

given a certain, let us say, legitimacy, to whatever nit-picking questions have been raised.

Since our difference of opinion 120 years ago, the States of Virginia and West Virginia have been good neighbors. It is obvious from the comments of our two Governors, Jay Rockefeller and Chuck Robb. Chuck Robb's father was born in the State of West Virginia, in the town of Elkins, where I am a resident.

These two Governors have no problems. Because West Virginians have given not only Senators by birth but also Governors of Virginia and other officials serving in Virginia but born in West Virginia.

So there is a joy of friendship and understanding and faith between the peoples of our two States.

We are quite satisfied, both of us.

So, legality aside, West Virginians and Virginians will live together, as we have lived most of these 120 years, not only as neighbors but also as goods friends.

Mr. President, I ask unanimous consent to have printed in the RECORD the article by Jack Eisen and my letter to him, dated June 20, 1983.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 9, 1983]

SETTING THINGS STRAIGHT

(By Jack Eisen)

There is little doubt in my mind that West Virginia was created illegally—or, if one wants to draw a distinction, extralegally—during the Civil War. Whether, as the license tags claim, the state is "almost heaven," West Virginia's split from parental Virginia in 1863 was—as I read history—constitutionally flawed. And, let's admit, I'm philosophically on the Yankee side.

But West Virginia's sovereign existence has become a habit, not subject to reverse. Or is it?

Eben Barnette, president of the West Virginia Taxpayers Association, wrote Virginia Gov. Charles S. Robb in March promoting reunification. Not only that, but suggesting Staunton, a charming small Virginia city in the Shenandoah Valley, as the capital of the reunified state. Staunton Mayor Thomas E. Roberts, picking up the cue, wrote Robb and the governor of West Virginia asserting the city's cause.

The replies:

From West Virginia Gov. John D. (Jay) Rockefeller IV—West Virginians "would never give up the statehood that they have justifiably earned." (Earned? They stole it!).

From Virginia Gov. Robb—"You make a very strong case for Staunton and I share your high regard for the 'Queen City of the Shenandoah Valley.' I don't expect the Capitol to be moving, however." (The Capitol sure isn't going to be moved. But the capital, maybe?)

Robb also wrote to Barnette that reunification "does not appear to me to be a practical possibility." (Not even practicable?)

Mr. JACK EISEN,
The Washington Post,
Washington, D.C.

DEAR JACK: Today, June 20, is West Virginia Day, the 120th anniversary of statehood. I thought it appropriate to comment on your column of June 9 and the question of the legality of the process by which we became a state.

I do not concede that West Virginia's separation from Virginia was "constitutionally flawed". That ill conceived logic has been suggested over the years but has never been tested in courts. The question of legality is moot after all these years.

Since our difference of opinion 120 years ago, the States of Virginia and West Virginia have been good neighbors. It is obvious from their comments that our two governors, Rockefeller and Robb, are quite satisfied with the present arrangement and feel no need to remerge into one state.

I can understand why Virginia might want us back. The people of our mountains have made many contributions to the welfare of the Old Dominion in the past century or so. The legendary Senator Harry F. Byrd, Sr. was born in West Virginia as was Governor Robb's father. Their West Virginia roots have served them well as leaders of Virginia.

So, the status quo seems to be quite satisfactory to both states. Legality aside we will continue to live together as friends and neighbors.

I enjoy your writing on all subjects.

Truly,

JENNINGS RANDOLPH,
Ranking Minority Member.

COMMUNICATION TO THE
SENATE—VETO MESSAGE ON S.
973

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The assistant legislative clerk read as follows:

JUNE 20, 1983

HON. GEORGE H. W. BUSH,
President of the Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: On Saturday, June 18, 1983, the President of the United States sent by messenger a message addressed to the Senate, dated June 18, 1983, giving his reasons for not approving S. 973, an Act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts. The Senate not being in session on the last day which the President had for the return of this bill under the provisions of the Constitution of the United States, in order to protect the interests of the Senate so that it might have the opportunity to reconsider the bill, I accepted the message, and I now present to you the President's veto message, with the accompanying papers, for disposition by the Senate.

Respectfully,

WILLIAM F. HILDENBRAND,
Secretary of the Senate.

ORDER FOR VETO MESSAGE ON S. 973 TO BE HELD
AT THE DESK

Mr. TOWER. Mr. President, I ask unanimous consent that the veto message on S. 973, together with the accompanying bill, be held at the desk and be called up by the majority

leader after consultation with the minority leader.

Mr. BYRD. Mr. President, there is no objection on this side. If there were an objection, it would cause the message to be immediately put before the Senate and a vote to be taken.

It should be the majority leader's decision as to when to bring it up. The order is for his doing so after consultation with the minority leader, and there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The veto message is as follows:

To the Senate of the United States:

I am returning, without my approval, S. 973, "an Act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts." I have no objection to these technical amendments.

However, section 5 of the bill, added by an amendment on the Senate floor, would allow a particular school to transfer to taxable investors tax benefits attributable to a building that it refurbished with Federal funds. Without this legislation, the proposed transaction would result in the school being required to repay the Federal funds used to refurbish the building.

Recently there has been a great deal of concern about the sale of tax benefits by tax-exempt entities through leasing transactions. Leasing transactions similar to the one contemplated by this legislation present tremendous potential for abuse and could result in billions of dollars of revenue loss to the Federal Government. The transaction that this legislation would condone would permit a school that has already received tax deductible contributions and Federal grant money to sell certain tax benefits to outside investors. This case is particularly offensive in that the tax benefits being sold are attributable to property that was paid for with Federal grant money. In addition to receiving money for selling tax benefits, the school, as a tax-exempt entity, would be able to invest the proceeds of the sale and receive the income from such investment tax-free.

The propriety of leasing transactions involving the sale by tax-exempt organizations of tax benefits needs to be scrutinized very carefully. Where the tax benefits being sold are attributable to expenditures of Federal funds, the transaction becomes totally unjustifiable. We cannot condone the sale by a tax-exempt entity of tax benefits produced through the use of Federal funds.

As I have noted, the Indian-related amendments contained in this bill are not objectionable. Accordingly, I urge the Congress to reenact sections 1-4 of S. 973 without delay.

RONALD REAGAN.
THE WHITE HOUSE, June 17, 1983.