EXTENSIONS OF REMARKS

WHY IT ISN'T MANAGED COMPETITION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. STARK. Mr. Speaker, the advocates of managed competition are often asked how do we know if their theories will work? Do we dare entrust the Nation's entire health care policy to this untested scheme? In recent months, they have frequently replied by pointing to the recent success of the 800,000-plus California Public Employees Retirement System [CalPERS] as an example of managed competition that currently exists and works.

Following is a letter from the head of CalPERS asking that this stop.

CalPERS' health program was not modeled after "managed competition" as defined by the authors of the term.

The letter is particularly important for noting that CalPERS wants nothing to do with taxing the health benefits of workers and retirees—a key to the managed competition model. They are also very distrustful of unquestioned reliance on HMO's:

While we also deal with HMO's, at the same time we are troubled by the fact that some of them are corporations, driven by the need for profits to satisfy shareholders, and by the knowledge that excessive profits in a capitated setting can be obtained through underutilization.

The most interesting point, perhaps, is toward the end, where the letter warns that if we adopt managed competition and set up a national board and a system of health insurance purchasing cooperatives, we better not let the foxes into the chicken coop—that we need to keep the providers off these boards and make sure that the boards are run by and for the consumer and the patient:

In the event HIPCs become a part of the health care scene, each person on these boards should meet similar fiduciary standards of conduct—with breaches subject to criminal penalties—that the CalPERS Board is obligated to meet.

Mr. Speaker, when you look at the Jackson Hole group and the people who are supporting the theory of managed competition, you see that they are the big insurance, pharmaceutical, and for-profit hospital companies. The same ones who have created the current crisis. They would volunteer for frontal lobotomies before they would accept a managed competition plan that met CalPERS definition of consumer interest—and I would suggest that if we want to go down the road of managed competition that we adopt CalPERS idea and make this a consumer-run operation.

The full text of the letter follows:

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM,
Sacramento, CA, March 4, 1993.

Hon. PETE STARK,
U.S. House of Representatives, Washington, DC.

DEAR PETE: Over the past few months, the health care reform debate has begun to focus on so-called "managed competition," and the California Public Employees' Retirement System (CalPERS) health program is being cited as a model. Although we are proud of our innovation, cost efficiency and success, CalPERS' health program was not modeled after "managed competition" as defined by the authors of the term.

As you know, I am President of the CalPERS Board, and in that capacity, I want to thank you for your support of the active and retired public workers of California who are members of CalPERS. In 1991, when our independence was threatened, you championed our cause in the Congress with hearings, meetings in California, comments to the press and remarks in The Congressional Record. Our Board and members are deeply grateful for your interest, and we therefore want to set the record straight on how our health system works and our role in any health reform program that is being developed in Washington.

Our health program provides coverage for 887,000 public employees (and their family members) of nearly 800 government entities—75 percent of which have fewer than 100 employees, with some having only 2 or 3 workers. The program involves 19 Health Maintenance Organizations (HMOs) as well as a self-funded fee-for-service plan using Preferred Provider Organizations (PPOs) for members in areas not served by capitated arrangements and for those who choose to be served through this more traditional method.

Under "managed competition," employers would join in Health Insurance Purchasing Cooperatives (HIPCs) to negotiate with HMOs and other group practices charging capitation payments for a standard benefits package. Because of the similarities to our multiple employer cooperative, our use of HMOs, and our uniform benefits package, some consider us a prototype of "managed competition." Frankly, however, we were engaged in group purchasing with HMOs long before the terms "managed competition" and its companion "health insurance purchasing cooperative" were ever coined.

Furthermore, our program differs from "managed competition" in a number of important ways. For example, the advocates of "managed competition" believe that an essential component of the program is the taxation of employer-provided health benefits. We strongly disagree. We see a health benefits tax as not only a Federal preemption of the labor-management bargaining process, but also as a stalking horse for taxation of pension contributions and plan earnings.

"Managed competition" advocates would build an entire system around HMOs. While we also deal with HMOs, at the same time we are troubled by the fact that some of them are corporations, driven by the need for profits to satisfy shareholders, and by the knowledge that excessive profits in a capitated setting can be obtained through underutilization. Furthermore, we are curious as to the reasons for the anomalous situation in which a large non-profit staff model HMO has charges and year-to-year increases greater than the publicly traded HMOs.

We use HMOs because we are in California, where HMOs have a long history of use by our citizens. We recognize that California may be unique in this regard, and many areas of the nation do not have in place large HMO networks nor do the citizens feel comfortable using them.

