INTRODUCTION OF THE INDEPENDENT CONTRACTOR DETERMINATION ACT OF 2001

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 2001

Mr. MANZULLO. Mr. Speaker, as Chairman of the Small Business Committee, I rise today to introduce a bill, the Independent Contractor Determination Act of 2001, to clarify and simplify the determination of whether an individual worker is an employee or an independent contractor. The current definition of independent contractors is so complex that many small businesses face inconsistent Internal Revenue Service (IRS) worker reclassifications and potentially crippling back taxes, penalties and fines. Today's tax law hinders our dynamic economy, which includes millions of independent contractors now used by roughly 60 percent of all businesses and many diverse industries.

The Independent Contractor Determination Act of 2001 would provide a new safe harbor to help small business owners use independent contractors with more confidence, and to minimize IRS reclassifications of their legitimate business relationships. New objective criteria would protect both employees and independent contractors. These criteria include economic and workplace independence, a written contract, and the ability to realize a profit or loss. In addition, to protect employees further, the bill includes an effective anti-abuse provision that would limit the ability of corporations to treat former employees as independent contractors.

As important as this bill is to protecting all workers by providing an objective test for the determination of worker classification, the bill also limits the ability of the IRS to reclassify workers retroactively. Most small businesses operating as or hiring independent contractors do so in good faith and, therefore, face unfairly imposed back taxes, penalties and fines. Consequently, the bill allows only prospective IRS reclassifications of good faith independent contractor determinations, and shifts the burden of proof to the IRS.

Mr. Speaker, I am pleased to offer this bill as an identical, companion bill to one introduced earlier this week by Senator KIT BOND, Chairman of the Senate Committee on Small Business, and recommend its passage in this Congress.

RECOGNIZING VETERANS OF OHIO'S 8TH DISTRICT

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 2001

Mr. BOEHNER. Mr. Speaker, I rise today to recognize 20 veterans of the United States Armed Forces who will be honored at a special ceremony on, May 11, at Lakota East High School in my congressional district. These men and women have made sacrifices that most of us cannot fathom. They left their homes, their schools, their families, and their friends to travel to far-away lands for a single purpose: the defense of freedom.

On May 11, these exceptional men and women will be receiving honorary diplomas at this very special ceremony. They are:

John L. Burden, Sr., who served in the Army from 1943 through 1945 and was stationed in Europe.

Henderson Caudill, who served in the Navy from 1942 to 1965 and was stationed in both Europe and the Pacific.

Everett Cole, who served in the Army and the Air Force from 1944 through 1946 and was stationed in the United States and the Philippines.

Lorenzo Denson, Sr., who served in the Army from 1943 to 1945 and was stationed in the United States and Europe.

LaMar G. Doutaz, who served in the Navy from 1943 to 1945 and was stationed aboard the U.S.S. Doherty.

Harry Thomas Falck, who served in the Army from 1945 to 1946, when he was stationed in Europe, and from 1950 to 1953, when he fought in the Korean War and was held as a Prisoner of War.

Sam Fishman, who served in the Army from 1943 through 1946 and was stationed in the Philippines.

Uell Flagg, who served in the Army from 1943 to 1945, when he was stationed in Europe, and from 1951 to 1955, when he fought in the Korean War with the Air Force.

Louis E. Fox, who served in the Navy from 1943 to 1946 and was stationed aboard the U.S.S. Sage.

Wesley P. Gaunce, who served in the Marine Corps from 1942 to 1945 and was stationed in the Pacific.

Ralph Grothjan, who served in the Army from 1950 to 1952 and fought in the Korean War.

Robert H. Hale, who served in the Army from 1951 to 1953 and was stationed in Germany and Korea.

Charles E. Hall, who served in the Army from 1952 through 1957 and was stationed in Korea.

Andrea F. Hangbers, who served in the Army from 1979 through 1982 and was stationed at Fort Bragg, North Carolina.

Carl C. Hess, who served in the Air Force from 1958 to 1959 and was stationed in Korea.

James McGonigle, who served in the Marine Corps from 1967 through 1970 and was involved in the Vietnam War.

Wilson W. Smith, who served in the Army from 1944 through 1946 and was stationed in Europe.

David Thomas, who served in the Navy from 1943 to 1946 and was stationed in the Pacific.

Also receiving honorary diplomas will be James Johnson and John Wilson, but they will be unable to attend the special ceremony.

What these veterans have achieved in their lives is truly among the greatest feats in American history. Whether fighting against Nazi Germany, Imperialist Japan, or the communist forces in Korea and Vietnam, these brave men and women are to be commended for their strength, their commitment, and their patriotism. We owe them a debt of gratitude that can never be repaid. It is our responsibility to remember their courage, not just in ceremonies like the one being held on May 11, but everyday. They are Americans who have made it possible for us to enjoy the freedoms that we so often take for granted. For that, and for the special recognition by Lakota East High School, I congratulate and thank them.

HIGH-LEVEL NUCLEAR WASTE STORAGE AT YUCCA MOUNTAIN, NV

HON. SHELLEY BERKLEY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 2001

Ms. BERKLEY. Mr. Speaker, I include my testimony concerning nuclear waste storage at your Mountain for the Record.

I would like to thank the Chairman for allowing me the opportunity to comment on the proposed FY02 Appropriations for Energy Department, Nuclear Waste Management and Disposal relating to the Department of Energy's (DOE) proposal to store high-level nuclear waste at Yucca Mountain in Nevada. This issue is critical to me because my district is located 90 miles southeast of Yucca Mountain, and it is my constituents who would be the most affected by the Yucca Mountain Plan.

More then a decade has gone by since the 1987 amendments to the Nuclear Waste Policy Act designated Yucca Mountain as the only site to be studied, and the scientific evidence against the Mountain continues to grow. Yucca Mountain is located in an earthquake and volcanic eruption zone. As recently as last month there was so much moisture at the proposed site that electrical test equipment was shorted out. It is widely known that ground water will corrode the waste storage containers, and release the deadly toxins into the environment.

Scientific evidence against the proposed Yucca Mountain site is plentiful, but just like the 1987 ''Screw Nevada'' bill, each time legitimate arguments are raised, standards for Yucca Mountain are changed. Regarding the current situation with groundwater and personal radiation dose standards, the goalposts have again been moved. The Environmental Protection Agency (EPA) set a groundwater standard of no greater than 4 millirems, and a personal radiation dose standard of 15 millirems per year at 18 kilometers, for the first 10,000 years of waste disposal. Despite the fact that the personal dose radiation standards are significantly weaker than similar sites around the country, the Nuclear Regulatory Commission (NRC) has still asked the EPA to rewrite these standards to allow an even higher dose of radiation. The NRC knows full well that without reduced standards, Yucca Mountain can never be found suitable. So again, the rules must change.

On three separate occasions the State of Nevada has demonstrated, using DOE's own data, that the site should be disqualified under both the EPA standard and DOE's own internal site screening regulation. And each time, the DOE or Congress has changed regulations to ensure that Yucca Mountain would not be disqualified, regardless of the health and safety consequences to Nevadans.

In fact, the DOE has found the geology at Yucca Mountain so poorly serves the need of a repository, that over 95% of the waste isolation capability would have to be provided by metal waste containers, and other so-called engineered barriers around the waste. When this project started, the idea was to find a site capable of containing the radiation entirely through its natural geologic features. That standard has since been lowered from 100% to 5%.