report on the progress of the homeless activities under the grants from Title IV as well as meeting the needs of the comprehensive housing affordability strategy.

Sec. 432: Annual Report by Secretary requires a summary of activities, conclusions and recommendations.

Sec. 433: Definitions.

Sec. 434: Regulations are required within 30 days of enactment for interim rules and final rules to follow, within 90 days of enactment.

Sec. 435: Authorization of Appropriations is $1 billion for FY98 through FY02.

Section 5: Interagency Council on the Homeless statutory language is amended to provide authority to coordinate under Title IV with HUD and other agencies and provide an independent determination on companion supportive service funding. Authorization of appropriations is for such sums as may be necessary in FY98 through FY02.

Section 6: Repeals and Conforming Amendments provide for the termination of (i) Innovative Homeless Initiative Demonstration; (ii) FHA Single Family Property Disposition for Homeless Use; (iii) Housing for Rural Homeless and Migrant Farmworkers; and, (iv) Termination of SRO Assistance Program.

Section 7: Savings Provision provides a guarantee of federal funds obligated for homeless activities prior to enactment under earlier laws.

Section 8: Treatment of Previously Obligated Amounts are guaranteed under the applicable provisions of law prior to enactment.

INTRODUCTION OF TARGETED TAX CUT BILLS

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. POMEROY. Mr. Speaker, today I introduce a trio of targeted tax cut bills designed to help working families meet their most pressing financial challenges. The centerpiece of an agenda to advance the economic security of North Dakota's middle and working income families, these measures will make it easier for workers to afford health care and education and to set money aside for retirement.

The first measure I introduce today, The Self-Employed Health Affordability Act of 1997, continues my long dedication to providing full deductibility of health insurance costs for self-employed individuals. On the first day of the last Congress, I introduced a bill to give the self-employed a full 100 percent deduction for these costs. Eighty-two of my House colleagues became co-sponsors of my bill, and this bipartisan coalition fought successfully to include an increased self-employed deduction as part of the health insurance legislation passed by Congress last summer. Under this so-called Kennedy-Kassebaum law, the self-employed deduction will slowly increase to 80 percent by the year 2006. While this was progress, it does not bring sufficient relief to the hard-working farm and small business families which must pay their own health insurance premiums. The bill I introduced today will immediately increase the self-employed deduction to a full 100 percent, making the increasing cost of health insurance more affordable and keeping these families healthy.

Mr. Speaker, the second of the targeted tax cut bills I introduce today is The Education and Training Affordability Act of 1997. This legislation will allow a tax deduction of up to $5,000 a year for higher education and job training expenses for middle-income families. The deduction will be fully available to individuals earning less than $60,000 and households earning less than $80,000, and will phase out for individuals at $75,000 and for households at $95,000.

Unfortunately, college costs are moving beyond middle-class reach. Many families are forced to incur greater and greater debt to finance their children's higher education and some must forego higher education altogether. The Education and Training Affordability Act will help combat these trends, providing a needed tax savings and helping parents afford the cost of a college education for their children. Under this bill, a family of five earning $60,000 with three children in North Dakota's state universities will save $1,400 per year.

The Education and Training Affordability Act will also make job training more affordable. It's clear that the best-paying jobs will increasingly go to those workers with advanced training beyond high school. Employees willing to continually update their skills are the ones who will be able to take full advantage of the opportunities in today's rapidly changing economy. The Education and Training Affordability Act will help workers seize these new opportunities by making vocational, technical and other job training programs more affordable. For example, a worker earning $28,000 and enrolled full-time at Interstate Business College in Fargo would save $1,400 on his or her tax bill.

Mr. Speaker, the final bill in my trio of targeted tax cuts is the IRA Savings Opportunity Act of 1997. This legislation will help working families overcome what can be the extreme difficulty of setting aside money for retirement given all the other expenses families face. In doing so, it will help us take a step forward in meeting our emerging retirement savings crisis. As a nation, we are simply not saving enough to ensure a financially secure retirement. The personal savings rate has fallen from a level of more than 7 percent during much of this century to barely more than 3 percent today. Indeed, only one in three baby-boomers is saving enough to guarantee an adequate income in retirement.

The IRA Savings Opportunity Act gives working families expanded new opportunities to start and contribute to an individual retirement account (IRA). THe bill has three provisions, each designed to expand savings opportunities in a different way. First, for those at modest income levels who often find it most difficult to save, the bill provides a tax credit equal to 20 percent of the amount contributed to an IRA. This credit will reduce tax liability for individuals earning less than $35,000 and households earning less than $50,000 while providing a meaningful incentive to save for retirement.

Second, the IRA Savings Opportunity Act will allow those without access to a workplace retirement plan to contribute additional dollars to their IRA. Retirement security in our economy is premised on a three-legged stool of (1) employer pension, (2) Social Security, and (3) personal savings. Yet many workers—farmers, those who work for small businesses—do not have access to a retirement plan in the workplace. And many large employers are discontinuing their pension plans, leaving workers without a retirement vehicle at their place at work. These employees thus lack the important employer pension leg of the retirement security stool. THe IRA Savings Opportunity Act addresses this problem by strengthening the personal savings leg. The bill will allow middle-income workers without workplace plans to contribute an additional $2,000 to their IRA, bringing the total annual amount that can be contributed to $4,000. While the additional $2,000 contribution is not tax deductible, these funds will accumulate tax-free, providing a significant advantage over other savings vehicles such as mutual funds.

Finally, the IRA Savings Opportunity Act will help to strengthen the personal savings leg of the stool for those who are fortunate enough to have access to a retirement plan at the workplace. By doubling the income ceilings below which workers can deduct their IRA contributions, the IRA Savings Opportunity Act once again makes the tax advantages of IRAs available to all middle-class Americans. Remedying the vast reduction in IRA participation caused by the 1986 tax reform law, the IRA Savings Opportunity Act will allow individuals earning up to $70,000 and households earning up to $100,000 to deduct their IRA contributions from their taxes, up to a maximum of $2,000. This restored deduction will provide meaningful tax relief for middle-income families, and will encourage the personal savings which must be a critical part of everyone's retirement savings strategy.

Mr. Speaker, one strength of the tax relief measures I introduce today is that they target the relief at families' most pressing economic challenges—the high cost of health care and education and the difficulty of saving for retirement. They also target the tax relief at middle and working income families in order to limit the cost and not require unsustainable cuts in programs on which our seniors, children and working families rely. This doubly targeted approach means that the revenue loss to the federal treasury from my proposals is modest, on the order of $40–50 billion. As with the proposals others will make for tax relief, my targeted tax cuts can only be enacted as part of a budget agreement that includes the necessary spending cuts to reach balance by 2002. From my position on the Budget Committee, I will be working to ensure that targeted tax relief in the context of a balanced budget is accomplished.

Mr. Speaker, I look forward to working hard in the coming weeks and months to advance these three targeted tax cut bills. With passage of these measures, Congress can provide needed tax relief to middle and working income families and can help them secure the foundations of economic security—health care, education and training, and a secure retirement.

THE INTRODUCTION OF THE NATIONAL RIGHT TO WORK ACT OF 1997

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. GOODLATTE. Mr. Speaker, I am pleased to introduce on this first day of the 105th Congress the National Right to Work Act of 1997.