

the longest running high school program in the country, "As Schools Match Wits." WWLP's history of public service programming includes the live broadcast of the Gubernatorial Democratic Debate, which originated in the new, all digital studio, in Chicopee. The corporate owners of WWLP, the LIN Television Corporation, opened the Northeast Operations Center out of the Chicopee office to accommodate five television stations being controlled out of a single, state of the art facility.

WWLP continues to provide quality service to the community through their innovative Skylink program, which utilizes mobile satellite technology to broadcast live from anywhere within driving distance. Additionally, WWLP has a back up generator on Provin Mountain, and a UPS system and back up generator in Chicopee. Therefore, the back up systems will provide uninterrupted service to the viewers even in the event of a power outage at the transmitter or studio location.

As the station celebrates its 50th anniversary, I would like to express my deepest gratitude to their continuous service to the community. WWLP is the only weekday morning news at 5 am, and the only weekend morning newscast in the area. Through the 31 hours of weekly news broadcasting and live Doppler radar updates, WWLP is a leader in news coverage.

SMALL BUSINESS TAX  
FLEXIBILITY ACT OF 2003

**HON. BARBARA CUBIN**

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

*Friday, April 11, 2003*

Mrs. CUBIN. Mr. Speaker, one of the most important decisions for the founder of a business is "choice-of-entity," or the decision to operate as a corporation, partnership, limited liability company (LLC), or other form of business.

The law regarding choice-of-entity has changed enormously in the last 15 years, particularly with the widespread adoption of laws authorizing the creation of the LLC. As a result, many small business owners have more "choice of entity" flexibility than ever before.

First authorized in Wyoming in 1977, LLCs are organized under state law, and are now recognized in all 50 states. In essence, LLCs are allowed corporate treatment for local law purposes and partnership treatment for Federal income tax purpose. LLCs also provide for more than one class of ownership, allowing for increased flexibility to allocate income or losses to different investors. The flexibility and protections of the LLC has led to a rapid expansion in the number of small businesses electing to operate in this manner.

In 1995, the Internal Revenue Service (IRS) adopted the position that general partnerships could be converted into LLCs with little or no tax effects. Unfortunately, as incorporated entities, this does not hold true for small businesses operated as subchapter S corporations (S Corp).

Created in 1958, the S Corp structure allows for no more than 75 shareholders, can issue only one class of stock, and cannot have partnerships or corporations as shareholders. Yet, until the rise of the LLC, the S Corp structure provided, for all practical pur-

poses, the only way that a small business could enjoy the corporate protections of limited liability without being burdened with corporate taxation. Taxed much the same way as partnerships, many older, family-owned, small businesses operate as S corps.

Clearly, the original intent for creating the S Corp structure was the same reasoning that led to the creation of LLCs—to provide a simple and flexible tax category for small and family-owned businesses. However, despite the similarities to LLCs, S Corps are not granted the same conversion flexibility as other partnership-like entities and are instead grouped with larger companies under a cumbersome corporate structure. My bill would modernize the tax treatment of S Corps, allowing them the same choice-of-entity flexibility offered to other small businesses operating as LLCs. This is a common sense change that is overdue.

TRIBUTE TO COLONEL WALTER L.  
WATSON

**HON. JAMES E. CLYBURN**

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Friday, April 11, 2003*

Mr. CLYBURN. Mr. Speaker I rise today to pay tribute to a native South Carolinian and an outstanding member of our community, Colonel Walter L. Watson, Jr. For his more than 25 years of service to our country and to the field of Aerospace Science, the Columbia Housing Authority will induct Colonel Watson into its Wall of Fame on April 17, 2003.

A native of Columbia, Colonel Watson attended public schools in Richland County School District One. Upon graduation from C.A. Johnson High School in 1967, Watson enrolled at Howard University where he would earn a Bachelor of Science Degree in Mechanical Engineering in 1971. In addition, he earned a commission through Reserve Officers Training Corps and entered the Air Force as an avionics maintenance officer.

In 1973, Colonel Watson was selected for aviation training, beginning a career that would take him around the globe. His many assignments included flight instructor, flight commander in tactical fighter and strategic reconnaissance squadrons flying F-4C/D/E, F111 D and SR-71 aircraft. Colonel Watson was the first and only African American to qualify as a crewmember of the SR-71, a super secret aircraft that set altitude and speed records that still stand today.

Holding a Masters Degree in Human Resource Management from Chapman College, Colonel Watson is also a graduate of Squadron Officer School, Air Command and Staff College, and Air War College. His military decorations include the Legion of Merit, Meritorious Service Medal with two oak leaf clusters, the Air Medal with four oak leaf clusters, Air Force Commendation Medal, Armed Forces Expeditionary Medal with two oak leaf clusters, and the Humanitarian Service Medal with one oak leaf cluster.

Colonel Watson's steadfast commitment to educating our youth is evidenced by his current position as the Senior Aerospace Science Instructor for the C.A. Johnson High School Air Force Junior ROTC (AFJROTC) unit. Under his tutelage, the unit has experienced

an increase of more than 8000 percent in funds for unit operations. Computer and technology assets have also increased by more than 700 percent.

Colonel Watson was recently selected as an Outstanding Senior Aerospace Science Instructor during the 1997-98 and 2001-02 school years. He was also chosen as C.A. Johnson High School's Teacher of the Year in 1998-99.

Mr. Speaker, I plan to be on hand for Mr. Watson's induction and ask you and my colleagues to join me in recognition of Colonel Watson's lifetime of high achievement. I congratulate him on his induction, and wish good luck and Godspeed to him and his family.

CONCURRENT RESOLUTION ON  
THE BUDGET FOR FISCAL YEAR  
2004

SPEECH OF

**HON. MICHAEL N. CASTLE**

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, April 10, 2003*

The House in Committee of the Whole House on the State of the Union had under consideration the bill Concurrent resolution (H. Con. Res. 95) establishing the congressional budget for the United States Government for fiscal year 2004 and setting forth appropriate budgetary levels for fiscal years 2003 and 2005 through 2013:

Mr. CASTLE. Mr. Chairman, I must oppose the conference report on the Fiscal Year 2004 Budget Resolution. I am saddened that I must oppose the conference report, because I believe passage of a budget resolution is very important. A budget resolution is essential to allow the House and Senate set the overall limits for spending and taxes that guide all other legislation for the rest of the year. This final conference report is an improvement over the House budget resolution, but still falls short of a balanced plan for fiscal responsibility at a time when we are facing the tremendous challenges of international terrorism, war and reconstruction in Iraq, domestic needs here at home and the return of large federal budget deficits which could hinder future economic growth.

This conference report is an improvement over the House budget resolution because it provides for limited but fair funding for key programs like education, Medicaid, Medicare, and veterans, while meeting the essential needs of national defense and homeland security. I am pleased that the budget negotiators listened to those of us who said that the reductions in the original House budget resolution were not sustainable and restored funding for key areas like education, health care and veterans. I appreciate Chairman NUSSLE'S responsiveness to these concerns. The spending limits for domestic discretionary programs will be tight, but probably manageable at a time when spending must be restrained.

However, this resolution does not apply the same restraint to tax cuts. It calls for a total of \$1.2 trillion in tax cuts over the next ten years, and more important, it sets up an expedited process to assure passage of up to \$550 billion in tax cuts. It is simply not sound policy to go forward with tax cuts of this size at a