

as the result of an assumption by a corporation of a nonrecourse liability that is also secured by property not transferred to the corporation, and if no person is subject to tax under the Internal Revenue Code on such gain, then for purposes of determining the basis of assets transferred, the amount of gain so treated as recognized shall be determined as if the liability assumed by the transferee equaled such transferee's ratable portion of the liability, based on the relative fair market values (determined without regard to sec. 7701(g)) of all assets subject to such nonrecourse liability.

The Treasury Department has authority to prescribe any regulations which may be necessary to carry out the purposes of the provision. Where appropriate, the Treasury Department may also prescribe regulations which provide that the manner in which a liability is treated as assumed under the provision is applied elsewhere in the Code.

The bill would be effective for transfers on or after October 19, 1998. No inference regarding the tax treatment under present law is intended.

#### TRIBUTE TO RICHARD W. NUTTER

##### HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, October 19, 1998*

Mr. FARR of California. Mr. Speaker, I rise today to honor a man who has, by his record of service to the agriculture industry, raised the standard for the profession. On July 27, 1998, Richard W. Nutter retired from 28 years of unparalleled service as Monterey County's Agricultural Commissioner and I wish to respectfully honor his deeds.

Under Mr. Nutter's leadership, the Monterey County Agriculture Commissioner's Office has developed into one of the highest quality work performance organizations in the Nation. The "Salad Bowl of the Nation" harvests eighty percent of all head lettuce during peak months and leads the Nation in the production of several other vegetables and strawberries. Recent statistics show that the county grows well over two billion dollars of crops annually including exports.

Through Mr. Nutter's vision he lead the vanguard for farm worker safety, raised standards of quality for fruits and vegetables, and developed superior pesticide control programs that are recognized world-wide as innovative and effective. He fully assisted in the development of the California Organic Food Act, the registration of farm labor contractors, agricultural chemical recycling, field safety posting requirements and the functional equivalent of an Environmental Impact Report for pesticide application to protect applicators and the public alike.

He initiated projects during his service to protect and promote agriculture, the environment, and the public welfare which is meant to assure consumer and business confidence in the marketplace. Those endeavors involved food safety, water use and conservation, land use, voluntary agricultural land conservation, farm worker pesticide exposure monitoring and he established standards to maintain the quality of products intended for export and international trade.

By his record of accomplishments, Mr. Nutter has distinguished himself as a factual, logical, visionary resource to members of the ag-

riculture community and is a reference to local, state and federal legislators. His long-term record of volunteer service to the community enhances his professional role and enriches those who benefit from his commitment.

When I observe Mr. Nutter's accomplishments, I acknowledge a man of integrity and principle. He is an admirable public servant, and I am pleased to note, a personal friend. He is an ally of agriculture who never dodged his responsibility to those who nurture the corps that feed us and certainly not to those who depend on it's wholesomeness for sustenance.

It is not at his retirement alone that he is honored, but rather for his tireless service to assure that his responsibilities were discharged with informed authority and with the intelligent dignity of a man so well suited to this important position of public trust.

#### REGARDING STEEL IMPORTS

SPEECH OF

##### HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 15, 1998*

Mr. COLLINS. Mr. Speaker, I strongly support H. Res. 598 introduced by the gentleman from Ohio. There are dramatic changes that are occurring in our domestic industries affected by increases in steel imports. That impact is affecting all levels of U.S. business and their employees—from the small scrap dealers all the way up the industry chain to the large manufacturers who have a high production demand for steel.

The steel market is extremely reactive to supply and demand. Consequently it is one of the strongest indicators of the economic strength of our domestic manufacturing industries. Even the chairman of the Federal Reserve has stated that he closely watches steel market indicators in evaluating the progress of our national economy.

While steel industry prices have grown relatively steadily over the past ten years in the last 10 months there has been a dramatic drop. The change indicates that something unusual is currently going on in the market place.

According to American Metal Market Weekly Steel Scrap Price Composites, between January and October of 1998, the price per gross ton for heavy melt steel scrap has dropped from \$140 to \$83.67.

In addition, the gross ton price for shredded scrap metal has dropped from approximately \$146 in January of this year to the current price of \$94.84.

Mr. Speaker, opponents of H. Res. 598 argue that this is a consumer issue—that a higher presence of foreign steel makes end-stage manufacturing cheaper and ultimately the final price to consumers lower. However, it is more than simply cheaper steel prices because final manufacturing is not the only line of business affected by an increase in steel imports. There are broader implications for our economy. The failure to enforce the terms of existing trade laws, which essentially sanctions the dumping of foreign products in this country, hurts U.S. businesses that supply scrap steel to end-stage manufacturers. Cutting off the demand for domestic steel means

the elimination of their business and ultimately a reduction in U.S. jobs.

I have small business scrap metal suppliers in my district who sell their scrap metal to U.S. manufacturers. They have told me that there is so much foreign metal pouring into this country through southern ports it is having a real impact on their business. In fact there are at least 2 steel mills in the southeast who, as a result of the increase in imports, have not purchased any U.S.-sourced scrap metal in the past 2 months. That means U.S. suppliers are losing business—and that means another nail in the coffin for businesses that supply domestic manufacturers.

The resolution before us today simply states that the Administration should make studying the recent shift in the domestic market a priority. At minimum, the President should focus on whether violations of current trade laws and agreements are being committed to the detriment of U.S. business and the loss of U.S. jobs. Cheaper steel attributable to increased imports may mean cheaper prices for consumers, but in the end it may mean fewer jobs for Americans and that possibility is worthy of our attention. I urge support for H. Res. 598.

#### PERSONAL EXPLANATION

##### HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, October 19, 1998*

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, due to official business in the 30th Congressional District, I was unable to record my vote on S. 1733, a bill to "Require the Commissioner of Social Security and Food Stamp State Agencies to Take Certain Actions to Ensure that Food Stamp Coupons are Not Issued for Deceased Individuals." In addition, I was unable to record my vote on S. 2133, a "To Preserve the Cultural Resources of Route 66 Corridor and to Authorize the Secretary of the Interior to Provide Assistance," S. 1132, the "Bandelier National Monument Administrative Improvement and Watershed Protection Act" and H. Res. 598, regarding "Foreign Imports of Steel."

Had I been present, I would have voted "aye" on all these items.

#### SALUTING THE INNOVATION AND CREATIVITY OF JESSICA FERRETTI

##### HON. JAMES E. ROGAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, October 16, 1998*

Mr. ROGAN. Mr. Speaker, every year, the National Women's Business Council sponsors the National Business Plan Competition. Drawing from a nationwide pool of contestants, the Women's Business Council honors a select group of young women from across the country. This year I am pleased to announce that one of my constituents has been chosen for this great honor. I am proud to salute the accomplishments of all the participants. Their efforts are a vote of confidence in our future.

Mr. Speaker, I would like to recognize a recipient from my hometown, Jessica Ferretti.