

August 15, 1945. Defense shipping actually increased after that date to 1,200 sailings in December 1945, as compared to the World War II monthly peak of 800.

Second, while the Japanese indicated their desire to surrender on August 15, 1945, the situation facing the U.S. merchant marine did not radically change on that date. In fact, I have a copy of a telegram sent on August 15, 1945, by the U.S. Naval Pacific Command which states that "for all merchant vessels in the Pacific Ocean areas, Japan has surrendered. Pending further orders, all existing instructions regarding defense, security, and control of merchant shipping are to remain in force. Merchant ships at sea, whether in convoy or sailing independently, are to continue their voyages."

Third, it wasn't until December 31, 1946, that President Harry Truman declared in a press conference that he was issuing Proclamation 2714, which states that "although a state of war still exists, it is at this time possible to declare, and I find it in the public interest to declare, that hostilities have terminated."

And, finally and most importantly, all of our Federal laws that affect those who served during the World War II period use the date December 31, 1946.

There is no arbitrary cutoff date for the Male Civilian Ferry Pilots, the Wake Island Defenders, the Guam Combat Patrol, or the Women's Army Auxiliary Corps and there shouldn't be any for our Nation's merchant mariners.

Mr. Speaker, H.R. 44 will correct Secretary Aldridge's unfair decision by eliminating the unsupportable date of August 15, 1945. It is a fair solution to this problem because it treats all those who served during the World War II period in exactly the same manner. If an individual was in a Navy boot camp or Army basic training on December 31, 1946, then they have been considered a World War II veteran for the past 49 years.

While the 2,500 Americans affected by H.R. 44 would be eligible for a variety of veterans benefits, in reality the only benefits they are likely to obtain are recognition, the right to have a flag on their coffin, and a headstone.

After all, education benefits have long since expired, people in their late-60's do not buy new homes, and all of these individuals are already eligible for Medicare benefits. In short, it is highly unlikely that any of these individuals will ever obtain care at a VA hospital. In fact, we know that 76,000 merchant mariners have been given veterans status because of the 1988 decision and, of that number, only a handful have received VA hospital benefits.

Mr. Speaker, it is for this reason that the Congressional Budget Office has estimated that H.R. 44 would result in negligible outlays to the Federal Government in fiscal year 1995.

I have been contacted by hundreds of people affected by Secretary Aldridge's unfair decision. Each of these Americans share the common characteristic of love of country and the commitment to serve during one of the most difficult periods in our Nation's history.

Because of their young age or physical impairments, most of these men could have simply chosen to avoid service during World War II. However, they chose not to do so, and we must not, even at this late hour, forget them.

Mr. Speaker, it is essential that we resolve this problem legislatively because the Department of the Air Force seems unwilling to correct it administratively.

Finally, I would like to acknowledge the outstanding leadership of Congressman LANE EVANS. We have stood together on this legislation for a number of years and LANE EVANS is a champion for our Nation's veterans.

I urge the House of Representatives to move H.R. 44 so that we can finally provide these Americans with the recognition which they have long deserved. In my 15 years in Congress, I have never seen an issue, which affects so few people, attract the support of so many Americans. It is time we finally enacted this important legislation into law. These men have waited a lifetime to tell their grandchildren that they are World War II veterans.

#### SOCIAL SECURITY EARNING TEST REPEAL

#### HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. STUMP. Mr. Speaker, I am reintroducing legislation today to repeal the Social Security earnings test. As many of my colleagues know, the earnings test is one of the most unfair features of the Social Security law—limiting what Social Security recipients may earn and subjecting such recipients to what amounts to effective marginal tax rates of 50 percent or higher.

The earnings test affects only recipients who must work. Those who rely upon investment income to supplement their Social Security are not affected. Only those who choose or are forced to return to the work force face reduction or loss of their benefits.

Mr. Speaker, the work ethic should not end at age 62. Older people who wish to remain self sufficient through their own labors should not have to face a loss of their benefits. Nor should the Nation face the loss of the immeasurable talent and experience older workers bring to the work force. It is past time to repeal the Social Security earnings test.

#### FOREIGN SUBSIDIARY TAX EQUITY ACT

#### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. TRAFICANT. Mr. Speaker, last year I introduced H.R. 1374, the Foreign Subsidiary Tax Equity Act, to discourage domestic corporations from establishing foreign manufacturing subsidiaries in order to avoid Federal taxes. Today, I am reintroducing this bill. American manufacturers for too long have abused the good faith of the American workers by developing manufacturing processes in this country before moving production facilities overseas and handing out pink slips back home. Despite the fact that America possesses the most productive and talented labor force in the world, many United States manufacturers, lured by cheap labor costs and tax holidays, have closed down plants and moved operations to countries like Mexico, Taiwan, and South Korea.

