EMPLOYEE OWNERSHIP ACT OF 1999, LEGISLATION AS SIGNIFICANT TO THE AMERICAN PEOPLE AS THE HOMEOWNER'S MORTGAGE DEDUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROHRABACHER) is recognized for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, today I am submitting to Congress what I believe will be an historic piece of legislation. It is entitled The Employee Ownership Act of 1999. This legislation, I predict, will be as significant to the American people as the homeowner's mortgage deduction, which has ensured the widespread ownership of homes throughout the United States of America.

In fact, 60 percent of the American people own their own homes, and this can be traced to the fact that we have written our tax law in a way that encourages widespread ownership of housing and homes in the United States.

The goal of my bill is that after 10 years, 30 percent of all of America's major corporations will be owned and controlled by their own employees. Now, I know that sounds a bit radical. That sounds like a big change, but we have had a great deal of employee ownership expansion over these last 20 years.

This bill, under the guise of ESOPS, Employee Stock Ownership Plans, what I am proposing is an ESOP-plus-plus idea that would increase employee ownership throughout this country.

This bill will bring about a new category of American business, the Employee Owned and Controlled Corporation, EOCC.

These new corporate structures would be modeled somewhat after United Airlines. As we know, the employees at United Airlines bought a controlling interest in their own corporation and now make many of the decisions that affect United Airlines and thus affect the employees.

In fact, the legislation I am proposing would establish an employee trust that when it owns 50 percent of the shares of a company will be entitled to substantial tax incentives that will encourage the growth of employee ownership and ensure the success of this new employee owned and controlled company.

Some of the tax incentives suggested by my legislation: Number one, if someone sells stock in a company to an employee trust or to the employee who is part of the trust, that person shall pay no capital gains on the sale of that stock. Thus, someone is given the incentive to sell the stock to an employee.

Employees who accept stock as part of their pay during the creation of an employee owned trust, that if they accept it in lieu of their pay, they will not have to pay income tax on that stock.

Of course, corporations have a right not to be a part of an employee trust and there are many corporations who will not participate in this or employees who will not be part of this, but if, for example, an employer or anyone else who owns stock in a company, which is establishing an employee trust, if they sell their stock or, let us say, they give their stock to an employee trust as part of a bequeathal situation, where someone is leaving that in their will to the employee trust, then it decreases the inheritance liability on their estate by a one-to-one ratio.

So if someone left a million dollars in their will to an employee trust of stock in that company, well, then the inheritance liability to their heirs would be reduced by that one million dollars.

The goal of this, of course, is to expand employee ownership. In the end, if we have established these employee owned and controlled companies, they will, by my legislation, not pay corporate income tax. This will provide a major incentive for Wall Street to work with the working people of this country to empower them in a way that they will be able to control their own economic destiny as never before.

This would be the equivalent of the Homestead Act. Many people forget that the Republican Party was the party of the Homestead Act. In 1862 when Abraham Lincoln signed the Emancipation Proclamation, that same day he signed the Homestead Act, which opened up the idea of ownership of property to millions of people. It was essentially an important part of the American dream.

What we are trying to do now is expand upon that, expand on the home mortgage deduction, expand on the Homestead Act, expand on the idea that people have a right to own their own home but they also should have an incentive in the tax system to own and control their own company. Thus, they will control their own economic destiny. This is the ultimate empowerment. This will increase productivity. It will see that there are no strikes because people would be striking against themselves, their own company or at least they would be more willing to talk out problems within a company.

THE KOSOVO CONFLICT, NO END IN SIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CUNNINGHAM) is recognized for 5 minutes.

Mr. CUNNINGHAM. Mr. Speaker, I want to give some perspective on an issue that is, I think, very near and dear to every American's heart, as it is in Kosovo today also.

I would like to give the Speaker a little perspective. First of all, according to Henry Kissinger, and I agree, Rambouillet was a very poor foreign policy. It was an agreement only between Albania and the United States in which the United States knew, in no uncertain terms, that Serbia would never give up Kosovo itself. Any history student would know that.

