

Worcester, Franklin, Hampden, and Hampshire District; Reed V. Hillman, Representative in General Court, First Hampden District; Pauline Dziembowski, President of the Massachusetts Federation of Polish Women's Clubs, Inc., and Christine Wurszt, Vice-president of District V, MFPWC. Principal Address will be by our member Suzanne Strempek-Shea, Author—Topic Our Counterpart 75 Years Ago. The St. Cecelia Choir under the direction of Michael Rheault, Organist and director of Music, at Saints Peter and Paul Church, will entertain us with their music. One of the songs they will sing is Polish Pride—Pope John Paul II (composed by Fred Brozek/music by Stephen Lebida). Barbara Marcinkiewicz will sing the American National Anthem and the Polish National Anthem to start our program and at the close of the program she will lead the audience in singing God Bless America and Boze Cos Polske. Reverend Mr. Edward Tenczar will give the benediction.

ALTERNATIVE MINIMUM TAX REFORM

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 1999

Mr. HAYWORTH. Mr. Speaker, today I am introducing legislation that will reform the alternative minimum tax (AMT) and mitigate its devastating impact on America's industries. My bill, which would help all types of businesses that are locked in the AMT, has attracted the support of firms in the mining, steel, oil and gas, paper, coal, building, and printing industries, among others.

The corporate AMT was conceived as a way of ensuring that companies with economic income also paid some income tax. Unfortunately, the AMT has a perverse effect on companies that make large capital investments in plants and equipment but suffer from low prices for their output. Frequently, these businesses make commodity products that have small profit margins and are subject to intense international competition. Start-up businesses and rapidly growing companies whose profit margins may be slim in relation to their investment are also affected by the AMT. Extractive industries are another example of those locked into the AMT. And companies in a loss position must routinely borrow money to pay their AMT, even though they have no economic income.

Once in the AMT, a corporation often has problems getting back into the "regular tax" and then using up the AMT credits accumulated during its time in the AMT. My legislation aims to end this vicious cycle by allowing companies that have AMT credits that are more than three years old to use their AMT credits to offset up to 50 percent of their tentative minimum tax. For firms that are currently of of the AMT but carry AMT credit balances, the bill would increase the amount of credits they are able to use currently. Finally, for companies in an AMT loss position in the current and two prior years, the bill would permit a 10-year AMT loss carryback.

As Congress moves forward on tax relief legislation, it is imperative that we keep in

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mind the fiscal problems of our nation's basic industries. AMT relief is critical for long-term AMT taxpayers, and I urge my colleagues to join in this important and timely effort.

INTRODUCTION OF THE BINATIONAL GREAT LAKES-SEAWAY ENHANCEMENT ACT OF 1999

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 1999

Mr. OBERSTAR. Mr. Speaker, today, I am introducing legislation, the Binational Great Lakes-Seaway Enhancement Act of 1999, to improve the competitiveness of the Great Lakes-St. Lawrence Seaway system and restore its vitality.

This coming Sunday will mark the 40th anniversary of the opening of the St. Lawrence Seaway. The Great Lakes-St. Lawrence Seaway system is a vital transportation corridor for the United States. The Seaway connects the Great Lakes with the Atlantic Ocean and makes it possible to ship manufactured products from our industrial Midwest and grains from the Upper Plains directly to overseas markets. Benefits of efficient operations of this transportation route are not limited to the Great Lakes region but extend throughout the United States. Congress recognized the broader impacts and, accordingly, designated the Great Lakes as America's fourth sea coast in 1970.

The Great Lakes region, and international markets, recognized the system's potential, as evidenced by the sharp rise in vessel and cargo traffic through the Seaway immediately after its opening in 1959. Unfortunately, that potential was never fulfilled. The upward trend in cargo traffic peaked around 1977-79. It then went into a long decline precipitated in part by a nationwide economic recession that hit the manufacturing sector particularly hard, and prolonged in part because of capacity constraints imposed by the Seaway.

Locks on the Seaway and the Great Lakes were built as long ago as 1895. New locks constructed for the Seaway between the mid- and late-1950s, as authorized by Congress in 1954, were built to the same size as those completed in 1932. Locks and connecting channels were limited to 27 feet of draft. Because vessel size had grown over time, Seaway facilities were too small on its opening day to serve the commercial fleet then in existence. Today, they are capable of accommodating no more than 30% of the world's commercial fleet. An undersized Seaway that denies large, specialized, and efficient vessels access to the system will prevent U.S. products, especially those from the Great Lakes region, from competing effectively in the global economy.

In addition to declining traffic, inadequate investment in Seaway infrastructure caused the mix of cargoes shipped through the system to be transformed from one that was diverse to one composed largely of low-value commodities. Although the trend of cargo tonnage through the system turned up once again in 1993, current cargo mix consists of essentially

steel coming to the Great Lakes region from abroad, grains going overseas, and iron ore and coal moving from one port to another within the region. Since the last 1980's industrial manufacturing in the United States has recovered through investment in technology and corporate restructuring. Industrial production is flourishing once more in the Great Lakes region; Midwest economies are booming. Yet, only a small volume of high-value finished goods is shipped through the system. The Great Lakes region, therefore, is unable to fully participate in this resurgence of economic strength due to limitations in the Seaway's capacity.

For more than 2 years, I have been working closely with interested parties in the Great Lakes maritime transportation community and the infrastructure investment finance sector in the United States and Canada to develop a proposal to allow the Seaway to reach its full potential, to guarantee the future viability of the Seaway, and to continue the economic development of the Great Lakes region.

The bill I am introducing today, the Binational Great Lakes-Seaway Enhancement Act of 1999, developed in concert with the Honorable Joe Comuzzi, a dear friend of mine and a member of the Canadian Parliament whose district (Riding) is adjacent to mine, would establish the foundation, create the conditions, and provide the resources to permit the system to achieve its full potential. The bill would authorize the creation of a binational authority to operate and maintain the Seaway. It would also provide for the establishment of a non-federal credit facility to offer financial and other assistance to the Seaway and Great Lakes maritime communities for transportation-related capital investments.

Specifically, the legislation would establish a binational governmental St. Lawrence Seaway Corporation by combining the existing, separate U.S. and Canadian agencies that operate each country's Seaway facilities. It would require the Corporation's top management to run the Seaway in a business-like manner. It would transfer Seaway employees and the operating authority of Seaway assets to the Corporation. It would provide labor protection for current U.S. Seaway employees, whether or not they transfer to the Corporation. It would offer incentives for employment and pay based on job performance. It would set forth a process for the Corporation to become financially self-sufficient. At the same time, it would provide the United States with ample oversight authority over the Corporation.

Through merger of the two national Seaway agencies into a single binational authority, we could eliminate duplication and streamline operations. Improved efficiency would reduce government's cost of operating the Seaway. Moreover, a unified Seaway agency would reduce regulatory burden and help cut the sailing time of ships through the system. This latter efficiency improvement would positively affect the bottom line of Seaway users. All of these efficiencies would make the system a more competitive and viable transportation route for international commerce.