

the labor movement in northern Michigan, have been honored with induction into the Upper Peninsula Labor Hall of Fame. The Hall of Fame is housed in the Superior Dome on the campus of Northern Michigan University in Marquette.

I have the honor once again this year to participate in this important and inspiring induction ceremony, which pays tribute to the dedicated efforts of Steve Courier of Escanaba on behalf of the labor movement.

A brief look at his resume, Mr. Speaker, reveals an individual who had dedicated himself to community service. Not only has Steve demonstrated his commitment to the labor movement, but he has served his friends, neighbors and community in elective office and in social and professional organizations.

Here's just a glimpse, an index, a catalogue listing, of the many groups that have benefited from Steve's many hours of service.

The son of a pipefitter in Plumbers & Pipefitters Local 506, Steve served his own apprenticeship and went on to become the youngest elected business manager in the history of the Michigan Pipe Trades Council. He is now Third Vice President of the Michigan State Pipe Trades, and serves on the Board of Trustees for the Upper Peninsula Plumbers and Pipefitters Fringe Benefits Funds. Steve also serves as a member of the executive board of the Upper Peninsula Construction Labor Management Council.

Steve served on the Delta County Board of Commissioners, has been active in his local Masons lodge, served with the Escanaba Community Foundation, Elks Lodge 354, and the fund-raising committee of Escanaba's Bonifas Arts Center.

By his lifelong commitment in support of a wide variety of activities, Steve has convincingly demonstrated how strongly the labor movement is tied to the general well-being of the entire community. He has truly earned his place of honor with other labor leaders in our region.

I look forward each year to the opportunity to gather with friends and associates in northern Michigan to praise these men and women, people like Steve Courier, who have dedicated themselves to doing great work as an ordinary, everyday task. I ask my colleagues in the House to join me in praising these remarkable efforts.

HONORING THE 9TH ANNUAL
WILLIE VELASQUEZ HISPANIC
EXCELLENCE AWARD

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 21, 1999

Mr. GREEN of Texas. Mr. Speaker, I rise today to honor the 9th Annual Willie Velasquez Hispanic Excellence Award. This Award is designed to honor the Foremost Distinguished Hispanic Citizen in the arts, education, business, public and community service realm within Houston.

For nine years, the National Hispanic Scholarship Fund, the Tejano Center for Community Concerns, and KTMD-TV Telemundo 48 have sponsored this Gala event that is designed not only to award outstanding Hispanic citizens but to raise money to benefit Hispanic edu-

cation. Recipients of the award are citizens who demonstrate extraordinary community service, particularly in the areas of education of the Hispanic community.

It is appropriate that the award is named after Willie Velasquez. Willie was awarded the Presidential Medal of Freedom for his contributions to democracy. He spent his life ensuring that the Democratic voice of Hispanics would be heard, and he envisioned a society that would be empowered to change the world around them.

The proceeds of the event benefit the Tejano Center and the National Hispanic Scholarship Fund. These organizations work to ensure that the growing needs of the community are met. They contribute scholarship funds to improve the educational opportunities for our children. They also provide neighborhood centers which provide a wealth of programs that not only benefit our children's social opportunities but works to ensure them a healthy and safe future.

I would also like to commend Marcelo Marini of Telemundo Channel 48 for organizing the yearly event. Without his hard work and perseverance neither this award, nor the scholarship would be available. Therefore, Mr. Speaker I would like to ask all the Members of the House to honor the Willie Velasquez Award and the vital role that it plays in the community.

INTRODUCTION OF H.R. 1256 THE
SAVINGS AND INVESTMENT RELIEF
ACT OF 1999

HON. VITO FOSSELLA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 21, 1999

Mr. FOSSELLA. Mr. Speaker, I am pleased to announce that together with the Vice Chair of the Democratic Caucus, Mr. MENENDEZ of New Jersey, I have introduced H.R. 1256, the Savings and Investment Relief Act of 1999. This legislation is designed to address the growing problem of excess Securities and Exchange Commission (SEC) transaction fee collections. H.R. 1256 would cap SEC fees which are imposed on stock transactions at more reasonable levels than are currently being collected, thereby saving investors approximately \$2 billion over the next seven years. At the same time, the legislation would provide a flexible funding mechanism that would ensure the SEC's budget needs are always met.