As for our cooperative feature, CalPERS has worked with a large number of employers and their employees for pension plan purposes. Furthermore, for years health benefits have been provided through a CalPERS program. Thus, when the unending, annual increases in health care prices reached a breaking point, we were already positioned to react.

Those ever-burgeoning price increases reduced the standard of living for all workers—cutting into their paychecks and raising the amount of money they must pay for their health care directly. For retirees—many on fixed incomes—the impact has been especially severe and cruel. Our Board felt strongly that we had to take a forceful stand in behalf of our members to curtail these price increases and get our costs under control.

Last year, we negotiated a 6.1 percent rise in overall programs costs, but this year we decided to do better. A complex series of alternative plans containing more than 1,100 variations in benefits was converted into a uniform benefits package. This made it simple for consumers to see what they were getting for their money, enabling them to compare apples to apples and shop for their provider on a level playing field based solely upon price, quality and access. In addition, the Board directed its negotiating team to obtain a zero percent increase in costs.

Earlier this month, we announced that for health plan contracts effective August 1, 1993, there would be an average 1.4 percent increase in premiums. In the aggregate, the 19 HMOs providing health care to 80 percent of our members actually reduced their premiums by 0.4 percent, while our self-funded fee-for-service program, covering 20 percent of our members, rose only 7.9 percent—half the rate of increase for such programs nationwide.

In accomplishing this goal, we were not reading from some managed competition "guidebook." We said that we were tired of paying more each year and we assumed that efficiencies and economies could be obtained from the providers. Nor did we set a "global budget," as some health reform advocates propose. The State of California and its subdivisions were out of money and the employers just could not afford to pay more. Some public employees had to take cuts in pay and shoulder more of the health cost burden. We told the staff negotiators that we could not pay any more for health benefits in the coming fiscal year than we are paying in the current year.

As a result of aggressive negotiations and the implementation of a uniform benefits

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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package, some plans actually broadened benefits and decreased co-pay charges while other plans increased co-pays. In no case was there a reduction in benefits. While modest co-pay increases affected 40 percent of the members, these same members received an average $15 reduction in their monthly premiums. The remaining 60 percent of the members actually had benefits broadened and/or co-pay reductions. As you can see, it would be a very big mistake to characterize the savings we achieved as a cost shift to members.

The change to a single, uniform system-wide benefits package is only a one-time phenomenon. Now, we can really get to work. We will be able to test just how much fat there is in the system next year when we intend to negotiate further savings. In essence, we will continue to extract more price concessions from providers. some would suggest that further cost containment will be achieved by reducing eligibility and/or benefits. It would be yet another big mistake to assume that the CalPERS Board would allow this to happen.

Our Board is committed to continuing to provide affordable, comprehensive, quality health care to its active and retired members into the next century. Our board is comprised of elected representatives of employee organizations and retirees as well as employer representatives. We are accountable to the members of our program, and like your own constituents, we hear from them. Quite simply, we have no interest whatsoever in shrinking eligibility and reducing benefits and calling such actions "savings."

We are cognizant that our firm policy to obtain continuing price concessions from providers could result in pricing shifts to other purchasers. This is an area that needs to be monitored. As for our own program, we have developed—and we will continue to enhance and apply—quality and utilization review systems to monitor the performance of our plans. One of the purposes of these systems is to ensure that the price concessions we obtain are not offset by reductions in quality.

The health care economy is perverse in that the supply of providers creates the demand. As you know, I am an economist. I am aware of the studies that show that health care costs in the HMO-intense areas such as San Francisco Bay and Minneapolis rise at the same rate as in areas where fee-for-service dominates. A nation of HIPCs could, in theory, unleash marketplace forces to bring real demand into equilibrium with supply, reducing prices in capitated and fee-for-service settings.

Of one issue, however, I am certain. I do not believe we could have achieved the savings we have if providers and insurers (including HMOs, PPOs and indemnity companies) were represented on our Board. Our Board, comprised of representatives of employers and employees, made common sense, financial, non-medical decisions, free from the potentially intimidating influence of providers. Although we have medical and academic advisors, in the end, our board of consumers—employee and retiree representatives and employers—made the decisions.

It is my view that the Medicare and Medicaid programs were co-opted at their outset in the 1960s when the fiscal intermediary and agent functions were given over to the agents of the provider communities. You have worked hard to loosen their hold on Medicare, in particular. I further believe that efforts at health planning were doomed in the 1970s when providers took their seats on the consumer side of the tables at health systems agencies.

