

TRIBUTE TO PAT ZICARELLI

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Pat Zicarelli, who is the outgoing president of the San Fernando Valley Association of Realtors. Under Pat's aggressive leadership, the association expanded membership services, became deeply involved in community affairs, and raised significant funds for the Make-a-Wish Foundation. With his energy and enthusiasm, Pat was an excellent leader for the association. His successor will find him a tough act to follow.

Pat has a 20-year history of participation in civic, community, and business affairs, in the San Fernando Valley. Indeed, his resume is crowded with credits. To cite a few of many examples: Pat is serving a second term as president of the Tarzana Chamber of Commerce, has been an executive business fundraiser for the Muscular Dystrophy Association, has worked with local crime watch programs, and for 2 years was on the board of directors of the Miss California USA Pageant.

Not surprisingly, Pat has been the recipient of numerous awards through the years. In 1982, he was named Realtor-Associate of the Year by the San Fernando Valley Association of Realtors; in 1992 Assemblyman Richard Katz selected Pat to receive the San Fernando Valley Small Business Owner of the Year Award. Pat was also given the Outstanding Person of the Year Award by the Tarzana Chamber of Commerce.

As president of the Valley Association of Realtors, Pat championed the adaptation of new technologies. Always on top of the latest innovations, Pat improved and expanded CRIS-NET, which is widely recognized as one of the industry's most advanced real estate information systems. He has positioned the association to be a key player in the information age.

I ask my colleagues to join me in saluting Pat Zicarelli, who has just concluded a successful tenure as president of the San Fernando Valley Association of Realtors. His commitment to business and dedication to his community are an example for us all.

BUDGET IMPASSE DERAILS BENEFITS FOR RAILROAD RETIREES

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. KLINK. Mr. Speaker, Emperor Nero died while his capital, Rome, burned to the ground.

Now the Imperial Republican-controlled Congress here in Washington would rather keep the Federal Government shut down than do the people's business. Their actions are driving Federal workers and Federal contractors to the brink of financial disaster.

Besides the Federal workers and Federal suppliers, there are other victims of the Federal shutdown: the retired railroad workers and their families.

While Speaker GINGRICH and other House Republicans rang in the New Year by cele-

brating with friends and family more than 170,000 railroad retirees had their monthly pension checks severely cut.

Had the Republican leadership done its job on time, these railroad retirees would be receiving their vested dual benefits checks that average \$130 per month. That means that more than 13,000 beneficiaries in Pennsylvania and others across the Nation will receive only partial annuity checks.

For some railroad retirees their Medicare part B premiums will consume their entire benefit checks. The bill that contains the funding for these railroad retirees has not even been brought to the Senate floor.

To add insult to injury, Speaker GINGRICH has announced his intentions to recess the House until January 23. This makes no sense.

Railroad retirees spent their entire careers keeping our trains operating on time. This is no time to forget railroad retirees and their families. Keep the Congress at work and restore full benefits to these railroad retirees.

INTRODUCTION OF THE BROWN-FIELDS REDEVELOPMENT ACT

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. COYNE. Mr. Speaker, environmental cleanup and economic redevelopment of old, abandoned industrial sites is a critical issue for cities across America. These unproductive, often polluted sites are called brownfields.

There are over 400,000 brownfield sites scattered across the United States. Over the last decades, these brownfield sites have become not only public health and pollution problems, but also serious impediments to the economic health of the surrounding communities. Because the risk of assuming financial liability for a brownfield site is so great, potential purchasers and lenders have shied away from redevelopment of such properties. The result has been the loss of job opportunities and tax revenue in many communities, blighted neighborhoods, and the expensive, unnecessary, and wasteful construction of infrastructure like roads and sewers at new "greenfield" sites in nearby communities.

Affordable financing is one of the major stumbling blocks in the cleanup and reuse of brownfield sites. The Brownfields Redevelopment Act, which I am introducing today, seeks to address and ease the financial impediments to brownfield redevelopment through two separate provisions. First, the Brownfields Redevelopment Act would create a substantial tax incentive for private sector brownfield cleanups. In many cases, companies which are in the process of building new facilities might prefer to build these facilities on brownfield sites, where the necessary public infrastructure—roads and sewers, for example—is already in place and where a ready supply of prospective employees live nearby. However, the cost of environmental remediation and the risk of future financial liability has too often caused companies to shy away from such otherwise desirable locations. Cleaning up hazardous waste sites is an expensive, risky, and often time-consuming process. To provide an incentive for brownfield cleanup and redevelopment, the Brownfields Redevelopment Act

would create a tax credit for private sector environmental remediation.

Specifically, this bill would provide a 50-percent tax credit for environmental remediation expenses incurred in completing a cleanup plan approved by the EPA or a designated State agency. In order to target this tax credit at the most potentially productive sites, the tax credit would be restricted to those sites that meet the following four criteria: the site has had no productive use for at least 1 year; the site would be unlikely to undergo redevelopment without tax credit assistance; the site has a strong likelihood of creating jobs and expanding the tax base after redevelopment; and the planned environmental remediation and redevelopment would be completed in a reasonably short period of time. The tax credit would also be available only to "innocent owners" of polluted property. It is my hope that such a tax credit will stimulate increased brownfield cleanup and redevelopment all across the country.

If this credit is successful in encouraging brownfield cleanup and redevelopment, it will bring jobs and revitalization to thousands of communities across the country. I believe that the benefits such redevelopment would provide by revitalizing our central cities would far outweigh the cost of the credit. Moreover, the costs of allowing these sites to remain vacant and contaminated are—while less obvious—quite substantial.

The second provision of the Brownfield Redevelopment Act would modify the Internal Revenue Code's existing qualified redevelopment bond [QRB] provisions to specify that environmental remediation was an allowable use of such bonds. The interest paid on qualified redevelopment bonds—bonds which are used for financing redevelopment in designated blighted areas—is tax-exempt. As a result, municipalities that issue such bonds can pay lower interest rates when they borrow money for redevelopment projects. In effect, the Federal Government subsidizes local governments' redevelopment activities through this Tax Code provision. Although brownfield sites are clearly blighted areas, environmental remediation is not specifically identified in the Tax Code as an allowable use of qualified redevelopment Bond proceeds. To address this oversight, the Brownfields Redevelopment Act would add environmental remediation to the list of activities that qualify for the use of the proceeds from the sale of qualified redevelopment bonds. This change would allow local governments to borrow money for brownfield cleanup at slightly less than market rates.

The bill would also waive a number of existing QRB restrictions when the bonds were issued for environmental remediation activities. Most importantly, the Brownfields Redevelopment Act would waive a section of the current law that requires that designated blighted areas be at least 100 acres in size. The great majority of brownfield sites desperately in need of redevelopment are much smaller than 100 acres. Many, in fact, are only a few acres. Consequently, this and similar requirements would be modified under the Brownfields Redevelopment Act to address the special conditions that are often associated with brownfield sites.

The QRB provisions of the Brownfield Redevelopment Act would be nearly revenue-neutral. While thousands of brownfield sites would be eligible for redevelopment using tax-exempt