

improving industry safety, providing statistical data, and providing community services;

Whereas keeping investment income free from tax encourages associations to maintain modest surplus funds that cushion against economic and fiscal downturns; and

Whereas corporations can increase prices to cover increased costs, while small and medium-sized local, regional, and State-based associations do not have such an option, and thus increased costs imposed by the President's association tax increase would reduce resources available for the important standard-setting, educational training, and professionalism training performed by associations: Now, therefore, be it

Resolved, That it is the sense of the Senate that Congress should reject the President's proposed tax increase on investment income of associations as defined under section 501(c)(6) of the Internal Revenue Code of 1986.

• Mr. ABRAHAM. Mr. President, I am joined today by Senator CRAPO in introducing a Sense of the Senate Resolution rejecting a new tax proposed by the Clinton administration. As part of the administration's fiscal year 2000 budget proposal, this tax would be levied on the investment income earned by nonprofit trade associations and professional societies. This proposal, which would tax any income earned through interest, dividends, capital gains, rents and royalties in excess of \$10,000, imposes a tremendous burden on thousands of small- and mid-sized trade associations and professional societies currently exempt under 501(c)(6) of the Internal Revenue Code.

The administration would like us to believe that this tax is targeted to a few large associations, affecting only those "lobbying organizations" which exist as tax shelters for members and to further the goals of special interests. Mr. President, nothing could be further from the truth.

This new tax would affect an estimated 70,000 registered trade associations and professional societies. The bulk of these associations operate at a state and local level, many of whom perform little, if any, lobbying function. In fact, associations rely on investment income to perform such vital services as education, training, standard setting, industry safety, research and statistical data, and community outreach. Through association-organized volunteer programs, Americans contribute more than 173 million volunteer hours per year, at a value estimated at over \$2 billion annually.

These organizations already contribute millions in taxes for any activities which place them in competition with for-profit businesses. Yet the administration would like to impose a new tax on income earned outside of the competitive business environment, income which is used to fund functions serving the public welfare. Unlike for-profit corporations, investment income does not go to shareholders, individuals, or other companies. Associations do not have the liberty of simply raising prices, as do ordinary corporations, to cover increased costs.

Mr. President, faced with an additional increase in taxes of \$1.44 billion

over the next five years, many associations will be forced to cut back on important services, and some may not survive an economic downturn without the small cushion their investments provide.

Without such services provided by associations, the Government will be forced to step in, increasing expenditures and creating additional Government programs and departments.

During a time when the Government is projecting on-budget tax surpluses of more than \$800 billion over the next 10 years, it is unconscionable that we allow the administration to levy a new tax on these nonprofit organizations.●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENT AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent on behalf of the Permanent Subcommittee on Investigations of the Governmental Affairs Committee to meet on Monday, March 22, 1999, at 1:30 p.m. for a hearing on the topic of "Securities Fraud On The Internet."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee on Armed Services Subcommittee on Emerging Threats and Capabilities be authorized to meet at 2 p.m. on Monday, March 22, 1999, in closed/open session to receive testimony on Department of Defense Policies and programs to combat terrorism.

The PRESIDING OFFICER. Without objection, it is so ordered.

STRATEGIC SUBCOMMITTEE

Mr. STEVENS. Mr. President, I ask unanimous consent that the strategic subcommittee of Committee on Armed Services be authorized to meet on Monday, March 22, 1999, at 9 a.m. in open session, to receive testimony on National Security Space Programs and Policies, in review of the defense authorization request for fiscal year 2000 and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON YOUTH VIOLENCE AND CRIMINAL JUSTICE

Mr. STEVENS. Mr. President, I ask unanimous consent that a joint hearing, before the subcommittees on Youth Violence and Criminal Justice Oversight of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Monday, March 22, 1999 at 1 p.m. to hold a hearing in room 226 of the Senate Dirksen Office building on: "Review of DOJ Firearm Prosecutions."

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. STEVENS. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to

meet on March 22, 1999 at 1 p.m. in Hart 216 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TUNISIA NATIONAL DAY

• Mr. WARNER. Mr. President, I rise today to congratulate the Government and the people of Tunisia on the occasion of their annual National Day celebration, March 20, which this year marks the 43rd anniversary of their independence from France. While the Republic of Tunisia is only 43 years old, the Tunisian nation has a long rich history, dating back to ancient Carthage.

Accompanied by the senior U.S.-N.A.T.O. military commander responsible for the region, I was privileged to visit Tunisia last April. At the request of Admiral Lopez, I met with top government and military officials in the company of U.S. Embassy officials in hopes of integrating U.S. and Tunisian actions and efforts in Europe.

The United States and Tunisia go back a long way. In 1797, our two nations signed a treaty of peace and friendship. Among other things, this treaty called for "perpetual and constant peace." Indeed, for the past 200 years, our two nations have enjoyed such a relationship. During World War II, Tunisia's nationalist leaders suspended their struggle against France in order to support the Allied cause: they knew which side in that war was fighting for the values they held dear. During the tense cold war years, Tunisia was one of America's most reliable allies in the Mediterranean, and Tunisia's friendship proved of tremendous benefit to the Sixth Fleet.

Since the end of the cold war, Tunisia has continued to be a friend and ally of the United States. Tunisian President Zine El Abidine Ben Ali has been very active in supporting the Middle East peace process. He has also sought to open his country's economy to greater US investment, a goal that has gotten a recent boost from our own State Department, which has proposed a new trade partnership with the countries of North Africa, including Tunisia. Our military ties with Tunisia also remain strong. Just last month Defense Secretary William Cohen visited Tunisia and discussed a number of issues of mutual interest, including the Iraqi situation, the Middle East peace process and the Lockerbie bombing.

I think it is safe to say that few of our nation's bilateral relationships have been broadly and consistently positive for so long. I hope my colleagues will join me in congratulating Tunisia on its National Day and in honoring this great friend of the United States.●