In the world in which you operate, it will be difficult to keep the foxes out of the chicken coop. I fear that when all of the political deals are made and all of the constituencies are satisfied, health care reform will be doomed unless health care providers and insurers are seated together on only one side—not both sides—of the bargaining table.

The reason why our Board took its responsibilities with regard to these health care price negotiations so seriously is that we are fiduciaries. In the event HIPCs become a part of the health care scene, each person on these boards should meet similar fiduciary standards of conduct—with breaches subject to criminal penalties—that the CalPERS Board is obligated to meet.

CalPERS is certainly pleased and honored that both the Clinton Administration and Congressional health leaders have recognized our achievements in holding down costs while providing quality health services to our beneficiaries, and we are very willing to share with them our methods and experience. We intend to respond to requests for information about our health program, but such responses should not be interpreted as an endorsement of one approach over another.

In that regard, we trust that we will not be further swept along with this debate as a result of the General Accounting Office audit of so-called HIPC models. Your Health Subcommittee directed that CalPERS be included within the scope of that audit. Although we hope that the information developed by the audit of CalPERS will make a positive contribution to the health reform debate, we want to make clear that we did not solicit inclusion in the audit nor do we consider our participation an endorsement of "managed competition" or any other health reform concept.

CalPERS has a full plate of responsibilities and problems here at home, and we hope that you will help ensure that we are not pulled into a debate that will distract us from our purpose of providing for the health and retirement benefits of close to one million Californians.

As always, thank you for your consideration and assistance. In late March, the Board will be in Washington, and we will be certain to call for an appointment so we can discuss with you in person our program and philosophy on health care delivery to our members. It will be good to see you again.

Sincerely,

WILLIAM DALE CRIST,
President, Board of Administration.

INTRODUCTORY STATEMENT REGARDING TRADE AGREEMENTS COMPLIANCE ACT

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. MATSUI. Mr. Speaker, today I rise to reintroduce legislation which will provide for the timely and effective review of the extent to which foreign countries are complying with bilateral trade agreements with the United States. I urge my colleagues to consider cosponsoring this important legislation.

Chapter I of title III of the Trade Act of 1974, as amended in 1988, includes a provision that gives the U.S. Trade Representative discretionary authority to monitor implementation of each trade agreement entered into by the United States. Under this existing provision, section 306, if the Trade Representative exerts this discretionary authority, conducts a review, and concludes that a foreign country is not satisfactorily implementing a trade agreement, the Trade Representative is required to determine what further action will be taken under the authority granted under section 301 of the act.

Unfortunately, the current review process simply does not ensure adequate oversight of existing bilateral trade agreements. The review process needs to be opened up so that our industries, which are directly impacted by these trade agreements; first, have access to the review process, second, have the right to petition their government, and third, can call attention to wrongdoing on the part of our trading partners. The absence of effective review procedures encourages foreign countries to enter into agreements with the United States and then disregard the commitments which were made.

My legislation seeks to remedy this problem by amending section 306 of the Trade Act to allow an interested party to request, at certain intervals, a review of any existing bilateral trade agreement. Under the terms of my legislation, an interested party is defined as an individual that has a significant economic interest that has been adversely affected by the failure of a foreign country to comply with the terms of a trade agreement. Upon receipt of a written request for review, the Trade Representative would have 90 days to review whether or not a foreign country was complying with the terms of the appropriate trade agreement.

In conducting the review, the Trade Representative would be directed to take into account a number of factors including structural policies and tariff or nontariff barriers which may have contributed directly or indirectly to noncompliance with the terms of the trade agreement. The Trade Representative would also be authorized to consult with the Secretaries of Commerce and Agriculture, with the U.S. International Trade Commission, and to receive public comment. Lastly, under this legislation, the Trade Representative would continue to have the discretionary authority to conduct reviews of existing trade agreements provided for under section 306.

These modifications will introduce a degree of accountability to our trade laws. The message is simple: if our trading partners agree to certain measures, they should be held accountable if they fail to abide by their commitments. Indeed, this proposition was clearly embodied in the section 301 process enacted by Congress in 1988. By adopting the 301 provisions, Congress explicitly acknowledged that violations of trade agreements are unjustifiable, and are deserving of our attention. The legislation which I am reintroducing completes the process Congress formulated in 1988, so that trade agreements will have meaning, that there will be accountability and oversight in the process of implementing these very agreements.

