

125 co-sponsors. The essence of this bill was included in the tax bill vetoed by President Clinton in 1999 and was included again in the pension reform bill that passed last year.

This legislation would allow individuals age 59½ or older to contribute amounts currently held in Individual Retirement Accounts (IRAs) directly to qualified charities without having to first recognize the income for tax purposes and then take a charitable deduction. This legislation will give individuals more freedom to allocate their resources as they see fit while providing badly needed resources to churches, colleges and universities, and other social organizations.

All IRA withdrawals are generally taxed as ordinary income. Currently, individuals may withdraw funds from an IRA without incurring an early withdrawal penalty once they reach age 59½. Under so-called minimum distribution rules, an individual must begin making withdrawals by April 1st following the year he or she reaches age 70½. The IRA was intended to encourage individuals to save for retirement, but due to the strong economy in recent years and the general increase in asset values, many individuals have more than sufficient funds to retire comfortably. Thus it is a common practice for retirees to transfer some of their wealth to charities and, in some cases, that wealth is held in an IRA.

If our tax code were not so laden with peculiarities and oddities, this legislation would not be needed. A taxpayer could readily recognize the income for tax purposes and take a charitable deduction. Unfortunately, in many cases under current law such a simple arrangement results in a loss of some portion of the charitable deduction. For example, charitable contributions are subject to the itemized deduction "haircut" under which certain taxpayers lose a portion of their charitable deduction. I have introduced separate legislation to address this problem.

Another problem results when a donation exceeds 50 percent of the taxpayer's adjusted gross income—30 percent if the gift is to a private foundation. In this case the taxpayer cannot take the full deduction immediately; it must be spread over a period of years. Given the time value of money, delaying the timing of the deduction means the taxpayer can only effectively deduct a fraction of the value of the total gift.

It is impossible to know how much capital is trapped by the current rollover rules and thus unavailable to our nation's charities. According to one report, there is over \$1 trillion held in IRA accounts. If only 1 percent of this would be donated to charity but for the tax problems associated with charitable rollovers, this represents a \$10 billion loss of resources to these organizations that do so much good.

This is sound legislation that has consistently received strong bi-partisan support. I hope we can finally see its enactment in 2001.

Charity benefits both the giver and the receiver in like proportions. The act of giving elevates the heart of the giver. The act of receiving elevates the condition of the recipient. Charity is thus a blessed act that should suffer no discouragement from something so mean as the tax code.

RECOGNIZING THE MEN AND
WOMEN WHO SERVED IN THE
GULF WAR

SPEECH OF

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 2001

Ms. BALDWIN. Mr. Speaker, I rise today, on the 10th Anniversary of the cease-fire that ended the Gulf War, to recognize those who served in our country's military during this conflict. Across this nation families and friends will honor the many who served and sacrificed for our nation. I'm deeply honored to observe this day and I salute all those who served in our nation's military during this time of war, of containment, and of peace-making, and peace-keeping.

I believe that we must take every opportunity possible to honor our service members, veterans, and their families. We must honor them for giving their time and energies and, too often, their lives in the service of our nation. In addition to honoring them through words, we must also honor them through action. Too many Gulf War service members and their families have been forgotten in the years that have followed the War. They have been left on their own to discover why their lives have changed forever because of fatigue and sickness that cannot be explained. Today, I ask that we all commit ourselves to honoring those who served in the Gulf War by doing everything within our power to solve this ongoing mystery. We must do everything within our power to assure that the men and women who have served our nation in its time of need are being served in their time of need.

To all who served in our nation's military and their loved ones who waited and worried at home, we honor your service and your sacrifices. Not just today, but every day.

H.R. 775: IMPROVING OUR
ELECTION LAWS

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 2001

Mr. HORN. Mr. Speaker, I am pleased to join today with our colleague, Mr. HOYER, and others in introducing the Voting Improvement Act of 2001. As we all know, the past election produced a great deal of confusion, turmoil and uncertainty. Although there were a number of factors in producing that confusion, one major factor in Florida and other states was the continuing use of outdated and even antiquated punch-card voting systems.

The bill we are introducing today tackles this problem immediately and directly by establishing a grant program for the states to replace all punch card systems before the next federal election in 2002. In short, this bill provides a practical solution for solving some of our most troublesome voting equipment problems.

As Mr. HOYER has noted, punch card systems have the highest rate of error among all

voting methods—one study by MIT and Caltech recently estimated that the nationwide error rate for punch cards is 2.5 percent. In a national election, that would mean that nearly 1 million votes are thrown out and never counted due to mistakes caused by punch card systems. Clearly, we need to make replacement of these antiquated systems a high priority.

In addition to immediate equipment replacement, this bill establishes an ongoing grant program to assure that new voting systems are developed and deployed so that voters have up-to-date systems in the future. The bill also assures that voter education and training of poll workers are given increased attention and support. And, it establishes a permanent bipartisan commission to act as a nationwide resource for information gathering and studying the "best practices" for ballot design and other basic election needs.

Mr. Speaker, the Voting Improvement Act is one of several proposals being introduced for overhauling our election laws and making certain that we never repeat the chaos of the past election. All of these demand careful review and the development of a bipartisan consensus for sound reform. This bill sets clear priorities and offers practical solutions that must be part of any final reform plan. I urge our colleagues to join us in this effort.

CENTRAL NEW JERSEY RECOGNIZES
JAMES B. GOLDEN, JR.
FOR HIS SERVICE TO OUR
COMMUNITY

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 2001

Mr. HOLT. Mr. Speaker, today I speak in recognition of James B. Golden, Jr. and his ongoing dedication to serving the growing needs of Central New Jersey families. I join with the Metropolitan Trenton African American Chamber of Commerce in recognizing the dedication Director Golden has shown working to address the needs of a diverse community.

On March 13, 2000, James was appointed Director of the Trenton Police Department. In this capacity he oversees a department of 511 sworn and civilian employees who protect and serve more than 88,000 citizens in and around New Jersey's capital city.

Prior to joining the force in Trenton, Director Golden held the position of Chief of Police with the Saginaw, Michigan Police Department.

Director Golden comes to Trenton with a long and outstanding career. He is a graduate of the 179th session of the FBI National Academy, the Senior Management Institute for Police (SMIP) at Harvard University, and the Temple University Public Service Management Institute.

He is a Past President of the National Organization of Black Law Enforcement Executives (NOBLE). While in Saginaw, he served on the Advisory Board of the St. Mary's Medical Center; he was a member of Boys and Girls Club Board of Trustees and was the immediate Past Chairman of the Saginaw County Crime Prevention Council.