

carriers under the Section 119 license. The 27-cent rate for superstations is reduced by 30 percent per subscriber per month, and the 27-cent rate for network stations is reduced by 45 percent per subscriber per month.

In addition, Section 119(c) of Title 17 is amended to clarify that in royalty distribution proceedings conducted under section 802 of the Copyright Act, the Public Broadcasting Service (PBS) may act as agent for all public television copyright claimants and all PBS.

SECTION 5. DEFINITIONS

Section 5 of the bill adds a new definition to the current Section 119 satellite license. The "unserved household" definition is modified to eliminate the 90 day waiting period for satellite subscribers who were previous cable subscribers. In other words, Section 5 would not require an individual who dropped cable to wait 90 days before receiving their network signals via satellite.

SECTION 6. PUBLIC BROADCASTING SERVICE SATELLITE FEED

Section 6 of the bill extends the Section 119 license to cover the copyrighted programming carried upon the PBS national satellite feed. The national satellite feed is treated as a superstation for compulsory license purposes. Also, the bill requires PBS to certify to the Copyright Office on an annual basis that the PBS membership continues to support retransmission of the national satellite feed under the Section 119 license.

SECTION 7. NOTICE TO SUBSCRIBERS

Section 7 of the bill requires a satellite carrier to ensure that each subscriber has been provided a written statement describing and quoting the network territorial restrictions of the Act. The statement should detail the circumstances under which a subscriber may not be eligible for satellite service of a particular network signal. Current subscribers should receive this statement within 60 days of enactment.

The purpose of this provision is to clarify for the customer exactly what the law means pertaining to the eligibility for distant network signals. Time and again customers complain that they were not made aware that there was any prohibition on the reception of distant network signals, or that they were not made aware of restrictions upon receiving notice that their distant network signals were being terminated.

SECTION 8. APPLICATION OF FEDERAL COMMUNICATIONS COMMISSION REGULATIONS

Section 8 of the bill amends the current Section 119 license to make it contingent upon full compliance with all rules and regulations of the FCC. This provision mirrors the requirement imposed upon cable operators under the cable compulsory license.

SECTION 9. EFFECTIVE DATE

The amendments made by this bill become effective on January 1, 1999, with the exception of Section 4 which becomes effective on July 1, 1999.

TRIBUTE TO ART M. INOUE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 23, 1999

Mr. MATSUI. Mr. Speaker, I am honored to rise in tribute to Mr. Art M. Inouye, Supervising United States Probation Officer in the District Court for the Eastern District of California.

Today, as Mr. Inouye marks his retirement with his many friends and co-workers, I ask all

of my colleagues to join with me in saluting his 25 years of federal service.

A graduate of San Francisco State College in 1965, Mr. Inouye worked as director of the San Francisco Boy's Home from 1963 until 1965 and served in the U.S. Army Reserves from 1966 until 1972.

In 1974 Mr. Inouye began his career as a federal probation officer. By 1979 he had received his law degree from Lincoln University Law School and been promoted to Supervising U.S. Probation Officer.

Mr. Inouye's accomplishments in the Probation Office are numerous. He founded the district's firearms program and safety academy. He was also responsible for guideline sentencing training and implementation, as well as helping to establish a national program on enhanced supervision.

One of the cornerstones of Mr. Inouye's career was his significant contributions working with the Federal Judicial Center, which included teaching, facilitating curriculum development, advising, training, and video production.

As his career progressed, Mr. Inouye was promoted again in 1992 and became involved in the New Officer Orientation program. He also served as a facilitator of the Federal Judicial Center's System Impact Seminars.

In December 1997, Mr. Inouye's many years of exemplary federal service were recognized when he received the Richard F. Doyle Award. This award was established by the Federal Probation and Pretrial Services Officers Association for outstanding work throughout a career.

His award nomination at that time stated, "Art is a national treasure whose hard work, dedication, and unique qualities have touched virtually every employee of Federal Probation and Pretrial Services nationwide. . . ."

Mr. Speaker, I ask all of my colleagues to join with me in saying "thank you" to Art M. Inouye for 25 years of outstanding service to the U.S. Probation Office. I am honored to wish him every success in all of his future endeavors.

TRIBUTE TO DENNIS O'SULLIVAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 23, 1999

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to my good friend Dennis O'Sullivan, who has recently completed a highly successful term as President of the Sun Valley Chamber of Commerce. Throughout his tenure, Dennis has worked tirelessly and with considerable success to promote the economic interests of Sun Valley. Dennis has a warm and winning manner that invariably brings people over to his side. I know I've enjoyed immensely working with him on numerous occasions.

