

Means for bringing this legislation to the point where we are today.

Public safety officers put their lives on the line every day to protect and serve the people of this country. Yet, unbelievably enough, until 1997, survivor benefits for public safety officers who died in the line of duty were subject to Federal income taxes. The families, loved ones had done so much for this country, and their spouses and children sacrifice as well, yet the Federal Government would tax the benefits they so need.

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In 1997, as I attended the Police Officers Memorial, I was made aware of this injustice of taxing survivor benefits. Because of the quirk in the law, those law enforcement officers who were disabled, their benefits were not taxed; yet those who died, their benefits were taxed by the Federal Government. So I spoke then with the co-chair of the Congressional Law Enforcement Caucus, the gentleman from Minnesota (Mr. RAMSTAD). We spoke with the President, got the support of the administration; we worked with members of the Committee on Ways and Means, especially the gentlewoman from Florida (Mrs. THURMAN); and we moved legislation to try to correct this injustice. The Congressional Law Enforcement Caucus wholeheartedly supported it.

In 1997, Congress started to fix this serious problem. The Taxpayers Relief Act of 1997 provided that the survivor benefits of officers killed on or after December 31, 1996, would not be subject to taxation. However, we had budget constraints back then; and we could not extend this legislation to everyone. But we did not give up. These were not minor omissions. The bill left numerous deserving families without assistance.

I am pleased to report that through this legislation today, authored by my colleague, the gentleman from Minnesota (Mr. RAMSTAD) and my co-chairman of the Congressional Law Enforcement Caucus, who has worked so hard on this issue, we now have this bill for passage before the House of Representatives. Today, we close this unfair loophole by ensuring that the survivor benefits of all officers, regardless of the date they perished, will be exempt from taxes.

We must provide for those families that have suffered the devastating loss of losing their loved ones to the call of duty. These families deserve our support when the unthinkable happens and their loved one is struck down. We have to look out for them, just as their husbands, their wives, their mothers, and fathers look out for us every day, risking their commitments to their families for the greater commitment they have made to this country.

Mr. McNULTY. Mr. Speaker, I yield myself such time as I may consume to simply say that in the name of basic tax fairness and on behalf of all of the

survivors of the heroes who put their lives on the line and gave their lives for our communities, I urge all of my colleagues to support this legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RAMSTAD. Mr. Speaker, I yield myself such time as I may consume to again thank my co-chair of the Congressional Law Enforcement Caucus, the gentleman from Michigan (Mr. STUPAK), and the gentleman from New York (Mr. McNULTY), the gentlewoman from Florida (Mrs. THURMAN), and the 13 other Ways and Means colleagues who cosponsored this important legislation. I also want to thank the gentleman from New Hampshire (Mr. SUNUNU) again for his hard work on this issue and the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means, for expediting this legislation at my request.

This is the least we can do, Mr. Speaker, for our fallen law enforcement heroes and other public safety officers killed in the line of duty, to give all of the survivors of public safety officers who give their lives for our public safety the tax-free benefits regardless of when their officer relative was killed. So I urge Members to support this important legislation.

Mr. DELAY. Mr. Speaker, current law unfairly divides our fallen heroes into two camps. Officers who sacrificed their lives after 1997 are granted the fair and reasonable recognition of allowing their families to draw survivor benefits without paying taxes on the benefits.

Society recognizes that officers who make the supreme sacrifice deserve to be treated in a special way through this provision, which is designed to express our gratitude to the surviving family members.

Unfortunately, this distinction does not currently apply to the surviving families of officers who fell before January 1987. The law discriminates against these law enforcement officers because it denies their families the right to draw their survivor's benefits without taxes.

We need to treat all of our fallen officers equally. We should single out those brave officers who give their lives protecting society. We should demonstrate a special reverence for their demanding and dangerous work as law enforcement officers. Easing the burden on surviving family members is a fair and appropriate gesture to convey our thanks and respect. Members should show our appreciation by supporting this legislation.

Mr. RAMSTAD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARR of Georgia). The question is on the motion offered by the gentleman from Minnesota (Mr. RAMSTAD) that the House suspend the rules and pass the bill, H.R. 1727, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. RAMSTAD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### GENERAL LEAVE

Mr. RAMSTAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on H.R. 1727.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### FAIRNESS FOR FOSTER CARE FAMILIES ACT OF 2001

Mr. LEWIS of Kentucky. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 586) to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes, as amended.

