will be asked by the regional OPO whether participation in the Gift of Life Medal Program is desired.

The OPO will give each donor or family member the option of receiving a Gift of Life Medal, recognizing that some may not want to participate. If requested, a public presentation will be made to honor the donor. A presentation by a local official, community leader, or Member of Congress would be a tremendous opportunity to increase the awareness concerning the desperate need for organ donation.

Every action has been taken to insure that the issuance of the Gift of Life Medals results in no net cost to the Government. In addition, I am proud to report that the legislation has the strong support of the United Network for Organ Sharing [UNOS] and the Coalition on Donation.

Any one of us, or any member of our families, could need a life saving transplant tomorrow. We would then be placed on a waiting list to await our turn, or our death.

So, I ask that our colleagues help bring an end to waiting lists and recognize the enormous faith and courage displayed by organ donors and their families. Please join us as cosponsors of the Gift of Life Congressional Medal Act of 1997. These donors offer others a second chance by providing the most precious gift imaginable, the gift of life.

TAX REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1997

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, April 30, 1997, into the CONGRESSIONAL RECORD:

TAX REFORM

There is a great deal of discussion in Washington today on fundamental tax reform. The current tax system is widely perceived as too complicated and rigged for those who can hire experts to find the loopholes. Many believe that fundamental reform could sharply increase economic growth by encouraging more saving and investment, and there is considerable debate over whether the current tax system collects either too much or too little revenue. Many Hoosiers favor scrapping the current system and replacing it with something much simpler and fairer.

DIFFERENT APPROACHES

There are several different approaches to reform.

RETAIL SALES TAX

One proposal is to replace the income tax with a national retail sales tax. If all consumption were taxed, a national sales tax of about 15% would be needed to generate the same revenue as the current system. But in the 45 states that have retail sales taxes today there are large exemptions for education, medical care, food, and housing. If these were also exempted in a federal sales tax, the tax base would be sharply reduced and the rate would have to exceed 30%. Yet such high rate would be unpopular with consumers and could encourage evasion by retail businesses. Also, the tax would claim a larger share of the incomes of the poor than the rich, since lower-income households spend a large proportion of their income on food and basic necessities.

VALUE-ADDED TAX

A second approach is the value-added tax. Instead of being levied on the retail sale, this tax is collected from all businesses on the difference between their sales proceeds and their purchases from other businesses. Because it is collected at many levels, evasion has proven manageable in the more than 50 countries around the world that have value-added taxes. A drawback is that it too shifts tax burdens from the rich to the poor. There is also considerable uncertainty about its impact on the U.S. trade balance because such a tax would boost the price of our products.

FLAT TAX

A third approach is a flat tax, which imposes a single income tax rate on businesses and households while eliminating virtually all the deductions in the current system. Businesses would be allowed deductions for wage payments and pension contributions, and exemptions would basically spare low-income families from paying taxes. There are many variations of this proposed tax but one of the more popular would require a flat rate of about 21% to replace the income taxes we now have.

CONSUMED-INCOME TAX

A fourth approach is a consumed-income tax which combines a consumption tax on families and a value-added tax on businesses. Families would be able to deduct all of their net savings and investments, thereby receiving an unlimited savings allowance. This tax would be progressive, with lower rates for those with lower income. Such a tax would encourage saving and investment, but it raises major administrative problems. There would powerful incentives to conceal assets, and policing such evasion would be very difficult.

SIMPLIFIED INCOME TAX

A final proposal would simplify the current income tax system, building on the 1986 tax reform which eliminated various deductions and exemptions in order to cut tax rates. Versions of this proposal would end individual deductions for state and local taxes and charitable contributions, and would end corporate tax breaks for pension contributions and health insurance. This broadening of the base would allow lower rates, such as a maximum rate of 34%, compared to almost 40% under current law.

ASSESSMENT

Each of these proposals raises difficult questions about what base to tax, what deductions to permit, and what rates to levy. Major tax reform inevitably redistributes tax burdens among taxpayers and changes the value of taxpayer assets. For example, the elimination of the homeowner deductions for mortgage interest and property taxes could cut the value of housing by 15–20%. Current tax law encourages employers to provide health insurance to their employees by exempting insurance premiums from personal income and payroll taxes. But health insurance under several of these plans would become taxable, and that could boost its cost by as much as 20%. Current tax law also promotes giving through the charitable contributions deduction, and proposals to eliminate it fuel intense concern among charitable organizations.

