cancelling their co-branded credit cards for card holders who paid their monthly balances on time. This meant that their most responsible customers were suddenly deprived of the use of their credit cards. More recently, our colleague SID YATES brought to my attention a far more subtle, but equally effective, method that some credit card companies are using to exact fees payments from card holders who pay on time. This involves manipulation of the ''payment due'' date on the credit card statement to induce earlier payment of the monthly payment amount than is necessary to avoid any finance charges, thus allowing the card issuer more time to hold and earn interest on the payment.

Under the Truth in Lending Act, if a card issuer provides a ''grace period'' during which any credit charges can be repaid in full without incurring finance charges, it must be disclosed to the consumer in the initial card offering and in the monthly billing statement. There is no specific requirement, however, that the monthly ''payment due'' date be the same as this disclosed grace period, especially if no interest charge is actually charged until the end of the stated grace period. This has permitted, for example, one Chicago area bank to decrease the 25 day grace period it discloses in promotions and agreements with consumers to only 20 days in the payment due date it includes in statements of card holders who routinely pay off their monthly balances. This permits the bank an extra ''float'' on these payments of at least five days each month without the knowledge of the card holder. Court documents estimated that this band has used this tactic to induce card holders to advance nearly $600 million each month five days before it is actually necessary to avoid interest charges.

This manipulation of monthly payment due dates falsely induces card holders to transmit payments earlier than necessary every month, depriving them of the use of their own money up to 60 days each year! And it allows card issuers to benefit from the additional float on millions of dollars each month. Given the huge percentage of card holders who pay off their monthly bills, and the fact that large national credit card issuers are beginning to use this practice, this problem may affect millions of card holders across the United States with a credit card volume of potentially tens of billions of dollars annually.

I am pleased to join with Representatives KENNEDY and YATES in introducing legislation that would eliminate these unfair and costly practices that discourage responsible credit card use. The bill would make it a violation of the Truth in Lending Act for any credit card issuer to cancel the credit card account, or impose new fees, finance charges or other costs on any credit card account solely on the basis that the credit extended during billing periods is regularly repaid in full without incurring finance charges.

The bill also would make it a prohibited fee or charge for a card issuer to send card holders billing statements with payment due dates that are earlier than the date disclosed in promotions and card agreements and have the effect of inducing the card holder to send payments earlier than would otherwise be necessary to avoid finance charges. Taken together, these charges would preserve the accounts of the most responsible credit card users and save consumers potentially millions of dollars each year in unnecessary fee payments.

While I consider myself a strong supporter of legislation to modernize the banking industry, I cannot accept bank practices that impose unnecessary and unproductive costs on consumers. Imposing new charges and canceling the accounts of consumers who pay their credit card bills on time serves one purpose, and one purpose only—to increase the already record levels of bank fee income. These practices have no other economic or policy purpose or rationale.

At a time of escalating consumer debt and record levels of credit card delinquencies and personal bankruptcy, the banking industry should not engage in practices that discourage responsible use of credit and reduction in credit card debt. The practices I have outlined are discriminatory, they are unfair to consumers and they are wrong. I urge Congress to end these practices by adopting my legislation.

The text of the bill follows:

H.R.—

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Credit Card On-Time Payment Protection Act of 1998.''

SEC. 2. PENALTIES FOR ON-TIME PAYMENT PROHIBITED.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by inserting at the end thereof the following new subsection:

''(h) PENALTIES FOR ON-TIME PAYMENT PROHIBITED—

''(1) IN GENERAL.—In the case of any credit card account under an open-end consumer credit plan, no creditor may cancel an account, impose a minimum finance charge for any period (including any annual period), impose any fee in lieu of a minimum finance charge or impose any other charge or penalty with regard to such account or credit extended under such account solely on the basis that any credit extended has been repaid in full before the end of any grace period applicable with respect to the extension of credit.

''(2) PAYMENT DUE DATES.—For purposes of paragraph (1), a creditor shall be deemed to have imposed a prohibited charge or penalty on an account under an open end consumer credit plan if the creditor regularly transmits to the obligor of such plan a statement for a billing cycle in which credit has been extended under such plan that includes a payment due date as required by subsection (b)(9) of this section—

''(A) that is different from and in advance of—

''(i) the date by which payment must be made for any credit extended under such credit plan to avoid incurring a finance change that was disclosed to such obligor pursuant to subsection (c)(1)(A)(iii) of this section;

''(ii) the actual date by which payment would otherwise have to be made to avoid incurring a finance charge if calculated on the same basis as the date by which or the period within which any payment must be made to avoid incurring a finance charge that was disclosed to such obligor pursuant to subsection (c)(1)(A)(iii); and

''(B) that has the purpose or effect of inducing the obligor of such plan to transmit payment to the creditor earlier than what otherwise would be required to avoid incurring a finance charge.

