reason to discourage anyone from coming to Florida—or anywhere else in the United States—to retire.

Foreign travelers supply a healthy boost to our economy, and are an important part of many of our communities. By simplifying the process for this unique group of retirees, this proposal would provide new and exciting opportunities to couples such as the Welzs—a practice that would benefit all parties involved.

TRAFFIC STOPS STATISTICS ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. CONYERS. Mr. Speaker, African-Americans across the country are familiar with the offense of DWB, driving while black. There are virtually no African-American males—including Congressmen, actors, athletes, and office workers—who have not been stopped at one time or another for an alleged traffic violation, namely driving while black.

Law enforcement representatives may admit to isolated instances of racially targeted police stops, but they deny that such harassment is routine. the numbers belie this argument. Although African-Americans make up only 14 percent of the population, they account for 72 percent of all routine traffic stops. This figure is too outrageous to be a mere coincidence.

The Ninth Circuit Court of Appeals reached a similar conclusion after considering the 1993 case of a Santa Monica police officer who was found to have violated the rights of two black men he stopped and arrested at gunpoint. The court found that the case was an example of how police routinely violate the constitutional rights of minorities, particularly black men, by stopping them without just cause.

But lawsuits alone cannot solve this problem. Last November, the American Civil Liberties Union sought a fine for contempt of court against the Maryland State police, arguing that police are still conducting a disproportionate number of drug searches of cars driven by African-Americans almost 2 years after agreeing to stop as a result of a 1992 lawsuit.

Despite the agreement, State police statistics show that 73 percent of cars stopped and searched on Interstate I–95 between Baltimore and Delaware since January 1995 were conducted on the cars of African-Americans despite the fact that only 14 percent of those driving along that stretch were black. Moreover, police found nothing in 70 percent of those searches.

The evidence clearly shows that African-Americans are being routinely stopped by police simply because they are black. It is exactly this sort of unfair treatment that leads minorities to distrust the criminal justice system. If we expect everybody to abide by the rules, we must ensure that those rules are applied equally to everybody, regardless of race.

In many ways, this sort of harassment is even more serious than police brutality. Not to minimize the problem of brutality, but these stops, this sort of harassment is more insidious. Almost every African-American man will be subject to this sort of unfair treatment at least once, if not many times. And no one hears about this, no one does anything about it.

With brutality on the other hand, these days, incidents of brutality at least come to light. The culprits may not be punished for their acts, but it is getting harder for the police to brutalize minorities without any fear of reprisals.

The same cannot be said for harassing traffic stops. Police can stop the cars of minorities with total impunity. In fact, the Supreme Court recently expanded police powers by holding that police need not inform individuals stopped that they have a right not to consent to a search of their vehicles.

Thus it appears that the problem of police stops is only going to increase. For this reason, I am introducing the Traffic Stops Statistics Act. This bill will force police departments to keep track of the race and alleged traffic infractions of those they stop. It will also require them to note the rationale for any subsequent search and the contraband recovered in the course of that search. In this way, we will increase police awareness of the problem of targeting minorities for car searches and we can discover the extent of the problem and hopefully reduce the number of discriminatory traffic stops.

INTRODUCTION OF THE HIGHER EDUCATION ACCUMULATION PROGRAM ACT OF 1997

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Ms. ESHOO. Mr. Speaker, I rise today to renew my drive to help parents save for their children's higher education by introducing the Higher Education Accumulation Program [HEAP] Act of 1997. This initiative, which I also introduced in the prior two Congresses, establishes special IRA-like savings accounts so that parents are motivated to save for their children's higher education.

There is no greater investment that families can make in their future than giving their children a chance to pursue higher education. Unfortunately, tuition increases have made college unaffordable for so many families. As a result, families are being forced to go deeper into debt or tap into their life savings in order to give their children a chance to prepare themselves for the 21st century.

Under my initiative, parents can deposit up to $5,000 per year tax deferred in a HEAP account for their child's college or other higher education. Only one child can be the beneficiary of each HEAP accounts. While multiple HEAP accounts could be established by a family, parents would be limited to a maximum tax deferment of $15,000 per year. Married parents filing separate returns would be limited to $2,500 in deferments per account, up to a maximum of $7,500.

With a HEAP account, one-tenth of any amount withdrawn for educational expenses—including tuition, fees, books, supplies, meals, and lodging—at eligible institutions would be included in the gross income of the beneficiary for tax purposes each year over a 10-year period. If a person withdrew money from a HEAP account for purposes other than paying for higher education, that money would be subject to a 10-percent penalty on top of the income tax rate that would apply at the time of withdrawal.

