EXTENSIONS OF REMARKS

HONORING LAWRENCE ''LARRY'' MARIO CARAVARIO OF CLEAR LAKE, CALIFORNIA

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize California Highway Patrol Officer, Lawrence ''Larry'' Mario Caravario of Clear Lake, CA as he retires from 31½ years of dedicated service.

''Larry'' Caravario was born and raised in San Francisco. He attended Riordan High School followed by 2 years at the City College of San Francisco where he studied accounting.

In January of 1974, Larry joined the California Highway Patrol (CHP). Eventually he was stationed in the Lake County. For years he protected county residents watching out after them as he patrolled state highways and county roads. Additionally, Officer Caravario was responsible for training his fellow officers in matters of weapons and safety. He also served as the CHP's representative to Lake County schools as a pupil safety officer.

Mr. Speaker, when not patrolling the streets or training other officers, Officer Caravario dedicated his time to the children of Lake County. Since 1967 he has coached youth and high school soccer, basketball and baseball. In 1968, Officer Caravario began working as a basketball and baseball game official.

In retirement, Officer Caravario plans to spend more time with his wife Diane, his son David and daughter Joell.

Mr. Speaker, it is appropriate that we take time to thank Officer Caravario for his hard work and devotion to his community throughout the years. On behalf of my fellow colleagues, I wish him the best in all his future endeavors.

STATEMENT OF INTRODUCTION: CHILDREN AND MEDIA RESEARCH ADVANCEMENT ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. MARKEY. Mr. Speaker, I rise today to introduce, along with Representatives HART, BACA and FORD, the Children and Media Research Advancement Act, or CAMRA Act.

This bill has also been introduced in the Senate by Senators LIEBERMAN, BROWNBACK, CLINTON, SANTORUM, and DURBIN.

Our children live in the information age, and our country has one of the most powerful and sophisticated information technology systems in the world. While this system entertains them, it is not always harmless entertainment. Media have the potential to facilitate the healthy growth of our children. They also have the potential to harm. We have a stake in finding out exactly what that role is. We have a responsibility to take action. Access to the knowledge that we need for informed decision-making requires us to make an investment: An investment in research, an investment in and for our children, an investment in our collective future. The benefits to our youth and our Nation's families are immeasurable.

In order to ensure that we are doing our very best for our children, the behavioral and health recommendations and public policy decisions we make should be based on objective behavioral, social, and scientific research. Yet no Federal research agency has responsibility for overseeing and setting a coherent media research agenda that can guide these policy decisions. Instead, Federal agencies fund media research in a piecemeal fashion, resulting in a patch work quilt of findings. We can do better than that.

The bill we are introducing today would remedy this problem. The CAMRA Act will provide an overarching view of media effects by establishing a program devoted to Children and Media within the Centers for Disease Control and Prevention. This program of research, to be vetted by the National Academy of Sciences, will fund and energize a coherent program of research that illuminates the role of media in children's cognitive, social, emotional, physical, and behavioral development. The research will cover all forms of electronic media, including television, movies, DVDs, interactive video games, cell phones, and the Internet, and will encourage research involving children of all ages—even babies and toddlers. The bill also calls for a report to Congress about the effectiveness of this research program in filling this void in our knowledge base. In order to accomplish these goals, we are authorizing $90 million dollars to be phased in gradually across the next 5 years. The cost to our budget is minimal and can well result in significant savings in other budget areas.

This legislation has strong support among researchers and children's advocates. Ted Lempert, President of Children Now, a national nonprofit organization which for years has focused on the need for policymakers to keep pace with the rising influence of media on children, writes: ''CAMRA's establishment of a program on children and the media within the Center for Disease Control and Prevention will provide invaluable insight into the role and impact of electronic media on the children's development. Kids are spending more time with media than on any other activity except for sleeping, yet there are sizeable gaps in what we know about the role media play in children's cognitive, physical and behavioral development.''

Jim Steyer, founder and CEO of Common Sense Media, a leading non-partisan, non-profit organization dedicated to promoting a healthy media environment for children, supports CAMRA, saying ''We enthusiastically endorse the funding of coherent research which will better illuminate the role of media in children's cognitive, social, emotional, physical and behavioral development. In an increasingly digital world where convergence of technologies provides entertainment, information and interactive possibilities to consumers, there are discernable knowledge gaps about the role of media on children's healthy development.''

Michael Rich, Director of the Center on Media and Child Health at Harvard Medical School and Harvard School of Public Health, also wrote the following in support this bill: ''As a caring society we assess and respond to the quality of the air children breathe, the water they drink, and the food they consume. You and your co-sponsors are to be commended and supported for your foresight and leadership in directing the National Institutes of Health to investigate what we are feeding our children's minds and how that is likely to affect their health and development, now and in the future.''

From the cradle to the grave, our children now live and develop in a world of media—a world that is increasingly digital, and a world where access is at their fingertips. This emerging digital world is well known to our children, but its effects on their development are not well understood. Young people today are spending an average of 6½ hours with media each day. For those who are under age 6, 2 hours of exposure to screen media each day is common, even for those who are under age 2. That is about as much time as children under age 6 spend playing outdoors, and it is much more time than they spend reading or being read to by their parents. How does this investment of time affect children's physical development, their cognitive development, or their moral values? Unfortunately, we still have very limited information about how media, particularly the newer interactive media, affect children's development. Why? We have not charged any Federal agency with ensuring an ongoing funding base to establish a coherent research agenda about the impact of media on children's lives. This lack of a coordinated government-sponsored effort to understand the effects of media on children's development is truly an oversight on our part, as the potential payoffs for this kind of knowledge are enormous.

