

to continue working with both Houses of Congress to enact this landmark legislation. Successful passage of the Internet Tax Freedom Act will be critical for the future of electronic commerce and for the future of private enterprise.

Sincerely,

R. BRUCE JOSTEN.

CITIZENS AGAINST GOVERNMENT WASTE  
PORK CHOPS

TALKING POINTS ON WASTE ISSUES BEFORE THE  
105TH CONGRESS

THE INTERNET TAX MORATORIUM ACT (H.R. 3529)  
"ESTABLISHING A NATIONAL POLICY AGAINST  
TAXING INFORMATION"

On June 17, the House Judiciary Committee approved the Internet Tax Freedom Act (H.R. 3529), a bill that imposes a three-year moratorium on new taxes targeted at Internet users. Rep. Chris Cox (R-Calif.), a sponsor of the legislation, praised the committee action, stating: "We are one step closer to establishing a national policy against taxing information."

Electronic commerce is a rapidly growing industry. One-third of all Internet users bought products online within the last year. Commerce on the Internet is expected to grow to \$327 billion by 2002 if undue regulation is not imposed, according to Forrester Research Inc., a Massachusetts consulting firm.

More and more businesses are offering their services over the Net—more than 25 percent of all small businesses have already established an Internet presence, according to one survey. Online stores, such as Amazon.com and Dell Computer, are finding out that they can build real businesses selling products online. Total Web-related revenues generated \$24 billion in 1997, nearly double the amount from the previous year.

Total Web-related revenues are projected to reach \$1 trillion by 2000, according to one industry analysis. Others, including the accounting firm of Arthur Andersen, have put this figure between \$150 and \$600 billion. In 1996, the U.S. Treasury Department projected more conservative online revenues of \$70 billion by 2000.

A KPMG Peat Marwick survey found that more than half of participating financial executives responded that ambiguous state and local tax laws are already inhibiting their involvement in electronic commerce. An alarming 20 percent of executives were so confused by the tax situation that they did not know if their companies were even subject to sales and transaction taxes for the sale of products over the Internet.

The Internet Tax Freedom Act provides for tax-free Internet access and prohibits state and local governments from imposing taxes on Internet access charges. Taxes on Internet access, online services, and "bit taxes" are expressly banned for three years.

The Internet Tax Freedom Act prevents multiple or discriminatory taxes on the Internet and protects consumers and vendors who buy and sell over the information Superhighway.

THE INTERNET TAX FAIRNESS COALITION,

June 23, 1998.

DEAR MEMBER OF CONGRESS: Today, H.R. 4105, the Internet Tax Freedom Act, will be brought to the floor of the House. We urge your support of this important legislation.

As you know, the Internet Tax Freedom Act (ITFA) would place a temporary moratorium on taxation of Internet access and discriminatory taxation of electronic commerce. This "time-out" will enable consumers, businesses, and local governments to establish fair and non-discriminatory rules-of-

the-road for the taxation of Internet commerce—rules that will allow e-commerce to flourish both at home and abroad. The members of our coalition feel this bill is essential if America is to realize the full potential of the Internet and electronic commerce. The alternative, which we have begun to glimpse in the past two years, is a rush by numerous state and local authorities to tax this exciting new medium, leaving consumers confused or disadvantaged, and online businesses facing a host of overlapping and discriminatory tax demands.

The Internet is changing the way Americans interact, shop, do business and learn. By enacting the ITFA, Congress would ensure millions of citizens that their use of the Internet will not be stifled by overreaching or unfair taxation.

The ITFA was reported out of both the Commerce and Judiciary Committees without dissent, and enjoys strong, bipartisan support. We hope you will lend it your support, as well, when H.R. 4105 is considered today on the House floor.

The Internet Tax Fairness Coalition ([www.stopnettax.org](http://www.stopnettax.org)) is a coalition of leading Internet and high-tech companies and trade associations that supports the fair and equitable tax treatment of the Internet and online services. The Coalition believes Congressional action is necessary to implement a moratorium to address Internet-related tax issues.

Sincerely,

THE INTERNET TAX FAIRNESS COALITION.

MEMBERS

America Online, Inc., American Electronics Association, American Hotel & Motel Association, American Society of Association Executives, Americans for Tax Reform, Association of Online Professionals, Business Software Alliance, California Internet Industry Alliance, Charles Schwab & Co., Inc., Citizens for a Sound Economy, CommerceNet, Commercial Internet Exchange, Computer Software Industry Association, Computer Technology Industry Association, DCI, Frontiers for Freedom, Hewlett Packard, IBM, Information Industry Association, Information Technology Association of America, Interactive Services Association, International Mass Retail Association, Microsoft Corporation, National Association of Realtors, National Retail Federation, NCR Corporation, Securities Industry Association, Silicon Valley Software Industry Coalition, Software Forum, Software Publishers Association, Ticketmaster, US Chamber of Commerce, US Internet Council, US West.

JUNE 23, 1998.

Hon. CHRISTOPHER COX,

*The U.S. Capitol, Washington, DC.*

DEAR REPRESENTATIVE COX: Congratulations on your efforts to prevent unfair taxation of the Internet.

