

Under present law, most kinds of interest income and short-term capital gains received directly by a foreign investor or received through a foreign mutual fund are not subject to the 30 percent withholding tax on investment income. However, interest income and short-term capital gains earned by a U.S. mutual fund on its holdings are recharacterized as dividend income when distributed to a foreign investor and is therefore subject to the withholding tax.

Mutual funds are very popular tools for investors. Many foreign investors, like U.S. investors, prefer to rely on professional managers of mutual funds in choosing an appropriate portfolio, rather than having to do the research themselves. However, a foreign investor looking to invest in the U.S. currently has two options. The first option is to pay a steep withholding tax on all income and short-term capital gains earnings from a U.S. mutual fund, or invest through a foreign mutual fund. Few foreign investors are willing to bear a 30 percent withholding tax, and so they either invest through the foreign mutual fund or forego investing in the United States. Either way, the real loser is the United States.

As Chairman of the Ways and Means Subcommittee on International Trade, I also look at this issue from a trade policy perspective lens. And this lens shows me that we have in this tax provision an artificial barrier to the free flow of trade in the form of financial services and to the free flow of capital. In this respect the current income tax clearly gives foreign mutual funds as competitive advantage with no compensatory advantage gained by any American interest whatsoever.

Mr. Speaker, I believe this legislation makes good sense as tax policy, trade policy, and economic policy, and I urge my colleagues to lend it their support.

IN HONOR OF MS. QUEENEICE
GANISON

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today to pay tribute to a young Mississippi student from my district who has achieved national recognition for exemplary volunteer service in her community. Queeneice Ganison of Greenville, Mississippi has just been named one of my state's top honorees in The 2001 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia and Puerto Rico.

Ms. Ganison is being recognized for coordinating a project to combat underage drinking, which included developing and presenting workshops and slide shows to area middle school and high school students.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it's vital that we encourage and support the kind of selfless contribution this young citizen has made. People of all ages need to think more about how we, as individual citizens, can work

together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Ganison are inspiring examples to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Spirit of Community Awards—was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. Over the past six years, the program has become the nation's largest young recognition effort based solely on community service, with nearly 100,000 youngsters participating since its inception.

Ms. Ganison should be extremely proud to have been singled out from such a large group of dedicated volunteers. I heartily applaud Ms. Ganison for her initiative in seeking to make her community a better place to live, and for the positive impact she has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today's world, and deserves our sincere admiration and respect. Her actions show that young Americans can and do-play important roles in our communities, and that America's community spirit continues to hold tremendous promise for the future.

Mr. Speaker, I ask that you join me in saluting a great young role model, Ms. Queeneice Ganison.

INTRODUCTION OF LEGISLATION
SEEKING TO RESTORE THE
UNITED STATES ASSAY COMMISSION

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. ROTHMAN. Mr. Speaker, I rise today to announce my introduction of a House Resolution designed to re-authorize the creation of the United States Assay Commission, an American institution that was initiated in 1792.

The Assay Commission was authorized by the original Mint Act of April 2, 1792 and continued to meet each year (with the exception of 1815) until about 20 years ago, when it was finally abolished in 1980. During that time, it was the oldest continually operating committee in the federal government and brought in outside people to maintain oversight over the operations of the U.S. Mint.

Originally authorized as part of the nation's first Mint Act of April 2, 1792, the purpose of the Assay Commission was to examine the nation's coins on an annual basis and certify to the President, Congress, and the American people that gold and silver coins had the necessary purity, the proper weight, and necessarily, value.

Among the earliest members, statutorily, were Thomas Jefferson, James Madison, James Monroe, Alexander Hamilton, and even the Chief Justice of the Supreme Court. Start-

ing about 140 years ago, some members of the general public were invited to participate, and at the time that the Coinage Act of 1873 was passed, it was codified that the President had the right to appoint members of the Assay Commission from the general public at large. That practice continued for more than a century, though after 1970 there were no longer silver coins to review.

By the time that the Assay Commission was abolished in the Carter Administration as part of the President's re-organization project, it no longer served any valid function because the U.S. Mint was no longer producing gold or silver coinage—whether of a circulating or of a commemorative nature.

Starting in 1982, the Mint began anew producing contemporary commemorative coinage from .900 fine silver. By 1984, gold commemorative coins for the Olympic games were added, and since then the U.S. Mint has produced hundreds of millions of dollars worth of retail sales of gold, and silver commemorative coinage. Since 1986, the Mint began producing gold, silver and platinum bullion coins which are now widely traded all over the world.

Mr. Speaker, I recall that in the mid-1980's, lacking outside oversight, a problem was discovered in one of the Mint's bullion products. It appears, from the official Mint records, that some fractional gold eagle coins (those weighing less than an ounce) did not have the proper fineness or weight in gold. Because of this, there was a serious marketing problem in the Far East, as confidence in this uniquely American product diminished.

Today, the United States Mint is a business that, were it in privately controlled hands, would constitute a Fortune-500 corporation.

It has come to my attention that an informal, ad hoc group of former Presidential appointees, all former Assay Commissioners, have suggested that it is time for the Mint to have the oversight of the Annual Assay commission. In fact, this distinguished group reiterated their concern this past summer at a reunion meeting held in the Assay Room of the Philadelphia Mint in conjunction with the American Numismatic Association's anniversary convention.

Service on the commission is essentially an honorary task, as the members of the committee have historically paid for all of their own expenses, including their transportation costs and overnight stay at Philadelphia's Mint when necessary.

There are obviously minor costs associated with it, but each of these is quite capable of being covered by the Mint's rotating Enterprise fund.

Mr. Speaker, an article advocating the restoration of the annual Assay Commission written by Fair Lawn, New Jersey Mayor, David L. Ganz, appeared in Numismatic News, a weekly coin hobby periodical. I would ask that this article be reprinted, in full, in the CONGRESSIONAL RECORD.

In the course of two centuries of existence, more than a thousand individuals served on the annual Assay Commission. During the era when the Mint was active in promoting commemorative coinage, they constituted a group who not only participated in their government first hand, but also thereafter served as good-