

credits are set to expire on June 30th of this year.

Mr. Speaker, for the last seven years America has experienced an historic level of economic growth. The unemployment rate is at a 29 year low, and over 18 million jobs have been created. But, despite this spectacular success there still are many pockets of poverty and of unemployment or underemployment in our country. Mr. Speaker, the Welfare to Work tax credit and the Work Opportunity Tax Credits are specifically targeted to increasing employment amongst the hardest to hire worker groups in this country. These credits reward work, and their tax benefits accrue to the private firms that hire from these at-risk groups. If we are serious about moving millions of welfare recipients as well as unemployed and underemployed Americans into full time jobs in the private sector, Congress must act now to fully reauthorize the Welfare to Work and Work Opportunity Tax Credits.

The Welfare to Work Tax Credit was established as part of the Taxpayer Relief Act of 1997. This tax credit is intended for long term Temporary Assistance to Needy Families (TANF) recipients. A private firm that hires a member of a family that has received TANF benefits for at least 18 consecutive months can apply for the credit. The Welfare to Work Tax Credit counts against a firm's federal income tax liability for an amount up to 35% of the first \$10,000 earned during the individual's first year of employment, and 50% for the first \$10,000 earned during the second year of employment. An employer must retain eligible workers for at least 400 hours or 180 days in order to receive the credit. In the first two quarters of FY 1999, over 47,000 Welfare to Work certifications were issued.

The Work Opportunity Tax Credit was initially authorized as part of the Small Business Job Protection Act of 1996. This tax credit is intended for several hard to hire groups other than long term welfare recipients. Groups eligible for the Work Opportunity Tax Credit are: Members of families receiving TANF benefits for any 9 months during the 18 month period before starting employment; 18 to 24 year-olds whose principal place of abode in an empowerment zone or an enterprise community; 18 to 24 year-olds who are members of families receiving food stamp benefits for the 6-month period ending on the hiring date; 16 to 17 year-olds hired for summer work for any 90 day period between May 1 and September 15 whose principal place of abode is an empowerment zone or an enterprise community.

Veterans who are members of families that have received food stamps for at least a 3 month period during the 15 month period ending on the hiring date.

Individuals with physical or mental disabilities that have been referred by their state's vocational rehabilitation program.

Economically disadvantaged ex-felons.

Supplemental Security Income (SSI) recipients.

For eligible hires who remain on a firm's payroll at least 400 hours, an employer can apply a Work Opportunity Tax credit against the firm's federal income tax for an amount equal to up to 40 percent of the first \$6,000 in wages paid during the worker's first year of employment. For eligible hires who remain

employed from 120 hours to 399 hours the Work Opportunity Tax Credit rate is 25 percent for the first \$6,000 in wages. With regards to summer youth employees, the Work Opportunity Tax Credit is applied against the first \$3,000 earned in any 90 day period between May 1 and September 15. During Fiscal Year 1998, 285,322 Work Opportunity Tax Credit certifications were issued. For the first two quarters of FY 1999, 157,850 such certifications were issued.

Both the Welfare to Work and Work Opportunity Tax Credits are set to expire this year on June 30th. H.R. 2015 would reauthorize both credits for five years. Mr. Speaker, I believe it is important that this Congress take a firm stand in favor of economic development and reduce the remaining pockets of unemployment and underemployment in this country by fully reauthorizing both the Welfare to Work and the Work Opportunity Tax Credits for 5 years. Both these credits have minimal impact on the federal budget. The Joint Committee of Taxation estimated that currently issued credit certifications for the Work Opportunity Tax Credit would cost \$445 million between fiscal year 1999 and fiscal year 2004, and Welfare to Work credits would cost \$25 million for the same period. We cannot afford to put these programs at risk each year during the annual budget process. We need to reauthorize them for at least a full 5 year period. Mr. Speaker, I encourage my colleagues to join me in support of H.R. 2015.

HONORING THE SPECIAL GRADUATES OF MIDDLE SCHOOL 136

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 1999

Ms. VELÁZQUEZ. Mr. Speaker, it is with great pride that I ask you and my colleagues to join me in congratulating special graduates of the 12th Congressional District of New York. I am certain that this day marks the culmination of much effort and hard work which has led and will lead them to continued success. In these times of uncertainty, limited resources, and random violence in our communities and schools, it is encouraging to know that they have overcome these obstacles and succeeded.

These students have learned that education is priceless. They understand that education is the tool to new opportunities and greater endeavors. Their success is not only a tribute to their strength but also to the support they have received from their parents and loved ones.

In closing, I encourage all my colleagues to support the education of the youth of America. With a solid education, today's youth will be tomorrow's leaders. And as we approach the new millennium, it is our responsibility to pave the road for this great Nation's future. Members of the U.S. House of Representatives I ask you to join me in congratulating the following Academic Achievement Award Recipients: Andrew Caceres and Fi Lan Ho.

PERSONAL EXPLANATION

HON. ANTHONY D. WEINER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 1999

Mr. WEINER. Mr. Speaker, on rollcall No. 215, had I been present, I would have voted "aye".

IN SUPPORT OF AMERICAN AGRICULTURE

HON. RONNIE SHOWS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 1999

Mr. SHOWS. Mr. Speaker, today I stand before my colleagues and the American people to discuss the American farmer. I have done so before and am more than happy to stand up for the American Farm Family again.

My district, in Mississippi, is largely supported by agriculture. Family farmers, and I was once a farmer, are our neighbors, friends and community leaders. They provide a foundation of sound American values and a strong work ethic to communities all across our nation. When you get right down to it, they are good people who work hard to make a living and raise their families.

There's more, much more, to say about our farmers, though. The American family farmer is the most successful and efficient farmer in the world. Our agricultural industry feeds and clothes more people than any other system of agriculture on the planet. The American farmer is one of America's greatest success stories. They have excelled through the best and worst of times.

Our farmers fed a hungry nation during the Great Depression, sustained our great army during World War II. And, when the soldiers came home, our farmers went to work with new and dynamic technologies and machinery. They have helped feed, clothe, fuel and grow our economy without ever looking back.

We cannot turn our backs on our farmers when they need our help. We cannot afford to.

Our farmers and ranchers are feeling financial and emotional stress. Prices of commodities have been spiraling downward over the past year. Many of our farm families have seen prices for their hard work hit decade lows over the recent months. We must continue to act in support of our American farm families.

Let's fight for the farmers as they work to meet the demands of the EPA. Let's give them the time and support they need in the Farm Quality Protection Act.

Let's continue supporting the Conservation Reserve Program. Mississippi's very own Jamie Whitten realized this monumental piece of legislation that has added millions of acres in needed pine trees. This program needs our continued support. Dairy Farmers in Mississippi and across America need the USDA to enact Option 1A. Let me say that again. America's Dairy Farmers need option 1A and I urge the USDA to do the right thing.