

This year, I have modified my legislation. Since both the Congressional Budget Office and the Office of Management and Budget have forecast budget surpluses for the current fiscal year, my bill no longer requires Congressional office savings to be redesignated for deficit reduction. Instead, the bill requires unexpended funds contained in the Members' Representational Allowance (MRA) account—formerly known as the official expenses, clerk hire and franking accounts—to be applied toward reducing the federal debt. In the event that the United States returns to a budget deficit, the legislation specifically requires the Treasury to apply any remaining Congressional office funds to deficit reduction.

Mr. Speaker, I know that many of my colleagues have shared my concerns and frustrations that money saved by Members of Congress was not applied to deficit reduction or reducing the federal debt before my legislation was enacted. Rather, funds were simply "re-programmed" for other budget items, thereby defeating the frugal intentions of many Members. The unspent funds would remain available for reprogramming for the following three years, including the year for which those funds were appropriated. At the end of the three years, unspent money immediately reverted from the House account to the General Fund of the U.S. Treasury.

My legislation would ensure that taxpayers truly benefit from savings accrued by Members, who in turn would receive the credit they deserve for not spending their entire office allowance. Since I have served in Congress, I have saved more than one million dollars. There are many Members who have worked just as hard not to spend as much as they were entitled to spend based on their official allocation.

In fact, an analysis of Congressional spending conducted by the National Taxpayers Union indicated that Members have spent an average of 89.1 percent of their allowances since 1995. Since the Legislative Branch Appropriations bill for FY 2000 contains \$413.5 million for the MRA account, the potential savings could amount to tens of millions of dollars. These are significant savings, and they should be used to help pay down the national debt. This debt currently exceeds \$5.5 trillion, and interest of the debt remains the second largest expenditure in the entire federal budget. This amount is being paid in full by the American taxpayers every year.

Mr. Speaker, this bipartisan legislation clearly demonstrates that Congress is leading from the top down and is working hard to find ways to lower the national debt. I am pleased that this legislation was adopted as part of the FY 2000 Legislative Branch Appropriations bill. I am hopeful that the bill I introduce today will make this practice a permanent law. I strongly encourage my colleagues to support the bill, and I urge its approval by the House of Representatives.

EXTENSIONS OF REMARKS

TRIBUTE TO VALLEY VIEW HIGH SCHOOL STUDENT SPEAKERS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. BROWN of California. Mr. Speaker, I wish to recognize the achievements of two outstanding young students from my congressional district in Southern California. April Fields and Jamie Gordon from Valley View High School in the City of Ontario have been selected as student speakers for the last graduating class of this century and deserve to be recognized for this laudable achievement.

I am proud of all of my Inland Empire region's graduating students in the Class of 1999, as they represent some of the best and brightest of future generations. I am especially proud, however, of those students, such as April and Jamie, who have risen above adversity and overcome challenges and obstacles that may have threatened to hinder their path to success. I am very proud to represent such fine young students.

Education is the most important foundation we can have for life, and April and Jamie have realized that potential. They have already accomplished a great deal and stand to reap even more success as the years go by. My best wishes to them and hopes for a bright and prosperous future.

HONORING JOSHUA GILLETTE, LEGRAND SMITH SCHOLARSHIP WINNER OF MICHIGAN CENTER, MI

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence he has compiled in academics, leadership and community service, that I am proud to salute Joshua Gillette, winner of the 1999 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Joshua is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, Michigan.

Joshua Gillette is an exceptional student at Michigan Center High School and possesses an impressive high school record. Joshua's involvement in football, basketball and track began his freshman year and continued through his senior year. He excelled both academically and athletically as President of the Student Council and Captain of the Football and Track Teams. Outside of school, Joshua participated in several volunteer activities to improve the community.

Therefore, I am proud to join with his many admirers in extending my highest praise and

congratulations to Joshua Gillette for his selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support and active participation contributed to his success. To this remarkable young man, I extend my most heartfelt good wishes for all his future endeavors.

TIMBER TAX SIMPLIFICATION ACT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. COLLINS. Mr. Speaker, I rise today to introduce legislation which corrects an inequity in the Internal Revenue Code which affects the sale of certain assets.

Under current law, landowners that are occasional sellers of timber are often classified by the Internal Revenue Service as "dealers." As a result, the seller is forced to choose between a "lump sum" payment method or a pay-as-cut contract which often results in an under-realization of the fair value of the contract. While electing the pay-as-cut contract option provides access to capital gains treatment, the seller must comply with special rules in Section 631(b) of the Internal Revenue code. The provisions of Sec. 631(b) require these sellers to "retain an economic interest" in their timber until it is harvested. Under the retained economic interest requirement, the seller bears all the risk and is only paid for timber that is harvested, regardless of whether the terms of the contract are violated. Additionally, since the buyer pays for only the timber that is removed or "scaled" there is an incentive to waste poor quality timber, to under scale the timber, or to remove the timber without scaling.

The legislation I have introduced will provide greater consistency by removing the exclusive "retained economic interest" requirement in IRC Section 631(b). This change has been supported or suggested by a number of groups for tax simplification purposes, including the Internal Revenue Service. I urge my colleagues to join in this tax simplification effort and strongly urge its passage.

PERSONAL EXPLANATION

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. MANZULLO. Mr. Speaker, on rollcall No. 186, I was unavoidably detained. Had I been present, I would have voted "yes".

HONORING KRISTA CARPENTER, LEGRAND SMITH SCHOLARSHIP FINALIST OF HUDSON, MI

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. SMITH of Michigan. Mr. Speaker, I call this resolution to your attention.