

February 7, 1991

## CONGRESSIONAL RECORD — SENATE

S 1853

The aim of the Subchapter S Revision Act of 1982 was to make the subchapter S pass thru regime less complicated and more available to these ordinary taxpayers. With this goal in mind, every attempt was made to craft the legislation to avoid disqualification of subchapter S status.

It is my understanding that the proposed regulations are at great odds with both the spirit and the letter of the enabling legislation as well as with previous IRS rulings issued since the law's enactment over eight years ago. Moreover, based on these valid assumptions upon which taxpayers have functioned, many may suffer great hardships to the extent that the proposed regulations apply retroactively and carry oppressive penalties, including double taxation caused by revocation of subchapter S status. Such a result is unconscionable, and therefore, I request that you reconsider the proposed regulations.

Sincerely,

DAVID FRYOR

## HONORING THE MUNICIPAL CLERKS OF WISCONSIN

Mr. KASTEN. Mr. President, public service is one of the most important ways in which the citizens of a democracy can show devotion to their community.

The men and women who make the machinery of our local government run effectively—meeting our human needs and making our State a better place to live—deserve our gratitude and respect.

The week of May 5-11, 1991, Municipal Clerks Week, will provide all Americans an opportunity to say thank you to their neighbors in public service. I personally would like to extend a special thanks to the Wisconsin Municipal Clerks who will be meeting in Neenah, Wisconsin on May 9.

Thanks for making our lives easier—the citizens of Wisconsin appreciate the important work you do.

## THE FAMILY PROTECTION ACT OF 1991, S. 353

Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of S. 353, legislation that will reduce the incidence of home contamination from hazardous waste. This bill, the Workers' Family Protection Act, will help fight the risk of the inadvertent introduction of toxic chemicals into workers' homes.

Many workers in our Nation find themselves in jobs where they come in close contact with hazardous materials. Because of this contact, there have been instances where toxic chemicals have been brought into the home by way of a worker's clothing. This has occurred in several homes in my State of New York. Workers in a thermometer factory on the New York/Vermont border were found to have excessive levels of mercury in their homes. In some cases, children were found to have above normal mercury levels in their body fluids. It is probable that traces of mercury found their way into the workers' homes by way of their clothing.

By introducing this bill, Senator Javorski and I hope that a solution to this problem will arise. The Workers' Family Protection Act will empower the government to study the prevalence of home contamination and give financial assistance to States to combat toxic hazards in the home. Of course, businesses are encouraged to seek more efficient ways to eliminate household contamination through providing work-place clothing and laundry facilities.

Mr. President, whenever obvious health hazards exist, we should do all that we can to correct them. This is one such instance. I believe that S. 353 will help lessen instances of home contamination in our Nation. I am pleased to cosponsor this bill, and I encourage my colleagues to join me.

## THE BUDGET AS IT RELATES TO AGRICULTURE

Mr. FRYOR. Mr. President, today I rise in further response to the administration's budget proposal as it relates to agriculture. This is a statement that I sincerely wish was not necessary, but due to the serious policy repercussions that this suggested budget would have, I feel it is incumbent upon me to take issue with the proposal and serve a reminder notice to the administration that agriculture was just asked to do more than its fair share in the budget game of this past year. It is way too early to present such flawed and misguided ideas to this chamber in hopes of quietly securing some short-term savings.

Last year we approved a farm bill that placed Federal expenditures at approximately \$54 billion over 5 years. But shortly thereafter, we passed a budget agreement that required us to go back and lower agriculture spending to \$40 billion. This amounted to a 25-percent cut. It was significant and it was dramatic. Our only consolation was that agriculture was told that the worst was over, that agriculture had done its duty toward balancing the Federal budget and that the budget agreement would be binding for the next 5 years. Now we find that the worst is far from over, and this is disappointing indeed. This latest budget proposes to cut up to almost \$400 million more from farm programs.

This latest budget proposal from the administration amounts to broken faith. If our farmers are expected to continue providing this country with a safe and stable food and fiber supply, then these cuts cannot continue.

Just this past Congress, over two-thirds of my Senate colleagues joined together in rejecting the concept of a means test, an idea that has now been resurrected in the budget proposal. A means test is the most poorly devised policy idea to be debated in agriculture in recent years. I cannot fathom how such a program would even be implemented: would farmers be required to take their past year's tax records to

the local ASCS office in order to prove how much money they made last year? How would leaders view the stability and cash flow predictability of large farms if those farms were excluded from commodity program benefits? And exactly what will constitute off-farm income . . . income derived from one's interest in a cotton gin, the stock dividend in a rice mill, money made from trucks hauling other's grain to market? These are some of the immediate questions this policy brings to mind, but what about the implications for the future?

If the purpose of farm programs is to improve the stability in agriculture so long term adjustments and technology adoption can take place in order to continue providing a safe food supply, then how will the removal of many farmers from program participation effect these goals? That's one question I know the answer to, Mr. President. Adversely is the only way it could affect them. Further reduction of benefits will only serve to force more producers out of the program, thereby forcing those still in the program to have higher set asides in order to achieve some supply stability, and this will only drive the cost of the program up, and the farmer's income down. Think of the effect such a policy would have on rural business, banks, and the school districts that serve these areas. I have said it before, but clearly someone needs to be reminded . . . this would result in rural chaos. Such a policy would have terrible effects on agriculture, the environment, and the U.S. consumer.

This budget proposal also makes further cuts in the rural Electric Administration's lending capability. It also reduces the premium coverage for those choosing to use crop insurance. One would think, with all of these ideas sailing around and these fiscal changes being proposed that the administration would have taken the time to allocate funds for disaster assistance for 1990 crops, the only poor crop year that has thus far been neglected in recent years. Why?

This budget proposal says one thing to me. Apparently, this administration does not take last year's budget agreement seriously and it does not take farmers seriously. I think and hope that Congress can do better.

The long-term policy implications that this budget would inflict on agriculture would be severe. Our farmers and the consuming public they serve deserve better.

## CENTENNIAL OF THE PORT OF PORTLAND

Mr. PACKWOOD. Mr. President, I rise today to recognize an important event for the Port of Portland—the celebration of its 100th anniversary.

One hundred years ago there was a dream to make Portland a major west coast city. However, the treacherous