

and will make up the difference out of general funds. None of our infrastructure projects will be affected by FETRA.

This tax relief is long overdue for American consumers. To ensure they get the benefit of this tax relief, FETRA directs the Comptroller of the United States to report to Congress on whether the tax cut is being passed through to consumers. Additionally, the act requires the Administration to prepare a report on changes in the prices of gasoline, diesel and other fuels over the previous 12 months, and the impact on prices of the reformulated gasoline mandate, and the feasibility and appropriateness of maintaining the reformulated fuel mandate.

Mr. Speaker, The American people are looking toward Congress for leadership on this issue. I agree that we must work on long-term and medium-term solutions to high fuel prices, but FETRA is where we should start.

AMENDING INTERNAL REVENUE  
CODE TO REQUIRE 527 ORGANIZA-  
TIONS TO DISCLOSE POLITICAL  
ACTIVITIES

SPEECH OF

**HON. EARL BLUMENAUER**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 27, 2000*

Mr. BLUMENAUER. Mr. Speaker, the House has finally done something about the shadowy political action committees organized under Section 527 of the tax code which can hide their donors, activities, and even their existence from public view. Sunshine is the best disinfectant and now some light will be shed on these stealth PACs that have been flying under the radar to avoid detection.

Very early this morning, we voted to require these tax-exempt groups to disclose their activities. The Senate adopted very similar legislation earlier this month. It has been perfectly within the rights of anyone to give unlimited sums of money aimed at influencing American elections with no limits, no restrictions, and complete anonymity.

Here's how the loophole worked: You set up a bank account, collected as many millions as you could, ran ads under whatever innocuous name you chose—Americans for a Decent Society or whatever—and attacked or supported any candidate you chose. All you had to do was refrain from using the "magic words" like "vote for," "vote against," "elect," "defeat," etc. in reference to a particular candidate. You could mention the candidates by name. You could show their unflattering visage against a backdrop of belching smokestacks. And then you could disappear from the face of the earth.

That unique combination—unlimited funds with total anonymity—was the beautiful thing about the 527s, if you were a clever political fundraiser, or a billionaire with a private agenda.

But that is changing now. The Campaign for America, a group of well-respected business leaders founded by Jerome Kohlberg, recently stated, "Tax-exempt status is a subsidy, not an entitlement. Accordingly, organizations obtaining this subsidy have obligations and re-

sponsibilities to the public that provides this benefit. Every other nonprofit involved in electioneering such as parties, PACs and campaign committees discloses to the Federal Election Commission. There is no justification for making an exception for these 527 organizations. In return for the public's largesse, these organizations should at least be required to disclose their existence, substantial contributors and substantial expenditures."

The legislation we passed requires "527" groups to disclose who they are, where they get their money, and how they spend it. It does not adequately cover political activities during this election cycle, but it is a good start.

By closing this loophole, we are beginning to repair the damage that our current campaign system has done to public trust in government. This could be the first meaningful campaign finance reform passed in Congress in many years. Let's lift this curtain of secrecy that has shrouded elections for too long.

TRIBUTE TO AARON HALPERN

**HON. BILL PASCRELL, JR.**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention to the deeds of a person I was proud to call my friend, Aaron Halpern of Clifton, New Jersey, who was remembered on Thursday, June 1, 2000 because of his many years of service and leadership. He is deserving of this memorial, for he had a long history of caring, generosity and commitment to others.

Aaron was recognized for his many years of leadership in Clifton, which I have been honored to represent in Congress since 1997, and so it is only fitting that these words are immortalized in the annals of this greatest of all freely elected bodies.

Mr. Halpern worked for the Clifton School System for 43 years, beginning as a high school teacher and guidance counselor. He became the principal of School 7 in 1959 and of Woodrow Wilson Middle School in 1962. A year later he became the principal of Clifton High School. He served that post for 25 years until his retirement on November 1, 1988.

During his tenure at Clifton High School, Aaron implemented many educational innovations including computer technology, student counseling and placement services. When he retired in 1988, it was estimated that more than 20,000 students had passed through the school in the years that he was in charge.

Aaron received the New Jersey Principals Supervisors Association's Distinguished Service Award in 1993, and the Clifton Parents Football Boosters named him 1982-83 Man of the Year. He also had a wing at Clifton High School named after him in 1997.

Principal Halpern was a member of the Executive Committee of the New Jersey State Interscholastic Athletic Association, where he was responsible for many athletic rule changes. He was a life member of the National Education Association and the New Jersey Congress of Parents and Teachers.

An Army Air Corps veteran of World War II, Principal Halpern was a member of the Clifton

Jewish Center and its Men's Club, the B'nai B'rith and Humboldt-Ezra Masonic Lodge 114, all in Clifton.

A graduate of Passaic High School in 1938, Aaron received a Bachelor of Science Degree in Education from Newark State College, and Master's degrees in Administration and Supervision from Montclair State College (now University), in Guidance from Rutgers University, and in Secondary School Administration from Teachers College at Columbia University.

Aaron is survived by his wife, the former Dorothy Leibowitz, a daughter, Doretta Halpern of Cedar Grove and his nephew Jack Birnberg, Chairman of the Board of Waldorf Group, Inc. of Little Falls, New Jersey.

Mr. Speaker, I ask that you join our colleagues, Aaron's family and friends, Clifton High School, the Clifton Board of Education, the City of Clifton and me in recognizing the outstanding and invaluable service to the community of Aaron Halpern.

ELECTRIC UTILITY INDUSTRY

**HON. ED BRYANT**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Mr. BRYANT. Mr. Speaker, at a time when this Congress is beginning the debate over the future of our electric utility industry, I call to the attention of my colleagues an article in the current edition of Forum For Applied Research and Public Policy. The article is entitled "Electricity: Lifeline or Bottom Line?", and it is by Terry Boston, Executive Vice President of the Tennessee Valley Authority's Transmission and Power Supply Group. Mr. Boston oversees TVA's 17,000 miles of transmission lines, one of the largest transmission systems in the country.

The article largely embodies information I received from Mr. Boston in a briefing earlier this month. The news media has given considerable coverage recently to the expected demands on our electric utility grid this summer and how those demands will almost certainly strain the system. Mr. Boston makes the point that more is being invested in generation and marketing than in transmission, distribution and reliability, and that until these two different facets of the business are brought more into balance, the strains on the system will continue.

All in all, the article will enhance Member's understanding of the problems we face this summer and the challenges that are before us as we confront the complex issue of electric utility restructuring.

[From Forum for Applied Research and Public Policy, Summer 2000]

ELECTRICITY: LIFELINE OR BOTTOM LINE?

(By Terry Boston)

On a blistering day last July, two large cables at a Chicago substation failed, triggering a local blackout that sent hundreds of air-conditioning deprived residents to hospitals and a few, tragically, to cemeteries. At its worst, the blackout left more than 100,000 people without electricity, and thousands remained that way for the better part of three days.