The impact of tax reform on income inequity must be carefully watched. In recent years, the gap between upper-income and lower-income Americans has widened significantly. Many of these proposals could increase that gap. In addition, current law permits the deduction of state and local income and property taxes. Eliminating these deductions would undercut the notion that people should not have to pay taxes on other taxes they've already paid—a very popular concept. The point simply is that all of these proposals for fundamental tax reform would make major changes on the tax burdens of the poor, the strength of charitable organizations, the popularity of home ownership, the continuation of health insurance coverage, and many other similar concepts that have widespread popular support.

Underlying all the talk about fundamental tax reform is the impact on economic growth. Although some of the proposals have positive features, I don't think anyone knows exactly how fundamental tax reform would affect the economy's growth rate. Most of the proposals have never been tried before in the form proposed and they would each entail huge changes far and above any previous modification of the tax code.

CONCLUSION

The more I examine fundamental changes in the tax code the less attractive they become. I am increasingly interested in proposals to broaden the base and reduce the deductions, credits, and other sheltering devices in order to reduce overall tax rates, simplify the system, and provide better incentives for work and investment. Incremental reform along these lines would avoid the wrenching upheavals and the windfall redistributions that might accompany more radical change. I am certainly not interested in proposals that would increase our budget deficits.

(Material for this newsletter taken from ''Setting National Priorities'' by Brookings Institution.)

ANNUAL CONGRESSIONAL ARTS COMPETITION PARTICIPANTS HONORED

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1997

Mr. FRELINGHUYSEN. Mr. Speaker, once again, I come to the floor to recognize the great success of strong local school systems working with dedicated parents and teachers in raising young men and women. I rise today to congratulate and honor 48 outstanding high school artists from the 11th Congressional District of New Jersey. Each of these talented students participated in the Annual Congressional Arts Competition. ''An Artistic Discovery.'' They are honored at a reception and exhibit last Friday evening, and their works were exceptional.

Mr. Speaker, I would like to list each of them, their high school, and their contest entries, for the official RECORD.

STUDENT, HIGH SCHOOL, AND NAME OF ENTRY

Leandro Flaherty, Bayley-Ellard—''to be advised''.
Michelle Mechanic, Bayley-Ellard—''Pantheon With a Side of Rice''.
Charlene Accinni, Boonton—''Untitled''.
Stephanie Rartell, Boonton—''Untitled''.
Kelly Ricciardi, Boonton—''Curiosity''.
Larissa Schaffnit, Boonton—''Larissa''.
Travis Lett, Chatham—''Troubled Town''.
Jim Newton, Chatham—''Monkey in the Rain''.
Melissa Quinn, Chatham—''Still Life of a Pitcher''.
Kim Tucker, Chatham—''Glimpse Through the Window''.
James Hughes, Kinnelon—''Co-op''.
Alejandra Madriz, Kinnelon—''Creation''.
Will Mowry, Kinnelon—''Untitled''.

Kristen Pelio, Kinnelon—''Made for Mod''.
Carlos Avilez, Lenape Valley Regional—''Faith''.
Katherine Brueckner, Madison—''Nature's Quilt''.
Steve Fleming, Madison—''Mountain Lodge''.
Pamela Schwartz, Madison—''Dark Garden''.
Sunnie Kim, Livingston—''Submerged''.
Guilianna Ruiz, Livingston—''Lost''.
Laura Cummings, Millburn—''Joe''.
Michelle Jacobs, Millburn—''Sequence''.
Yana Kimelblat, Millburn—''A Vision''.
Natalie Tarashehanska, Millburn—''Untitled''.
David Cheng, Montville—''Subway Riders''.
Spencer Chi, Montville—''Dawn of Spring''.
Chris Jonas, Montville—''Garden State Cowboy''.
Jillian Lin, Montville—''Autumn Stone''.
Susan Petrarca, Morris Hills—''Euphoria''.
Leo Redmond, IV, Morris Hills—''Blue Still Life''.
Alan Schenkler, Morris Hills—''Revelation''.
Brian Watkins, Morris Hills—''Rocky River''.
Patrick Leavy, Morristown—''Suburban Landscape''.
Michael Castellana, Mount Olive—''Accidental Resemblance''.
Kerrie Dempsey, Mount Olive—''Diaphanous''.
Michale Montenat, Mount Olive—''Cold Light''.
Nick Gonzalez, Pequannock—''The Scitzophraenic''.
Erin Marsh, Pequannock—''Golden Reflections''.
Courtney Rankin, Pequannock—''Still Life in Shadow''.
Laura Sido, Pequannock—''Lobster Buoys''.
Jennifer Carberry, Randolph—''Strike''.
Hope Dector, Randolph—''Self-Portrait''.
Mary Katherine Flaherty, Randolph—''The Tree''.
Garrett Ricciardi, Randolph—''Untitled #1''.

