TRIBUTE TO THE TUSKEGEE AIRMEN

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 1997

Mr. BROWN of California. Mr. Speaker, it is with the greatest sense of pride that I rise today, on the floor of the U.S. House of Representatives, to honor the Tuskegee Airmen who earned a glorious place in history through their heroic actions during World War II.

Due to the rigid pattern of racial segregation that prevailed in the United States during World War II, the War Department began an isolated program in 1941 to train black Americans as military pilots. Primary flight training was conducted by the Division of Aeronautics of Tuskegee Institute located near the town of Tuskegee, AL. The Tuskegee Airmen were the first African-American aviators to serve in the U.S. Armed Forces.

The first class of Tuskegee Airmen was trained to be fighter pilots for the famous 99th Fighter Squadron, slated for combat duty in North Africa. Additional pilots were assigned to the 322d Fighter Group which flew combat along with the 99th Squadron from bases in Italy. By the end of the war, 992 men had graduated from pilot training at Tuskegee, 450 of whom were sent overseas for combat assignment. During the same period, approximately 150 lost their lives while in training or on combat flights.

The Tuskegee Airmen were revered because of their reputation for not losing bombers to enemy fighters. During the course of World War II, they flew more than 1,500 combat missions, and downed a remarkable 261 enemy aircraft. In addition, this fearless squadron flew over 140 flying missions without relief. Led by Gen. Benjamin O. Davis, Jr., the first black general in the Air Force, these unsung heroes flew every mission as if it were their personal task to demonstrate the equality of all people, regardless of color or creed.

Mr. Speaker, on July 31, 1997, the Arrowhead Credit Union, Inland Empire African-American Chamber of Commerce, Phenix Information Center, and Westside Action Group will form a partnership to honor the Tuskegee Airmen in San Bernardino, CA. On this special occasion, I ask my colleagues to join me and local civic organizations in my congressional district in saluting these men for their unsurpassed bravery and patriotism in putting their lives on the line overseas while confronting racial injustice at home. We recognize their sacrifice and honor them for their service to our country.

IN SUPPORT OF EDUCATION TAX BENEFITS

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 1997

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise today to highlight provisions of the pending tax bill that would affect higher education. Some of the proposals are long overdue, whereas others should never even have been considered.

On July 16, I was joined by my colleagues from the Massachusetts delegation and representatives of higher education from Massachusetts at a press conference on these very issues. I was joined by Grace Carolyn Brown, the president of Roxbury Community College, and Jon Westling, the president of Boston University, both of whom do a great job running schools in my district. BU and RCC are just 2 of the 60 colleges and universities in my district. Their students are among the 190,000 I represent—more students in 1 district than in 26 States.

I also was joined by Sam Liu, an MIT graduate student who organized a petition signed by 500 students opposing the elimination of section 117(d). There was also Roger Sullivan from the Association of Independent Colleges and Universities of Massachusetts and Harvard University staffer and student Annie Burton Byrd.

Here in the Congress, no one has done a better job of making sure the Tax Code works to the benefit of the education needs of our Nation than my colleague from Massachusetts who sits on the Ways and Means Committee, RICHARD NEAL. And in the short time they have been in office, the Members from the 3d and 10th Districts of Massachusetts, JIM MCGOVERN and BILL DELAHUNT, have been strong and forceful advocates for expanding access to higher education. I also want to thank our delegation's resident chemistry professor, JOHN OLVER, who now watches out for education on the Appropriations Committee.

When we talk about education what we're really talking about is the future prosperity and security of our country. Nothing is more fundamental to hopes of getting a good job and pursuing a rewarding career than education. It's the tool that enables people to get the high-wage jobs of the future and grow within their current careers.

There once was a time when higher education was a luxury that few could afford. Increased Federal support for loans, grants, and scholarships has helped open up the Ivory Tower to Americans from all walks of life, but today we've reached a point when the cost of this critical investment in the future is becoming out of reach.

The cost of getting a college, graduate, or professional degree has skyrocketed just at a time when higher education is more important than ever to obtaining fulfilling employment. Some experts predict that early in the next century, 75 percent of all jobs will require some level of higher education.

People of all ages understand the value of education. The fastest growing student population in the United States consists of people over 40 who are returning to school to gain new skills, who understand that what you earn depends on what you learn.

That being the case, why are we looking at a tax package that pretends to boost educational achievement but really only works for the wealthy? The Republican tax measure does little or nothing for the millions of working people who are going to school part-time while holding down a job and raising a family.

The education-friendly tax provisions described in our letter to the conferees is designed with working people in mind. It has been endorsed by over 25 college and university presidents and represents real help for the educational ambitions of our people. We urge the tax conferees to include them in the final conference report.

Here are the six provisions:

While the Republican House and Senate bills allow a tax credit equal to 50 percent of tuition costs for the first 2 years of college, our proposal covers 100 percent of costs. And while the GOP measures offer no credits for tuition costs beyond the first 2 years, we support a credit equal to 20 percent of tuition costs in the outlying years. Our provision is particularly important to students at schools like Roxbury Community College, where 1,500 dollars' worth of additional tax benefits can make the difference between getting a degree and going without one.