Dennis is that rare person equally at ease working on business and community issues. In addition to his involvement with the Sun Valley Chamber, for the past several years he has served in the position of Program Director for People In Progress, Inc. In that capacity, Dennis has established programs to assist the homeless and indigent who suffer alcohol and drug dependencies. He and his organization

have stepped in where government cannot—or will not—get involved. It's no exaggeration to say that Dennis has provided a lifeline for people who would otherwise have nowhere else to turn.

Dennis has made an invaluable contribution to many more community-based organizations in the Northeast San Fernando Valley. Among others, he has been active with the San Fernando Valley Alcohol Policy Coalition, the San Fernando Valley Homeless Coalition and Providers Collaborative of the San Fernando Valley.

He is also one of the prime movers behind the Hansen Dam Fourth of July Celebration, which in only a few short years has become a major attraction in the Northeast Valley.

Dennis has led a rich and interesting life, which includes raising a daughter, who now teaches school, and two sons who are officers with the Los Angeles Police Department. He also served with the U.S. Army in Vietnam, receiving an honorable discharge, and worked for 15 years as a motion picture camera technician in the film and television industries.

I ask my colleagues to join me in saluting Dennis O'Sullivan, a man who cares deeply about his community. His generosity of spirit and dedication to public service are an inspiration to us all.

IN RECOGNITION OF MRS. GLENNA GOODACRE

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 23, 1999

Mr. COMBEST. Mr. Speaker, it is my distinct privilege to rise today to honor one of Texas', and our nation's, most accomplished artists, Glenna Goodacre, on her commendation as the 1999 College of Human Sciences Distinguished Leader by Texas Tech University.

A native of Lubbock, Texas, Mrs. Goodacre is perhaps best known for her work as the sculptor of the Vietnam Women's Memorial at the Vietnam "Wall" in Washington, D.C. Since its installation on the Mall in 1993, her bronze depiction of nurses tending a wounded soldier has been appreciated by millions of visitors to our nation's capital. For more than twenty years before creating the women's memorial, she was well known and respected for her sculptural figures, especially her interesting compositions of active children, which continue to be her favorite subjects. Glenna also enjoyed a successful career as a painter for many years before creating her first three dimensional work.

Glenna Goodacre's pieces are in numerous private, corporate, national and international collections. She has more than 40 bronze portraits in public collections, including sculptures of Dwight D. Eisenhower, Barbara Jordon, General Henry "Hap" Arnold, and Katherine Anne Porter. Her bronze sculpture of President Ronald Reagan stands nearly eight feet tall and graces both the Reagan Presidential Library and the National Cowboy Hall of Fame. In 1998, Mrs. Goodacre was selected by the U.S. Mint as one of only a handful of artists to submit designs for a new Sacagawea dollar coin for the year 2000. Her portrayal of Sacagawea with her infant son was chosen,

by popular demand, to be featured on the obverse of the coin. She was also selected as the winning sculptor for the proposed Irish Famine Memorial to be installed in downtown Philadelphia some time after the year 2000.

Her work is widely exhibited and has won awards from both the National Sculpture Society and the National Academy of Design. She was named an American Art Master by American Artist Magazine and has also received an Honorary Doctorate of Humane Letters from her alma mater, Colorado College as well as an Honorary Doctorate of Fine Arts from Texas Tech University.

Knowing Glenna and having visited her studios in Santa Fe, New Mexico, I am certain this latest honor will hold a special place in her heart. It is my great privilege to recognize Glenna Goodacre for this achievement and the outstanding contributions she continues to make through her art.

IN HONOR OF THE GRAND RE-
OPENING OF THE NEW JERSEY
ARYA SAMAJ MANDIR

HON. ROBERT MENEDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 23, 1999

Mr. MENEDEZ. Mr. Speaker, I rise today in honor of the grand reopening of the New Jersey Arya Samaj Mandir in Jersey City. This vital organization has served the educational, cultural, religious, and social needs of the Hindu community in Hudson and Essex Counties since 1988.

Today's youth face so many more dangers and have so many more opportunities than the children of a generation ago. It is important for our children to have places to learn about their culture, their heritage, and develop their own value systems. Pandit Suresh N. Sugrim, founder of the New Jersey Arya Samaj Mandir, recognizes that in order to be prepared for the next century our children need more than just wage-earning skills, but they also need to learn the value our cultural and religious centers are built upon.

The New Jersey Arya Samaj Mandir provides Hindu immigrants important ties to their heritage, while at the same time helping their community. As a member of the East Cultural Clergy Association, the Samaj has also made great strides in building relationships with many of the other religious and cultural communities in the area. For instance, when Reverend William Barnett was injured by several gunshot wounds, Pandit Suresh N. Sugrim participated in a vigil to show solidarity with the surrounding community.

I will be unable to attend the grand reopening myself, but I am sure I speak for the entire Congress when I say that as a nation we owe a tremendous debt to the work of cultural and religious centers such as the New Jersey Arya Samaj Mandir. So, I congratulate them on their reopening and wish them continued good fortune.

