

country is to be commended and I thank him for his support of my legislation.

A TRIBUTE TO THE LABOR  
MOVEMENT

**HON. ROBERT A. BRADY**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 10, 1999*

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor the labor movement. As the American trade union movement prepares to move into its second century, it is important to applaud the movement's "century of achievement" that included the historic reuniting of the AFL-CIO in 1955.

American labor has played a central role in the raising of the American standard of living. American workers have had to struggle to achieve the gains they have made during this century. And it has been a struggle! Improvements did not come easily. By organizing, winning the right to representation, utilizing the collective bargaining process, struggling against bias and discrimination, working Americans have built a trade union movement of formidable proportions.

Labor in America has correctly been described as a stabilizing force in the national economy and a bulwark of our democratic society. The gains that unions have achieved have brought benefits directly and indirectly to the American people and have served as a force for our nation's progress.

Labor has reached out to groups in America who strive for their share of the American dream and there is a common bond between the labor movement and African-Americans, Hispanics, and other minorities. In the words of Dr. Martin Luther King: "Our needs are identical with labor's needs—decent wages, fair working conditions, livable housing, old age security, health and welfare measures, conditions in which families can grow, have education for their children and respect in the community."

But today, America's workplace is in transition. The workforce that was once predominantly "blue collar" has now expanded to include "white collar" employees and the significantly increasing "gray collar" workers representing the workers in service industries. Mass production industries have downsized and many have gone out of business. Increasing numbers of the new industries require new skill levels from employees and work once performed in the United States has been moved out of the country.

However, change has not lessened the absolute need for protection and representation for our nation's working men and women. And change has not lessened the resolve of the union movement to represent and protect America's workers.

As the labor movement continues to face the looming challenges, it is important to note that the union movement is on the right track. In 1998, the number of union members rose in more than half the states and union membership grew by more than 100,000 nationwide. In all, the number of union members in the nation rose from 16.1 to 16.2 million. As AFL-

EXTENSIONS OF REMARKS

CIO President John Sweeney has said, "Our commitment and dedication to organizing, at all levels of the labor movement, is beginning to bear fruit—but we still have a long way to go. We need to stay focused and redouble our efforts."

THE SENIOR CITIZENS INCOME  
TAX RELIEF ACT

**HON. MATT SALMON**

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 10, 1999*

Mr. SALMON. Mr. Speaker, I rise to introduce the Senior Citizens Income Tax Relief Act. This legislation would repeal the Clinton Social Security tax increase of 1993.

Millions of America's senior citizens depend on Social Security as a critical part of their retirement income. Having paid into the program throughout their working lives, retirees count on the government to meet its obligations under the Social Security contract. For many, the security provided by this supplemental pension plan is the difference between a happy and healthy retirement and one marked by uncertainty and apprehension, particularly for the vast majority of seniors on fixed incomes.

As part of his massive 1993 tax hike, President Clinton imposed a tax increase on senior citizens, subjecting to taxation up to 85 percent of the Social Security received by seniors with annual incomes of over \$34,000 and couples with over \$44,000 in annual income. This represents a 70 percent increase in the marginal tax rate for these seniors. Factor in the government's Social Security Earnings Limitation and a senior's marginal tax rate can reach 88 percent—twice the rate paid by millionaires.

An analysis of government-provided figures on the 1993 Social Security tax increase finds that, at the end of 1998, America's seniors have paid an extra \$25 billion because of this tax hike, including \$380 million from senior citizens in Arizona alone.

Older Americans are just as willing as the rest of the country to pay their fair share, but the President and other big spenders in Congress should not take that as a license to finance their big government agenda on the backs of Social Security beneficiaries. Our nation's seniors have worked too hard to have their golden years tarnished by the government renegeing on its promises. In an era of budget surpluses, surely we can find a way to provide America's seniors with relief from this burdensome tax.

INTRODUCTION OF BILL TO CLARIFY THAT NATURAL GAS GATHERING LINES ARE 7-YEAR PROPERTY FOR PURPOSES OF DEPRECIATION

**HON. SAM JOHNSON**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 10, 1999*

Mr. SAM JOHNSON of Texas. Mr. Speaker, today I have introduced legislation, H.R. — to

*February 10, 1999*

provide much needed certainty with respect to the proper depreciation classification of natural gas gathering lines. Natural gas gathering lines play an integral role in the production and processing of natural gas as they are used to carry gas from the wellhead to a gas processing unit or interconnection with a transmission pipeline. In many instances, the gathering network for a single gas field can consist of hundreds of miles and represents a substantial investment for natural gas processors.

The proper depreciation classification for specific assets is determined by reference to the asset guideline class that describes the property. Asset class 13.2 subject to a 7-year cost recovery period, clearly includes "assets used by petroleum and natural gas producers for drilling wells and production of petroleum and natural gas, including gathering pipelines and related production facilities." Not only are gathering lines specifically referenced in asset class 13.2, but gathering lines are integral to the extraction and production process. Nonetheless, it has come to my attention that some Internal Revenue Service auditors now seek to categorize natural gas gathering lines as assets subject to a 15-year cost recovery period under asset class 46.0, titled "Pipeline Transportation."

Over the past several years, I have corresponded and met with officials of the Department of Treasury seeking clarification on Internal Revenue Service policy and the issuance of guidance to taxpayers as to the proper treatment of these assets for depreciation purposes. These efforts have been to no avail. In the meantime, the continued controversy over this issue has imposed significant costs on the gas processing industry on audit and in litigation, and has resulted in a division of authority among the lower courts as to the proper depreciation of these assets. While it is not my intent to interfere with ongoing litigation, I do believe that legislation is needed to clarify the treatment of these assets under the Internal Revenue Code in order to provide certainty to the industry for tax planning purposes, and to avoid costly and protracted audits or litigation.

Accordingly, I have introduced legislation that would amend the Internal Revenue Code to specifically provide that natural gas gathering lines are subject to a 7-year cost recovery period. While I believe that this result should be obvious under existing law, this bill would eliminate any uncertainty surrounding the proper treatment of these assets. The bill also includes a proper definition of "natural gas gathering lines" to distinguish these assets from pipeline transportation for purposes of depreciation.

I urge my colleagues to support this important legislation.

DRUG USE AMONG OUR CHILDREN

**HON. RON PACKARD**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 10, 1999*

Mr. PACKARD. Mr. Speaker, I rise today to express my concern over the continuing increase in teenage drug abuse. Our nation's