The SEC collects various "user fees" imposed by the securities laws in order to recover the government's costs of running the SEC, including registration fees on stock offerings and transaction fees on stock trades. Over time, these fees had grown to significantly exceed the SEC's budget. In fiscal year 1996, for example, total SEC fee collections were more than two and one-half times the SEC's budget.

Under the leadership of the Chairman of the Commerce Committee, Mr. BLILEY, and the Chairman of the Commerce Subcommittee on Finance and Hazardous Materials, Mr. OXLEY, Congress significantly restructured the SEC fee structure in 1996, as part of the National Securities Markets Improvement Act of 1996 (NSMIA). NSMIA's fee provisions were in-

tended to reduce total SEC fee collections over time. Transaction fees were explicitly designed to recoup the costs of the SEC's able supervision and regulation of the securities markets and securities professionals—indeed, they were intended to be user fees, not general taxes. Unfortunately, actual SEC collections grew to over \$990 million in FY97—over three times the SEC's budget of \$305 million.

This situation prompted one of our most respected former colleagues, then-House Rules Committee Chairman Jerry Solomon, to introduce a bill last year with Mr. MENENDEZ, H.R. 4213, which sought to place an annual cap on transaction fees.

H.R. 4213 gained 62 cosponsors from both sides of the aisle, and was endorsed by the Security Traders Association, the Chicago Stock Exchange, the Pacific Stock Exchange, the New York Stock Exchange Specialists Association, the NASD, the Electronic Traders Association, and the Profit Sharing/401(k) Council of America. It was also endorsed by Americans for Tax Reform, the National Taxpayers Union, Citizens for a Sound Economy, and numerous state-level pro-taxpayer groups, as well as the U.S. Chamber of Commerce and the National Federation of Independent Businesses. The Chairman of the Ways & Means Committee, BILL ARCHER, was also a strong supporter of the bill, and expressed the Committee's view that transaction "fees" were really taxes because they greatly exceeded the SEC's regulatory costs.

A revised version of H.R. 4213 was drafted to avoid the PAYGO scoring problems which would have otherwise arisen from a reduction in transaction fees deposited as general revenues. By letter dated September 24, 1998, the Congressional Budget Office (CBO) scored the revised legislation as revenue neutral.

Since last year, the situation has only worsened. In FY98, SEC fee collections ballooned to a staggering \$1.78 billion—five and one-half times the SEC's \$322 million budget. Quite frankly, Mr. Speaker, this situation is absurd and unfair. These "fees" have undeniably become a backdoor tax of over \$1 billion on all American investors and businesses raising capital.

Transaction fees are paid by all hardworking investors in my home district and across America. This tax directly affects individual investors, and impacts those large number of Americans who own stock indirectly, such as mutual fund investors and pension plan beneficiaries. It also has a particularly severe impact on the many NASDAQ market makers and exchange specialists who live in my district. These market professionals must frequently put their own capital at risk to buy and sell as principals in order to fulfill their legal obligation to maintain orderly markets. Excess transaction fees drain capital and liquidity from the markets—which disparately impacts the smaller, start-up companies that are creating new jobs and fueling economic growth.

Mr. Speaker, there are a number of ways to achieve the desired result of reducing transaction fees, including a cap and reducing the rate at which fees are levied. While H.R. 1256 embodies the cap approach, I want to stress that I would also endorse a rate cut as well. My intent in introducing this legislation is to continue to advance the debate on this issue, and to provide much-needed (and long overdue) relief to American investors.

I am gratified that Securities and Exchange Commission Chairman Levitt has gone on