

CHILD ABUSE PREVENTION AND
TREATMENT ACT, AMENDMENTS
OF 1996

SPEECH OF

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1996

Mr. RIGGS. Mr. Speaker, I rise today in support of the House substitute to S. 919, a bill that makes amendments to the Child Abuse Prevention and Treatment Act, known as CAPTA. This legislation, which has been crafted in a bicameral and bipartisan fashion, authorizes and makes critical amendments to the current CAPTA Act.

As a former law enforcement officer I urge support for this legislation so that we can protect the most vulnerable segment of this Nation's population—abused and neglected children. As you know crime against children is on the rise and we must act now. It is because of the children we need to pass this today.

One important component of this bill is that it provides expanded adoption opportunities for babies who have been abandoned. The parents of these children have indicated by their actions that they do not want these children, then lets make it easier for these children to go to homes that will love, care, provide nourishment for them. In addition this act will take a closer look at the effects of the placement of children in kinship care arrangements, pre-adoptive, or adoptive homes. This legislation adds a requirement for states to explore contracting with public or private non-profit agencies, or sectarian institutions for the recruitment of potential foster and adoptive families. This legislation increases the authorization for the Adoptive Opportunities Act to \$20 million and continues authorization through 2001.

It is time that we all join together and protect our children. I urge my colleagues to vote favorably on this legislation.

TRIBUTE TO DEAN SCHOFIELD

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1996

Mr. JOHNSON of South Dakota. Mr. Speaker, I would like to take this opportunity to recognize the long and distinguished career of Dean Schofield, deputy secretary of the Department of Transportation of the State of South Dakota. Dean consistently demonstrated utmost dedication and professionalism in his 35 years and 8 months of service to South Dakota.

Throughout his years with the South Dakota Department of Transportation, Dean served as a mentor and model for all employees through his quiet, thoughtful style, strong work ethic and leadership. His commitment to family, profession, church and community was something that many within the department strived to emulate and his ability to balance all of his responsibilities was remarked on by many. My office always enjoyed working with Dean and my staff came to rely heavily on Dean's extensive knowledge and ability to always provide

much needed information, even on short notice.

Dean Schofield's hard work and extensive knowledge about South Dakota's transportation systems contributed to the passage of several pieces of major Federal legislation, including the Intermodal Surface Transportation and Efficiency Act and the National Highway System legislation, which are extremely beneficial to the State of South Dakota. Additionally, Dean was instrumental in developing the Department's Computerized Needs Data Book, the 5-Year Construction Program with its project prioritization system based on needs, the annual strategic Plan and the legislative program, and he served on numerous department, statewide, and special Governor's task forces.

Through his knowledge, judgment, openness, thoroughness, and integrity over the last 35 years, Dean has earned the respect of everyone he has dealt with, both within and outside the South Dakota Department of Transportation. In recognition of his outstanding service, Dean was voted the Department's most considerate and genuinely caring employee and is a unique individual who will be sorely missed by the Department and by my office. South Dakota will truly benefit from the fruits of Dean's labor for many years to come. I am honored to have the opportunity to recognize him today.

CONSUMER BANKRUPTCY
CONCERNS

HON. SONNY BONO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1996

Mr. BONO. Mr. Speaker, along with many other Members I share a deep concern that the United States is about to set an economic record which is nothing to be proud of. I speak of the fact that by the end of 1996 total U.S. bankruptcy filings are expected to exceed 1 million for the first time in the Nation's history. It is particularly worrisome that this level of bankruptcies is occurring in a time of relatively good economic news, as it raises significant concerns about what bankruptcy levels will be whenever the next cyclical economic downturn arrives. As a member of the Banking Committee I am of course worried about the potential impact of losses stemming from bankruptcy on the health of our financial institutions, and on the price and availability of credit. And, as a member of the Judiciary Committee, aware that bankruptcy filings constitute more than three-quarters of all cases in the Federal courts, I worry about this increasing burden upon the judicial system.

About 9 out of 10 of all bankruptcy filings are consumer bankruptcies. About two-thirds of those are in chapter 7, where creditors are paid some percentage of what they are owed from the liquidation proceeds of the debtor's nonexempt assets, if there are any. Chapter 7 is a historical anachronism, a holdover from a time when credit was hard to come by and based upon what you owed. Today, of course, consumer credit is plentiful and is extended on the basis of the applicant's anticipated future income.

The remainder of consumer bankruptcies are in chapter 13, where employed debtors

with a regular income commit to a multi-year repayment plan covering some portion of what they owe.

The majority of debtors filing for bankruptcy are in serious financial straits due to loss of employment, divorce, or medical emergency, and we must keep the system open and available to assist them in getting back on an even financial keel.

But there appears to be a significant percentage of individuals abusing the bankruptcy system through multiple filings to forestall legal actions, hiding of assets, making false and incomplete financial statements, and similar actions. Some individuals enter into chapter 13 repayment plans which are unrealistic and which inevitably fail, while other individuals with steady incomes and the ability to make significant repayment of their freely acquired debts choose to abandon them in chapter 7. The system is out of kilter, and its overburdened overseers are ill-equipped to catch those who abuse it.

It is my belief that individuals with financial problems should consider filing for bankruptcy to be their last resort, not their first. All of the individuals involved in the system—judges, trustees, administrators, and attorneys—have an obligation to ensure that consumer debtors are fully aware of their nonbankruptcy alternatives for accomplishing financial restructuring. Consumer credit counseling services are widely available throughout the nation and can help individuals and families avoid bankruptcy through various financial management techniques. Creditors are extremely supportive of these efforts.

Attorneys and other bankruptcy petition preparers have an obligation to fully disclose the very serious nature and consequences of filing for bankruptcy to individuals considering this step. Debtors need to be aware that this is a step with serious, negative long term consequences for their ability to obtain credit and other services, and that there are alternative means for redressing their problems which should be explored first.

Unfortunately, some attorneys and other bankruptcy preparers advertise their services as "debt reduction", "federal repayment", or similarly vague and misleading terms to disguise the true nature of their business and to downplay the consequences of entering into personal bankruptcy. As a result, many thousands of individuals each year are placed into bankruptcy without fully informed knowledge and consent. Attorneys and other petition preparers have a constitutional right to advertise, but this type of deceptive and misleading practice needs to be curbed.

In 1994 Congress passed bankruptcy reform legislation which established a National Bankruptcy Review Commission to review and further evaluate the bankruptcy system and make recommendations for fundamental reform to Congress. It is my understanding that the commission, which has a 2 year mandate expiring in the fall of 1997, has so far made very little progress in grappling with the fundamental problems rampant in the consumer bankruptcy system. It has instead permitted its staff to engage in a series of pointless academic debates and to advance proposals which have little support, much less consensus, in the broad bankruptcy community. While the other working groups established within the Commission have already issued numerous policy proposal in such areas as