We had more students participate this year than any other, 48 in all. That is a tremendous response and we'd very much like to build on that for next year's competition.

This year, Mr. Speaker, the winner of ''An Artistic Discovery'' was Mary Katherine Flaherty from Randolph High School for her work entitled, ''The Tree.'' Second place went to Patrick Leavy from Morristown High School for ''Suburban Landscape.'' And third place went to Travis Lett of Chatham High School for ''Troubled Town.''

Each year the winner of the competition will have an opportunity to travel to Washington, DC, to meet Congressional leaders and to mount his or her art work in a special corridor of the U.S. Capitol with winners from across the country. Every time a vote is called, I get a chance to walk through that corridor and am reminded of the vast talents of our young men and women.

Of course, it's always difficult to select a winner, and this year was not different. The judges had an extremely hard time with the awards process, and as usual, they wished that they could declare every entry a winner.

Indeed, all of these young artists are winners, and we should be proud of their achievements so early in life.

PROGRESS REPORT ON WOMEN'S HEALTH

SPEECH OF

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1997

Mr. STOKES. Speaker, I want to thank our distinguished colleagues, Congresswoman CONNIE MORELLA and Congresswoman LOUISE SLAUGHTER, for reserving this special order. I take pride in joining my colleagues as we engage in vital dialog on women's health.

Women's health is one of the most important issues facing this Congress and our Nation. As a member of the Appropriations Subcommittee which funds health programs, I can say that substantial progress has been made. As a result of our efforts on the House Appropriations Subcommittee on Labor, Health and Human Services, and Education, we have been able to increase funding for important health initiatives such as the Ryan White AIDS Programs, the CDC Breast and Cervical Cancer Early Detection Program, and the Maternal and Child Health Block Grant. We have also been able to direct increased Federal research dollars to the National Cancer Institute, the National Heart, Lung and Blood Institute, and the National Institute of Allergy and Infectious Disease. Yet, while we recognize that much as been accomplished, we must remain committed to the challenges that lie ahead.

Mr. Speaker, I am also proud to join this special order in my capacity as chairman of the Congressional Black Caucus Health Braintrust. Since its founding in 1971, the Congressional Black Caucus [CBC] has play a crucial role in addressing the health challenges which impact the African-American community. When the CBC Health Braintrust convened last fall, a special panel closely examined issues regarding the health status of African-American women.

If you look at the statistics, you will discover that African-American women suffer disproportionately from many chronic and debilitating diseases. For example, African-American women are more likely than white women to die of breast cancer. This is in spite of the fact that they experience a lower rate of incidence of this disease than their white counterparts. According to the American Cancer Society, breast cancer mortality for African-American women was 31.2 per 100,000 compared to 26.0 per 100,000 for white women.

Cardiovascular diseases have ravaged our Nation's minority communities as well. African-American women are more likely than nonminorities to die of such diseases before age 45 and even later in life. In fact, studies show that African-American women between ages 35 and 47, are 38 percent more likely to die of a heart attack than white women.

Another disease taking its toll on the lives of African-American women is AIDS. In a recent report, the Centers for Disease Control and Prevention noted that, between 1990 and 1994, the incidence of AIDS rose fastest among African-American women. In spite of a reported sharp decline in U.S. AIDS mortality during those years, the number of new AIDS cases in African-American women nearly doubled. During 1996, 59 percent of all AIDS cases in women were reported in African-American women compared to 21 percent in white women.

Additionally, African-American college-educated women are three times more likely than the general population to give birth to a low birthweight baby. Infants born to this group of mothers have an 80-percent higher risk of dying during their first year of life than infants born to white college graduates.

In Congress, we must support legislative initiatives that address the startling disparity that exists in the health and number of excess deaths of African-American women and other minorities. We should support research efforts aimed at improving the health status of all Americans, and we must work to increase every American's access to affordable health care services.

Support of these efforts will send a signal to the American people that we are serious about establishing a level playing field for the provision of accessible and affordable health care. Such support will also serve as evidence of our commitment to effectively address the issues of disease incidence, prevalence, morbidity, and mortality that compromise the lives and health status of all women. By promoting these efforts we will show all women across the Nation that we are dedicated to providing the resources needed to find ways to improve the quality of life for those who suffer from disease and to finding viable methods of cure.

Mr. Speaker, I am pleased to have an opportunity to participate in this special order. I would like to again thank my colleagues for bringing this important issue to the House floor.