According to the Government Accounting Office [GAO], tuition at 4-year public colleges and universities—where two-thirds of U.S. college students attend classes—has increased 234 percent over the past 15 years. In contrast, median household income rose only 82 percent and the cost of consumer goods rose just 74 percent in the same period. GAO also has found that increases in grant aid have not kept up with tuition increases at 4-year public colleges. As a result, families are relying more on loans and personal finances to pay for school. For example, in fiscal year 1980, the average student loan was $518; in fiscal year 1995, it rose to $2,417, an increase of 367 percent.

The U.S. Department of Education reports that for the 1994–95 academic year, annual undergraduate charges for tuition, room, and board were estimated to be $5,962 at public colleges and $16,222 at private colleges. Between 1980 and 1994, college tuition, room, and board at public institutions increased from 10 to 14 percent of median family income—for families with children 6 to 17 years old. At private institutions, these costs increased from 23 to 41 percent of median family income between 1979 and 1993.

Mr. Speaker, making higher education more affordable for more families must be a top priority for the 105th Congress. I urge my colleagues to join me in this effort to provide a much-needed helping hand to American families.

REPEAL THE ESTATE TAX

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. PITTS. Mr. Speaker, today I introduced a bill to repeal the estate tax which has burdened so many farmers and small business owners in the 16th District of Pennsylvania. With the repeal of this tax, more families in Lancaster and Chester Counties can hold onto their hard-earned family legacies.

Mr. Speaker, the estate tax is one of America's most illogical taxes. After a person's death the IRS collects between 37 and 55 percent of all assets transferred which are valued at more than $600,000. The ''death tax'' discourages savings, penalizes the sound practices of capital formation and investment, and puts many family owned farms and businesses in jeopardy after the loss of a loved one.

In addition, Mr. Speaker, the estate tax is expensive to collect. The IRS spends approximately 65 percent of the revenue it collects from this tax on enforcement of the estate tax code. Further, the estate tax accounts for less than 1 percent of annual Federal revenue. Finally, it is expected that the repeal of this tax could create an increase in revenue for the Federal Government in the future, as families will be able to invest their savings and generate more taxable income.

Mr. Speaker, the reason many people work so hard is to make life better for their children. New businesses, especially minority-owned firms, face enough obstacles without having the rewards of hard work snatched away at the end of the first generation. I think it's time that we give control of life savings back to the people who have earned them. Let's make sure that farms that have stayed in the family for generations aren't sold off due to a bad tax policy. Let's end the outrageous practice of punishing thrift and financial security. Let's end the bias against savings and capital formation. Let's encourage saving, investment, and sound, life-long financial management which can provide for a family past a single generation. Let's repeal the estate tax and empower our Nation's families.

STATEMENT ON THE INTRODUCTION OF THE SOFTWARE EXPORT EQUITY ACT

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Ms. DUNN. Mr. Speaker, on this, the first day of the 105th Congress, I introduce the Software Export Equity Act and urge my colleagues to support its swift enactment. The Software Export Equity Act enjoys tremendous bipartisan support as demonstrated by the members that join me as original cosponsors, Messrs. MATSUI, HERGER, JEFFERSON, CRANE, NEAL of Massachusetts, MCCRERY, MCDERMOTT, ENGLISH of Pennsylvania, and WELLER.

Today, the U.S. software industry is a vital and growing part of the U.S. economy, exporting more than $26 billion worth of software annually. U.S. software companies perform a majority of this development work here in the United States. This measure will do more to ensure the competitivess of the U.S. software industry worldwide than any other single legislative change we can enact.

Congress enacted the FSC rules to assist U.S. exporters in competing with products made in other countries which have more favorable tax rules for exports. The FSC statute was carefully crafted to ensure that only the value-added job creating activity qualified for FSC benefits. When the statute was enacted in 1971, the U.S. software industry did not exist. However, due to a narrow IRS interpretation of the FSC rules, the U.S. software industry is the only U.S. industry that does not generally receive this export incentive. Nearly every other U.S. manufactured product—from airplanes to toothpaste—qualify for FSC benefits. Although the Treasury Department recognized the inconsistency in providing FSC benefits to licenses of films, tapes and records, all industries that were in existence when the law was created, but not to licenses of software, they stated their belief that this problem needed to be addressed in legislation rather than by regulation. Treasury has further stated their strong support for legislation to extend FSC benefits for licenses of computer software.

To illustrate the inequitable IRS interpretation of FSC rules with regard to software exports, suppose we have two CD ROM's—one containing a musical recording, the other containing a multimedia software product that also provides music. If the master of the musical recording is exported with a right to reproduce it overseas, the export qualifies for FSC benefits. If the master of the computer software is exported with a right to reproduce it overseas, the export does not qualify for FSC benefits, a result that makes no sense from either a policy or practical perspective. The ability to export software, accompanied by a right to reproduce that software in the local market, is essential to the way the software industry does business. Denying the benefits of the FSC rules to software exported through established industry distribution networks poses an impediment to the competitiveness of U.S. manufactured software.