The Clerk read as follows:

H.R. 586

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Fairness for Foster Care Families Act of 2001".*

#### SEC. 2. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) *IN GENERAL.*—The matter preceding subparagraph (B) of section 131(b)(1) of the Internal Revenue Code of 1986 (defining qualified foster care payment) is amended to read as follows:

“(1) *IN GENERAL.*—The term ‘qualified foster care payment’ means any payment made pursuant to a foster care program of a State or political subdivision thereof—

“(A) which is paid by—

“(i) a State or political subdivision thereof, or

“(ii) a qualified foster care placement agency, and”.

(b) *QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.*—Subparagraph (B) of section 131(b)(2) of such Code (defining qualified foster individual) is amended to read as follows:

“(B) a qualified foster care placement agency.”

(c) *QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.*—Subsection (b) of section 131 of such Code is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) *QUALIFIED FOSTER CARE PLACEMENT AGENCY.*—The term ‘qualified foster care placement agency’ means any placement agency which is licensed or certified by—

“(A) a State or political subdivision thereof, or

“(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care.”

(d) *EFFECTIVE DATE.*—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Kentucky (Mr. LEWIS) and the gentleman from New York (Mr. McNULTY) each will control 20 minutes.

The Chair recognizes the gentleman from Kentucky (Mr. LEWIS).

Mr. LEWIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a straightforward bill which updates and simplifies the Tax Code as it relates to foster care families. Under current law, foster care families are given a tax exemption on the payments they receive through a state-run foster care program. The current law was enacted in 1986. The law recognizes that if you are willing to open your heart and home by participating in foster care, you should receive this exemption. It is that simple.

Over the years, however, States have changed the way foster care services are delivered and many are privatizing or contracting out some or all of their services. When this happens, and a private organization participates in the State program, the tax exemption for families becomes confusing and, in some cases, unfair. Specifically, the exclusion is dependent on a complicated analysis of three factors: the age of the foster individual, the type of entity that places the individual, and the source of payment.

If the payments are found not excludable because a private entity is participating in one or all of these factors, the foster care provider is then required to keep extensive records of every expense made on behalf of the foster individual in order to qualify for the exclusion. As my colleagues can imagine, these rules are extremely confusing. In fact, many accountants have difficulty interpreting these rules for families; and as a result, families are discouraged from participating in foster care. This problem is created simply because current law is outdated and no longer reflects the changes States are making in their business practices.

Mr. Speaker, States should be encouraged to be innovative and responsible in their business practices; but more important, foster care families should not be penalized as a result. My bill, H.R. 586, simplifies current law to ensure that the exemption is there for all foster care families regardless of how their State foster care practices change and regardless of the age of the individual.

My bill recognizes the increasing role of private agencies in State foster care plans and also requires these agencies to be licensed and certified by the State in order to participate in a State foster care program.

Again, Mr. Speaker, my bill simplifies and provides fairness for the Tax Code for all foster care families, and I urge my colleagues' support.

Mr. Speaker, I reserve the balance of my time.

Mr. McNULTY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to join with my friend, the gentleman from Kentucky (Mr. LEWIS), in supporting H.R. 586, the Fairness to Foster Care Families Act. H.R. 586 would expand the types of foster care payments that are excludable from a foster family's taxable income. The bill recognizes that payments received by foster families, regardless of the type of agency providing those payments, are needed to care for the foster child and, therefore, should not be taxed.

We have over 560,000 abused, abandoned, and neglected children in our Nation's foster care system who need caring homes as they wait to return to their birth parents or to be adopted. H.R. 586 removes one barrier to at least some families taking a foster child into their homes. Under current law, foster care payments are excluded from taxable income only if the placement and payment is made by a State agency or, in the case of an individual under the age of 19, by a nonprofit agency.

This bill would extend this favorable tax treatment to any foster care payment made by an agency licensed or certified by the State. This would remove restrictions currently imposed on foster families whose payments are made by for-profit agencies or, in the case of foster individuals older than the age of 18, by non-profit agencies.

The impact of for-profit agencies in the child welfare system is uncertain. We need more information on how these for-profit agencies affect child well-being and on how common it is for States to contract with them to undertake certain functions, including the placement and oversight of children in foster care. However, it does seem appropriate that we not penalize foster families when they receive foster care payments from private agencies with which a State has entered into a contract to administer parts of their foster care system. Furthermore, H.R. 586 recognizes that States also may contract with private agencies to place older, often disabled individuals with foster families.