We have spent $16 billion in Bosnia to date; Somalia cost us billions of dollars; Haiti cost us billions; $4 billion times the four strikes in Iraq, the Sudan, Afghanistan. Our troops are deploying 300 percent above the highest level in Vietnam but yet we are doing it with about half the force. Enlisted retention in our own military is below 23 percent; pilots, 30 percent.

The Joint Chiefs of Staff said we are $150 billion short. We cannot buy spare parts. We do not even have basic bullets. Top gun, 14 of 23 aircraft are down; 18 for engines; 137, parts.

Kosovo, and this is according to General Clark, I was with General Clark just days ago and I said I want to know how many sorties the United States is flying. Mr. Speaker, General Clark said, and this is accurate to the sortie, 75 percent of all strikes in Kosovo are being flown by the United States. That does not include the B–2s, the tankers, the support aircraft like C–17s and C–130s. That brings it up to 82 percent.

We are dropping 90 percent of all the weapons, so we are paying for over 90 percent. That does not even include our ships. That does not include our manpower over there. My point is that it should be the other way around.

The reason given by General Clark is that other nations do not have the stand-off capability that we do so we are having to fly 90 percent of this stuff, 82 percent of it and 90 percent of the ordnance.

My point is that the supplemental that we are going to ask for, if NATO is a fair share organization, then NATO ought to pay the United States between $10 and $20 billion for our supplemental and not come out of our taxpayers' dollars.

Let me give you another perspective. Before the bombing in Kosovo, there were only 2,000 deaths. Each death is important, but in perspective there were only 2,000 deaths attributed in Kosovo that whole year. One-third were Serbs and other nationalities besides the Albanians, but after the bombing look at the number of deaths. We have just killed 70 Albanians in a convoy trying to get out of Kosovo. NATO has killed 70 Albanians in an air strike. Look at the million refugees that these air strikes have caused that would not be there unless we had bombed Kosovo.

The Croatians executed 10,000 Serbs in 1995 in Croatia. They deported and fled over 250,000 Serbs as refugees. Indonesia has killed millions; Turkey, thousands; India with the Sikhs; China, thousands with Tibet. Yet, we are in a mass war where there is less than 2,000 deaths, and over a third of those by the people we are claiming to bomb.

The Pentagon, confirmed by Secretary Cohen, that the Pentagon did not want to execute just air strikes. The Pentagon told the President that

they would not work alone, that they would exacerbate the problems, cause refugees, kill a lot of people. The United States would have to pay for a lot of it and unless we put ground troops in there the goals were not attainable. Yet, the President says no ground troops, which I am opposed to also.

Why is he opposed to it? Because the Germans balked, the Italians balked. In World War II, Germany had 700,000 troops in Kosovo. The Chechens, with one half the force that Milosevic has, killed those Germans. General Shelton just 2 days ago said that this is the easiest place to defend and the most difficult to attack in the world.

We do not belong there, Mr. Speaker. This is Clinton's war. Clinton ought to get out of it.

OUR POWS, WE WANT THEM SAFE, SOUND AND RETURNED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I wanted to join in supporting H.R. 84, the resolution by the good and kind gentlewoman from California, to acknowledge and applaud the bravery of the POWs in Kosova. Two of those young men are members of the Texas family, Sergeant Stone and Mr. Gonzalez. We offer to that family or those families, along with the family of Sergeant Ramirez, our deepest sympathy and recognition of the bravery that these men have exhibited.

We say to Mr. Milosevic that we hope that he is listening very strongly to this resolution that has been offered. We want them safe and we want them sound and we want them returned. We also want, as the resolution has indicated, that the Red Cross can go in and determine that these individuals have been treated fairly and are safe. Most importantly, we acknowledge that they have been taken wrongly.

I hope that as this House has expressed itself in its support for these young men and the military efforts, that the families will know that we are paying attention to the safety of the POWs and we are also paying attention to their needs.

It is with great regret that I have to stand on the floor to acknowledge that today we have POWs, but it is with great joy and recognition of our unity that we say collectively today, as the resolution was passed, we stand behind those POWs, respecting them, honoring them and knowing that they will know that we will not rest until they are safely returned.