Under my bill, foreign subsidiaries of U.S. companies that ship a significant portion of

their products into the United States would be taxed as if that subsidiary were located in the United States. Simply, the intent of my bill is to discourage tax-motivated foreign investment while protecting the jobs of your constituents.

Mr. Speaker, my bill is similar to legislation proposed by President Nixon in 1973, but the issue has been controversial since the inception of the corporate income tax in 1909. In 1962, President John F. Kennedy proposed repeal the deferral of overseas investment in developed countries, but Congress did nothing.

My bill would forbid foreign subsidiaries of U.S. companies from relocating manufacturing jobs in countries that provide tax holidays and other tax breaks and shipping a significant portion of their products into the United States. A current tax loophole allows these companies to avoid being taxed as if that subsidiary were located in the United States.

Mr. Speaker, in addition to losing millions of dollars in income taxes due to this anomaly in our tax code, the United States is losing a major portion of its manufacturing base. Once the manufacturing base is gone, it will be very difficult to get back. Germany and Japan have clearly taken the lead in maintaining a strong and viable manufacturing sector as their economies have continued to outperform ours. Overall, maintaining a productive manufacturing base is the lifeline to a modern, high income, competitive economy.

I have always believed the root of America's social decay is the ill advised trade and tax policies Congress has advocated for the past 25 years. Mr. Speaker, I urge all members to take a closer look at the problem of runaway manufacturing plants and co-sponsor this important legislation. My bill would be the first step in putting an end to this practice and make these companies pay their fair share.

#### FARM PRICES

#### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 9, 1994, into the CONGRESSIONAL RECORD.

#### FARM PRICES

The United States is in the middle of the greatest harvest ever. The corn crop could be 50% higher than last year, and soybean production will exceed the historic 1979 crop with excellent weather across the farm belt. The yields this year are simply phenomenal, as farmers continue to astound us with their productive capacity.

The downside to this record production is lower prices. Steps are being taken, and others are under consideration, to help the farmer. In the long run, exports are the remedy, as consumers around the world demand high-quality American agricultural products. Ultimately, net farm income is projected to grow from \$43 billion in 1993 to as much as \$51 billion this year.

#### PRICES

Corn prices declined from a nationwide average of \$2.61 per bushel in June to \$2.09 per bushel in September. Some local elevators are currently reporting prices of less than

\$2.00 per bushel. Prices normally decline at harvest time, but they are unusually low this year because of the record 1994 crop, projected at 9.6 billion bushels. The U.S. Department of Agriculture (USDA) has been criticized in some corners for setting the 1994 Acreage Reduction Program (ARP) at zero percent.

Soybean prices have also declined, from an average of \$6.72 per bushel in June to \$5.31 per bushel in September—and less than \$5.00 per bushel at some local elevators. This decrease was fueled by the highest-ever national soybean yields, producing a record crop of between 2.3 billion and 2.5 billion bushels. Demand is expected to increase next year from greater exports and more livestock feeding, but not enough to compensate for the record crop. Low soybean prices are particularly damaging for Hoosier farmers because Indiana is the only major soybean state where the crop is projected to be lower than 1993.

#### OPTIONS FOR RAISING PRICES

I have urged the Department of Agriculture to consider a number of options to boost corn and soybean prices. Possibilities include:

**Increase corn ARP:** USDA recently announced a preliminary 1995 corn Acreage Reduction Program of 7.5% below the established base. This would take land out of production and improve corn prices for the coming year.

**Raise corn support loan rate:** Some farm groups have called for an increase in the 1994 Commodity Credit Corporation (CCC) loan rate from the current, \$1.89/bushel to as high as \$2.40/bushel. They claim this would have a direct impact on prices in the near future. USDA is considering an increase in the loan rate for 1995.

**Allow 1994 corn crop entry into Farmer-Owned Reserve:** The President has allowed farmers to place 1994 corn in the Reserve when their CCC loans mature after 9 months. It is unclear what impact this would have on short-term prices.

**Soybeans on "flex" acres:** If USDA determines that the price of soybeans next year will be below 105% of the loan level, it can prohibit program participants from planting soybeans on their optional flex acres. This would reduce production and increase prices.

**Export Enhancement Program (EEP):** EEP has been used in the past to help export soybean oil. If world prices continue to fall, USDA could increase EEP support of soybean oil to maintain America's competitive position.

**Ethanol and other alternative products:** As of January 1, about 30% of the U.S. gasoline market will be required to use ethanol in reformulated gasoline. Over time, corn prices may rise as much as 20 cents per bushel because of this rule. Congress is also examining ways to encourage the use of soy ink and other non-food uses for American agricultural products.