Quite simply, this legislation is designed to ensure that our trading partners do not take

advantage of the United States. It does not redefine what foreign trade practices are unfair. It simply confirms the obvious: failure to comply with a trade agreement is not fair trading practice. The only way to ensure that the commitments in trade agreements, some of which are actually extensions of previously unfulfilled agreements, are fulfilled, is to raise the degree of oversight of the agreements. It is time the United States forcefully asserted its rights under trade agreements, and the Trade Agreements Compliance Act is designed to assist U.S. industry in this regard.

This proposal was favorably acted upon in the Ways and Means Committee and included in the Omnibus Trade bill that passed the House last year. In addition, the Trade Agreements Compliance Act was also included in H.R. 11, the second tax bill passed by the Congress and then vetoed by President Bush. Given this past action, I am extremely hopeful that this measure will be successfully enacted during this congressional session, and I encourage my colleagues to support me in this important initiative.

FREEDOM FOR SYRIAN JEWRY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. SCHUMER. Mr. Speaker, I rise today to advise my colleagues that this past Saturday Jews around the country observed Shabbat Zachor, a Sabbath of Remembrance for four Jewish women who were brutally murdered while seeking to flee from Syria in 1974. I urge my colleagues to take this opportunity to reflect on the plight of the 1,400 Jews who today continue to live a fearful existence in Syria, held hostage by the brutal dictator Hafez Assad and forbidden to travel. Over the years, Syrian Jews have been arrested, held without trial, and tortured.

In April, 1992, after years of pressure from Congress and the executive branch, the Syrian Government began allowing Jews to leave the country. Twenty-seven hundred visas were issued and 2,500 people arrived in the United States. However, since October 1992, very few exit permits have been granted. Despite Syrian Government protestations that the travel policy for Jews has not changed, only a small number of individuals have been permitted to leave in the past months. Today, Assad continues to hold 1,400 Syrian Jews prisoner in his country.

Secretary Christopher raised the issue of freedom for Syrian Jews when he met with Hafez Assad just 2 weeks ago. Despite Assad's promise to the Secretary, the situation has not changed and Syrian Jews continue to suffer.

Let us think of this Shabbat Zachor as the year that Americans resolved to seek freedom for Syrian Jews, as we have for so many people around the globe.

PUNITIVE PSYCHIATRY IN SOCIALIST CUBA

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mrs. MORELLA. Mr. Speaker, I have been among those in Congress who have worked to bring greater attention to the abuse of human rights in Cuba. Dr. Armando Lago, a Cuban-American constituent who has written about the Castro regime's use of psychological torture, recently brought to my attention an article on the subject which appeared in, of all places, the Moscow News. I have excerpted parts of the article; I believe that Members will find it of interest:

PUNITIVE PSYCHIATRY IN SOCIALIST CUBA

(By Vladimir Orlov)

For the first time ever, Russian delegate at the UN voted for a resolution condemning human rights violations in Cuba. The UN Human Rights Commission in Geneva has censored the Castro regime for its suppressions of political opponents. The communist newspaper "Granma" describes Russia's move as "a base and treacherous betrayal".

JOSÉ

Cuba has travelled in just thirty years the road travelled by the Soviet Union in more than seventy. In the lifetime of just one generation, Cuba has graduated from "revolutionary justice" to "revolutionary legality", from destruction of "class enemies" to "political re-education" and to diagnoses like "indifference to socialism".

Cuban state security has taken control of psychiatric diagnoses. Hospitals are controlled by security men, the interior and public health ministries. Under Cuban law, any person held by security bodies can be subjected to psychiatric examination.

Investigators openly threaten to place in a psychiatric hospital both normal persons and those with psychiatric ailments if they are dissidents.

Victims. Leonardo Hidalgo Pupo, 20, Addressing thousands of fans attending a boxing match, he shouted: "Down with Fidel Castro! Let's end the dictatorship of Fidel Castro!" He was seized, dragged away from the ring, beaten up and arrested. According to some sources, he suffered from a brain tumour. After a brief spell at the Villa Marista security service headquarters he was taken to the Carbó-Serviá psychiatric hospital and diagnosed as a "paranoid schizophrenic".

Most victims of the regime are kept at the Carbó-Serviá which is controlled by the Havana Psychiatric Hospital (Mazorra is its former name). Carbó-Serviá and Mazorra have come to be words Cubans, especially young ones, used to remind anyone who talks too much of the potential danger.

