Amendments of 1995. This is a companion bill to S. 1183, introduced by Senator HATFIELD in the other body.

The Davis-Bacon Act is an important protection for many working families in our country. Davis-Bacon requires contractors to pay the locally prevailing wage on Federal construction and repair contracts. The law seeks to level the playing field without undermining local economies and local employment practices.

Repeal of Davis-Bacon would reduce the standard of living for many working families and force contractors to discontinue training programs, health care, and pensions for their workers. With the result, I might add, that the Federal Government would face the costs of taking over training, paying for indigent health care for workers, and possibly bailing out failed pension plans.

This bill represents an alternative to repeal. We recognize that the threshold triggering Davis-Bacon coverage of contracts has not been adjusted since it was set at $2,000 in the 1930's. This bill raises the threshold to $100,000 for new construction and $25,000 for renovation and repair contracts, and would adjust the threshold annually for inflation.

This bill also prohibits contract splitting to avoid Davis-Bacon coverage, enhances enforcement of the Act, makes provision for the use of helpers, and makes other changes in the law to clarify the scope of coverage of Davis-Bacon.

Our bill is identical to S. 1183 with two exceptions. As I mentioned, we would adjust for inflation annually. S. 1183 makes that adjustment every 5 years.

In addition, S. 1183 replaces the current weekly payroll reporting requirement with a monthly requirement. Our bill requires payroll reports every 3 months, or quarterly.

I believe these modifications strengthen our version of the bill.

Mr. Speaker, we introduce this bill to reform Davis-Bacon in the hopes of expanding the range of options to be considered by the House and to expand the debate beyond repeal versus the status quo. This bill was worked out as a compromise between labor and a coalition of over 14,000 contractors in all 50 States. We hope that what comes out of this process is a reform of Davis-Bacon that all sides can live with.

EXTEND THE ETHANOL TAX INCENTIVE

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. DURBIN. Mr. Speaker, today I am introducing legislation to extend the excise tax incentive for ethanol use to the year 2002.

This legislation is necessary for two reasons. First, the Ways and Means Committee's recent attempt to kill this important program has created uncertainty about the ethanol tax incentive. The resulting investor hesitation could undermine the growth of this important renewable fuel program.

Second, farmers are being asked to swallow billions of dollars of farm program spending cuts through the year 2002. The ethanol tax incentive provides an important alternative market for their products, but it is set to expire in the year 2000. Farmers should be given a commitment that the ethanol program will also last a full 7 years.

Ethanol is important to the rural economy. A recent analysis by economists at the University of Illinois at Urbana-Champaign found that, because ethanol demand strengthens commodity prices, ethanol use adds more than $2.6 billion per year in market revenues to U.S. farmers. The General Accounting Office estimates that the value to the U.S. Treasury of ethanol use is as much as $6.3 billion over 5 years.

Ethanol strengthens the economy, improves the environment, and decreases our dependence on foreign oil. Moreover, the ethanol tax incentive more than pays for itself. Ethanol production will provide taxpayers a net savings of almost $4 billion over the next 5 years, according to a recent study. The direct cost of the incentive will be more than offset by additional income tax revenues and reduced farm program costs. The Federal Government gains $1.30 for each gallon of ethanol sold in America—more than double the 54-cent-per-gallon cost of the incentive.

Clearly, ethanol is not a favorite of many of the big oil companies. But just as clearly, ethanol use is good for America. Each gallon of ethanol production capacity not built due to uncertainty about ethanol's tax status represents a loss of revenue to the U.S. Treasury as well as to our Nation's farmers. If investors are scared away because of legislative attacks on ethanol, the taxpayer loses.

That is why I am introducing legislation to reaffirm and extend our national commitment to domestic, agriculture-based, renewable fuel program. We need to give this important sector of our economy the stability that will allow it to keep expanding. We need a solid, 7-year commitment to help ensure that the demand for home-grown ethanol continues.

I am pleased to announce that this is a bipartisan measure that includes Mr. LEACH, Mr. LIGHTFOOT, and Mr. POSHARD as original cosponsors. I urge my colleagues to join me in cosponsoring this legislation to send a signal that Congress will keep its commitment to renewable alcohol fuels.

IN HONOR OF NATIONAL BUSINESS WOMEN'S WEEK

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. WARD. Mr. Speaker, I wish to recognize that next week is National Business Women's Week and to honor the BPW/River City which is based in Louisville, KY. BPW/USA was founded in 1919 as a non-profit, non-partisan, non-sectarian, self-governing, member supported organization, whose primary objective is to support the professional development of working women. BPW/River City was founded in 1976 and is the largest local BPW organization in the United States.

National Business Women's Week is held annually to highlight working women's issues and accomplishments in the community through seminars, programs and the presentation of special awards to winners of competitions for Woman of Achievement, Young Careerist and Corporate Excellence.

BPW/River City sponsors numerous programs, including LEADERSHIP BPW, providing networking opportunities in and knowledge of the Louisville community. The individual development program emphasizes members' professional development. The Berea College New Opportunity School Program provides support for Appalachian women receiving training and skill building to assist them in beginning their careers.

I am proud to have the largest BPW organization in my district, their efforts in support of working women are to be commended.

FEDERAL CUTS JEOPARDIZE MARYLAND'S ATTEMPT TO END WELFARE AS WE KNOW IT

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. MFUME. Mr. Speaker, my purpose today is to bring to my colleagues' attention an article that was published in the October 7, 1995 edition of The Washington Post.

The State of Maryland has developed a program to end the problem of welfare dependency. The success of the effort has been stymied by the current squeeze on welfare. This article from the Washington Post sheds light on the problem of Congress' rush to seek reform without exploring all reasonable options.

Mr. Speaker, welfare reform should be strong on work, not strong-arming children.

[From the Washington Post, October 7, 1995]

FEDERAL CUTS PUT SQUEEZE ON WELFARE

(By Michael Abramowitz)

Maryland may have to scrap its pilot welfare program and reduce basic grants to welfare recipients as the result of expected federal spending cuts, a task force of top state officials and welfare advocates has concluded.

Gov. Parris N. Glendening (D) said yesterday in an interview that his aides are drawing up plans to cut $25 million to $50 million from the $650 million budget of the Department of Human Resources, which manages the state-federal welfare program in Maryland.

That represents the state's best estimate of the immediate fiscal impact of the welfare overhaul plan approved in both houses of Congress.

"We've got to move very quickly on all these [federal] losses," Glendening said.

State officials said that they had not determined how the cuts will be allocated and that a decision could come by November. But a task force of legislators, Glendening aides, local social, service officials and advocacy groups has drafted a list of recommendations that include requiring welfare recipients to take any job offered and requiring other steps to keep people off welfare to begin with.

Although the idea is not part of their formal recommendations, task force members said the state also was seriously considering trimming the basic monthly welfare grant, which is $373 a month for a family of three. That's already less than the $406 monthly payment people on welfare received before the General Assembly cut grants in 1991 and 1992.

But the group's most controversial recommendation may be to drop the pilot welfare program scheduled to begin in April for 3,000 families in Prince George's and Anne