Privatizers are trying to claim that the sky is falling—the only way that they can justify the drastic changes that they are proposing. But the facts are different even without any changes, Social Security will be able to pay full benefits through 2038 and, after that, it will be able to pay 73 percent of benefits. Moderate changes are needed but not a privatization plan that will take $1 trillion out of the Trust Fund and reduce future benefits by up to 54 percent. It’s also reasonable to ask President why, if he thinks the situation is so dire, he decided to give a $1.7 trillion tax break, the majority of which goes to the wealthiest Americans, before taking steps to protect Social Security.

I want to draw my colleagues’ attention to a statement by AARP on the interim plan, which I think says it best: the Commission is out of the “mainstream” and the interim report is just a “public relations” ploy to undermine the basic guarantee of Social Security that would lead to cuts in guaranteed benefits and shift financial risk to individuals.

STATEMENT BY AARP EXECUTIVE DIRECTOR WILLIAM D. NOVELLI ON THE DRAFT INTERIM SOCIAL SECURITY COMMISSION REPORT

WASHINGTON, July 19.—The following is a statement by AARP Executive Director William D. Novelli on the Draft Interim Social Security Commission Report:

The President’s Social Security Commission continues to work toward a predeter-
mined outcome—a dramatic overhaul of So-
cial Security that would lead to cuts in guar-
anteed benefits and shift financial risk to in-
dividuals.

Today’s draft interim report puts forward a fundamentally flawed and biased view of the nature and purpose of Social Security. It implies that the program is riskier than pri-

date investment. It recycles old alarmist ar-
guments that portray the financial shape of Social Security in the worst possible light. The rhetoric in the report demonstrates how far outside the mainstream the Commission appears in approaching the issue of Social Security as a “novelty” and calling the system “broken.”

The draft report lays the public relations groundwork for a campaign to change the fundamental nature of Social Security. It ar-

gues for turning Social Security into a sys-

tem of wealth-building. But Social Security was designed to provide income protection and a floor of financial security. For many, especially women and minorities, Social Se-
curity is the only income-protection they will have, providing them with a lifetime, guaranteed benefit that is adjusted annually for inflation. The report ignores the fact that other programs currently exist for wealth-building through personal savings and employer provided pensions.

Individual accounts do not address Social Security’s long-term financing issues. Add-
on accounts—which have merit—can add value on top of Social Security, but taking money from workers’ Social Security con-

tribution accounts will exacerbate Social Security’s problem of too many retirees and advances the date of insol-

vency. Social Security is the bedrock of our na-

tion’s income security system. To preserve this benefit for future generations, the Com-
mission should focus on all potential options and tradeoffs, rather than a narrow and fun-
damental restructuring of the program. The sooner the nation begins to address the pro-

gram’s long-term financing needs, the more moderate the changes that are needed and the more time we need to think through what is best for those who need to adjust their plans.

INTERNET GAMBLING PAYMENTS PROHIBITION ACT

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 20, 2001

Mr. LAFALCE. Mr. Speaker, two years have passed since the Congressionally-mandated National Gambling Impact Study Commission released its final report on gambling in the United States. A major recommendation of the report, adopted unanimously by the Commis-
sion, was a Federal prohibition on Internet gambling. The Commission determined that the traditional approach of state regulation of gambling was inadequate to address the prob-
lem of Internet gambling and that Federal leg-
islation was needed.

The bill I am introducing today, the “Internet Gambling Payment Prohibition Act,” seeks to implement this important Commission rec-
ommendation. However, it does not propose an outright prohibition of Internet gambling, since outright prohibition presents significant technical and enforcement difficulties. Instead, the bill would restrict the electronic payments that permit online betting and, thus, make Internet gambling possible. Regulation of elec-
tronic payment transfers and the most tradi-
tional check clearance system are Federal re-
sponsibilities that, in my view, offer the most effective means to address the unique chal-
enges of Internet gambling.

Any American with a computer and a credit card can find numerous opportunities for high stakes gambling on the Internet. The number of Internet gambling sites has grown geometri-
cally in recent years. The Internet Gambling Council has identified some 1,400 web sites that entice people to engage in some form of gambling. The typical Internet gambling site or virtual casino operates from locations outside the United States, in places such as Antigua or the Netherlands Antilles that impose little regulatory scrutiny other than collecting licens-
ing fees. And Internet gambling is proving to be extremely lucrative for both site operators and their host countries. Between 1999 and 2001, combined annual revenues received by Internet gambling sites nearly tripled, from $1.3 billion to $3.1 billion. Industry experts ex-
pect annual revenues to double to more than $6 billion by 2003.