The United States is currently the world leader in software development, employing hundreds of thousands of individuals in high-wage, high-skilled U.S. jobs. Much of the expansion of the industry is due to the growth of exports. The software industry, like other U.S. exports, needs FSC benefits to remain competitive and keep U.S. jobs here at home. FSC benefits are extremely important in encouraging small and medium-sized software companies to enter the export market by helping them equalize the cost of exporting. In addition, FSC benefits are needed to help keep high-paying software development jobs in the United States at a time when foreign governments are actively soliciting software companies to move those jobs to their countries. I do not propose any special or unique treatment, nor seek any new or special tax benefit. All that I propose in this measure is fair treatment under existing law.

If the goal of this Congress is to pass legislation promoting economic opportunity and growth in America, then common sense dictates that we enact the Software Export Equity Act.

THE FAIR TRADE OPPORTUNITIES ACT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1996

Mr. BEREUTER. Mr. Speaker, America's precious trade leverage is being eroded by outdated trade laws which undermine our Government's credibility and provide little incentive for countries to open their markets. These laws desperately need to be revised. Today, I have introduced legislation, the Fair Trade Opportunities Act, which abolishes the MFN trade status process while giving the President of the United States broad but flexible authority to raise tariffs on those countries which are not members of the World Trade Organization or which still prohibit emigration.

American companies and workers deserve the right to compete for markets and consumers throughout the world. They deserve our best effort to pry open foreign markets so they can freely sell their products and services. Bluffing and posturing during Congress' annual MFN process does nothing to help them. Giving countries which are not members of the World Trade Organization a "free-ride" to our own markets without reciprocal benefits is not fair to American workers.

The Fair Trade Opportunities Act responds to post-cold war realities by restoring U.S. trade sanction credibility and providing the President with the tools to open foreign markets. It should be considered in the 105th Congress if the U.S. Government hopes to reclaim America's precious trade leverage and give our export companies and workers equitable access to foreign markets.

THE FAIR TRADE OPPORTUNITIES ACT

Introduced by Representative Doug Bereuter (R–NE) on January 7, 1996.—This legislation was introduced in the last few days of the 104th Congress as the Fair Trade Opportunities Act (H.R. 4289). It was slightly modified, and then reintroduced on the first day of the 105th Congress.

Eliminates outdated U.S. trade law distinction between "market" and "nonmarket" economies and replaces it with a more appropriate distinction in the post-Cold War Era between member and nonmember countries of the World Trade Organization (WTO).—Under current U.S. trade law, market economy countries receive normal tariff status automatically and nomarket economy countries must go through an annual Jackson-Vanik certification process. The Fair Trade Opportunities Act replaces this Cold War Era distinction with two categories of tariffs—normal tariff status for WTO members and potential "snap-back" tariffs for non-WTO countries.

Abolishes annual Most-Favored Nation (MFN) process for 17 countries which require annual waiver or certification of compliance with Jackson-Vanik requirements.—The President will no longer have to certify that these 17 countries meet Jackson-Vanik requirements before they are entitled to MFN or normal tariff status. Also, Congress' self-imposed, annual review of the President's certification is eliminated. [Congress retains Constitutional right (Article 1, Section 8) to raise tariffs on any country at any time.]

Abolishes Smoot-Hawley (Column #2) tariffs for all countries except those countries which have not concluded commercial agreements with the United States (i.e. Vietnam).—Realistically, these Smoot-Hawley tariffs are only imposed on pariah, bad-actor states, or countries which do not have commercial agreements with the United States. For political, economic, and domestic commercial reasons, threats to impose Smoot-Hawley tariffs on other countries are hollow and not taken seriously by foreign governments. Despite the rancorous debates in Congress over the extension of MFN to some countries, Congress is also quite unlikely to impose Smoot-Hawley tariffs because of the harm it would inflict on U.S. companies and workers.

Replaces Smoot-Hawley tariffs with broad and flexible Presidential authority to raise tariffs (snap-back) on countries which are not members of WTO.—On a one-time basis and within six-months of the enactment of the legislation, the President is required to determine if non-WTO countries are "not according adequate trade benefits" to the United States. If the President makes such a finding, then the President shall impose snap-back tariffs on that country six-months after the determination. In imposing snap-back tariffs, the President has wide discretion to determine both the amount of the tariff and on which categories of products the snap-back tariffs will be imposed. However, under no circumstances can the President exceed the legislation's snap-back tariff ceiling which is the pre-Uruguay round MFN tariff rates, i.e., the Column #1 tariff rates in effect on December 31, 1994.

Enhances United States Trade Representative's negotiating leverage with countries which are not WTO members and provides a strong incentive for those countries to liberalize their trade laws and practices and to improve their WTO accession offers.—Between enactment of the legislation and the President's one-time, six-month determination and twelve-month imposition of snap-back tariffs, this legislation gives those non-WTO countries time to modify their trade regimes so as to give American exporters a fair