

EXTENSIONS OF REMARKS

RECOGNIZING MARY SCOTT-HALL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Mary Scott-Hallof Saint Joseph, Missouri. Mary is a leader in the Girl Scouts, representing the Midland Empire for over seven years, and she has been chosen to receive the YWCA Women of Excellence Award for Women in Volunteerism.

As a leader in the Girl Scouts, Mary has gone beyond her expected role, helping to grow the community's interest and excitement for the Girl Scouts. She has organized a variety of service projects for her troop, including donations to the YWCA Women's Abuse Shelter and America's Second Harvest Food Bank. As the Day Camp director for the St. Joseph area, she has provided exceptional programs to over 100 girls each summer. Additionally donating her time to Camp Woodland, she was responsible for preparing meals and programs for up to 150 girls and adults.

Her achievements to the Girl Scouts are highly recognized. Her troop built the Manley Tillison Outdoor Classroom, a part of the troop's Silver Medal Award project. In addition, she has been given the Girl Scouts Outstanding Volunteer Pin by her peers and received the Service to Mankind Award from the St. Joseph Downtown Sertoma Club.

Mr. Speaker, I proudly ask you to join me in recognizing Mary Scott-Hall. Her commitment to the Girl Scouts and service in the community are to be admired. I am honored to represent her in the United States Congress.

IN RECOGNITION OF THE CARLSON COMPANIES INC., AMERICAN SOCIETY OF TRAVEL AGENTS, FLAMINGO TRAVEL, AND ELA BRASIL TOURS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MALONEY. Mr. Speaker, sex tourism and more specifically the sexual commercial exploitation of children has increasingly become a serious problem. The International Labor Organization estimates that approximately 550,000–700,000 children are forced into sexual exploitation each year. I, therefore, rise to salute the Carlson Companies Inc., the American Society of Travel Agents, ASTA, Flamingo Travel in Philadelphia and Ela Brasil in New York City for signing the Code of Conduct for the Protection of Children From Sexual Commercial Exploitation in Travel and Tourism. They have taken a bold stand against the sexual exploitation of children and should be recognized for their actions.

The Code of Conduct for the Protection of Children From Sexual Commercial Exploitation

in Travel and Tourism was developed by End Child Prostitution Child Pornography and Trafficking of Children for Sexual Purposes, ECPAT, along with World Tourism Organization, WTO, and has been funded by the United Nations Children's Fund (UNICEF). By signing the Code of Conduct, travel and tourism companies commit to take a series of steps to ensure that they are not facilitating the trafficking of children for purposes of prostitution. Law enforcement cannot do it alone. It takes a multifaceted approach to discourage sex tourism.

The Code of Conduct requires that the tourism or travel company establish an ethical policy regarding sexual exploitation of children; train its personnel in the country of origin and travel destinations; introduce a clause in contracts with suppliers requiring that they repudiate commercial sexual exploitation of children; provide information to travelers by means of catalogues, brochures, inflight films, and ticket slips; provide information to local "key persons" at the destinations; and report annually to the Code International Steering Committee and the Secretariat at the WTO.

By reporting yearly, the companies share their experiences and allow for annual monitoring and evaluation of the progress and outcomes of their endeavors. A Steering Committee made up of international independent and voluntary representatives along with ECPAT supervise the Code implementation.

Internationally, more than two hundred companies have signed the Code of Conduct. The United States, however, has lagged far behind. That is why the willingness of Carlson Companies Inc., Flamingo Travel, Ela Brasil and ASTA to sign the Code is so significant. The Carlson Companies Inc. is ranked as one of the largest privately held corporations in America. Among its brands and services are Regent International Hotels, Radisson Hotels, Country Inns and Suites, Park Plaza, Carlson Wagonlit Travel, Cruise Holidays, Results Travel, Raddison Seven Seas Cruises, and Carlson Marketing Group.

Since signing the Code of Conduct, Carlson Companies Inc. has put information about sex tourism and commercial exploitation of children on its company website, has run ads and included editorial content in its hotel publications, and has included information about this issue on their ticket stock. Flamingo Travel, Ela Brasil and ASTA have taken similar steps in implementing the Code of Conduct.

These companies are trailblazers in combating the commercial sexual exploitation of children. Their bold stand could save lives. Significantly their forthright commitment on this issue puts pressure on other American companies in travel and tourism to sign the Code of Conduct as well.

Mr. Speaker, for all the foregoing reasons, I ask my the colleagues to join me in applauding the Carlson Companies Inc., ASTA, Flamingo Travel, and Ela Brasil for their commitment to implementing the Code of Conduct and fighting one of the world's cruelest and most devastating industries.