The Carbó-Serviá is an old gloomy building, an eyesore among the smart modern structures. Each crumbling room inside has 90 folding beds arranged in rows. Next to the rooms is a canteen with cement floor and benches. Mental patients are employed as orderlies, who often beat up and rape normal patients. Two dissidents were murdered by mental cases.

Victims. Carlos Braulio Adames Barcindez of Santiago de Cuba was taken to the Gustavo Machin psychiatric hospital for his anti-Castro graffiti and subjected to three sessions of electric shock therapy without anesthetic.

Luis Alberto Pita Santos, 43. A former teacher of Marxism-Leninism, he became opposed to the regime. Took part in the Cuban Human Rights Commission and was arrested on charges of "running a secret printing shop". Diagnosed as "psychiatrically disturbed" he spent at least 26 days at the Carbó-Serviá.

The victim is secured to the floor wet with the vomit, urination and excrements of the previous victims. Next he is put in cold water for better conductivity with the electrodes affixed to the head and genitals. The current is switched on till the victim stops thrashing about and loses consciousness.

There is evidence that at least seventeen dissidents were administered large doses of psychotropic drugs forcibly. Those who resisted were beaten up to a state where they were no longer able to resist. Some drugs are added to food, and the only way to preserve your brain from slow destruction is to go on hunger strike.

Victim. Samuel Martinez Lara, certified psychiatrist, 40. Received a degree from the University of California, Berkeley, in 1976 and returned to Cuba. In 1982, Cuban special services demanded that he reveal details about one of his patients. He refused, and was arrested on charges of spying for the CIA since he studied in the U.S. His wife and son were also arrested "for planning to illegally leave Cuba" under Article 247 of Cuban Criminal Code.

While in prison, the psychiatrist met Cuban human rights activists Ricardo Bofil and Elizardo Sánchez. Then he was released, rearrested, threatened with being "dumped in a psychiatric hospital and warned that he would be tortured there.

Samuel joined the Human Rights Party and in an interview with the American CBS TV refer to Castro's Cuba as "the most criminal and repressive regime on the continent". He staged a demonstration outside the Soviet Embassy in Havana. Soon after, a crowd of "angry working people guided by revolutionary intuition" burst into the apartment where human rights activists were holding a secret meeting, staged a crackdown and handed them over to the police.

He was tried for crimes against state security and certified as a "mental case". He was finally ordered to leave Cuba last June and now lives in Miami.

Cuban-type "therapy" of dissidents is importantly different from the Soviet one in that it doesn't bother much about diagnoses. As few as eleven political patients were officially recognized mental cases. One of them is Julio Vento Roberes was diagnosed thus; "He imagines himself a protector of human rights". The other dissident has written in his case history: "Indifferent to socialism".

Whereas the Soviet psychiatry was a camouflage and sometimes very clever, that made it possible for the regime to conceal the real number of political prisoners and even to achieve a more "liberal" image, Fidel needs no camouflage. Political psychiatry there is simply a different version of torture.

ESPRIT AT CORE OF HARD-BIT APPLE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. RANGEL. Mr. Speaker, I commend the following article to the attention of my col-

leagues. It articulates poignantly the valor, bravery, and decency displayed by the emergency service personnel and the occupants of the World Trade Center during the explosion 2 weeks ago.

ESPRIT AT CORE OF HARD-BIT APPLE

Let's leave aside for the moment the crushing problems caused by large-scale Manhattan terrorism, the bomb at the World Trade Center: the five dead, the thousand injured, the shattered nerves and lives, the cleanup to come.

We don't know exactly what happened. All we know is that once it did, everyone behaved magnificently. Once again, New Yorkers are exposed: They are nice people.

Why were New Yorkers able to cope, to evacuate the twin towers without panic and hysteria, without the trampling of rock concert and soccer stadium catastrophes? New Yorkers are so accustomed to adversity, congestion and impossible conditions that they were equal to an unparalleled disaster.

Every day in their gritty lives, they are so elbowed, jostled, crammed, that it is almost second nature to them. Add in clouds of acrid black smoke, jammed, unlit stairwells—these are differences of detail, not kind. Everyone, from Gov. Mario Cuomo to the kindergartners trapped in an elevator between the 36th and 35th floors behaved like troupers. One group of 14 children who took seven hours to come down, went andante cantabile, singing, "I love you, you love me."

We all have a new standard to live by. We must ask ourselves, could we struggle down 100 floors in the pitch dark, being suffocated by smoke, not knowing what the next step would bring, with no one in charge and no guiding voice to tell us what to do? Probably not. New Yorkers looked after their own. A pregnant woman was passed down the steps; a paraplegic was carried by a relay of colleagues; a woman in a wheelchair was picked up and handed down. The brokers and lawyers came through, along with the police officers, firefighters, mechanics and engineers. As New Yorkers, they had always expected the worst.

