

Today, over 58,000 call 11.5 square mile Reston home. Reston has attracted national and worldwide recognition as one of the "best places to live," truly surpassing all expectations. Forty years ago Simon had a dream, and it appears as though this dream has come true. As Simon intended, Reston has become a thriving residential, commercial, industrial, cultural, and civic center where urban seamlessly meets rural.

Mr. Speaker, in closing, we would like to congratulate Reston on 40 years of success and wish its residents the best of luck in the many years to come. We ask that our colleagues join us in applauding this notable accomplishment and in wishing Bob Simon a happy celebration of Reston's success and his 90th birthday.

MINIMUM TAX AND PRIVATE ACTIVITY BONDS INTRODUCTORY STATEMENT

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 2004

Mr. NEAL of Massachusetts. Mr. Speaker, I first introduced legislation to repeal the individual alternative minimum tax on April 14, 1999, and have been warning about the dangers of letting this problem fester ever since. While the broad problem has since become better known (albeit not addressed in any meaningful way), little attention has been paid to the plethora of nagging problems caused by the neglect of the Bush Administration of this issue—problems I have addressed one at a time in additional legislation over the years.

The latest example of the cost of this Administration's neglect is the impact the alternative minimum tax is having, and will have, on private activity bonds; as discussed in an insightful analysis by John Buckley (Minority Chief Tax Counsel, Committee on Ways and Means) published in BNA's *The Daily Tax Report* March 1st. As a leader, along with Rep. Amo Houghton, in expanding the use of private activity bonds for low and moderate income housing, I am particularly sensitive to the adverse affect the AMT is having on the market for housing bonds.

The failure of the Bush Administration to address the issue of the AMT meaningfully means that the number of families subject to the minimum tax is skyrocketing. Without further action by Congress, 78.6 percent of families with incomes between \$75,000 and \$100,000, and 95 percent of all families with incomes between \$100,000 and \$500,000, will pay the minimum tax in the future. While the impact of the alternative minimum tax has become widely known, few recognize its impact on private activity bonds. Approximately 75 percent of all tax-exempt bonds are held directly or indirectly by individual investors. These investors generally have annual incomes that in the future will, as indicated above, almost guarantee that they will pay the alternative minimum tax. As a result, the individual market for tax-exempt private activity bonds is quickly eroding and could disappear entirely in the future.

Already the financial markets have begun to recognize this serious problem. Not only have some mutual funds reportedly announced their

intention of not investing in bonds subject to the AMT, but higher interest rates are being offered in connection with these bonds. In 2000, private activity bonds were issued at average interest rates of about 104 percent of the rate offered on tax-exempt general obligation bonds, presumably reflecting slightly greater risk. In 2003, the average interest rate had increased on tax-exempt bonds to about 110 percent of the rate offered on tax-exempt general obligation bonds.

Some will argue that this is a problem that can wait for another day since the number of individuals subject to the minimum tax will explode only in the future. They are wrong. Tax-exempt bonds quite often are issued for terms as long as 30 years. The fact that an exemption may have value today but not in five years, will affect the interest rate at which those obligations are currently being issued.

Mr. Speaker, this country is now being forced to face the consequences of the Bush tax cut agenda. The deficit has exploded while the Administration swats at flies in non-defense discretionary spending, the value of our currency is declining as investors both here and abroad lose faith in our fiscal policies, and the International Monetary Fund recently criticized the fiscal policies of the Bush Administration in terms that previously had been used only in the context of developing nations. We are again seeing growing income inequalities as the wages paid to average workers stagnate and jobs flee the country.

These are some of the economic issues that divide the two parties in Congress, and we can and will vigorously debate them in the future. However, I believe that we should attempt to take action on a bipartisan basis to limit the adverse and unintended impacts of the alternative minimum tax. The bill I am introducing today, along with my colleague from New York STEVE ISRAEL, simply removes tax-exempt interest on private activity bonds from the individual alternative minimum tax. While failure to act would mean that Congress does not place as much emphasis on providing decent housing for the less fortunate as it seems to, I am confident that that is not the case. However, I am worried that this problem, as other problems involving the minimum tax, will simply be band aided over until that mythical time in the future when we tackle the AMT problem as a whole.

TRIBUTE TO OMAR D. BLAIR

HON. DIANA DeGETTE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 2004

Ms. DEGETTE. Mr. Speaker, I would like to recognize the extraordinary life and accomplishments of a remarkable gentleman from the 1st Congressional District of Colorado. It is both fitting and proper that we recognize Omar D. Blair for his impressive record of civic leadership and invaluable service.

Many people have made notable contributions to our community, but few have left a legacy of progress as Omar Blair. He once mused that he wanted to be remembered as one who tried. I would submit that Omar Blair molded a life of enduring accomplishment and proved to be a powerful force in transforming our community. His is an indomitable spirit

and our lives have been truly enriched by his presence among us.

Omar Blair demonstrated that he had steel at an early age. Upon his graduation from Albuquerque High School in 1936, the school board determined that the six black graduates had to sit behind their classmates and would not have a spotlight shone on them as they received their diplomas. But Omar was not intimidated. He walked with dignity up to the stage in darkness to get his diploma to the ovation of his classmates. Years later, he was awarded "Outstanding Graduate of the Past 100 Years" by the same people who would not allow him to sit with his classmates forty-three years earlier.

Omar attended the University of California at Los Angeles prior to entering the Army Air Corps during World War II. Captain Blair belonged to the all-black 332nd Fighter Squadron—the famed Tuskegee Airmen—where he developed a reputation for daring. His squadron had been called upon to escort bombers on a raid over Berlin, but their fighters needed bigger fuel tanks to go the distance and they were not available through normal channels. Captain Blair learned that the needed tanks were on an Army train coming from Naples. He organized a convoy, stopped the train and forcibly offloaded the tanks as they were critical to his squadron's mission. Captain Blair got the job done and the bombing raid went off without a hitch.

In 1951, Omar and his wife Jeweldine, came to Denver. He found work and started a family that grew to include three children. He also found time to get involved in public affairs and was elected to the Denver Board of Education in 1972. He served two terms and was voted the first African American to serve as president of the school board. He led our city through what was arguably the most tumultuous era for public education in Denver. The schools were under court order to desegregate and Mr. Blair and other board members became the driving force to implement the order through busing. But his tenure on the board was not about changing how kids got to school; it was about fundamental change and the quality of public education. For Omar Blair, integrating schools did not mean simply having students sit with one another. It meant integrating school resources, providing new textbooks, hiring more teachers and making sure schools were uniformly upgraded and maintained. In short, it meant equal education for all of our children.

Omar served as President of the Colorado Association of School Boards, Vice President of the National Caucus of Black School Board Members, and National President of the Council of Great City Schools. But his service was not limited to education. He served as a Commissioner of the Denver Urban Renewal Authority during the time when he and his colleagues initiated the 16th Street Mall Project. He was a founding member of the Greater Park Hill Sertoma Club and his work was recognized by Sertoma International. He served as President of the Owls Club of Denver and as a board member of the Denver Chamber of Commerce and the East Denver YMCA.

Omar was honored on numerous occasions and his accolades include: the American-Israel Friendship League's Partners in Education Award; the U.S. Department of Justice Award for Outstanding Community Service and an honorary "Doctor of Public Service" degree