The Internet and the development of electronic commerce present difficult policy questions in areas as diverse as tax, privacy, liability and telecommunications regulation. However, we believe it is best to adhere to time-tested principles like consumer choice, deregulation and competition. We believe that tax policy should not discriminate against electronic commerce.

We have long believed that lower taxes and a smaller government are keys to a successful and healthy economy. American consumers and retailers are benefiting as a part of the marketplace becomes electronic: the Internet provides more consumer choice and is a growing market for consumers from around the world.

The laws that you create must be neutral and consistent. Stated another way, govern-

ment ought not choose one technology over another or one type of transaction over another, and consumers should know what to expect of our laws.

Again, we commend your efforts to ensure a neutral and consistent tax policy that will not hamper development of electronic commerce.

Sincerely,

Grover G. Norquist, President, Americans for Tax Reform, James L. Gattuso, Vice President, The Competitive Enterprise Institute, Paul Beckner, President, Citizens for a Sound Economy, Thomas Duesterberg, The Hudson Institute.

THE SAVINGS AND INVESTMENT  
RELIEF ACT OF 1998

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1998

Mr. SOLOMON. Mr. Speaker, I rise today to introduce H.R. 4120, the Savings and Investment Relief Act of 1998. This legislation would provide relief to every American who invests in the stock market. Fortunately, Mr. Speaker, in this day and age, the stock market is no longer the sole province of the rich and the elite. Our capital markets, which are the most liquid and efficient in the world, are accessible to virtually every American. In fact, as of 1995, nearly half of all households in America owned stock, either individually, in a mutual fund or through a pension plan. However, I suspect that many of these Americans do not know that they are subject to a tax every time they—or their pension plan or mutual fund—sell stock. This tax yields the government hundreds of millions of dollars in revenue each year. This is in addition to the income taxes and capital gains taxes which Americans are already paying.

Under our securities laws, the Securities and Exchange Commission (SEC) collects transaction fees on sales of stocks. These fees were originally designed solely to fund the SEC's regulation and supervision of the securities markets. The SEC's role in protecting investors is critical, and the hardworking members of the Commission and its staff should be commended for the good job that they do. However, the SEC is now collecting transaction fees far in excess of what it needs to carry out these functions, transforming what was intended to be a user fee with a specific purpose into a huge, general tax.

When Congress enacted the National Securities Markets Improvement Act of 1996 (NSMIA), we intended to bring total SEC fee collections, which had already grown to significantly exceed the Commission's budget, more in line with its costs. However, in fiscal year 1997, total SEC collections actually grew to 324% of its appropriated budget authority, and 382% of its requested budget. Frankly, Mr. Speaker, this situation is ridiculous and it must be addressed. We talk a lot on this floor about common sense government and about putting money back in the pockets of the ordinary, hardworking Americans. The legislation I am introducing today would accomplish both of these objectives.

Mr. Speaker, my bill is really very simple. It would cap annual collections of transaction

fees assessed on trades of NASDAQ and exchange-listed stocks, so that when the Commission had collected all the money it needs for the year, the fee would simply shut off. All we are saying with this bill is that once the SEC has collected sufficient money to fund itself, then investors do not have to pay any more fees.

At the same time, Mr. Speaker, my bill would offer more flexibility than under current law and ensure that the SEC always has sufficient money to carry out its important mission of protecting investors. The bill provides that for any year in which the SEC does not collect enough fee revenue to cover its budget, the Appropriations Committee can temporarily raise the transaction fee rate through an Appropriations Act to ensure that sufficient money is collected to fund SEC functions for that fiscal year.

I urge all Members to support this important legislation which would save a substantial amount of money for millions of American investors, and guarantee that the SEC always has enough funding to carry out its critical function of protecting shareholders.

CONGRATULATING THE NOAA  
CORPS ON ITS 81ST ANNIVERSARY

**HON. CONSTANCE A. MORELLA**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 25, 1998*

Mrs. MORELLA. Mr. Speaker, this year marks the 81st anniversary of the National Oceanic and Atmospheric Administration Commissioned Corps. Known as "America's Seventh Service," the officers of the NOAA Corps are an integral part of the National Oceanic and Atmospheric Administration who serve with distinction throughout this multi-disciplinary scientific organization. I am proud to congratulate the NOAA Corps for 81 years of dedicated service to our Nation.

The NOAA Corps was designed to allow for flexibility in the assignment of professionals to remote, hazardous, or otherwise arduous duties throughout the wide range of vital environmental and stewardship activities encompassed by NOAA. Corps officers today combine such unique qualifications as: research ship and aircraft operations; technical expertise with advanced academic backgrounds in hydrography, geodesy, fisheries sciences, meteorology, and oceanography; and leadership in technical program and data management contributing to the coherence, integrity, and effectiveness of the administrative structure of NOAA.