Consider our current national health crisis of childhood obesity. The number of U.S. children and teenagers who are overweight has more than tripled from the 1960's through 2002. We think that media exposure is partly the cause of this epidemic. Is it? Is time spent viewing screens and its accompanying sedentary lifestyle contributing to childhood and adolescent obesity? Or is the constant bombardment of advertisements for sugar-coated cereals, snack foods, and candy that pervade children's television advertisements the culprit? How do the newer online forms of ''stealth marketing'', such as advergaming where food products are embedded in computer games, affect children's and adolescents' eating patterns? Cell phones are one of the latest emerging high-tech gadgets to own,

and cell phone/iPod combination devices are now on the market. What will happen when pop-up advertisements begin to appear on children's cell phones that specifically target them for the junk food that they like best at a place where that food is easily obtainable? The answer to the obesity and media question is complex. A committee at the National Academy of Sciences is currently charged with studying the link between media advertising and childhood obesity. Will the National Academy of Sciences panel have the data they need to answer this important question? A definitive answer has the potential to save a considerable amount of money in other areas of our budget. For example, child health care costs that are linked to childhood obesity issues could be reduced by understanding and altering media diets.

After two adolescent boys shot and killed some of their teachers, classmates, and then turned their guns on themselves at Columbine High School, we asked ourselves if media played some role in this tragedy. Did these boys learn to kill in part from playing first-person shooter video games like Doom where they acted as a killer? Were they rehearsing criminal activities when playing this game? There is rising concern about extremely violent video games. Gov. Arnold Schwarzenegger signed a bill October 7 that will prohibit the sale of ''ultraviolent'' video games to children under 18 without parental approval. In August, the American Psychological Association passed a resolution calling for less violence in computer and video games sold to children, citing research suggesting that the games contribute to aggressive behavior. The Federal Trade Commission reports that 40 percent of children under 18 play mature-rated video games. A person who plays mature-rated video games at least 40 minutes per day views 5,400 incidents of aggression per month, according to the Journal of Broadcasting and Electronic Media. With so many of our children immersed in an electronic environment saturated with violent images, we have cause for serious concern.

In the violence and media area, Congress passed legislation so that research was conducted about the relationship between media violence and childhood aggression, and as a result, we know more. Even though much of this database is older and involves the link between exposure to violent television programs and childhood aggression, some answers were forthcoming about how the Columbine tragedy could have taken place. Even so, there is still a considerable amount of speculation about the more complex questions. Why did these particular boys, for example, pull the trigger in real life while others who played Doom confine their aggressive acts to the gaming context? We need to be able to answer questions about which children under what circumstances will translate game playing into reallife lethal actions. Investing in media research could potentially reduce our budgets associated with adolescent crime and delinquency as well as reduce real-life human misery and suffering.

Many of us believe that our children are becoming increasingly materialistic. Does exposure to commercial advertising and the ''good life'' experienced by media characters partly explain materialistic attitudes? We're not sure. Why then are we exposing children to heavy doses of advertisements in many of our nation's schools through Channel1 Network where ''free'' television sets to schools are provided in exchange for a small fee: unfettered access to advertise to children during school time? As streaming video programming proliferates on computers, cell phones and personal digital assistants, advertisers have more avenues to reach our children and bombard them with pro-consumption messages. As technology advances and becomes increasingly widespread among younger children, parents are justifiably concerned about losing control over the messages their children receive. Recent research using brain-mapping techniques finds that an adult who sees images of desired products demonstrates patterns of brain activation that are typically associated with reaching out with a hand. How does repeatedly seeing attractive products affect our children and their developing brains? What will happen when our children will be able to click on their television screen and go directly to sites that advertise the products that they see in their favorite programs? Or use their cell phone/iPod to download music or pay for products that they want immediately? Why should they wait? Why should they work for long-term goals? Exactly what kind of values are we cultivating in our children, and what role does exposure to media content play in the development of those values?

A research report linked very early television viewing with later symptoms that are common in children who have attention deficit disorders. However, we don't know the direction of the relationship. Does television viewing cause attention deficits, or do children who have attention deficits find television viewing experiences more engaging than children who don't have attention problems? Or do parents whose children have difficulty sustaining attention let them watch more television to encourage more sitting and less hyperactive behavior? How will Internet experiences, particularly those where children move rapidly across different windows, influence attention patterns and attention problems? Once again, we don't know the answer. If early television exposure does disrupt the development of children's attention patterns, resulting in their placement in special education programs, actions taken to reduce screen exposure during the early years could lead to subsequent reductions in children's need for special education classes, thereby saving money while fostering children's development in positive ways.

We want no child left behind in the 21st century. Many of us believe that time spent with computers is good for our children, teaching them the skills that they will need for success in the 21st century. Are we right? How is time spent with computers different from time spent with television? Or time spent with books? What are the underlying mechanisms that facilitate or disrupt children's learning from these varying media? Can academic development be fostered by the use of interactive online programs designed to teach as they entertain? In the first 6 years of life, Caucasian more so than African American or Latino children have Internet access from their homes. Can our newer interactive media help ensure that no child is left behind, or will disparities in access result in leaving some behind and not others?