New York's big secret is that New Yorkers are nice to each other. they don't think a great deal of out-of-towners. It is the contempt of the Marine for the Sunday soldier. Only New Yorkers can keep the pace, stand the gaff, push ahead. They have little to say to foreigners, because when you come right down to it, what do they know? Foreigners can't cope with the crazies, the line-jumpers, the subway crush.

But watch them among themselves, and you will see kindness, solicitude, even tenderness. Observe the tired worker easing into a seat at a counter where he eats every night. The waitress who has just barked at three pallid foreigners for one reason or another, or maybe because she just felt like it, will approach the toiler and lean over, all sympathy: "Tough day?" or "Mother better?" And, "We have apple tonight, I saved you a piece."

The edge is for the others, the people who come to town and don't walk fast enough or talk fast enough to be any good to anybody. New Yorkers walk around with a chip on the shoulder, exuding "survival of the fittest" sternness. Except, as a bomb blast proved, they don't mean it. One lawyer went back to his office to rescue a colleague in a wheelchair.

Politeness campaigns are periodically launched in New York by embarrassed officialdom. They don't often work because your real New Yorker equates polite with weak. Taking time to say "good morning," "excuse me," or "thank you" will slow you down, could mean you'd lose your place on the side walk, backing up pedestrian traffic for 50 blocks. You could lose your train, bus, taxi.

Cuomo understands his city. He made a speech that was pure New York, bristling with defiance. The terrorist or terrorists, whoever they may be, chose the wrong city for their date with terror. Did they think they could slow down New York, empty its skyscrapers? No way. The governor has offices in the World Trade Center, can't wait to get back in them. Do the maniacs think that bombs will frighten the city out of existence? "Don't bother," says the governor with the approved brusqueness.

When San Francisco had its earthquake in 1989, there were tales of rescue and kindness and sacrifice. Nobody was surprised; this is the land of the street pantomime, the astrological sign, the self-esteem commissions.

But New York? This explosion of kindness, this automatic heroism? Yes, it happened. Nothing New York can do about it. We have their number now. Maybe, bombs and all, we won't be so afraid to go there again.

TRIBUTE TO RON SCHMIDT

HON. MICHAEL J. KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. KOPETSKI. Mr. Speaker, last fall shortly after the November election, Oregon lost a hero, Oregon lost a dear friend and Oregon lost a piece of herself. Oregon lost Ron Schmidt, age 56, to a lengthy battle with cancer. Oregon lost someone who built a better Oregon. For 30 years Ron Schmidt worked to make Oregon a better place to live. And he did.

One local columnist wrote of Ron Schmidt, He taught me what it takes to be an Oregonian. It has something to do with being willing to take risks, with caring, with being decent, with being a maverick, with being forgiving, with never, ever, being afraid. But—mostly—it has to do with recognizing that being an Oregonian is a responsibility, not a right. It has to do with cherishing this place, with revering its special magic.

Oregon Senator MARK HATFIELD, in one of many tributes to Schmidt, stated, "He was a builder, always looking for ways to make his community better."

Ron Schmidt was quoted, "I have had a love affair with Oregon all my life." Shortly before his death, Schmidt said, "There is a feeling here in Oregon that is different from any other place. There is a feeling of caring, of innovation, willing to try things. There is an honesty in this State."

Schmidt served under Gov. Tom McCall, clearly one of our greatest Governors, for 8 years beginning in 1966. As an administrative assistant press aide and finally Governor McCall's executive assistant, Ron Schmidt was known as the idea man. During the McCall administration, Schmidt played vital roles in adopting a variety of legislation. In 1967, the McCall administration supported the Willamette greenways bill. This legislation set aside money to preserve the natural beauty along the Willamette River and helped cities and counties acquire rights to new riverside park properties. Today, 26 years later, the Willamette River waterfront in Portland is one of Oregon's greatest and most beautiful attractions. Thousands of Oregonians, and visitors to Oregon, use the waterfront each and every day.

The McCall administration also passed the Nation's first bottle bill in 1971. Known as the Oregon Beverage Container Act, this legislation defined Oregon as a leader in environmental awareness. The House of Representatives is once again considering bottle bill legislation; some 22 years after Oregon passed this legislation.