The dedicated scientists, engineers, and officers of the uniformed NOAA Corps have a long and decorated tradition of providing mobility, flexibility, operational, and professional skills in the unique response capability to our Nation. The Corps houses experts in nautical charting and hydrographic surveying. These functions are vital to our national interest to ensure the continued safe navigation of trade. NOAA Corps pilots provide critical operations when conducting low-altitude penetration missions of hurricanes and tropical storms in support of weather research and prediction. Corps officers supply the data collection and management that are requisite to ensuring accurate fisheries stock, turtle, and marine mammal assessments.

The Corps has contributed on many occasions over the recent decades in providing valuable scientific and engineering skills, especially in times of national emergencies. The Corps made immediate vital contributions during both Operations Desert Shield and Desert Storm. NOAA provided ship, aircraft, and technical skills during the Golf War to assess the oil-based environmental damages caused by Iraq. Shore personnel contributed scientific expertise in hazardous materials management, while a NOAA ship carried scientists in the Gulf to evaluate the extent of environmental damages. In another recent example, NOAA Corps officers and ships provided crucial survey support in response to the TWA Flight 800 recovery effort. The Corps swiftly located the wreckage of TWA Flight 800 and created highly detailed map products which greatly facilitated the retrieval of wreckage by Navy divers.

Today, the NOAA Corps expertly performs its missions, whether in charting our Nation's coastline, assessing our fisheries stocks, or flying into hurricanes for scientific research and the humanitarian need to produce better safety warnings for the protection of life and property. NOAA Corps officers serve in NOAA research laboratories and program offices throughout the Nation and in remote locations around the world. These officers remain ready to apply their science and service skills to the many problems facing the United States in the management and study of oceanic and atmospheric resources.

I extend my warmest congratulations to the men and women of the NOAA Corps on this 81st anniversary. The expertise and flexibility that the Corps has demonstrated in the past will serve the Nation for years to come. The NOAA Corps has reached a celebrated milestone, and I wish it an even greater future.

HONORING ST. FRANCES OF ROME

**HON. ELIOT L. ENGEL**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 25, 1998*

Mr. ENGEL. Mr. Speaker, St. Frances of Rome celebrates its centenary this year; one hundred years of neighborhood building in the Bronx.

In 1898, using a tent with a cross atop it, St. Frances of Rome was founded in the mostly Irish, German and Italian Wakefield section. Three years later a wooden church building was erected and soon after the growth of the parish caused a Mission Church to be established in the nearby Woodlawn area. Further growth in the parish led to it being subdivided and the Mission Church became St. Barnabas Church.

By the mid 1920's property was acquired for a more permanent church and in that same decade the school for St. Frances of Rome was started. The basement church was opened on Easter Sunday in 1926 with the rectory being constructed about the same time. In 1928 Father Moore, the first pastor of the church and a man of vision and energy, died. The great cross on the church is dedicated to him and the street outside was renamed Moore Plaza.

In the following years the growth of the parish continued under hardworking pastors who tended their flock with great care and concern.

The building continued with the present upper church, an additional school building constructed. The parish adapted to a newer congregation by expanding daycare and programs for the homebound and elderly and establishing a food pantry.

I salute the parish of St. Frances of Rome. What it has given to the growth of the Bronx and to New York City cannot be measured in mere numbers. The spiritual unity it has conferred on us has made us a community.

HONORING DAN AND BOBBIE  
JENSEN

**HON. BOB SCHAFFER**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 25, 1998*

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, it is my honor to come to the floor today to honor Dan and Bobbie Jensen of Fort Collins, Colorado. They offer an example of honesty and integrity, which my colleagues in Congress, and all Americans, would be wise to emulate.

Raising two beautiful girls, Dan and Bobbie are dedicated to their family. Whether it was cheerleading, a track meet, or a choir performance, the girls could always count on their parents to be there supporting and cheering them on. The Jensens worked hard to make sure their children learned to make responsible choices regardless of the cost or situation, and these loving lessons are now being passed on to their three grandchildren.

Their family watched as Dan and Bobbie worked together to build their home development company, Jensen Homes, into one of the most successful companies in Fort Collins. Running a successful business is never easy, but even when things were tough, they made sacrifices to insure all of their employees and vendors were paid in full. They didn't do this for a pat on the back, or because it was forced on them—they simply did it because it was the right thing to do.

Dan and Bobbie's dedication has extended beyond their immediate family and business, and has been an true asset to the community. Their commitment to living out their faith led them to help create "Man Alive," a ministry program dedicated to strengthening the family. Through Man Alive, speakers such as Dave Roeber, Dr. Malcolm Smith, and Pastor James Ryle of Promise Keepers, have come to our community to share a message of hope for our youth, and encouragement for men to recognize God's calling in their lives.

Mr. Speaker, Dan and Bobbie's life together is a true inspiration. I am proud to represent them in Congress, and on the occasion of their 27th wedding anniversary I wish them many more years of happiness.

THE MEDICARE CONTRACTING  
FLEXIBILITY ACT OF 1998

**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 25, 1998*

Mr. STARK. Mr. Speaker, I am pleased to introduce the Medicare Contracting Flexibility Act of 1998.