#### THE 1995 FARM BILL

The effectiveness of these measures to support prices will also be addressed in the 1995 farm bill. Government commodity support programs must be reauthorized next year. The 1990 farm act made farm programs more market-oriented, giving farmers more flexibility in choosing which crops to plant. A provision known as the Madigan amendment gave the Secretary of Agriculture more flexibility in setting loan rates and set-asides to maintain competitiveness in world markets. I expect this trend towards market flexibility to continue in the 1995 farm bill. Program flexibility puts more decisions in the hands of farmers rather than government bureaucrats, but it can also lead to greater price fluctuations for farmers.

The farm bill should also address the hidden costs of farming. First, participating in crop support programs should be less complicated. The paperwork for program participation should not be a burden to farmers. Second, government regulations should be flexible at the local level. It is not possible to set detailed and comprehensive guidelines from the top, and major regulations should be evaluated on a case-by-case basis, using risk assessment and cost-benefit analysis.

Some of the biggest issues in the 1995 farm bill will be environmental issues, including wetlands policy, and renewing the Conservation Reserve Program (CRP). Current wetlands policy that restricts farming on wetlands makes no distinction between wetlands that are environmentally important and those that are not. I am supportive of efforts to narrow the definition of wetlands.

CRP has been successful at boosting prices and preserving valuable resources. Because of our terrain, the average Southern Indiana farmer receives even more in CRP payments than in deficiency payments, and I support the full reauthorization of CRP. In addition, the 1995 farm bill should make CRP flexible enough to distinguish between more and less environmentally important lands. The program should remain completely voluntary.

#### CONCLUSION

I recognize the great risks in the farming business. The risks involved in farming are greater than in most industries, and Congress should continue to provide some stability to agriculture and assure that farmers can maintain a decent living and have a reasonable return on their investments. The 1995 farm bill is an opportunity to improve farm support programs and reduce the regulatory burden on farmers.

#### ENGLISH LANGUAGE TAX CREDIT

#### HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, January 4, 1995*

Mr. EMERSON. Mr. Speaker, I rise today to introduce an important piece of legislation that I believe to be an integral part of the official English movement. As you may know, I am the author of H.R. 123, the Language of Government Act which seeks to make English the official language of the United States Government. This legislation is the perfect complement to the Language of Government Act. It recognizes the need for a highly skilled labor force and provides a tax credit to employers for the cost of providing English language instruction to their limited-English-proficient employees.

Many Americans lack the language skills and literacy necessary to take full advantage of roles as responsible citizens and productive workers. While many employers acknowledge the need to educate their workers and have demonstrated an interest in establishing on-site training programs for their employees, the high cost of doing so often prevents them from taking any concrete action. This legislation will provide them with an incentive to offer this crucial instruction to their employees and make the workplace a friendlier, and less daunting environment for non-English-proficient employees.

#### NATIONAL SECURITY REVITALIZATION ACT

#### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, January 4, 1995*

Mr. GILMAN. Mr. Speaker, on the opening day of this historic Congress, I take great pleasure in introducing the National Security Revitalization Act which implements the foreign affairs and the national defense provisions in the Contract With America.

It is a great honor and privilege for me to serve as the chairman of the newly named International Relations Committee and I intend to ensure that our highest priority will be the consideration of this important and long overdue legislation which will ensure that we maintain a strong defense capability around the world and imposes serious limitations on the subordination of American troops to foreign command in United Nations peacekeeping operations.

In addition, the bill will strengthen critically important regional institutions, such as the North Atlantic Treaty Organization and will ensure that our participation in any future U.N. mission directly serves our national interests.

Together with my good friend and colleague, FLOYD SPENCE, the chairman of the National Security Committee, we will bring the National Security Revitalization Act back to the House floor to restore American credibility around the world and to ensure that Congress plays an enhanced role in the foreign policy making process.

In the second session of the 103d Congress, Republican members of the Foreign Affairs Committee laid a solid foundation for the attainment of these objectives by championing key provisions in the Foreign Relations Act for fiscal year 1994 and fiscal year 1995 and the NATO Participation Act which I introduced in March of last year.

Accordingly, I urge my colleagues to join me in cosponsoring this vitally important legislation.

#### INTRODUCTION OF RAPID DEPLOYMENT FORCE LEGISLATION

#### HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, January 4, 1995*

Mrs. KENNELLY. Mr. Speaker, I rise today to introduce legislation to establish a Rapid Deployment Force as an added resource of the Federal Bureau of Investigation. This force would be temporarily deployed by the FBI, to assist local authorities in investigating an increasing of crime in a particular municipality, due to an increase of drug or gang related activity. The Rapid Deployment Force would represent a partnership between the Federal, State, and local crime fighting entities.

This past weekend in my hometown of Hartford, CT, a rash of crime broke out leaving four dead, another critically wounded, and three others injured from gunshot wounds. This final criminal outbreak of 1994 brought the number of homicides in the city to 58, an increase of over 400 percent in the past 2 years. As the spread of drugs, and the city's