''(3) SCOPE OF APPLICATION.—Paragraph (1) shall not be construed as—

''(A) prohibiting the imposition of any flat annual fee which may be imposed on the consumer in advance of any annual period to cover the cost of maintaining a credit card account during such annual period without regard to whether any credit is actually extended under such account during such period; or

''(B) otherwise affecting this imposition of the actual finance charge applicable with respect to any credit extended under such account during such annual period at the annual percentage rate disclosed to the consumer in accordance with this title for the period of time any such credit is outstanding.''

SEC. 3. REGULATIONS.

The Federal Reserve Board, not later than 6 months after the date of the enactment of this Act, shall issue final regulations to implement the amendments made by this Act.

PERSONAL EXPLANATION

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1998

Mr. RIGGS. Mr. Speaker, I was absent from the House of Representatives on July 30 and 31, 1998, pursuant to a leave of absence. During my absence, I missed a number of votes. Had I been present, the following is how I would have voted:

Rollcall No. 355: ''Yea''; Rollcall No. 356: ''No''; Rollcall No. 357: ''Yea''; Rollcall No. 358: ''Yea''; Rollcall No. 359: ''Yea''; Rollcall No. 360: ''Yea''; Rollcall No. 361: ''Yea''; Rollcall No. 362: ''No''; Rollcall No. 363: ''No''; Rollcall No. 364: ''No''; and Rollcall No. 365: ''Yea''.

Rollcall No. 366: ''Yea''; Rollcall No. 367: ''Yea''; Rollcall No. 368: ''Yea''; Rollcall No. 369: ''No''; Rollcall No. 370: ''Yea''; Rollcall No. 371: ''Yea''; Rollcall No. 372: ''Yea''; Rollcall No. 373: ''Yea''; Rollcall No. 374: ''Yea''; Rollcall No. 375: ''No''; and Rollcall No. 376: ''Yea''.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, AND JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 4, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4276) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Mr. OLVER. Mr. Chairman, I rise in strong support of full funding for the Economic Development Agency (EDA).

Despite the country's roaring economy, cities and towns in my rural district have suffered huge job losses over the last year, and the EDA has provided critical support to these economically distressed communities.

The EDA has funded regional economic planning to maximize job creation and development, provided capital for small businesses, and funded utilities and road construction to

create industrial parks in some of the poorest communities in my district.

Most recently the EDA has approved funding to plan the renovation of the Colonial Theater in Pittsfield, MA.

The Colonial Theater recently received national accolades when the First Lady visited this historic theater during her save America's treasures tour.

It is truly an American treasure.

With the help of the EDA, a renovated Colonial Theater will serve as a catalyst to generate further economic growth and to revitalize downtown Pittsfield.

EDA programs have helped create new jobs and economic growth not just in my district, but throughout the country.

We should continue our solid support for this successful agency that has proved to be one of the best hopes for economic renewal in struggling communities.

A TRIBUTE TO ADAM AND PEGGY YOUNG OF WESTHAMPTON BEACH, LONG ISLAND

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1998

Mr. FORBES. Mr. Speaker, I rise today in this historic chamber to share with my colleagues the story of two very special people, whose lifetime of selfless contributions to an array of worthy causes, from national charities to local food drives, has improved the lives of countless individuals across this nation and at home on Long Island. I stand here today in the People's House to talk about Adam and Peggy Young, from my hometown of Westhampton Beach, because their devotion to the well-being of their fellow man has inspired so many Long Islanders and serves as a true example of human charity for all of our countrymen.

This Saturday evening, I have the privilege of helping Family Counseling Service of Westhampton Beach—one of many beneficiaries of the Youngs' generous spirit—honor Adam and Peggy with the 1998 ''Family of Man Humanitarian Award.'' No two people are more worthy of this special recognition. No organization is more deserving of the Young's efforts than Family Counseling Services.

Since 1971, Family Counseling Service has provided counseling and support services to more than 90,000 adults and children. Led by Executive Director George Busler, Family Counseling's staff has helped families work through such everyday issues as parent-child relationships or the death of a loved one. When families face much more traumatic experiences, like domestic violence or sexual abuse, these dedicated counselors and psychiatrists provided the support and skills they need to survive and carry on.

The same way Family Counseling Services heals the wounds of society's most basic unit—the family—Adam and Peggy Young are committed to a grass roots brand of philanthropy. As the founder of Young Broadcasting, with television stations in America's in America's major markets, Adam Young is a recognized pioneer in harnessing the power of television to benefit the community. In Los Angeles, KCAL sponsors the largest child anti-violence campaign in the city, while in Nashville, WKRN has raised more than $1.2 million for local schools. In Albany, WTEN sponsors the groundbreaking ''Children First'' campaign to raise awareness of children's issues, while WTVO in Rockford, Illinois is leading the effort in that community to combat adult illiteracy.

