

THE WHITE HOUSE
WASHINGTON

Food
Safety-
Dingell

From the Office of:

The Domestic Policy Council

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been important steps towards promoting savings within an economic growth within our tax code, including the steps taken last year to significantly expand IRA provisions, and including the steps last year to promote what are probably the most crucial investments we make as a country, investments in the human capital of our children by providing incentives for junior college and for college education."

Asked if the Administration would be coming forward with its own plan for improving the current Federal tax system, Summers said it is unlikely, adding, "But the challenge is to find ways that marry the four objectives of simplicity, equity, growth and surplus preservation."

Bill Supported By NFIB. National Federation of Independent Business President Jack Faris held an event with Hill leaders today to demonstrate strong grassroots support -- 750,00 signatures on petitions -- for the measure. Faris said, "This afternoon, we expect to see the House pass a piece of legislation that brings us one step closer to our goal. The Tax Code Termination Act would sunset the code by Dec. 31, 2001. And while small-business owners would like to see the code abolished today, this bill is a positive sign that Washington is hearing the voice of small business, and is working toward our objective." Faris added, "The purpose of sunseting the current code on a date certain is to force Congress to get serious about fixing our tax system. Most NFIB members think that the current system -- which costs small corporations more than \$700 in paperwork and compliance costs for every \$100 in tax liability -- is inefficient, unconscionable and should not be passed on to our children and grandchildren. The Tax Code Termination Act could be the most important bill Congress has passed in decades."

Daschle Says Even If House Passes Measure, It Will Die In Senate. Senate Minority Leader Tom Daschle also argued against the idea this morning, saying, "If I were going to rank in order the most irresponsible and virtually laughable pieces of legislation to come before the Congress this year, that would be my first choice. Believe it or not, they are prepared today to tell the American people that they will eliminate the mortgage deduction -- eliminate it. They're going to eliminate the college education deduction. They're going to eliminate the deduction for charitable contributions. They're going to eliminate all that, and they're not going to tell you what they're going to put in its place, because they don't have a clue." Asked if the Senate will take it up, Daschle said, "Not a chance of it coming up in the Senate and then pass."

Tom - How o
Does this
bill compare
to our
legislation,
which Ethoo
introduced?
Why are
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trying o
a separate
bill?
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cc: Prince

Food Safety Bill Introduced. Reps. Sherrod Brown, John Dingell, Henry Waxman, Frank Pallone and Bart Stupak held a press conference this morning to introduce the Imported Food Safety Act of 1998. "The General Accounting Office has estimated that as many as 81 million cases of food borne illness occur each year," Dingell said. "But only when consumers get sick or die, does the Food and Drug Administration" act. "The outrageous and wholly intolerable conclusion one must draw is that American consumers are being used as guinea pigs." The legislation would give the FDA regulation power over foreign food comparable to the USDA's over imported meat and poultry, establish a user fee on every "line item" of imported food, and establish a "Manhattan Project" to develop faster tests for food contamination. In closing, Dingell charged that "the current majority in Congress is clearly not prepared to appropriate funds needed to protect Americans from unsafe food," citing the "zero[ing] out" of funds for the President's food safety initiative by the Senate Appropriations Committee.

Nickles Electricity Bill Said To Be Imminent. Sen. Don Nickles is ready to drop a bill to eliminate retail electricity monopolies, according to several sources, but it is unclear whether the legislation will make any headway this year. According to a draft, Nickles' bill would "amend the Federal Power Act to ensure that no State may establish, maintain, or enforce on behalf of any electric utility an exclusive right to sell electric energy or otherwise unduly discriminate against any consumer who seeks to purchase electric energy in interstate commerce from any supplier."

An industry source said this morning that because Nickles' bill amends the Federal Power Act, it must go through the Senate Energy and Natural Resources Committee. The source added that committee chairman Frank Murkowski has already sent signals that he does not support the Nickles legislation.