

INTRODUCTION OF THE MAKE TAX CREDITS WORK—FIX ALTERNATIVE MINIMUM TAX

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 6, 2001

Mr. NEAL of Massachusetts. Mr. Speaker, I am introducing today badly needed legislation to make permanent the temporary provision of current law that allows all nonrefundable personal tax credits to be used against the alternative minimum tax. These credits include the child credit, the adoption credit, the HOPE credit, the lifelong learning credit, and the dependent child care credit.

I have introduced this bill in the two previous Congresses, H.R. 4489 and H.R. 1097. In 1998 Congress enacted a 1-year provision to solve the problem, and in 1999 Congress enacted a 3-year solution. Now is the time to permanently fix the problem, if only because the problem will get more serious and the revenue cost will increase every year we delay. According to the Joint Committee on Taxation, a permanent solution to this problem enacted in 1999 would have cost \$6 billion over 2000–2004, and \$29.6 billion over 2000–2009. This rapid escalation in cost demonstrates why it is important to resolve the problem now. It also indicates how rapidly this provision will affect American families if it is not solved permanently.

To date, two messages have come out of the Bush administration on this issue. The first message is that the alternative minimum tax is a problem to be thought about. The second message is that Congress ought to fix it. Refusing to face this problem directly, and taking responsibility for helping resolve it, is a recipe for continued temporary solutions in an era where budget surpluses demand real tax solutions to real tax problems. I have offered twice to work with the administration on permanent solutions, and I continue to hope a permanent solution will be incorporated into its tax proposals.

Without these temporary solutions, current law would not allow personal tax credits to be used against the alternative minimum tax. Since taxpayers must pay the higher of their regular federal income tax, or the alternative minimum tax, many families find some or all of these credits disallowed by the AMT. In 1998 the Department of the Treasury estimated that over 800,000 families would have been denied the full amount of the child credit or the education credits, and that the number would increase annually.

According to the Internal Revenue Service, the estimated average time it takes to fill out the alternative minimum tax form was 5 hours and 39 minutes. It would, of course, take much longer for hundreds of thousands of taxpayers who may be forced to fill out this form for the first time as a result of the credits Congress offered them in the name of child care, adoption, and education. And I cannot think of anything that would produce greater cynicism on the part of the American people than not enacting a permanent solution to this problem.

Mr. Speaker, I have never thought of this issue as a partisan issue. I have worked with

the former chairman of the Ways and Means Committee Mr. Archer, and with the chairman of the Oversight Subcommittee AMO HOUGHTON, to bring this issue to the attention of Members of Congress, the administration, and the American people. I will continue to pursue all avenues during the 107th Congress to defuse this hidden time bomb permanently.

Finally, Mr. Speaker, let me simply say that the AMT presents additional challenges to Congress. The interaction of the AMT and the nonrefundable personal tax credits is only the most immediate, most crucial, problem. A second problem is that over the next decade the fact that the AMT is not adjusted for inflation while the regular federal income tax is adjusted, will push millions of families into the AMT and that should be dealt with as soon as possible. A third problem exists because the AMT will slash much of the tax relief that will be promised by President Bush this week, if it is not dealt with within the Bush proposals. I, and others, have proposed various solutions to these problems and I will continue to press for solutions to all the problems presented by the AMT. But the most immediate problem is that caused by the interaction of the AMT and nonrefundable credits, and that must be dealt with no matter what this year.

PERSONAL EXPLANATION

HON. KAREN L. THURMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 6, 2001

Mrs. THURMAN. Mr. Speaker, I was present and voting on Wednesday, January 31. Although my votes on rollcall Nos. 6 and 8 were registered, I was not registered as having voted on rollcall No. 7—the India earthquake sympathy resolution. I intended to vote “yea” on this resolution.

INTRODUCTION OF THE DISABLED WORKERS OPPORTUNITY ACT OF 2001

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 6, 2001

Mr. STARK. Mr. Speaker, today I join my colleague, Representative MATSUI and several other colleagues to introduce the “Disabled Workers Opportunity Act.” This bill will remove a persistent employment barrier facing people with disabilities—the fear of losing their health insurance. It builds on the Work Incentives Improvement and Ticket to Work Act enacted last year. That law extended Medicare coverage for disabled, working beneficiaries who qualify for SSDI for eight and a half years. The legislation we are introducing today would make Medicare coverage permanent for these workers.

According to a recent survey commissioned by the National Organization on Disability, 79% of unemployed people with disabilities want to work. Yet, only one-third of them are actively working. Despite major advances in

disability services and technologies, less than 1% of SSI/SSDI disability enrollees leave the rolls each year to return to work. In large part, this gap can be explained by the fact that SSI/SSDI disability beneficiaries risk losing health insurance coverage if they return to work—and many jobs lack the health benefits they require to maintain employment. Health insurance is vital for all workers, but for someone who is disabled, it can be a matter of life or death.