This bill is not a single simple answer to the problems faced by our foster care system, but it does take a small step to help some foster families. I strongly support H.R. 586, and I urge support from all my colleagues.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mrs. NORTHUP), a good friend and colleague.

Mrs. NORTHUP. Mr. Speaker, I rise to speak in support of House bill 586 and to remind ourselves that it would be easy, considering the system of gov-

ernment, to think of this bill as a tax bill; but it is really a bill about children and families.

So often youngsters in the classroom ask me where I got the best insight to serve as a Member of Congress. They expect me to talk about my economics classes or different classes I had in school. And I always answer that it is being the mother of six children. What I have learned is that families are the most enduring, important part of a child's life. It is the security that they begin life with and that they carry throughout life.

Some of our children in this country have not been blessed with a consistent family life. To our good fortune, we have agencies that are becoming partners with our States to provide more children with better services and an even better chance of growing up in a foster family. Some of these children come from the most difficult circumstances, and it is not surprising that sometimes support systems have to be in place for these families. It is to our good fortune and to this country's good fortune and to our children's good fortune that we have so many of these agencies that are able to provide the comprehensive support services that families need. It is only reasonable that we make sure that our tax laws support these new evolving, important systems that allow children to have what is the most important thing in their life: a family.

And so this bill is not about taxes. It is about families, specifically foster families, and expanding the number and the opportunity and the differing looks that foster families often have as they serve each one of our unique children. God bless our children. How lucky we are to have the services of our foster services, and this bill will help make sure that those services exist and expand for every child.

Mr. McNULTY. Mr. Speaker, I yield myself such time as I may consume; and in support of all of the foster children across this country and the families who care for them, I urge support for this bill.

Mr. LANGEVIN. Mr. Speaker, I rise today in support of H.R. 586, the Foster Care Promotion Act. As the son of parents who welcomed 25 foster children into their family, I know firsthand the worth of the foster care system.

This bill would allow foster parents to exclude payments for foster children of any age placed by a non-governmental foster care agency from their taxable income. By subsidizing the cost of foster children, regardless of their age or the method in which they were placed, we will properly value the incredible work of foster parents everywhere.

Foster parenting is an act of true selflessness, as each child requires a significant financial and emotional investment. Many foster children have been abused or neglected. Such treatment leaves indelible scars, which foster parents lovingly attempt to heal. We should not ask such generous individuals to give of their pocketbooks as well as their hearts.

All children need love and support. This bill takes an important step toward ensuring that

some of the most needy children will received it.

Mr. McNULTY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. LEWIS) that the House suspend the rules and pass the bill, H.R. 586, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LEWIS of Kentucky. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

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#### CONCERNING PARTICIPATION OF TAIWAN IN WORLD HEALTH ORGANIZATION

Mr. LEACH. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 428) concerning the participation of Taiwan in the World Health Organization.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

#### SECTION 1. CONCERNING THE PARTICIPATION OF TAIWAN IN THE WORLD HEALTH ORGANIZATION (WHO).

(a) FINDINGS.—The Congress makes the following findings:

(1) Good health is important to every citizen of the world and access to the highest standards of health information and services is necessary to improve the public health.

(2) Direct and unobstructed participation in international health cooperation forums and programs is beneficial for all parts of the world, especially with today's greater potential for the cross-border spread of various infectious diseases such as the human immunodeficiency virus (HIV), tuberculosis, and malaria.

(3) Taiwan's population of 23,500,000 people is larger than that of ¾ of the member states already in the World Health Organization (WHO).

(4) Taiwan's achievements in the field of health are substantial, including one of the highest life expectancy levels in Asia, maternal and infant mortality rates comparable to those of western countries, the eradication of such infectious diseases as cholera, smallpox, and the plague, and the first to eradicate polio and provide children with hepatitis B vaccinations.

(5) The United States Centers for Disease Control and Prevention and its Taiwan counterpart agencies have enjoyed close collaboration on a wide range of public health issues.

(6) In recent years Taiwan has expressed a willingness to assist financially and technically in international aid and health activities supported by the WHO.

(7) On January 14, 2001, an earthquake, registering between 7.6 and 7.9 on the Richter scale, struck El Salvador. In response, the Taiwanese government sent 2 rescue teams, consisting of 90 individuals specializing in firefighting, medi-

cine, and civil engineering. The Taiwanese Ministry of Foreign Affairs also donated \$200,000 in relief aid to the Salvadoran Government.