BILLIONS OF DOLLARS SPENT ON SALMON RESTORATION IN COLUMBIA RIVER BY FEDERAL GOVERNMENT, WITH MINIMAL RESULTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, our Pacific Northwest salmon populations have been in decline for decades. Recently, nine new populations were listed as endangered or threatened under the Endangered Species Act. The Federal Government and the States are poised to provide substantial sums of money for habitat rehabilitation and restoration efforts but, beyond that, the Federal Government must be a helpful advisor only with the decisions made thoughtfully and judiciously at the State and local level. We must not allow, nor can we afford, another debacle such as occurred on the Columbia River in recent years.

Billions of dollars have been spent on salmon restoration in the Columbia River by the Federal Government over the last 20 years, with minimal results; largely because it has ignored available salmon technology.

Now that so many salmon populations have been listed under ESA, my concern is that the Federal agencies will try to exert control over more and more aspects of salmon recovery. Bureaucracies centered in Washington, D.C., however well intentioned, are incapable of solving the salmon problems of the Pacific Northwest. We all pay the price for the mistakes made by the Federal Government.

The most prized salmon specious are the king, coho and sockeye salmon. We have correctly focused our attention on them. However, it is more complicated than that. I believe we must look at the restoration of all five species, including chum and pink salmon. Historically, vast runs of chum and pink salmon fertilized the rivers with large numbers of decaying bodies of the adults after spawning.

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Thus the newly-hatched chum and pink fry had an adequate food supply as they migrated downstream, and then the young king and coho fed on the myriads of young pinks and chums. The degradation and blocking of spawning habitat has been a major problem, so habitat restoration and removal of blockage which obstructs returning spawners must be high priorities for salmon restoration.

Again, my fear is that habitat restoration may be the singular objective of those making the endangered or threatened listening, which could weaken our rehabilitation effort, and thus subject our area to excessive Federal regulations and restrictions.

Habitat restoration and protection are critical elements, but the well-developed salmon technology presents us a wide range of additional options, such as:

No. 1, the use of culvert upgrading, reconfiguration and maintenance;

No. 2, predation control, very important;

No. 3, careful regulation of all commercial salmon fishing in saltwater, and extremely careful supervision of any commercial fishing in spawning rivers;

No. 4, spawning channels and overwintering sloughs, to give maximum protection to the presently returning wild salmon.

We must keep our eyes on the objective and support those programs that will truly enhance our weakened salmon runs. We have neither time nor money for overzealous political correctness nor the control games that Federal agencies might seek to impose.

We must maximize the survival of offspring of the returning fish each year. As well as natural spawn, we must supply fertilized eggs to hatcheries for the following enhancement purposes: Remote egg boxes, net-pen rearing of fish to their optimal size, and small stream rehabilitation by planting fed fry into every small and medium stream and tributary that could provide a route to saltwater for outbound juveniles. In the old days, the small streams produced millions and millions of fish.

We should encourage Washington State in its programs that are already tracking towards these goals. Several tribes are on the cutting edge of salmon rehabilitation, and tend to have land and water areas available for their use. In addition, they have a cultural and historic head start moving in this critical direction.

Bringing the salmon back will not be an easy task, but it is an achievable goal. We need to make sure that our salmon dollars are delivered into the right hands, and that they are spent appropriately.

RESPONSIBLE BUDGETING AND THE BEST USE OF THE BUDGET SURPLUS

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

Mr. HOLT. Mr. Speaker, last year the House budget resolution was so controversial that House and Senate Republicans never even convened a conference. This year the budget resolution, as passed by the House, is as unrealistic as last year's plan, and even more irresponsible. Some in Congress, because of their fixation on exploding tax cuts, have presented unworkable appropriations bills, and they do nothing to extend the solvency of social security and Medicare.

As opposed to the fiscal responsibility demonstrated by Democrats, the budget passed by the majority party returns us to the unrealistic fiscal policies of the 1980s. Although it claims to shore up social security, to finance a large tax cut, to dramatically increase defense spending and keep government spending down, the truth is much different. The majority's budget, as in the resolution, simply cannot keep all the promises made.

Democrats, on the other hand, have aimed to produce future economic