On December 17, 1999, the “Ticket to Work and Work Incentives Improvement Act” was signed into law (P.L. 106–170). This important piece of legislation extended and improved healthcare and vocational rehabilitation opportunities for people with disabilities. Yet it does not go far enough in one fundamental respect. Instead of allowing disabled workers to permanently retain access to Medicare, people with disabilities who have worked a total of 8.5 years (whether consecutive or not) will still lose their Medicare benefits under existing law.

While 8.5 years may sound like a sufficient transition period, let’s not forget an important fact—managing a physical or mental disability is often a lifelong process. Someone with a spinal cord injury or a serious mental illness can face health challenges and vulnerabilities throughout their lives. The original version of the Work Incentives bill—as introduced in the House with bi-partisan support—recognized this fact and extended Medicare coverage permanently.

Our legislation would improve the Ticket-to-Work and Work Incentive Improvement Act by making Medicare Part A coverage permanent for disabled, working beneficiaries who qualify for SSDI. This small but critical fix will help remove an ongoing barrier facing disabled workers—the threat of losing healthcare coverage after returning to work. It is time to give our disabled workers the opportunity to succeed by providing permanent Medical coverage. Enacting this legislation will allow the Ticket to Work and Work Incentives Improvement Act to live up to its name and really make it possible for those on SSDI to become permanent, active members of the workforce.

Last week, President Bush announced his “New Freedom Initiative” which shares the same goal as our disabled workers bill—to help people with disabilities becoming working members of our community. I look forward to working with President Bush and my Congressional colleagues to pass this small, but important piece of legislation that would make a real difference in the lives of those people on SSDI who are able and willing to remain in our workforce. I submit the following co-sponsor listing as well as a letter from the Consortium for “Citizens With Disabilities” into the CONGRESSIONAL RECORD.

The full list of original co-sponsors is as follows:

1. Mr. Stark.
2. Mr. Matsui.
3. Ms. Morella.
4. Mr. Rangel.
5. Mr. Lewis of Georgia.
6. Mr. Cardin.
7. Mr. Coyne.
8. Mr. Doggett.
9. Ms. Thurman.

10. Mr. Jefferson.
11. Mr. McNulty.
12. Mr. Waxman.
13. Mr. Bonior.
14. Mr. Kucinich.
15. Mr. Frost.
16. Mr. Murtha.
17. Mr. Holden.
18. Mr. Frank.
19. Mr. Kildee.
20. Mr. Hilliard.
21. Ms. McCarthy of Missouri.
22. Mr. Berman.
23. Mr. Allen.
24. Mr. Hinchey.
25. Mr. Baird.
26. Mr. Green.
27. Ms. Christensen.
28. Mr. Lantos.
29. Mr. George Miller of California.
30. Ms. Baldwin.
31. Mr. Abercrombie.
32. Mr. McDermott.
33. Mr. Rush.

A letter of support from the Consortium for Citizens with Disabilities follows:

CONSORTIUM FOR CITIZENS
WITH DISABILITIES,
February 5, 2001.

Hon. PETE STARK,
*Cannon House Office Building,
Washington, DC.*

DEAR CONGRESSMAN STARK, The undersigned members of the Consortium for Citizens with Disabilities (CCD) Work Incentives and Social Security Task Forces are pleased to support your legislation that allows for Social Security Disability beneficiaries who go back to work to permanently retain their Medicare coverage.

As you know, the lack of quality affordable health care is one of the largest barriers facing disabled beneficiaries who want to work. Witnesses with disabilities have testified before the House Ways and Means and Commerce Committees and the Senate Finance Committee that the loss of healthcare or the inability to afford healthcare because of limited incomes prevents them from working. In addition, we know that this fear keeps people on the rolls who might try to go back to work simply because they might lose their healthcare coverage. This is wrong and it must be changed.

Congress and the President went to great lengths to remedy this problem with P.L. 106-170, The Ticket-to-Work & Work Incentives Improvement Act. This law improves access to rehabilitation services, eliminates many disincentives to work with SSA, and extends Medicaid and Medicare coverage for those who work.

Unfortunately, during last minute consideration of the bill, a limit was imposed on the Medicare coverage despite the fact that 249 members of the House and 79 Senators co-sponsored legislation that provided permanent coverage under Medicare.

We believe that this limit must be lifted so that beneficiaries can work without the fear that one day they will be left with the choice of either working without coverage or being forced back onto the disability rolls. That's not fair and it's not right. We urge Congress to support and pass this legislation.

Sincerely,

American Association on Mental Retardation.