The questions about how media affect the development of our children are clearly important, abundant, and complex. Unfortunately, the answers to these questions are in short supply. Such gaps in our knowledge base limit our ability to make informed decisions about media policy.

We know that media are important. Over the years, we have held numerous hearings in these chambers about how exposure to media violence affects childhood aggression. We passed legislation to maximize the documented benefits of exposure to educational media, such as the Children's Television Act which requires broadcasters to provide educational and informational television programs for children. Can we foster children's moral values when they are exposed to prosocial programs that foster helping, sharing, and cooperating like those that have come into being as a result of the Children's Television Act?

We acted to protect our children from unfair commercial practices by passing the Children's Online Privacy Protection Act which provides safeguards from exploitation for our youth as they explore the Internet, a popular pastime for them. Yet the Internet has provided new ways to reach children with marketing that we barely know is taking place, making our ability to protect our children all the more difficult. We worry about our children's inadvertent exposure to online pornography—about how that kind of exposure may undermine their moral values and standards of decency. In these halls of Congress, we acted to protect our children by passing the Communications Decency Act, the Child Online Protection Act, and the Children's Internet Protection Act to shield children from exposure to sexually-explicit online content that is deemed harmful to minors. While we all agree that we need to protect our children from online pornography, we know very little about how to address even the most practical of questions such as how to prevent children from falling prey to adult strangers who approach them online. There are so many areas in which our understanding is preliminary at best, particularly in those areas that involve the effects of our newer digital media.

By passing the Children and Media Research Advancement Act, we can advance knowledge and enhance the constructive effects of media while minimizing the negative ones. We can make future media policies that are grounded in a solid knowledge base. We can be proactive, rather than reactive.

In so doing, we build a better Nation for our youth, fostering the kinds of values that are the backbone of this great Nation of ours, and we create a better foundation to guide future media policies about the digital experiences that pervade our children's daily lives.

RECOGNIZING SHEILA DAUGHERTY OF NAPA, CALIFORNIA

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize my dear friend Sheila Daugherty of Napa, CA as she is honored by the Salvation Army Napa Corps.

The story of Sheila Daugherty is uniquely American. Growing up in a large Irish family, Sheila was taught the importance of helping others and serving one's community. She has

lived her life guided by the motto, ''See something that needs to be done and do it.''

Sheila was a Captain in the U.S. Army Nurse Corps, serving as a Civic Action Officer during the Vietnam War. Her service was rewarded with the U.S. Army Commendation Medal, the U.S. Army National Defense Medal and the Vietnam Campaign Medal.

For nearly 30 years, Sheila has devoted her life to working to improve the quality of life in the Napa Valley through a variety of positions including the Napa Valley Unified School District Board of Trustees, Board of Directors for the Volunteer Center of Napa County, the Queen of the Valley Hospital Board of Directors and volunteering for countless other civic causes.

For the past 11 years Sheila has worked closely with juveniles who suffer from drug and alcohol addictions. In 1997 Sheila implemented an outpatient substance abuse program for teenagers in Napa County. She was the driving force behind the creation of the Napa Tattoo Taboo program, which helps former gang members shed the symbols of their past by removing gang related tattoos.

In recognition of her contributions Sheila Daugherty is to be honored with the Salvation Army Napa Corps' ''Other's Award'' on September 16, 2005.

Mr. Speaker and Colleagues, it is appropriate today that we join in thanking Sheila Daugherty for her unwavering dedication to and love for our community. On behalf of the House of Representatives, I am proud to extend our heartfelt congratulations and best wishes to Sheila, her husband Lewis, sons Eugene and Matthew and two granddaughters Cecilia and Frances.

13TH ANNUAL DR. MARTIN LUTHER KING, JR., DAY IN FLOWER MOUND, TEXAS

HON. MICHAEL C. BURGESS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. BURGESS. Mr. Speaker, I rise today to recognize the 13th annual Dr. Martin Luther King, Jr., Day commemorative event in Flower Mound, TX, my home town.

As a leader in non-violent resistance, Dr. Martin Luther King, Jr. strongly advanced human rights with hope to end racial prejudice in the United States. In 1986, Martin Luther King Day was established as a U.S. national holiday in honor of Dr. Martin Luther King, Jr. Today, this honored memorial is observed on the third Monday of January each year, around the time of King's birthday. On January 18, 1993, for the first time, Martin Luther King Day was officially observed in all 50 U.S. states.

To honor the efforts of Dr. Martin Luther King, Jr., the Baha'is of Flower Mound, joined with the Town of Flower Mound, the Tau Rho Omega chapter of Alpha Kappa Alpha and other supporters, are sponsoring events commemorating and celebrating Dr. King's inspirational work. This celebration is intended to influence and educate young minds about the significance of freedom, liberty, and the acceptance of all individuals regardless of race, gender, national origin, religion, or social stratum. This year's events include Art and Essay contests among local middle and high school students. Twenty-eight prizes of $75 to $150 each will be awarded to winners. In addition, world-class runner, Gilbert Tuhabonye of Austin, will give the keynote address.

Mr. Speaker, it is with great honor today that I recognize this 13th annual event commemorating Dr. Martin Luther King, Jr. in Flower Mound. Education and inspiration are a few of the most important gifts we can give our children, and I believe this event honors a man who showed such vision and wisdom.