The problems presented by these lucrative and poorly regulated Internet gambling opera-
tions are numerous. There is no meaningful way to limit participation in gambling by ado-
lescents or by problem gamblers. There is no assurance as to the integrity of the web site operators or the honesty of their games. There are little or no protections against security breaches, hacking, diversion of credit card payments or identity theft. And there is a strong chance that many of the gambling operations are involved in money laun-
dering and other criminal operations.

Perhaps my greatest concern with Internet gambling is the fact that the problems created by compulsive gambling, which in the past were largely localized to areas with legal gam-
bles, are now spreading to anyone anywhere, but without any added public revenues to help ad-
dress these problems. The National Commis-
sion identified a very strong correlation be-
tween the availability of high stakes gambling opportunities and the incidence of problem or pathological gambling. Current estimates of compulsive gamblers range from 1.5% of the adult population to over 5%, depending on the amount of legal gambling in the state. Add to this another 15 million people which the Com-
mission identified as also being at risk at any time of becoming addicted gamblers, the po-
etential universe of problem gamblers is signifi-
cant. Psychologist estimate that more than 5 percent of people develop a gambling problem at some time, twice the rate of cocaine or other serious drug addicts.

Like alcoholism or any other addiction, the problems of compulsive gambling are not lim-
lited to individual gamblers, but affect entire families and communities. At a minimum, com-
 pulsive gambling leads to severe indebtedness and bankruptcy. Each time more and more prob-
lem gamblers seek help they have debts ex-
ceeding $120,000 and their families are in shambles. Compulsive gamblers have a high incidence of broken families and lost homes, poor work productivity and job terminations, health problem and related alcohol or drug ad-
diction. Most alarming is the high suicide rate among problem gamblers. The New York Times reported in 1999 that more than 80 per-
cent of compulsive gamblers seriously con-
sider suicide and nearly 20 percent attempt or succeed in killing themselves. This is consid-
erably higher than the suicide rate for major depression.

With the Internet rapidly expanding access to high-stakes gambling, the number of com-

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IN RECOGNITION OF TIMOTHY
JOHN LYNCH, SR.
HON. FORTEY PETE STARK
OF CALIFORNIA
HON. ELLEN O. TAUSCHER
OF CALIFORNIA
HON. GEORGE MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 20, 2001

Mr. STARK. Mr. Speaker, Mrs. TAUSCHER, Mr. GEORGE MILLER of California and myself would like to take this time to remember the passing and celebrate the life of a very special man, Timothy John Lynch, Senior. His memory will be honored this weekend, when a memorial redwood and plaque will be dedicated to him at the 50th anniversary celebration of the Pleasant Hill Parks and Recreation District.

Born July 20, 1917 in San Francisco to Irish immigrant parents, Timothy grew up in the Irish Castro District of the City. He left his home state during World War II and served as captain and bombardier instructor in the U.S. Army Air Corps. He was married for 57 years to Mary-Louise Leach, and was the proud father of seven children, eighteen grandchildren, and nine great-grandchildren.

In 1950, Timothy moved his family from San Francisco to Pleasant Hill, California. During that very same year, he helped to build a community fit for his family and friends. He realized the need for a community park and worked alongside other Pleasant Hill citizens to help raise funds to purchase the original land known today as the Pleasant Hill Park. Active in the Catholic Church his entire life, he also helped to establish Christ the King Catholic Parish, which is celebrating its fiftieth anniversary this year.

Shortly after settling in Pleasant Hill, Timothy served as a member and chairman of the Founding Board. He was elected and re-elected to serve on the board of trustees for the Pleasant Hill Parks & Recreation Department. Appointed to the Contra Costa Planning Commission, he made history as the first to represent the area that would later become the City of Pleasant Hill. Timothy also made efforts to contribute to education. He served as a member on both the President’s Advisory Council and the College President’s Fundraising Committee at St. Mary’s College of California.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002

SPEECH OF
HON. JUANITA MilleR-ROONEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 20, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2506) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes:

Ms. MILLER-ROONEY. Mr. Chairman, I am submitting the following letter that I received from the President about his position on my amendment to the Foreign Operations Appropriations Act, 2001.


HON. JUANITA MilleR-ROONEY, House of Representatives, Washington, DC.

DEAR CONGRESSMAN MilleR-ROONEY:
Enclosed is a copy of our recent report to Congress on the U.S. Agency for International Development’s efforts to prevent mother-to-child transmission of HIV/AIDS. It describes the vital role of mother-to-child transmission prevention activities and the complex issues that must be addressed as we and others expand our efforts in this important area.

Thank you for your interest in these programs.

Sincerely,
Robert M. LESTER,
Acting Deputy Asst. Administrator, Bureau for Legislative and Public Affairs,
Enclosure: a/s.