The current House bill includes no deduction for student loan interest while ours does.

The Senate bill permanently extends tax exclusion for employer-provided tuition assistance and does include graduate students but the House bill only extends section 127 through the year 1997 and does not include graduate students. The Member from the 2d Congressional District of Massachusetts, Mr. NEAL, has worked very hard to get permanent extension of this crucial benefit passed, because he knows that if employees have to pay taxes on expensive tuition assistance, many will decide to go without the additional education.

My colleague from Massachusetts, Mr. NEAL, has also shown great leadership on trying to retain the tax exclusion of tuition benefits for graduate students, which the House bill repeals. This provision would also hurt other employees of educational institutions who get tuition benefits. From lay teachers at Catholic schools to grounds keepers at Boston University, these people would be forced to pay taxes on the tuition benefits they and their families receive.

Our measure exempts from taxation any interest accrued on prepaid tuition accounts. It makes no sense to levy taxes on education accounts established with the aim of bringing tuition costs within the reach of working families.

Finally, our alternative eliminates the cap on tax-exempt bonds issued by private nonprofit educational institutions and other charitable organizations. This provision is crucial to the needs of colleges and universities to expand their facilities for the 21st century.

Mr. Speaker, I have the cover letter for the petition that Sam Liu organized and his statement from the press conference which I would like printed in the CONGRESSIONAL RECORD along with my statement.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY,

Cambridge, Massachusetts, June 30, 1997.

Hon. JOSEPH KENNEDY,

U.S. House of Representatives,

Washington DC.

DEAR CONGRESSMAN KENNEDY: We, 500 MIT graduate students, write to express our great shock and disappointment regarding the proposed elimination of Subsection 117(d) of the internal revenue code which excludes tuition from taxable income.

A graduate teaching or research assistant who receives a stipend of $1300/month and tuition waiver of $22,000/year (excluding summer tuition) will expect to pay $650/month in State and Federal taxes under the proposed new legislation. For many students this is a 3.5 times increase in tax!

The tuition waiver granted by MIT for graduate teaching and research assistants makes graduate school a financially viable opportunity for us. If tuition is now redefined as taxable income, many of us will no

doubt be driven out of graduate school and away from careers in research and teaching.

The proposed changes in tax code will force universities to dramatically increase teaching and research assistant salaries to maintain a reasonable standard of living for graduate students. In turn, this could increase tuition for undergraduates and dramatically increase pressures on already burdened federal research programs. The proposed elimination of Subsection 117(d) is a dramatic step in the wrong direction.

The new provisions will make graduate school unaffordable to millions of Americans throughout the next decade. We respectfully ask you to work against the new legislation which eliminates Subsection 117(d) of the IRS code and to support provisions which are more encouraging of graduate education. The future of our nation requires it.

We thank you for your cooperation,

Sincerely,

Graduate Students at the Massachusetts Institute of Technology

STATEMENT BY SAM LIU, GRADUATE STUDENT, THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY, JULY 16, 1997

My name is Sam Liu. I come from Washington Crossing, PA, and I am a doctoral candidate in economics at MIT.

The current House tax proposal would eliminate the tax exempt status of tuition waivers for graduate research and teaching assistants (known as RAs and TAs). There are over 2,700 RAs and TAs at MIT who work with faculty in teaching and research and who rely on these waivers to make graduate school an affordable opportunity. The elimination of Section 117(d) of the tax code would have grave consequences for graduate students and for higher education.

The typical MIT graduate student relies on a research or teaching assistantship to pay for his or her schooling. The assistantship covers the cost of tuition and pays a stipend of about $1,300 per month to cover our living expenses. Currently, under Section 117(d), only the stipend portion of this award is taxed by federal and state income taxes. After taxes, the typical stipend for an unmarried student amounts to about $1,100 a month.

If the current House tax proposal were to become law, my taxes and those of my fellow graduate students would increase dramatically. Our tuition waivers would be considered taxable income. This means that our taxable income will increase by the $22,000 cost of MIT's tuition. Instead of paying taxes on $12,000 for the academic year, I would have to pay taxes on $34,000. That would increase my taxes by over 300 percent. My stipend would be reduced to less than $600 per month. It would be virtually impossible for me to live on this small amount of money. My monthly rent for a shared apartment is more than $400/month. The tax proposal would leave me with less than $200 a month to cover food, books and other expenses. Other students have families they must take care of and have even greater expenses. Many of my fellow students have told me that if Section 117(d) is eliminated, they would not be able to continue their graduate studies.

If the tax proposal is passed, and if MIT were to raise our stipends in order to compensate us for the huge decline in our net income, the Institute would see its costs increase by over $19 million annually to retain its RAs and TAs. These costs would be translated into either sharp cutbacks in teaching and research programs or higher tuition fees for undergraduates.

My fellow graduate students and I urge Congress to keep our tuition waivers tax-free and keep Section 117(d) intact. We would also like to thank Representatives Kennedy, Neal and McGovern and the other members of the Massachusetts delegation for their leadership and support on behalf of graduate education.