PROTECTION OF LAWFUL COMMERCE IN ARMS ACT

SPEECH OF

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 20, 2005

Mr. BLUMENAUER. Mr. Speaker, I am opposed to S. 397, the Gun Manufacturers Liability Protection Act. It is hard to imagine how people who have lived through the sniper experience in Washington, DC, and those who deal with potential terrorist acts in the United States would want to specifically weaken potential sanctions against people who abuse their business of selling firearms.

This legislation would have given a pass for the infamous Tacoma, WA, gun dealer who ''lost'' more than 200 weapons, one of which ended up in the hands of the sniper who killed 11 people in Washington, DC. Why anyone would want to shield people for that sort of reckless and illegal behavior is mystifying and it is certainly not worthy of passage by the House of Representatives. Were it not for gun politics, this legislation would never have seen the light of day.

HONORING CAMERON REEVES OF LAKE COUNTY, CA

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize Cameron L. Reeves of Lake County, CA, as he retires after a distinguished 24-year career providing superior legal advice and a profound knowledge of the law to the Lake County Board of Supervisors as the chief county counsel.

Cameron was born and raised in a small, rural town in Oklahoma. After graduating from San Diego State University with a degree in political science, Cameron enlisted in the military. He began his military career in 1966 serving as an Army Security Agency warrant officer working on profile missions involving North Korea and Vietnam.

It was while serving in the armed forces Cameron decided he wanted to attend law school. While balancing a family and his day job with the State government, Cameron earned his law degree from the University of the Pacific, McGeorge School of Law in 1974.

Mr. Speaker, in 1981, Cameron embarked upon what would become an unprecedented 24-year career as the chief county counsel for Lake County. A steadfast, selfless, hard working man, Cameron sought out Lake County's most challenging problems and faced them head on. When Cameron arrived, there was no formal plan to direct the legal course of action for Lake County. Therefore he created the Legal Lake County General Plan, the first of its kind in this area. He has also worked extensively to harbor a strong relationship with neighboring Yolo County working through very contentions water rights issues between the two counties.

Mr. Speaker, Cameron is highly respected throughout the county and has committed himself to the position of chief county counsel with the desire to better his community. Throughout his career, Cameron has been a constant wealth of knowledge and insight helping to guide and inform 17 Supervisors, enabling them to make the best decisions for the people of Lake County. His fellow colleagues have stated it will be difficult to replace Cameron, a man of extreme integrity and intelligence.

In retirement, Cameron plans on traveling around the U.S. and spending more time with his wife, Sharon, and their four children, Layne, Marcy, Leslie and Brandon.

IN RECOGNITION OF THE AMERICAN RED CROSS IN GREATER NEW YORK AND ITS CENTENNIAL CELEBRATION HONOREE, FORMER PRESIDENT BILL CLINTON

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mrs. MALONEY. Mr. Speaker, I rise to salute the American Red Cross in Greater New York (ARC/GNY), which held its centennial celebration on October 20, 2005. At this wonderful event, the ARC/GNY honored former President Bill Clinton for his leadership of humanitarian efforts in war and disease-ravaged areas throughout the world. I trust that the members of this chamber will join me in recognizing the tremendous efforts of both the New York Red Cross and our former President to relieve suffering both here in the United States and in the international community.

Though the International Red Cross has roots that stretch back to the mid-nineteenth century, the first Red Cross Chapter in New York City was established in Brooklyn in 1905. Since its founding, the New York Red Cross has played a leadership role in many of the most significant events of our time. In 1911, a fire destroyed the Triangle Shirtwaist Factory in Manhattan, killing 145 workers. Fortunately, the New York Red Cross was there to provide support and financial assistance to victims and their families. The following year, Red Cross volunteers assisted hundreds of survivors of the Titanic disaster, as well.

New York Red Cross volunteers also played important roles in both World Wars, feeding soldiers traveling to Europe and the Pacific, recruiting nurses and doctors, supplying medical equipment and clothing, and, perhaps most significantly, organizing and staffing hospitals overseas in support of the Army's medical program. In 1959, the American Red Cross in Greater New York was founded,

bringing together Red Cross chapters from each of New York City's five boroughs.

This year, the American Red Cross is leading much-needed efforts to assist those whose lives were upended by Hurricane Katrina. Since the hurricane made landfall, the Red Cross has provided shelter, food and more than $300 million to nearly 500,000 families. The ARC/GNY, for its part, has sent more than 100 trained staff members and volunteers to the Gulf Coast region, operated the largest Red Cross call center in the nation and sheltered nearly a thousand displaced families. All the while, the ARC/GNY continues to respond to tragedies closer to home: On average, the organization helps New Yorkers recover from eight fires, floods, building collapses and other disasters each day.

It is fitting that the staff, friends and volunteers of the New York Red Cross have chosen to honor another devoted humanitarian, President Bill Clinton. Since leaving office, President Clinton has devoted himself to helping underprivileged people around the world, in particular assisting those afflicted by the HIV/AIDS pandemic in Africa and the Asian tsunami disaster. During his tenure in the White House, Clinton presided over an economy that added 22 million jobs, worked with allies to put an end to ethnic cleansing in Bosnia and Kosovo, and played a major role in securing a meaningful and lasting peace in Northern Ireland.

Mr. Speaker, I request that my colleagues join me in recognizing the work of both the Red Cross in Greater New York and President Bill Clinton to help families displaced by disasters, war and disease. I am delighted to offer the ARC/GNY and President Clinton my very best wishes for many more decades of service to the neediest.