DISTURBING ECONOMIC TRENDS IN PUERTO RICO

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. TOWNS. Mr. Speaker, I rise today to call attention to the disturbing economic trends in Puerto Rico detailed in recently released reports by the General Accountability Office (GAO), and the Joint Committee on Taxation (JCT). Taken together, these finely written and well-documented studies paint a bleak picture of an island that—instead of being a model of economic development—has fallen further behind the 50 states.

Nothing could be clearer from these reports than that we have failed the U.S. citizens of Puerto Rico miserably for over 50 years. Not because of bad intentions, or because of some sort of benign neglect, but because of failed policies that have provided few, if any, of their promised benefits. These studies vividly demonstrate the need for a different approach that will more directly benefit the residents of Puerto Rico, including making them eligible for the refundable portion of the child tax credit, which I proposed in legislation introduced earlier this Congress (H.R. 4451).

These studies paint a fairly stark picture of the ways in which Federal policies have markedly neglected working Americans in Puerto Rico, by denying them basic support accorded to families in the rest of the United States who are struggling to make ends meet.

The focus of the GAO report is the economy of Puerto Rico during the phase-out of the Possessions Tax Credit ("Sec. 936"), the cornerstone of the U.S. tax policy in Puerto Rico until Congress repealed it in 1996. GAO (and an independent study by the Brookings Institution), determined that the repeal of Sec. 936 to a significant degree did not cause the companies that had previously taken advantage of the program to flee the island; instead concluding that "a substantial amount of possession corporation activity has been continued by other types of businesses," primarily by the companies conversion to controlled foreign corporations, which do not have to pay taxes on their PR source income. As such, the GAO provides the most comprehensive and objective assessment that while corporate structures have changed, underlying economic activity has not markedly changed during the Sec. 936 phase-out.

The bottom line conclusion is that the tax policies that have been in place have failed to put Puerto Rico on a path toward equality with the mainland. Growth has been insufficient to reduce the gap in per capita income (one third that of the mainland), living standards (four times the number of people live below the poverty level) and unemployment (twice as high as the mainland)—nor improve the abysmally low labor force participation rate. Clearly the data supports the conclusion that the past approach has had little—if any—direct and

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

positive effect on the welfare of individuals living and working on the island.

The JCT study points out that tax incentives such as Sec. 936 cannot be permanent additions to the Internal Revenue Code, and that there are market distortions associated with these incentives. While not opining on a preferred approach, JCT states that other options might gain a higher rate of return. JCT surveys some of these options, putting them in the context of the various political status alternatives. Unfortunately, JCT articulates the costs, but dodges the really big question of measuring the possible economic benefits of the different status options (independence, statehood, or continued commonwealth status).

Most importantly, the JCT study points out how much misguided federal tax policies have neglected the people of Puerto Rico—and point to a direction that would clearly have a measurable, positive, impact on the very people who need it most: the working poor of Puerto Rico. This is through application of work incentives available to working families in the 50 states: the per-child tax credit (CTC) and Earned Income Credit (EIC), both of which are available to working families on the mainland to offset payroll taxes (which are also paid by residents of Puerto Rico).

By paying payroll taxes for Social Security and Medicare without receiving the earned income tax credit, working families in Puerto Rico face a heavily regressive tax burden. To illustrate, a Puerto Rican on the island who files as a head of household with two children and \$20,000 of income has a total Federal tax liability of \$792. Yet that filer's brother in New York with the same income and family circumstances would receive a tax refund of \$3,708. According to the JCT study, simply making Puerto Ricans eligible for the EITC would provide an annual fiscal stimulus of \$540 million directly to the local economy, which some estimates show would reduce tax burdens on over 90 percent of taxpayers (about 950,000 taxpayer returns).

My legislation, making families eligible for the child tax credit (now applicable only to families of 3 or more), would further reduce taxes for another 32 percent of all tax filers or about 560,000 taxpayers (and add another \$180 million, annually, to the local economy). Independent analysis shows that these targeted tax credits would be up to 40 percent more effective in stimulating the economy than failed subsidies we have tried, which amount to billions of dollars every year (and continue to this day).

In closing, let me say, I applaud GAO and JCT for drawing our attention to the problem of Puerto Rico's economy. The ball is now in our court. It is the responsibility of this Congress to implement new policies. I am not sure what all these policies should be, but do know that what we have tried did not work, and that we should consider a range of options—including my own legislation—with an eye toward what would best serve the nearly four million U.S. citizens in Puerto Rico, who need and deserve our help. I urge my colleagues to move forward expeditiously in this effort.

BELARUS DEMOCRACY
REAUTHORIZATION ACT OF 2006

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing the Belarus Democracy Reauthorization Act of 2006, a bipartisan measure to provide support for the promotion of democracy, human rights and the rule of law in the Republic of Belarus, as well as encourage the consolidation and strengthening of Belarus' sovereignty and independence. I am pleased to be joined by my colleagues, Representatives LANTOS and McCOTTER, as original cosponsors.

