

her first few months. Her outstanding leadership did not go unnoticed as she was selected to be the executive officer for the Director, Legislative Liaison. In this position, she received numerous laudatory comments for her travel planning, organizing and execution of travel with the chairman of the House Ways and Means Committee and the House Republican minority whip.

Genette's most recent position as Chief, Manpower and Personnel Branch, Programs and Legislation Division, is the true testimony of her ability to understand intricacies involved in the legislative processes. She has worked with the House National Security Committee and Senate Armed Services Committee members and staff on some of the most sensitive personnel issues of sexual harassment, promotion policy and quality of life with outstanding results.

It has been my extreme pleasure to have worked with and traveled with Genette Hill in my position as a member of the U.S. Air Force Academy Board of Visitors. Genette has served with great distinction and has earned our respect and gratitude for her many contributions to our Nation's defense.

My colleagues and I bid Lt. Col. Genette Hill a fond farewell and wish her and her husband, Lt. Col. Scott Hill, the very best as they begin their assignment to Air War College, Maxwell Air Force Base, Montgomery, AL—Godspeed.

TAX CUTS FOR EDUCATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 10, 1996, into the CONGRESSIONAL RECORD.

TAX CUTS FOR EDUCATION

There has been a lot of talk about tax cuts in recent weeks, some of it responsible and some not. But one idea that appears to me to have considerable merit is tax cuts for education and skills training expenses—tax cuts that are targeted toward middle-class families and are fully paid for so they don't worsen the budget deficit.

IMPROVING EDUCATION AND SKILLS

One of the greatest concerns of Hoosiers is their long-term job prospects and the prospects for their children. They work hard—often with both husband and wife employed—but they haven't seen many raises in recent years. So they struggle every month to pay their bills, keep their family healthy, and save a little for education or retirement. They are particularly concerned about the impact of technology in the workplace and foreign competition. They rightly recognize that with many jobs being made obsolete or moving across borders to lower-wage countries, they will need to improve their job skills just to keep up. And they recognize that a good education and solid work skills will be even more crucial for their children's prospects in the workforce of the future.

Local business leaders express similar concerns about the need to improve education and skills training. In meeting after meeting they tell me that the single most important way to expand businesses and create new jobs in southern Indiana is to upgrade the skills of the workforce.

Education is certainly the key to opportunity, especially in today's tough new glob-

al economy. Good jobs, including many factory jobs, demand much more sophisticated skills. And fully half of the new jobs created in the U.S. in the last three years were managerial and professional jobs. People entering the workforce today need better and better computation, communication, problemsolving, and decisionmaking skills, and they should be comfortable with a lifetime of learning so they can master new skills and adjust to new technologies in our constantly changing economy. Workers who develop these better skills will be in high demand by employers as we move into the 21st century; those who do not will not. We are already seeing this premium on education and skills. People with college degrees today earn almost twice as much as their counterparts with only a high school diploma.

COSTS

Yet while many Hoosiers recognize the need for them and their children to upgrade their education and training to get ahead, they find that increasingly expensive to do. The cost of college has risen sharply in recent years, with tuition increasing 270% since 1980. Good programs are available not just at four-year colleges but at community colleges, postsecondary technical schools, and regional campuses, yet the costs can add up. With tuition increases expected to continue to outpace inflation in the years ahead, many families are worried.

TARGETED TAX CUTS

So an idea getting attention in Washington is targeted tax relief to help moderate income families improve their education and skills levels. Congress is currently working on restoring the tax exemption for tuition assistance provided to workers by their employer, but several broader measures have been proposed. One idea is to offer students or their parents a tax deduction of up to \$10,000 for college or vocational training. Another proposal is to expand Individual Retirement Accounts (IRAs) and allow them to be used for post-secondary education expenses. A third proposal is to set up Individual Training Accounts to allow workers to continually upgrade their skills. Finally, a \$1,500 per year tax credit has been proposed to help pay for the first two years of college tuition. This would basically cover tuition at most two-year community colleges.

I believe targeted tax relief for education expenses makes sense. It addresses a real national concern—improving the education and skills training of our workforce—and it expands opportunity by giving a leg up to people who genuinely want to get ahead and are willing to make the effort. In addition it provides some needed tax relief to middle-class families—families who have struggled to get by in recent years while those at the top in America have prospered. Those who want to direct new tax cuts largely to people at the top seem to me to have their priorities wrong.

The U.S. tax code currently provides major tax breaks for a variety of purposes, including the purchase of a home, health care, retirement savings, and business investment in new plants and equipment. But it provides very little for the investment families should be making in improving their education and skills. That is a disparity that needs to be addressed.

HOW TO SET UP

But such tax relief must be structured in the right way. First, it must be used for legitimate education and training expenses. To ensure that the money is not wasted, we should require that the study be at schools that are properly accredited and certified. Also, local businesses could provide helpful guidance on what skills and types of study they see as most useful and relevant.

Second, the tax breaks must be targeted to those who need the most help. We need to place an income ceiling on eligibility, with the benefits phased out at higher income levels. We simply can't afford to give the tax break to well-to-do families who already are able to pay for post-secondary education. We also need to structure the tax breaks so they include tax credits and not just tax deductions, since most moderate income people don't itemize their taxes and thus wouldn't benefit from tax deductions.

Third, it is essential that any such tax relief be paid for. The costs to the Treasury should be fully offset by savings elsewhere, by cutting less important spending or tax breaks. And these offsetting savings should be made today, rather than promised several years down the road. We have made major progress in recent years in cutting the budget deficit—reducing it from \$290 billion four years ago to around \$130 billion this year. We simply shouldn't give up on deficit reduction by giving out tax cuts that are not paid for. We need to press on to a balanced budget.

CONCLUSION

Congress should begin work soon on such a targeted tax cut, but completing action will be difficult this year, especially as we enter the increasingly partisan election season. But such tax relief should be at the top of next year's agenda. We need to review the tax code—to make it simpler, fairer, and more rational—and one important component of that effort should be expanding targeted tax cuts for education and training.

INFAMOUS ARTISTS

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. DUNCAN. Mr. Speaker, we can learn a great deal from small children. I would like to call to the attention of my colleagues and other readers of the RECORD the following article from the "American Legion Magazine". These small children described in this article certainly know the difference between "art" and desecration of the American flag.

INFAMOUS ARTISTS

(By Joe Stuteville)

Holland Cortright, a second-grader at Paradise Mountain Christian Academy near Phoenix, Ariz., may be too young to understand the artistic differences between a Van Gogh painting and a "Where's Waldo?" illustration—but she does know what she likes. When the Phoenix Art Museum this spring unveiled a special exhibit in which American flags were physically desecrated, Holland knew immediately what she didn't like. And she decided to do something about it:

"Dear Sirs, Don't treat our American flag like you are. Putting it in a toilet is disrespectful. When you step on the flag it's like stepping on the people who died for our country. . . . Our country isn't going to be a country without our flag. We love our flag!!"

Eight-year-old Holland and several of her classmates at Paradise Mountain Christian Academy were upset by local news coverage of the exhibit, Old Glory: The American Flag In Contemporary Art. Teacher Shelley Clinite suggested they write the museum to express their feelings. The display to which Holland's letter refers had a flag stuffed into a toilet and was surrounded by jail bars. Another display invited visitors to walk across a flag spread on the floor and write their thoughts in a book. Yet a third flag had human hair and flesh woven into the fabric.