JOHN LAFALCE CONTINUES WORK FOR CONSUMER PROTECTION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. FRANK of Massachusetts. Mr. Speaker, my predecessor as the ranking Democrat on the Financial Services Committee, John LaFalce, continues to be a very informed, thoughtful advocate of consumer protection within the context of a well-functioning financial system.

On October 11, he wrote to the various bank regulators in support of legislation introduced by myself and Representatives MALONEY, SANDERS, LEE and MCCARTHY, H.R. 3449, dealing with abuses in overdraft protection.

Mr. LaFalce's thoughtful analysis of the problem and the reasons for addressing it are very persuasive, and because this is an important issue that we are addressing, I ask that his comments to the Federal regulators be printed here.

The Federal banking agencies recently issued guidelines for the operation of overdraft protection programs, and the Federal Reserve Board recently revised its Regulation DD with respect to the advertising of overdraft protection programs. Although well-intentioned, these new guidelines fall far short of what is needed in this area, and in many ways the recent regulations by the Fed only make matters worse.

I call H.R. 3449 to your attention because I believe that the problems it deals with are enormous, and can and should be dealt with, promptly, by regulation. I shall highlight some of the more significant problems dealt with by H.R. 3449 and urge the bank regulators to address those problems.

I. BANK CUSTOMERS GENERALLY DO NOT KNOW OF OR CONSENT TO EXPENSIVE OVERDRAFT PROGRAMS

Overdraft protection has been demonstrated to be the most expensive form of consumer credit, with effective rates of interest far higher than even payday loans. Unlike other forms of consumer credit, however, upfront information about the overdraft programs has not been mandated under Regulation Z because of an arcane exception for banks covering their customers' incidental overdrafts. As a result of this exception, the logic of which no longer applies to today's automated overdraft protection programs, banks have been able to create a very high-cost, short-term credit product without any obligation to inform consumers of how the overdraft protection works and the actual credit costs involved.

Furthermore, many and probably most consumers are automatically and unknowingly being placed into the bank's most expensive overdraft program, when there are often other better and far less costly alternatives. While consumers may wish to take advantage of an overdraft program, they deserve the opportunity to learn about the program other than through the imposition of the most expensive of overdraft fees, and they surely should be informed of less costly alternatives, and given a choice amongst those alternatives.

H.R. 3449 would ensure that consumers know they are signing up for overdraft protection and the actual costs of utilizing the overdraft coverage by requiring: specific written consent by the consumer to the program; disclosure of the fee for the overdraft service; disclosure of the types of transactions that will trigger the fee; disclosure of the time period in which the consumer must cover the overdraft; and disclosure of the circumstances under which an overdraft will not be honored.

The bank regulators should require such consent and disclosure, including information concerning any less costly alternatives offered by the bank, such as overdraft lines of credit or automatic cash transfers from linked accounts. Almost without exception, banks are not doing this.

II. THE REGULATORS HAVE LITTLE OR NO DATA TO QUANTIFY THE PREVALENCE, MAGNITUDE, OR NATURE OF THIS PROBLEM AND SHOULD COLLECT THIS DATA

On February 17 and 18, 2005, Sanford C. Bernstein & Co. released a study indicating that it was not uncommon for banks to have a large percentage of their pre-tax income attributable to fees. For example, at Wells Fargo and Wachovia it was 25%, at Mellon it was 30%, at Bank of America it was 33%, at AmSouth it was 42%, at Washington Mutual it was 51%, and at TCF Financial it was 82%. They also concluded that there is a criminal risk in actively marketing bounce protection programs.

On May 2, 2005, a Business Week article indicated that ''overall, banks raked in $32 billion in account service fees last year, up from $21 billion in 1999.'' They further stated that ''fees have become such a powerful source of profits that they exceed earnings from mortgages, credit cards and all other lending combined.'' Additionally, the article refers to a banking analyst at Sanford C. Bernstein & Co. who said that ''the poorest 20% of the country's 135,000,000 checking customers generate 80% of the $12 billion in annual overdraft fees.''

On May 5, 2005, the American Banker reported that in a study by one bank it was discovered that individual ''customers are spending thousands of dollars on overdraft fees each year. One retail customer paid $6,800.00 in the fist eleven months last year. At roughly $25.00 an overdraft, that works out to an average of about 22 bounced checks per month. The top business customer paid $8,825.00 in fees. The smallest total racked up by any of the 300 customers it analyzed was about $900.00 a year, or roughly three nonsufficient fund charges a month, assuming a $25.00 average.''

On May 26, 2005, the Center for Responsible Lending issued a report conservatively estimating that ''borrowers pay more than $10 billion dollars in overdraft loan fees per year.'' They actually believe the ''current amount of overdraft loan fees could be as large as $22.7 billion.''

On June 9, 2005, the Consumer Federation of America issued a report indicating that:

(1) ''At least 27 of the 33 institutions surveyed (81.8 %) have courtesy overdraft provisions written into the fine print of their account agreements that say that the bank may or may not, at its discretion, cover debits to checking accounts that would overdraw the account. All of these banks allowed depositors to overdraw their accounts at the ATM, 26 (78.8 %) allow overdrafts at point-of-sale debit transactions at merchants, and 17 (51.5 %) allow overdrafts from automated or scheduled electronic payments.''