In 1975, Ron went on to found Oregon's most influential and successful public relations firm, Pihas, Schmidt and Westerdahl. Known as the State's top spin doctor, Schmidt attracted some of the biggest firms in Oregon. Schmidt's firm also worked on over 20 statewide ballot measures and incredibly lost only two campaigns. Ron Schmidt helped persuade Oregonians to support the Oregon lottery, to build the Oregon Convention Center and to oppose a variety of property tax limitations measures.

Ron's last public pitch epitomizes his commitment to and love for Oregon. Schmidt spoke on several occasions against the controversial ballot measure 9. This oppressive ballot measure would have limited the rights of homosexuals and lesbians in our State. Schmidt told one group that his one last wish was to live to see measure 9 defeated. On election night, Schmidt was informed of ballot measure 9's resounding defeat and he scribbled the words, "It will bring Oregon together again."

Mr. Speaker, Ron Schmidt's legacy and contribution to Oregon will be felt for generations to come. Future generations may not know his name, but they will live within his vision of Oregon. Truly, Ron Schmidt was one of Oregon's greatest empire builders.

Mr. Speaker, I offer this tribute to my friend, Ron Schmidt, and add my condolences to his partner, friend, and spouse, Ede Schmidt.

GRANT STATE STATUS TO INDIAN TRIBES FOR ENFORCEMENT OF SOLID WASTE DISPOSAL ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. RICHARDSON. Mr. Speaker, today I am introducing a bill which amends the Solid Waste Disposal Act to authorize the Administrator of the Environmental Protection Agency to treat Indian tribes as States for purposes of enforcing the provisions of the Solid Waste Disposal Act. The Congress has approved similar amendments to the Clean Water Act, the Safe Drinking Water Act, and the Clean Air Act. This bill is the next logical step to provide for the consistent treatment of Indian tribes as sovereign governments. This bill will provide Indian tribes with the assistance to establish regulatory programs on the reservation to address issues related to solid waste.

Over the many years that States have received assistance from the EPA, States have

developed comprehensive environmental protection programs and have developed the regulatory capacity to directly administer federally delegated programs under the Safe Drinking Water Act, the Clean Water Act, the Clean Air Act, and the Resource Conservation and Recovery Act. Over this same period of time, Indian tribes were not eligible to receive assistance from the EPA to develop environmental protection programs and to build tribal environmental regulatory capacities. The provisions of this bill will allow Indian tribes the same opportunities that are available to the States to build program capacity and fully develop tribal environmental protection programs under the authority of the Solid Waste Disposal Act. The bill will enable Indian tribes to effectively plan and develop a reservation specific approach to environmental protection in the same manner the State environmental programs have been encouraged to develop and plan.

This bill provides that the Administrator may treat an Indian tribe as a State if the Indian tribe has a governmental body carrying out substantial governmental powers; and the regulatory authority to be exercised by the tribe pertains to land and resources held by the tribe, held by the United States in trust for the tribe, held by an individual tribal member if is subject to a trust restriction, or is otherwise in Indian country; and the Administrator determines that the Indian tribe is reasonably capable of carrying out the duties required under the act and any applicable regulations. The bill allows Indian tribes to enter into cooperative agreements with States to jointly plan and administer the requirements of the act subject to the approval of the Administrator. Finally, the bill authorizes the Administrator to undertake an inventory of hazardous waste sites and open dumps located within Indian country. The Administrator is authorized to assist Indian tribes to upgrade open dumps to comply with the Solid Waste Disposal Act.

Mr. Speaker, it is time that we extend to Indian tribes the same opportunities to develop environmental protection programs to address all aspects of environmental quality. The Environmental Protection Agency must provide consistent treatment to Indian tribes across all environmental media areas. This legislation will provide Indian tribes with the tools necessary to plan and develop sound environmental policies and programs. I look forward to working with my colleagues on the Energy and Commerce Committee on this important measure and urge my colleagues to support this bill.

NATIONAL HEALTH CARE ANTI-FRAUD ACT OF 1993

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. STARK. Mr. Speaker, today I am pleased to join with my colleague Mr. LEVIN in introducing H.R. 1255, the National Health Care Anti-Fraud Act of 1993. This bill establishes an effective national program to control fraud, waste, and abuse in our health care system.

Few issues affect the American people as profoundly as the exploding costs of health care. Health care costs have escalated to more than $900 billion this year. President Clinton has focused national attention on the problem of controlling the rising costs of health care.