MORATORIUM ON LARGE FISHING VESSELS IN ATLANTIC

SPEECH OF

HON. JACK METCALF

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1997

Mr. METCALF. Mr. Speaker, I rise in opposition to H.R. 1855 and to express my strong concerns with this bill. We have heard much today about the Atlantic herring and mackerel fishery stocks, as if somehow they are in danger. Yet this bill is not really about the fishery resources at all. It is about competition. It is about changing the rules in the middle of the game.

It is about destroying an American company whose principals are fishermen from Washington State and from Maine. This company has invested in a $40 million project based on every known fishery management policy and law on the books. Policies that encouraged the development of vessels of this size are completely reversed by this Federal legislation. In fact, this company's vessel, the *Atlantic Star*, is the only vessel that will be legislated out of existence—and into bankruptcy—by enactment of H.R. 1855. Such a result is not only bad fishery policy, it is bad Government policy and is manifestly unfair. We here in Congress should be trying to prevent Government takings of private property, not facilitating them, as this legislation most certainly does.

In 20 years of managing our fisheries resources, this is the first bill ever to waive the entire Magnuson-Stevens Fishery Conservation and Management Act. It preempts the Regional Fishery Management Councils and attempts to micromanage the Fishery from Washington, DC. And why? Because it is the only way that competitors can keep a single large vessel, the *Atlantic Star*, out of the fishery. This boat presently meets all necessary requirements. It has all permits needed for these fisheries. It is a U.S.-built, U.S.-flag, U.S.-owned and U.S.-crewed vessel that will generate over 100 new jobs, both on board and on land, as well as $25 million per year in benefits to the U.S. economy.

This vessel is presently in the shipyard being refitted to fish mackerel and herring stocks that are so strong that Government scientists have for years characterized them as underutilized. The most recent information from National Marine Fisheries Service [NMFS] scientists tells us that ''the Northwest Atlantic mackerel stock is currently at a high level of biomass and is underexploited.'' In fact, the Spawning Stock Biomass [SSB] is an incredible 2.1 million metric tons, yet last year's total reported domestic landings were less than 16,000 mt. The story is the same for Atlantic herring, with NMFS scientists calling the stocks extremely underutilized with a biomass of 2.2 million mt and domestic landings of about 100,000 mt.

Even assuming that these fishery stocks were somehow at risk, what is it exactly that H.R. 1855 does to protect them? First of all, it waives the entire Magnuson-Stevens Act, as it must because what it attempts to achieve is flatly prohibited by that act. Economic allocation decisions, such as this one, must be ''fair and reasonable to all fishermen'' under the Magnuson-Stevens Act. Prohibiting a single fully permitted U.S. vessel from fishing while allowing in thousands of other vessels with far greater capacity most certainly fails this standard. Although larger than the bill's size thresholds of 165 feet and 3000 horsepower, the freezer trawler *Atlantic Star* takes only 250 mt of fish per day, because it catches only as much as it can freeze in a day. However a boat that comes under the size thresholds can easily take 500 mt per day or more, twice as much as the *Atlantic Star*. How serious can we be in protecting the stocks when this bill imposes no limit at all on the number of these 500 mt per day vessels that come into these fisheries, yet a single vessel taking half as much per day is legislated out of business?

What is perhaps even more surprising is that while this bill puts an American company out of business and destroys American jobs, it does nothing to prevent Russian-flag processing vessels of similar size from continuing to operate within our waters processing the same species of fish, employing Russian crews and paying no Federal income taxes. What is wrong with this picture? The Magnuson-Stevens Act was supposed to give U.S. vessels priority over foreign vessels, yet this bill would reverse that policy as well.

This bill is an unwarranted Federal intervention in a system that is working and needs no help from Washington, DC. If it is to be enacted, however, it should at least include a savings clause to allow those projects that are in the pipeline and whose principals have invested in reliance on existing law not to be penalized. I am unaware of a single fishery management plan anywhere in the country that has not accommodated projects in the pipeline when new rules are adopted. We regularly adopt savings clauses in Congress to prevent exactly the kind of inequity that this bill, in its present form, will deliver to this single company.

We can do better and we should. This kind of legislation is not needed, it is bad policy, it destroys American businesses and I urge you to oppose it.

LEGISLATION TO IMPOSE A SIZE LIMITATION ON ATLANTIC MACKEREL AND HERRING FISHING VESSELS WOULD NOT PROTECT THE FISHERY RESOURCE WHILE LEGISLATING INTO BANKRUPTCY A $40 MILLION U.S.-FLAG FISHING VESSEL PROJECT AND COST OVER 100 U.S. JOBS

Throughout the 1990's the consistent fisheries management policy of the Regional Fishery Management Councils and the federal government has been to encourage American development of the abundant Atlantic mackerel and herring pelagic resources, and to do so with large vessels. In reliance on that policy, the owners of the *Atlantic Star* commenced a $40 million vessel project with the first large U.S. boat ever designed exclusively for these fisheries. Now legislation has been introduced which would reverse that policy, impose a ''moratorium'' to limit entry of some large vessels (while allowing others in), and destroy this investment before the *Atlantic Star* is even delivered from the yard where refitting work is now underway. While there are legitimate questions as to whether Congress should be