(8) The World Health Assembly has allowed observers to participate in the activities of the organization, including the Palestine Liberation Organization in 1974, the Order of Malta, and the Holy See in the early 1950's.

(9) The United States, in the 1994 Taiwan Policy Review, declared its intention to support Taiwan's participation in appropriate international organizations.

(10) Public Law 106-137 required the Secretary of State to submit a report to the Congress on efforts by the executive branch to support Taiwan's participation in international organizations, in particular the WHO.

(11) In light of all benefits that Taiwan's participation in the WHO can bring to the state of health not only in Taiwan, but also regionally and globally, Taiwan and its 23,500,000 people should have appropriate and meaningful participation in the WHO.

(b) PLAN.—The Secretary of State is authorized—

(1) to initiate a United States plan to endorse and obtain observer status for Taiwan at the annual week-long summit of the World Health Assembly in May 2001 in Geneva, Switzerland; and

(2) to instruct the United States delegation to Geneva to implement that plan.

(c) REPORT.—Not later than 14 days after the date of the enactment of this Act, the Secretary of State shall submit a written report to the Congress in unclassified form containing the plan authorized under subsection (b).

The SPEAKER pro tempore (Mr. BARR of Georgia). Pursuant to the rule, the gentleman from Iowa (Mr. LEACH) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

#### GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 428.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to support this legislation which would authorize the administration to initiate a plan to endorse and obtain observer status for Taiwan in the World Health Organization during the May 2001 World Health Assembly in Geneva.

Mr. Speaker, I would like to congratulate the gentleman from Ohio (Mr. BROWN) for sponsoring this resolution. It should be stressed that nothing in this bill implies a change in this country's one China policy, which has been based for over 30 years on three communiques and the Taiwan Relations Act. At the same time, however, care should be taken not to arbitrarily exclude the 23 million people of Taiwan from appropriate economic and humanitarian venues.

Mr. Speaker, the House previously passed this bill 407-0 on April 24. Today we are considering the legislation as amended by the Senate. We should support it for at least two reasons:

First, Taiwan's participation in the WHO will advance the cause of public

health worldwide. In January, Taiwan played an important role in providing relief to earthquake victims in El Salvador. By gaining observer status at the WHO, Taiwan will be able to participate more meaningfully in meeting its, and our, global health challenges in the future. Disease and national disasters know no borders.

Secondly, where sovereignty is not at issue, Taiwan's participation in international organizations makes common sense. Taiwan thrives economically and politically. Economically, Taiwan has raised the standard of living on a more equalitarian basis than any developing country over the past half century.

Politically, reminiscent of Sun Yat-Sen's call for staged democratic development, Taiwan has moved, particularly over the past two decades, to expand and refine representative democracy. Today it is a model for the world.

Mr. Speaker, the Senate has modified this bill to reflect the concerns of the senior Senator from the State of Utah, Mr. HATCH. The bill now authorizes rather than requires the Secretary of State to formulate and pursue a plan to win observer status for Taiwan in the World Health Organization. The administration supports this change, and I urge that the House do so as well.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Iowa (Mr. LEACH) for his good work on this issue. On May 20 of last year, Chen Shui-bian was sworn in as President of Taiwan. This was an historic event, the first major transfer of power between rival political parties in that nation's history.

Mature democracies like the United States take such political transitions for granted, but the peaceful exchange of power is a rare democratic legacy. Taiwan now shares this privilege. Taiwan has evolved into a stable, prosperous nation governed by the rule of law. Taiwan's 40-year journey toward democracy is a success story. We should acknowledge and reward that progress and celebrate it.

Mr. Speaker, to this end, I introduced H.R. 428, which would authorize our U.S. Department of State to initiate a plan to endorse and obtain observer status for Taiwan in this year's World Health Assembly. Ninety-two of my colleagues have cosponsored this bill fostering Taiwan's participation in the World Health Assembly. This is a modest step, but a meaningful one. Observer status in the WHA does not require statehood, in fact the PLO, the Order of Malta, the Vatican, and Rotary International all have observer status in Geneva at the WHA, but passing this bill will be a significant victory for every Taiwanese citizen and for every American who cares about human rights.

Children and families suffer from the effects of inadequate health care,