Here on Long Island, Adam and Peggy direct their seemingly boundless energy and enthusiasm towards the East End Hospice, Little Flower Children's Services and Southampton Hospital. Adam and Peggy are also tireless in support of causes that strike close to home. When cancer took the life of their oldest daughter Susan, they joined the American Cancer Society's battle to defeat this dreaded disease. Peggy overcame serious heart problems several years ago and today, the American Heart Association enjoys their avid support. They also support the Palm Beach Rehabilitation Center, which helped Adam through four hip replacement surgeries.

Mr. Speaker, words can hardly express the deep debt of gratitude that we on Eastern Long Island owe to Adam and Peggy Young for all they have done to serve our community and improve the lives of our neighbors. I ask my Congressional colleagues to join me, Family Counseling Services and all who have benefited from their generosity in thanking Adam and Peggy Young for all of their good work. May God bless them just as he has blessed all of us by sending two such wonderful guardian angels.

IN COMMEMORATION OF THE ONE-YEAR ANNIVERSARY OF THE KOREAN AIR 801 CRASH

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1998

Mr. UNDERWOOD. Mr. Speaker, tomorrow, August 6, the people of Guam, the survivors and the family members of the ill-fated Korean Air 801 flight will commemorate the one year anniversary of this sorrowful day. The death of 228 men, women and children is not merely a morbid statistic, these individuals were mothers, fathers, uncles, aunt, grandparents, daughters, sons and friends of hundreds of other individuals spread out across the globe, from Guam to Seoul to California.

While many continue to feel the pain of this tragic episode, others rely on the passage of time as part of their personal healing process. One year ago, a Guam hillside was strewn with wreckage debris and bodies; today, a 24-foot high obelisk stands tall, a memorial to the lives lost on that fateful morning.

Today, I, along with the people of Guam, express my condolences to victims' family members, as well as my gratitude to the various federal, military, government and civilian personnel who assisted in the search, rescue and recovery mission.

Even as this memorial is completed a year after the crash, the investigation process is still underway. I attended the National Transportation Safety Board (NTSB) March informational hearing conducted to gather more data about the Korean Air 801 accident. While the wreckage examination is complete, a draft of the factual report written by NTSB officials will not be available until the end of September. A final report determining probable cause of the accident will be submitted to the NTSB Board later this year.

I would like to remind my colleagues that the Foreign Air Carrier Family Support Act emerged from the Korean Air 801 crash. I introduced this legislation a little more than a month after the accident, and it became law within 3 months of its introduction. The swiftness of its passage and the strong bipartisan support demonstrated during its development proves how important respect and understanding must be accorded to those affected by the devastating consequences of an airline crash. The law, enacted at the beginning of the year, requires foreign air carriers to implement a disaster family assistance plan should an accident involving their carrier take place on American soil. I am pleased to note that after the Foreign Air Carrier Family Support Act was enacted, about 95% of airline passengers are now covered by family emergency plans.

Korean Air 801's one-year anniversary should not only remind us of the grief and turmoil of the crash, it should also serve as a reminder of the stalwart courage and tremendous effort displayed by the survivors, family members and friends, and individuals who assisted in the aftermath, whether they physically carried passengers to safety or provided interpretation services to families.

The people of Guam have experienced an enormous loss; at the same time, we have gained an even greater sense of compassion for others. The Korean Air 801 crash has provided us this valuable lesson, let us continue to practice it in remembrance of all those who perished one year ago.

INTRODUCING THE HERO ACT—HOMEBOUND ELDERLY RELIEF OPPORTUNITY ACT

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1998

Mr. RAHALL. Mr. Speaker, today I join with my Colleague Representative VAN HILLEARY, to introduce a new bill that has as its purpose to resolve the unconscionable mess the BBA made of home health benefits programs when it passed the Balanced Budget Act of 1997.

As a matter of fact, Mr. Speaker, I have been involved in this effort since last November when I introduced H.R. 2912, intended to restore the venipuncture home health benefit that the BBA terminated for all time. As of this date, 105 of my concerned colleagues from both sides of the aisle have joined me in supporting the restoration of this life-giving home health benefit.

Mr. Speaker, the bad news is that the hastily drawn, ill-considered attack on America's home health industry that took place last year during debate on a balanced budget has resulted in massive harm—both to home health agencies and to the Medicare-enrolled, Medicare-eligible senior citizens who are vulnerable, frail and seriously disabled. This attack on home health agencies has driven 1,100 out of 8,000 agencies nationwide out of business and those who are still open are beginning to refuse to accept Medicare patients.