Three years ago, I introduced the Belarus Democracy Act which passed the House and Senate with overwhelming support and was signed into law by President Bush in October 2004. At that time, the situation in Belarus with respect to democracy and human rights was already abysmal. Belarus continues to have the worst rights record of any European state, rightly earning the country the designation as Europe's last dictatorship. Bordering on the EU and NATO, Belarus is truly an anomaly in a democratic, free Europe.

The need for a sustained U.S. commitment to foster democracy and respect for human rights and to sanction the regime of Belarus' tyrant, Alexander Lukashenka, is clear from the intensified anti-democratic policies pursued by the current leadership in Minsk. Mr. Speaker, I am pleased to note that the United States is not alone in this noble cause. Countries throughout Europe have joined in a truly trans-Atlantic effort to bring hope of freedom to the beleaguered people of Belarus. Prompt passage of the Belarus Democracy Reauthorization Act of 2006 will help maintain the momentum sparked by adoption of the 2004 law and the further deterioration of the situation on the ground in Belarus. Indeed, with the further deterioration in Belarus with the massive arrests of recent weeks, this bill is needed now more than ever.

One of the primary purposes of the Belarus Democracy Reauthorization Act of 2006 is to demonstrate sustained U.S. support for Belarus' independence and for those struggling to promote democracy and respect for human rights in Belarus despite the formidable pressures and personal risks they face from the anti-democratic regime. The bill authorizes \$20 million in assistance for each of fiscal years 2007 and 2008 for democracy-building activities such as support for non-governmental organizations, including youth groups, independent trade unions and entrepreneurs, human rights defenders, independent media, democratic political parties, and international exchanges.

The bill also authorizes \$7.5 million for each fiscal year for surrogate radio and television broadcasting to the people of Belarus. While I am encouraged by the recent U.S. and EU initiatives with respect to radio broadcasting, much more needs to be done to break through Lukashenka's stifling information blockade.

In addition, this legislation would impose sanctions against the Lukashenka regime, and deny senior officials of the regime—as well as those engaged in human rights and electoral abuses, including lower-level officials—entry

into the United States. In this context, I welcome the targeted punitive sanctions by both the Administration and the EU against officials, including judges and prosecutors, involved in electoral fraud and other human rights abuses.

Strategic exports to the Government of Belarus would be prohibited, except for those intended for democracy building or humanitarian purposes, as well as U.S. Government financing and other foreign assistance, except for humanitarian goods and agricultural or medical products. The U.S. Executive Directors of the international financial institutions would be encouraged to vote against financial assistance to the Government of Belarus except for loans and assistance that serve humanitarian needs. Furthermore, the bill would block Belarus Government and senior leadership and their surrogates' assets in property and interests in property in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons. To this end, I welcome the Treasury Department's April 10 advisory to U.S. financial institutions to guard against potential money laundering by Lukashenka and his cronies and strongly applaud President Bush's June 19 "Executive Order Blocking Property of Certain Persons Undermining Democratic Processes or Institutions in Belarus."

Mr. Speaker, I want to make it absolutely clear that these sanctions are aimed not at the people of Belarus, whose desire to be free we unequivocally support, but at a regime that displays contempt for the dignity and rights of its citizens even as the corrupt leadership moves to further enrich itself at the expense of the people.

Mr. Speaker, Belarus stands out as an even greater anomaly following Ukraine's historic Orange Revolution and that country's March 26th free and fair parliamentary elections which stand in glaring contrast to Belarus' presidential elections held just one week earlier. The Belarusian elections can only be described as a farce. The Lukashenka regime's wholesale arrests of more than one thousand opposition activists, before and after the elections, and violent suppression of post-election protests underscore the utter contempt of the Belarusian authorities toward the people of Belarus.

Illegitimate parliamentary elections in 2004 and the recently held presidential "elections" in Belarus brazenly flaunted democratic standards. As a result of these elections, Belarus has the distinction of lacking legitimate presidential and parliamentary leadership, which contributes to that country's self-imposed isolation.

Lukashenka, the Bully of Belarus, has repeatedly unleashed his security thugs to trample on the rights of their fellow citizens. Indeed, they demonstrated what Lukashenka truly thinks about his own people. Nevertheless, courageous peaceful protesters on Minsk's central October Square stood up to the regime with dignity and determination. Almost daily repressions constitute a profound abuse of power by a regime that has blatantly manipulated the system to remain in power.

Albeit safely ensconced in power, Lukashenka has not let up on the democratic opposition. On July 17, in a particularly punitive display against those who dare oppose Lukashenka, former presidential candidate Aleksandr Kozulin was sentenced to an obviously politically motivated 5½ years' term of