

**TITLE III—TAXATION OF S CORPORATION SHAREHOLDERS**

Sec. 301. Uniform treatment of owner-employees under prohibited transaction rules—Provides that subchapter-S shareholder-employees no longer will be deemed to be owner-employees under the rules prohibiting loans to owner-employees from qualified retirement plans.

Sec. 302. Treatment of losses to shareholders—Loss recognized by a shareholder in complete liquidation of an S corporation would be treated as ordinary loss to the extent the shareholder's adjusted basis in the S corporation stock is attributable to ordinary income that was recognized as a result of the liquidation.

**TITLE V—EFFECTIVE DATE**

Sec. 401. Effective date—Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1995.

**IMPROVING MEDICARE****HON. GEORGE P. RADANOVICH**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 1995*

Mr. RADANOVICH. Mr. Speaker, recently, Mr. Frank J. O'Neill, a constituent of mine from Dunlap, CA, wrote to me about his concerns regarding Medicare. I think he expressed his views very well, and I want to take this opportunity to share with my colleagues his words, which were also printed in the Fresno Bee.

Mr. O'Neill recognizes the need to slow the unsustainable high rate of growth in Medicare spending. However, he points out that many other programs are in desperate need of reform, such as food stamps and Social Security disability.

I want to assure Mr. O'Neill that there is a very big difference between the two parties. Republicans are committed to protecting and improving Medicare. We also are committed to reforming every other area of our Government, rooting out waste and fraud, and getting the Federal Government out of functions that are more appropriately handled at the State or local level or by the people themselves. And I think our commitment will be borne out in the months ahead.

The people want us to save Medicare, but at the same time they want us to bring fundamental reform to other programs. I urge my colleagues on both sides of the aisle to heed Mr. O'Neill's wise words of advice:

[From the Fresno Bee, June 10, 1995]

**MEDICARE RECIPIENT SAYS ALL PROGRAMS NEED EXAMINATION**

(By Frank J. O'Neill)

George Wallace had it exactly right. While campaigning for president as an independent he said, "There's not a dime's worth of difference between Democrats and Republicans."

I was thrilled at the Republican landslide last November. I really thought it would make a big difference. I'm 68 years old. You'd think I'd know better.

As I write there is an American Association of Retired Persons announcement on the radio. In a doomsday voice the speaker is asking if I know what Congress is planning to do to Medicare. He asks, do I know what the reductions in Medicare will cost me?

Why isn't the AARP looking at the big picture and lobbying for a plan that will be

good for me, good for my children, good for the country? If they succeed in terrifying all the seniors it will only precipitate a partisan screaming match and solve nothing. Of course it will promote a "who's to blame" contest and generate innumerable bumper stickers for next year's election.

Is it possible that I don't understand the problem? My hero, Rush Limbaugh, coming from the right, challenges that I must understand that "something must be done about Medicare—it will be broke in 2002." Well, a pox on both their houses. I am willing to accept numbers that we say we can't keep spending at the current rate. I am also more than willing to cinch up my belt and contribute my share. But I am not willing to do it alone.

**NOT ALONE**

Limbaugh says the government has become a giant sow with everyone looking for a nipple. Well, he may be right. And I'll agree that one of the nipples may be labeled "Medicare," but what about all the others?

I'll share my nipple as soon as there is an overall plan to get everyone else to do the same thing. No way will I agree to be penalized as long as I can stand in line at a 7-Eleven in Henderson, Nev., watching a young 30-something buy a package of gooey cinnamon buns with food stamps and then walk across the store to play the slot machine with the change she received in cash. My Medicare is threatened when there is a big new sign in front of the Subway sandwich restaurants announcing, "We now accept food stamps!" Food stamps to eat out! And my Medicare is the economic culprit?

Even if a child's disability is the result of physical abuse inflicted by the parents, the child is still eligible for Social Security disability payments—payments made to the parents who caused the disability. A spokesman for Social Services says, "Well, it is extremely difficult to remove a child from the home of its natural parents!" Need money? Hurt the kid. While my Medicare is threatened.

Drug abusers are in many cases classified as disabled. As such they are eligible for Social Security disability payments. But my Medicare is threatened.

What is needed is an across-the-board analysis of these programs to make sure all facets are examined and treated fairly. The very first step is something that could be done quickly. Separate the Medicare program for seniors over 65 from all these other Social Security activities.

**CLEAR DISTINCTION**

The Republicans are reported to be surprised to find from a survey that most people don't realize that Medicare and Social Security are separate and different. Oh, yeah? If so how come the Part B payment I must make for Medicare is deducted from my Social Security check? And where does that money go? Into a "trust fund"? Sure. Just like my 40 years of Social Security payments.

I accept as a fact that the Medicare program needs a close examination but I will not support any revisions that penalize me without correcting abuses that are financially impacting the system.

AARP is wrong. Limbaugh is wrong. George Wallace was right.

IN HONOR OF GERALD W. OLSON

**HON. PHIL ENGLISH**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 1995*

Mr. ENGLISH of Pennsylvania. Mr. Speaker, it is with great pride that I rise to honor Gerald W. Olson, a distinguished policy officer from Lawrence Park, who is retiring tomorrow, July 14, 1995, after 28 years of outstanding service to his community. Mr. Olson began his career as a part time police officer at the age of 27. In addition to serving on the Lawrence Park police force, he also protected his community as a volunteer fireman. While working to make our streets safer, Gerald is also heavily involved in Little League and American Legion Baseball.

A hero can be defined in many different ways. A soldier who is courageous in the face of death on a battlefield, a person who gives selflessly for the benefit of the whole or someone who makes a positive difference in the lives of others. Perhaps the most heroic act is to live your life in a honorable way. Gerald Olson has served his community in many facets and has shown that you can have an impact on the world even if you do so quietly, without the fanfare. He has been a role model to the children of his community and an example to us all.

**PERSONAL EXPLANATION****HON. DOUGLAS "PETE" PETERSON**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 1995*

Mr. PETERSON of Florida. Mr. Speaker, due to an illness in the family, I was forced to miss rollcall votes 346 through 366, 389 through 391. Had I been present, I would have voted "yes" to rollcalls 349, 354, 355, 358, 360, 361, 365, and "no" on rollcalls 346, 347, 348, 350, 351, 352, 353, 356, 357, 359, 362, 363, 364, 366, 389, 390, 391.

**TRIBUTE TO THE WASHINGTON-BONAPART FAMILY REUNION****HON. THOMAS M. FOGLIETTA**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 1995*

Mr. FOGLIETTA. Mr. Speaker, the Washington-Bonapart family gathers this weekend to celebrate its 15th national family reunion, which has some of its roots in my district in Philadelphia, PA.

The Washington-Bonapart family reunion is composed of the descendants of Moses and Grace Washington, Sr. Grace was born as a slave in the West Indies, eventually immigrating to the United States as a free woman. She settled in Charleston, SC, where she met and later married her beloved husband, Moses. It is from this union that the Washington-Bonapart family was born, now more than 500 members strong.

Family members from six States, and 20 cities will gather in Washington this weekend for a celebration of family, community, and