(2) ''Twelve of the banks (36.4 %) charge additional fees for not repaying the overdraft within a certain period. These sustained overdraft charges begin on average after the fifth day the account is deficient. Seven banks charge an average $5.57 per-day sustained overdraft fee and five banks charge an average $27.50 single sustained overdraft fee.''

(3) ''Contractual overdraft protection is cheaper than discretionary courtesy overdraft.'' The fee for a link to a savings account averaged $7.38; a link to a credit card averaged $10.00; links to lines of credit averaged $5.20; and the automatic courtesy overdraft averaged $28.57.

The five federal banking regulators have a need to know what is happening in the institutions they are regulating. To do that, these agencies should have financial institutions report, on a going-forward basis by month or quarter:

(a) The number of customers charged these fees, distinguishing between accounts where the overdrafts are rejected and unpaid versus accounts where the overdrafts are covered via overdraft protection (and excluding linked credit and deposit accounts, since they are reported elsewhere);

(b) Total fee income, again distinguishing between the total fees on overdrafts that are unpaid (i.e., true NSF fees) versus the total fees on overdrafts that are covered via overdraft protection;

(c) The average number of days overdraft protection funds are outstanding before being repaid; and

(d) The total overdraft amounts which are classified past due, in default or written off during the relevant period. Financial institutions in fact have all of this information, so it should not be a hardship for them to provide this information in call reports. This data will give the regulators important information about the programs and potential safety and soundness exposures.

III. BANKS ARE ADVERTISING ''FREE'' CHECKING ACCOUNTS WHILE MAKING ENORMOUS FEES ON OVERDRAFT PROGRAMS; THIS SHOULD BE RESTRICTED

According to one of the largest overdraft protection program vendors in the country,

banks profit from overdraft protection whether or not the program itself is advertised. This is because profits are made from customer usage, whether the usage is planned or purely inadvertent. Not surprisingly, banks are pairing their overdraft protection programs with accounts that have strong consumer appeal, such as the so-called free checking accounts.

The Fed's recent revisions to Regulation DD and its related staff commentary were intended to rein in deceptive advertising of overdraft programs but had the perverse effect of creating an incentive to further hide the program from consumers. This is because the reforms mandated by the final rule, including the need to disclose the total monthly and annual overdraft fees incurred by the individual customer, are triggered only if the consumer is told about the program in advance. So long as a bank does not advertise the overdraft feature, the bank can fully promote its transaction accounts as being ''free'' and, just as perniciously, can avoid showing the total monthly and annual costs of overdraft fees in the periodic statement. Thus, the Fed's new rules that become effective in July 2006 will, in effect, create a safe harbor for banks to legally entrap customers.

H.R. 3449 would close this loophole and further prevent other deceptive marketing practices by prohibiting: advertisements of an account as ''free'' or ''no cost'' if the account includes overdraft protection; the marketing of overdraft protection as a short-term credit service; statements that the bank will cover any and all overdrafts if the bank, in fact, reserves the right not to do so; and statements that a negative account balance may be maintained, if the consumer, in fact, has to promptly cover the overdraft.

The bank regulators should make these prohibitions effective by regulation.

IV. ATM MACHINES DO NOT ALWAYS DISTINGUISH BETWEEN ACTUAL ACCOUNT BALANCES AND OVERDRAFT PROTECTION AMOUNTS

Customers are vulnerable to overdraft fees when accessing their funds from ATMs. While there are guidelines constraining this practice, banks have not been required to provide any sort of warning that a requested withdrawal would result in an overdraft of the customer's account. Some banks have gone well beyond relying upon a customer's ignorance of their actual balance, intentionally causing their customers to believe they have more funds in their accounts than actually is the case. For example, there are instances where banks have programmed their ATMs to show the actual account balance plus the available overdraft coverage as the balance available to the customer. This trick causes customers, particularly those with the lowest balances and who probably are the most financially vulnerable, to inadvertently overdraft their accounts and incur one or more overdraft fees.

H.R. 3449 would ensure that consumers who may overdraft their accounts at an ATM are given a chance to avoid overdrafting their accounts by requiring banks: to inform the consumer that a requested transaction will result in a specified overdraft fee, and to give the consumer an opportunity to cancel the requested transaction; and to disclose only the actual dollar balance in the account in response to a balance inquiry.

The bank regulators should adopt either the requirements of the HR. 3449 or their own guidelines as effective regulations.

V. OVERDRAFT PROTECTION FOR DEBIT CARDS MAY CONSTITUTE THE LARGEST ABUSE AND SHOULD BE RESTRICTED

The ordinary consumer probably writes far fewer checks and makes far fewer cash withdrawals from ATMs per month than the number of times he or she uses a debit card, for a debit card is often used daily and frequently.

In one day, for example, a debit card might be used for breakfast, lunch or dinner; at a grocery store, the cleaners, the gas station, the book store, the florist shop, the movies, etc. If overdraft fees were applicable, at $30.00 per overdraft, nine transactions would incur $270.00 in fees in one day.

Further, unlike checking accounts or ATMs, there is little likelihood of keeping an accurate account of one's cash balance. Hence, the potential for large overdraft fees from the use of debit cards is enormous.

There is no known data on this, for the regulators do not collect data. However, anecdotal information indicates that overdraft programs attached to debit cards may well be the most profitable source of fee income for banks, and the program that most preys upon consumers.

H.R. 3449 falls short here. It simply calls for the Fed to study the feasibility of informing customers of a potential overdraft, but study is not needed to tell us that strong regulation in this area would result in vendors developing practical and cost-effective solutions.

