader. He was a loving husband to his beautiful wife, Geale. He was a patriot who preached about the importance of freedom and the price to protect it. He also was my friend.

Mr. Speaker, I am proud to have known Clair Miller. I will miss him, as will his many friends, family, and others whose lives were fortunate to have crossed paths with his. I hope my words here today will in some small measure comfort his family and serve as a lasting memorial to a modern day patriot.

A PROCLAMATION RECOGNIZING
GEORGE GANTNER

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. NEY. Mr. Speaker,

Whereas, George Gantner has demonstrated professionalism and a dedication to safety; and

Whereas, George Gantner has logged 3 million miles, the equivalent of circling the earth's equator 120 times, without a single preventable accident; and

Whereas, George Gantner must be commended for the hard work and dedication he put forth over his last 33 years at Roadway Express;

Therefore, I join the International Brotherhood of Teamsters Local 413, Roadway Express, and the residents of Ohio in congratulating George Gantner for his outstanding achievement.

SARS

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. SESSIONS. Mr. Speaker, I rise today to express my concern about the outbreak of Severe Acute Respiratory Syndrome (SARS) in Taiwan. Despite the World Health Organization's categorization of the disease as "a worldwide health threat," it has refused to help Taiwan during this time of need.

What the WHO has failed to realize is that "worldwide health threats" do not remain neatly behind political borders. Taiwan may not yet be a member of the WHO or a recognized independent state by some countries, but that does not make SARS any less of a threat to the Taiwanese people.

This crisis underlines the need for Taiwan to be granted observer status in the WHO, much like their status in the World Trade Organization. Global health risks must be addressed wherever they may occur and regardless of the political environments surrounding them. We should not expose the Taiwanese people to unnecessary health risks simply because their status in some intergovernmental organizations is uncertain.

I urge my colleagues to remain outspoken in their support of Taiwan's bid to gain observer status in the WHO so that dangerous diseases like SARS may be battled wherever they occur.

A RESOLUTION HONORING BART
NORTHROP, LEGRAND SMITH
SCHOLARSHIP WINNER OF TE-
CUMSEH, MI

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. SMITH of Michigan. Mr. Speaker, let it be known that it is with great respect for the outstanding record of excellence he has compiled in academics, leadership and community service, that I am proud to salute Bart Northrup, winner of the 2003 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Bart is being honored for demonstrating

that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, Michigan.

Bart is an exceptional student at Tecumseh Creek High School, and possesses an outstanding record of achievement in high school. Bart has received numerous awards for his excellence in music, science and math, as well as his volunteer activities with the Secret Santa Shop, The Boy Scouts, and the Community Euchre Tournament. Bart has also accumulated numerous awards for his accomplishments in music, and has participated in Honors Bands at both the University of Michigan and Eastern Michigan University.

Therefore, I am proud to join with his many admirers in extending my highest praise and congratulations to Bart Northrup for his selection as winner of a LeGrand Smith Scholarship. This honor is a testament to the parents, teachers, and others whose personal interest, strong support and active participation contributed to his success. To this remarkable young man, I extend my most heartfelt good wishes for all his future endeavors.

TRIBUTE TO TOM BROOKS

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 2003

Mr. ORTIZ. Mr. Speaker, I rise today to pay tribute to an amazing public servant who will be retiring shortly. For 11 years, Port Aransas City Manager Tom Brooks has served his community by showing how smart development, a park system, and eco-tourism can be forces for the local economy.

Tom Brooks is the force who—through his smile, friendliness and force of personality—negotiated his way through a host of operations that brought success to his city, Port A, as it is commonly called in South Texas. From the beginning of his service, Tom sought out elements of economic growth, showing his steady hand by holding firmly to goals outlined in Vision 2000, a city planning guide.

His service to Port A covers a 100% of park development in Port A including: a community park, paradise pond, birding facilities and Charlie's Pasture. Of all his accomplishments, the Charlie's Pasture project is a point of pride for Tom and the city he served so well. Charlie's Pasture will be situated upon 1,500 acres of tidal flats, but it includes uplands with trees and a beach area on the bayside.

Tom's vision for Charlie's Pasture includes all species: local residents, South Texas tourists and wildlife. Habitat for the endangered Piping Plover and threatened Snowy Plover birds will be protected here. The Pasture will be ideal for bird watching, fishing and hiking.

Beyond Port A, Tom's careful financial stewardship of the town leaves it in a fiscally advantageous place. At the state, federal and Coastal Bend level, Tom leaves Port A with a reputation for finding common ground with economic and environmental concerns.

At the federal level, Tom can take pride in helping shape the Coastal Management Plan and the Dune Protection Act, both important legislative components to barrier island development. His service will be marked by maintaining growth without sacrificing the environment.