Kahn and Sheila B. Kamerman (cross-national studies of social services) and David Fanshel (children in foster care).

As Columbia University School of Social Work, and the social work profession as a whole move into their second centuries, they will be challenged to respond to ongoing social changes and new social problems. Now more than ever, we will need well-trained and dedicated social workers to work with troubled children and families, organize communities for change, conduct cutting edge research, administer social programs, and alleviate society's most intractable problems.

It is with appreciation and admiration that I extend my best wishes to the Columbia University School of Social Work on its Centennial and look forward to its future achievements.

TRIBUTE TO SENATOR TERRY SANFORD

SPEECH OF

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 20, 1998

Mr. FROST. Mr. Speaker, it was with great regret that I learned of the death of my friend, Terry Sanford. During his illustrious career, Terry Sanford served as Governor of the State of North Carolina, a U.S. Senator, and President of Duke University.

I was lucky to know Terry personally, and to be able to call him a friend. In 1989, Terry Sanford and I traveled together to Budapest as part of the Interparliamentary Union. There, we worked to bring the tools of democracy to the newly formed parliaments in Eastern Europe.

When Terry Sanford became Governor in 1961, he faced a difficult time of racial unrest in this country. Governor Sanford proudly stood up to those who called for turning back the clock on race relations, and instead blazed a new trail for his state, and this country, in his commitment to equal rights for all.

As Duke President, he created the University we know today as a world leader in medicine, the arts, political science and the humanities. During his 16 year tenure, he took what was once a small southern University, and transformed it into one of the Nation's top ten schools. And still, his public service wasn't done, because in 1986, he served with distinction as a U.S. Senator.

His tenure as a Senator was a continuation of all that he had worked for during his entire career, fighting for public education and the improvement of his Nation.

It was an honor and a privilege for me to know Terry Sanford. Clearly, Terry's hard work and dedication to public service have improved the lives of all Americans, and he will be sorely missed.

LIMITING JURISDICTION OF FEDERAL COURTS WITH RESPECT TO PRISON RELEASE ORDERS

SPEECH OF

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 19, 1998

Mr. STUPAK. Mr. Speaker, I rise today to oppose H.R. 3718, a bill to limit the authority of federal judges to remedy inhumane prison conditions.

Under this bill, no individual convicted of a felony could be released from prison—or not admitted to a prison—by a federal court solely on the basis of prison conditions. In many instances, this bill would keep women prisoners who are sexually abused in the inhumane prison condition or keep mentally ill patients who are physically abused in an inhumane prison situation. It also means that the court would be prohibited from remedying Constitutional violations in prisons, including prisons so overcrowded that they violate the Eighth Amendment ban on ''cruel and unusual punishment.''

Another flawed aspect of this bill is the provision which terminates all ongoing consent decrees in prison condition cases, even those which do not involve prisoner release orders. A consent decree is a voluntary contract between two parties to end the active phase of litigation. This bill does not close the case—it simply prevents the states from negotiating a resolution of the case. In many of these cases, however, the state or local government wants to remain under the consent decree rather than expend resources litigating over conditions that are clearly unconstitutional. This bill forces states to litigate cases they don't want to litigate, and is an incredible breach of states' rights.

One of the decrees that would be terminated under this bill is one in my home state of Michigan. A consent decree was entered in Michigan to protect mentally ill prisoners who were routinely confirmed in isolation without mental health care. Several inmates committed suicide and engaged in self-mutilation, including two prisoners who cut off their penises. This legislation would end the Michigan decree, and force the state to enter into costly litigation in order to address a problem that has been solved by the consent decree.

Congress has no business dictating to states how they should resolve litigation involving state institutions. If a state has decided that a consent decree best meets the state's needs, Congress should stay out of it.

Mr. Speaker, this bill overreaches the bounds of the Constitution and violates the basic tenets of states' rights. It also makes it difficult for the court to remedy inhumane prison conditions, and I urge my colleagues to vote to defeat this misguided provision.

A BILL TO ELIMINATE AN UNWARRANTED TAX BENEFIT

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 22, 1998

Mr. ARCHER. Mr. Speaker, today, in coordination with the Treasury Department, I am introducing H.R. 3947, a bill to eliminate an unwarranted tax benefit which involves the liquidation of a Regulated Investment Company (''RIC'') or Real Estate Investment Trust (''REIT''), where at least 80 percent of the liquidating RIC or REIT is owned by a single corporation. Identical legislation is being introduced in the Senate by Senator ROTH and Senator MOYNIHAN.

The RIC and REIT rules allow individual shareholders to invest in stock and securities (in the case of RICs) and real estate assets (in the case of REITs) with a single level of tax. The single level of tax is achieved by allowing RICs and REITs to deduct the dividends they pay to their shareholders.

Some corporations, however, have attempted to use the ''dividends paid deduction'' in combination with a separate rule that allows a corporate parent to receive property from an 80 percent subsidiary without tax when the subsidiary is liquidating. Taxpayers argue that the combination of these two rules permits income deducted by the RIC or REIT and paid to the parent corporation to be entirely tax-free during the period of liquidation of the RIC or REIT (which can extend over a period of years). The legislation is intended to eliminate this abusive application of these rules by requiring that amounts which are deductible dividends to the RIC or REIT are consistently treated as dividends by the corporate parent.

RICs and REITs are important investment vehicles, particularly for small investors. The RIC and REIT rules are designed to encourage investors to pool their resources and achieve the type of investment opportunities, subject to a single level of tax, that would otherwise be available only to a larger investor. This legislation will not affect the intended beneficiaries of the RIC and REIT rules.

The legislation applies to distributions on or after today. A technical explanation of the legislation is provided below.

The bill provides that any amount which a liquidating RIC or REIT may take as a deduction for dividends paid with respect to an otherwise tax-free distribution to an 80-percent corporate owner is includible in the income of the recipient corporation. The includible amount is treated as a dividend received from the RIC or REIT. The liquidating corporation may designate the amount treated as a dividend as a capital gain dividend or, in the case of a RIC, an exempt interest dividend or a dividend eligible for the 70-percent dividends received deduction, to the extent provided by the RIC or REIT provisions of the Code.

The bill does not otherwise change the tax treatment of the distribution under sections 332 or 337. Thus, for example, the liquidating corporation will not recognize gain (if any) on the liquidating distribution and the recipient corporation will hold the assets at a carryover basis.

The bill is effective for distributions on or after May 22, 1998, regardless of when the plan of liquidation was adopted.

No inference is intended regarding the treatment of such transactions under present law.