The bank regulators should either prohibit overdraft protection programs in connection with point of sale debit cards, or restrict the number of overdrafts to one per billing cycle with immediate and appropriate notification upon that single event.

VI. MANY BANKS AND BANK VENDORS MANIPULATE PAYMENT PROCESSING TO MAXIMIZE FEE INCOME

Many and perhaps most banks have programmed their computers to process customer payments in a manner designed to maximize overdraft fees; i.e., post the largest transaction first. In fact, many vendors' contracts often take a smaller percentage of each overdraft charge, provided the bank will pay the largest checks first, and then base their compensation on the amount of increase in fee income. This is all the more offensive given that, with overdraft protection, no checks get bounced, so processing the largest checks first is simply price gouging. To date, only the OTS has called for an end to this practice.

H.R. 3449 ensures that banks do not manipulate transaction processing in order to maximize the number of overdraft fees imposed on consumers, prohibiting both the delay of the posting of the deposits in an account and the posting of checks in an order designed to trigger one or more overdrafts.

The regulators should examine the contracts between the banks and the vendors to determine whether the compensation is based upon a percentage increase in fee income and whether the vendors are agreeing to take a reduction in their per overdraft compensation if the banks will permit them to manipulate the posting of checks to increase the number of overdrafts charged.

The bank regulators should adopt the provisions of H.R. 3449 by regulation, and should prohibit contracts between banks and vendors containing compensation provisions based upon increases in fee income. Those practices are unsafe, unsound, unfair, and deceptive.

VII. THE FEDERAL REGULATORS PUBLISHED AN EXCELLENT AND LITTLE KNOWN PAMPHLET DEALING WITH OVERDRAFT FEES THAT SHOULD BE ACTED UPON

A pamphlet virtually unknown to consumers, entitled ''Protecting Yourself from Overdraft and Bounced-Check Fees,'' and published by the five Federal regulators, states that there are ''other ways of covering overdrafts that may be less expensive.''

First, very few customers know this. Second, most banks do not want their customers to know this or to choose a less expensive option (that is why it is usually only the ''most expensive'' option that is made automatic). Third, in my experience, few bank tellers or bank managers are aware of the various options, or of the fees associated with each option.

H.R. 3449 calls upon the Fed to study the feasibility of consumer surveys and market testing programs.

I believe the bank regulators should simply engage in a ''mystery shopping'' program to establish the knowledge (or lack thereof) of bank personnel and to observe their actual practices. Once the agency does this, it will better understand the imperative to require a bank, upon account opening, to disclose the various options and fees, and have the customer select and consent to the option of their choice.

VIII. CONCLUSION

H.R. 3449 succinctly highlights the major problems with overdraft protection programs. Nothing here, however, requires a legislative solution. I urge the regulators, therefore, to take the lead by implementing regulatory solutions, as articulated above, and that incorporate many of the provisions of H.R. 3449.

Further, much can be done to reshape the industry by enforcing even the limited existing rules and regulations. Strong enforcement actions against the more egregious actors could set the tone for more responsible overdraft programs. So far, the OCC is the only agency to bring an ''unfair and deceptive'' action against any bank; I encourage every regulator to use this tool where appropriate.

HONORING THE REDBUD FAMILY HEALTH CLINIC IN CLEARLAKE, CALIFORNIA

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 24, 2005

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize the grand opening of the Redbud Family Health Center in Clearlake, CA on Sunday, October 23, 2005.

The Redbud Family Health Center is affiliated with the local Adventist Health Redbud Community Hospital. This new state-of-the-art 33,400 square foot facility located in the City of Clearlake provides services such as primary care medicine, dental services, pediatric services, a behavioral health program, obstetric and women's health services, general surgery, orthopedic surgery, cardiac testing services, and cardiac and pulmonary rehabilitation services. There is also a privately owned on-site pharmacy.

Mr. Speaker, each month this center provides superior medical attention to 4,500 residents of rural Lake County. Last year alone, the Redbud Family Health Center cared for 50,400 patients.

The Redbud Family Health Center has taken a leading role in organizing numerous public outreach events such as blood drives, free health screenings, and an Annual Health and Safety Fair which I am proud to co-sponsor each fall. Over $14 million in free and low cost services have been contributed to the community. These are only a few examples of the Redbud Family Health Center's commitment to enhancing the quality of life for all Lake County citizens.

Mr. Speaker and colleagues, it is appropriate that we recognize the grand opening of the Redbud Family Health Center, as it will play a vital role in continuing the tradition of a healthier and happier community in Lake County, CA.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, October 25, 2005 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 26

9 a.m.
Judiciary
To hold hearings to examine the Streamlined Procedures Act relating to Habeas Reform.
SD–226

9:30 a.m.
Environment and Public Works
Business meeting to consider S. 1772, to streamline the refinery permitting process, S. 1869, to reauthorize the Coastal Barrier Resources Act, and S. Res. 255, recognizing the achievements of the United States Fish and Wildlife Service and the Waterfowl Population Survey.
SD–406

10:30 a.m.
Judiciary
Terrorism, Technology and Homeland Security Subcommittee
To hold hearings to examine emergency preparedness relating to terrorism.
SD–226

2 p.m.
Budget
Business meeting to markup the proposed Deficit Reduction Omnibus Reconciliation Act of 2005.
SD–608