THE DEFENSE JOBS AND TRADE
PROMOTION ACT OF 1999

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 23, 1999

Mr. SAM JOHNSON of Texas. Mr. Speaker, today I have introduced legislation, H.R.—, that will eliminate a provision of the tax code, which severely discriminates against United States exporters of defense products. My bill, entitled "The Defense Jobs and Trade Promotion Act of 1999" will help our nation's defense contractors improve their international competitiveness, protect our defense industrial base, and insure that American defense workers—who have already had to adjust to sharply declining defense budgets—do not see their jobs lost to overseas competitors because of a harmful quirk in our own tax law.

The Internal Revenue Code allows U.S. companies to establish Foreign Sales Corporations (FSCs), under which they can exempt from U.S. taxation a portion of their earnings from foreign sales. This provision is designed to help U.S. firms compete against companies in other countries that rely on value-added taxes (VATs) rather than on corporate income taxes. When products are exported from such countries, the VAT is rebated to these foreign companies, effectively lowering their prices. U.S. companies, in contrast, must charge relatively higher prices in order to obtain a reasonable net profit after taxes have been paid. By permitting a share of the profits derived from exports to be excluded from corporate incomes taxes, the FSC allows U.S. companies to compete with our international competitors who pay no taxes.

In 1976, Congress added section 923(a)(5) to the tax code. This provision reduced the FSC tax benefits for defense products to 50 percent, while retaining the full benefits for all other products. The questionable rationale for this discriminatory treatment, that U.S. defense exports faced little competition, clearly no longer exists. Whatever the veracity of that premise 25 years ago, today military exports are subject to fierce international competition in every area. Twenty-five years ago, roughly one-half of all the nations purchasing defense products benefited from U.S. military assistance. Today, U.S. military assistance has been sharply curtailed and is essentially limited to two countries. Moreover, with the sharp decline in the defense budget over the past decade, exports of defense products have become ever more critical to maintaining a viable U.S. defense industrial base. For example, of the three fighter aircraft under production in this country, two are dependent on foreign customers; the same is true for 1MA1 tank, which must compete with several foreign tank manufacturers.

The Department of Defense supports repeal of this provision. In an August 26, 1998 letter, Deputy Secretary of Defense, John Hamre wrote Treasury Secretary Rubin about the FSC. Hamre wrote "The Department of Defense (DoD) supports extending the full benefits of the FSC exemption to defense exporters. . . . I believe, however, that putting de-

fense and non-defense companies on the same footing would encourage defense exports that would promote standardization and interoperability of equipment among our allies. It also could result in a decrease in the cost of defense products to the Department of Defense." My legislation supports the DoD recommendation and calls for the repeal of this counterproductive tax provision.

The recent decision to transfer jurisdiction of commercial satellites from the Commerce Department to the State Department highlights the capriciousness of section 923(a)(5). When the Commerce Department regulated the export of commercial satellites, the satellite manufacturers received the full FSC benefit. When the Congress transferred export control jurisdiction to the State Department, the same satellites, built in the same factory, by the same hard working men and women, no longer received the same tax benefit. Because these satellites are now classified as munitions, they receive 50 percent less of a FSC benefit than before. This absurd result demonstrates that the tax code is not that correct place to implement our foreign policy. The administration has agreed that Congress should take action to correct this inequity as it applies to satellites. My legislation would not only correct the satellite problem, but it would also ensure that all U.S. exports are treated in the same manner under the FSC.

The Department of Defense is not the only entity that has commented publicly about this provision. A December 1998 joint project of the Lexington Institute and The Institute for Policy Innovation entitled "Out of Control: Ten Case Studies in Regulatory Abuse" included an article by Loren B. Thompson about the FSC. The article is aptly titled "26 U.S.C. 923(a)(5): Bad for Trade, Bad for Security, and Fundamentally Unfair" highlights the many problems of this unfair tax provision. I call your attention to one issue the article addresses that I have not yet raised—the real reason the Congress enacted this provision in 1976. The author, Loren B. Thompson, argues that Congress' decision to limit the FSC benefit for military exports was not based on sound analysis of tax law, but on the general anti-military climate that pervaded this country in the mid 1970's. As Mr. Thompson writes, Congress enacted section 923(a)(5), "to punish weapons makers Section 923(a)(5) was simply one of many manifestations of Congressional antimilitarism during that period."

Times have changed since this provision was enacted. This provision makes little sense from a tax policy perspective. No valid economic or policy reason exists for continuing a tax policy that discriminates against a particular class of manufactured products. The legislation I am introducing today is a small step this Congress can take to improve our military and strengthen our defense industrial base.

I urge my colleagues to join me in repealing this part of the tax code in order to provide fair and equal treatment to our defense industry and its workers, and to enable our defense companies to compete more successfully in the increasingly challenging international market.