American Association of University Affiliated Programs.

American Congress of Community Supports and Employment Services.

EXTENSIONS OF REMARKS

American Council of the Blind.
American Network of Community Options and Resources.
Association for Persons in Supported Employment.
Brain Injury Association.
Inter-National Association of Business, Industry and Rehabilitation.
International Association of Psychosocial Rehabilitation Services.
National Alliance for the Mentally Ill.
National Association of Developmental Disabilities Councils.
National Association of Protection and Advocacy Systems.
National Council for Community Behavioral Healthcare.
National Down Syndrome Congress.
National Mental Health Association.
National Organization of Social Security Claimants' Representatives.
NISH.
Paralyzed Veterans of America.
The Arc of the United States.
United Cerebral Palsy.

TRIBUTE TO BILL AND CLAUDIA COLEMAN

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 6, 2001

Mr. UDALL of Colorado. Mr. Speaker, I wish to honor Bill and Claudia Coleman for donating the largest gift ever given an American public university—\$250 million—to the University of Colorado to be used to fund advanced research and development of innovative technologies to enhance the lives of people with cognitive disabilities.

Today, approximately 20 million persons, or 7 percent of the U.S. population experience significant cognitive disabilities, such as mental retardation, autism, severe and persistent mental illness, traumatic brain injury, stroke, and Alzheimer's disease.

Based on the Coleman's generous donation, the University of Colorado will establish the Coleman Institute for Cognitive Disabilities. The Institute will focus on education, research, and the development of new technology and software programs to improve the quality of life for the cognitively disabled.

The Coleman Institute at the University of Colorado, which will include all four campuses of the University, will help bring together many areas of engineering, medical and biomedical, clinical and brain research necessary to make a significant advance in understanding cognitive disabilities and developing future generations of assistive technology devices.

I commend University of Colorado President Elizabeth Hoffman for her vision in making the Coleman Institute the international center of excellence in developing adaptive assistive technologies, based on advanced biomedical and computer science research, for people with cognitive disabilities.

This unprecedented gift is a tribute to the Colemans' generosity and vision, as well as to the University's growing reputation for work in developmental disabilities and assistive technology.

I am proud to represent the University of Colorado's Boulder campus, and I look for-

February 6, 2001

ward to aiding the Coleman Institute for Cognitive Disabilities in realizing Bill and Claudia Coleman's worthy goal.

HONORING THE 2001 BEA CHRISTY AWARD NOMINEES

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 6, 2001

Mr. ROGERS of Michigan. Mr. Speaker, I rise today to recognize the 2001 Bea Christy Award Nominees, who will be honored Friday, February 9, 2001 in Lansing, Michigan for their contributions to improve their communities and neighborhoods.

Bea Christy was a dedicated member of the Eastside Neighborhood Organization for more than ten years until her death. She also worked with other organizations to make the neighborhood and community a better place to live. She was the kind of individual who volunteered to do the "unglamorous" tasks, who worked quietly and diligently behind the scenes, who never sought recognition for her efforts.

First, she was a good neighbor in her immediate neighborhood, welcoming new people, planting flowers in the church yard across the street from her house, taking elderly folks to the doctor, and noticing where the sidewalk needed repairs. She also helped edit and deliver the Eastside Neighborhood Organization newspaper, made soup for the annual fundraiser, and helped plant flowers in the bed on Michigan Avenue.

Bea was also an active member of her church, volunteered with Radio Talking Book, as well as helped to initiate the Lansing area CROP Walk. She made these contributions in addition to being a devoted wife, mother, and grandmother.

It is quiet, committed, unsung people like Bea who make neighborhood organizations successful, and the community as a whole a better place to live. It is in this spirit that individuals are nominated for an annual award exemplifying the qualities of Bea Christy. The following six criteria must be considered when making a nomination for the Bea Christy Award: variety of activities in your neighborhood organization; unsung nature of contributions; overall good neighbor; reliability; willingness to take on tasks; and, other service to the community.

Friday night, ten deserving individuals will be recognized as 2001 Bea Christy Award Nominees. I salute the following nominees for their outstanding service to their communities and neighborhoods: Dr. Calvin C. Anderson, Northwest Neighborhood Alliance; Chris Bobier, Potter/Walsh Neighborhood Association; Linda Hartman, River Forest Neighborhood Association; Chad Hutchison, Downtown Neighborhood Association; Denise Kelley, Association for the Bingham Community; Rick Kibbey, Eastside Neighborhood Organization; Antonia Miernik, Genesee Neighborhood Association; Kathy Rogers, Old Forest Neighborhood Association; Leonard Earl Salisbury, Hosmer Neighborhood Organization; and Jane Sawyers, Neighbors United in Action.