Energy and Natural Resources
Public Lands and Forests Subcommittee
To hold hearings to examine the implementation of the Federal Lands Recreation Enhancement Act (P.L. 108–447), by the Forest Service and the Department of the Interior.
SD–366

2:30 p.m.
Environment and Public Works
To resume hearings to examine Eco-terrorism specifically examining Stop Huntingdon Animal Cruelty.
SD–406

Homeland Security and Governmental Affairs
Federal Financial Management, Government Information, and International Security Subcommittee
To hold hearings to examine the tax gap, focusing on components that make up the tax gap and how to ensure that American taxpayers are not bearing the financial burden of those who are not complying with the law.
SD–342

Foreign Relations
To hold hearings to examine the nomination of James Caldwell Cason, of Florida, to be Ambassador to the Republic of Paraguay.
SD–419

Judiciary
Administrative Oversight and the Courts Subcommittee
To hold hearings to examine proposals to split the Ninth Circuit.
SD–226

Intelligence
To receive a closed briefing regarding certain intelligence matters.
SH–219

OCTOBER 27

9:30 a.m.
Indian Affairs
Business meeting to consider S. 1057, to amend the Indian Health Care Improvement Act to revise and extend that Act, S. 1003, to amend the Act of December 22, 1974, S. 692, to provide for the conveyance of certain public land in northwestern New Mexico by resolving a dispute associated with coal preference right lease interests on the land, a proposed bill to extend the statute of limitations for breach of trust claims, and S. 1219, to authorize certain tribes in the State of Montana to enter into a lease or other temporary conveyance of water rights to meet the water needs of the Dry Prairie Rural Water Association, Inc.
SR–485

Judiciary
Business meeting to consider pending calendar business.
SD–226

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine issues regarding the sending of remittances and the role of financial institutions.
SD–538

Energy and Natural Resources
To hold hearings to examine Administration's response to hurricane recovery efforts related to energy and to discuss energy policy.
SH–216

Agriculture, Nutrition, and Forestry
Forestry, Conservation, and Rural Revitalization Subcommittee
To hold an oversight hearing to examine the Forest and Rangeland Research Program of the USDA Forest Service.
SR–328A

2 p.m.
Finance
International Trade Subcommittee
To hold hearings to examine the status of World Trade Organization negotiations.
SD–215

Veterans' Affairs
To hold hearings to examine the rising number of disabled veterans deemed unemployable relating to the VA's individual unemployment benefit.
SR–418

2:30 p.m.
Foreign Relations
African Affairs Subcommittee
To hold hearings to examine cross-continental progress relating to African organizations and institutions.
SD–419

Intelligence
To receive a closed briefing regarding certain intelligence matters.
SH–219

OCTOBER 31

1 p.m.
Homeland Security and Governmental Affairs
Investigations Subcommittee
To hold hearings to examine reaching a consensus on United Nations reform regarding corruption in the United Nations Oil-for-Food program, including the oversight by the U.S. Office of Foreign Assets Control to stop misconduct by U.S. persons doing business under the Oil-for-Food program.
SD–342

NOVEMBER 1

10 a.m.
Energy and Natural Resources
National Parks Subcommittee
To hold hearings to examine the National Park Service's Draft Management Policies, including potential impact of the policies on park operations, park resources, interaction with gateway communities, and solicitation and collection of donations.
SD–366

2:30 p.m.
Judiciary
To hold hearings to examine pending nominations.
SD–226

NOVEMBER 2

9:30 a.m.
Indian Affairs
To hold an oversight hearing to examine In Re Tribal Lobbying Matters, Et Al.
Room to be announced

2 p.m.
Energy and Natural Resources
Public Lands and Forests Subcommittee
To hold hearings to examine S. 1541, to protect, conserve, and restore public land administered by the Department of the Interior or the Forest Service and adjacent land through cooperative cost-shared grants to control and mitigate the spread of invasive species, S. 1548, to provide for the conveyance of certain Forest Service land to the city of Coffman Cove, Alaska, S. 1552, to amend Public Law 97–435 to extend the authorization for the Secretary of the Interior to release certain conditions contained in a patent concerning certain land conveyed by the United States to Eastern Washington University until December 31, 2009, and H.R. 482, to provide for a land exchange involving Federal lands in the Lincoln National Forest in the State of New Mexico.
SD–366

NOVEMBER 3

10 a.m.
Energy and Natural Resources
To hold hearings to examine a status report on the Environmental Protection Management programs of the Department of Energy.
SD–366

Veterans' Affairs
To hold hearings to examine the rebuilding of VA assets on the Gulf Coast.
SR–418

10:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine agricultural transportation and energy issues.
SH–216

NOVEMBER 7

12:30 p.m.
Judiciary
To hold hearings to examine the nomination of Harriet Ellan Miers, of Texas, to be an Associate Justice of the Supreme Court of the United States.
SH–216

NOVEMBER 8

10 a.m.
Energy and Natural Resources
To hold hearings to examine the progress made on the development of interim and long-term plans for use of fire retardant aircraft in Federal wildfire suppression operations.
SD–366

2:30 p.m.
Agriculture, Nutrition, and Forestry
Research, Nutrition, and General Legislation Subcommittee
To hold hearings to examine the Pet Animal Welfare Statute.
SDG–50

CANCELLATIONS

NOVEMBER 1

9:30 a.m.
Judiciary
To hold hearings to examine Department of Justice and the Weapons of Mass Destruction Commission Recommendations.
SD–226