According to recent polls, most Americans believe that health care costs are skyrocketing because of waste, corruption, and profiteering. According to the U.S. General Accounting Office [GAO], as much as 10 percent of health care costs, or $90 billion, is lost each year to health care fraud and abuse.

In 1992, the General Accounting Office reviewed public and private efforts to control one fraudulent scheme known as the rolling labs scheme. The rolling labs scheme involved the performance of enormous numbers of unnecessary tests and the submission of falsified claims in order to receive payments. In 1986, as a result of an extensive investigation by the inspector general, the rolling labs ceased treating Medicare and Medicaid beneficiaries. However, these rolling labs continued operating and billing the private insurers until July 1991. Over a 10-year period, the rolling labs scheme resulted in $1 billion of fraudulent claims to public and private insurers.

Most fraudulent activities involve both Government programs and private payers. Few States have as comprehensive health care fraud laws as the Medicare and Medicaid programs. The bill would establish a national health care fraud and abuse program, coordinated by the Office of the Inspector General [IG] of the Department of Health and Human Services. With 16 years of successful investigations in Medicare and Medicaid fraud, the IG has the most experience of any Federal agency in investigating health care fraud. The IG has been innovative and active in this field by providing training to other law enforcement agencies and by being a founding member of the National Health Care Anti-Fraud Association.

The bill would extend Medicare and Medicaid's proven enforcement remedies of civil monetary penalties and criminal penalties to private payers. The policies are proven and represent 25 years of experience in fighting fraud and abuse under Medicare.

Though the Federal Government does a better job than the private sector in rooting out fraud and stopping abusive practices, they could do more. For example, the IG was successful in securing nearly $7 billion in savings to the Medicare Program through enforcement of existing Medicare anti-fraud and abuse statutes. Unfortunately, the IG has to spend money to make money and that is not happening. In 1992, the IG's budget was reduced by $6 million.

The National Health Care Anti-Fraud Act of 1993 includes and builds upon recent recommendations of the administration's task force to combat health care fraud and abuse. Under H.R. 1255, civil monetary penalty amounts would be increased to no more than $10,000 per item or service and damage amounts would be increased to no more than triple the amount claimed. A new administrative civil monetary penalty for kickback violations also would be established.

The bill also includes provisions restricting durable medical equipment suppliers from making unsolicited telephone contacts with beneficiaries. These provisions were included in H.R. 3837, which passed the House on August 3, 1992.

I believe that the time has come for action on this issue. Over the past 3 years, this subcommittee has held four hearings on issues relating to fraud and abuse. As my colleagues know, ample evidence exists to show that fraudulent activity is costing all of us money. I would like to thank the members of this subcommittee, particularly Mr. LEVIN, for their contributions.

By enacting the National Health Care Anti-Fraud Act of 1993 we can stop unscrupulous providers and realize significant savings.

A summary of the bill follows:

SUMMARY OF THE NATIONAL HEALTH CARE ANTI-FRAUD AND ABUSE ACT OF 1993

1. ALL-PAYER FRAUD AND ABUSE PROGRAM

The Secretary of Health and Human Services would establish and coordinate an all-payer national health care fraud control program to restrict fraud and abuse in private and public health care programs. The Secretary would be authorized to conduct investigations, audits, evaluations and inspections relating to the delivery of and payment for health care. The administration of the national program would include the coordination of the Medicare and Medicaid fraud and abuse programs.

2. COORDINATION WITH LAW ENFORCEMENT AGENCIES AND THIRD PARTY INSURERS

The Secretary would be required to consult with and arrange for the sharing of data with the Attorney General, State law enforcement agencies, State Medicaid fraud and abuse units, State agencies responsible for the licensing and certification of health care providers and third party insurers.

3. REGULATIONS REGARDING ALL-PAYER FRAUD AND ABUSE PROGRAM

The Secretary shall establish standards to carry out the program.

(a) Information standards.—All qualified health insurance plans, providers and others would be required to cooperate with the national fraud control program and to provide such information necessary for the investigation of fraud and abuse. The Secretary would establish procedures to assure the confidentiality of the information required by the national fraud and abuse program and the privacy of individuals receiving health care services. A qualified immunity would be provided to persons providing information to the Secretary under the national health care fraud and abuse program.

(b) Disclosure of ownership information.—In applying for unique provider numbers, providers would be required to disclose information that the Secretary deems appropriate, including information relating to the ownership of a health care entity.

(c) Standards related to issuance of provider identification codes.—The Secretary would be required to develop standards relating to the issuance of provider identification codes.

4. AUTHORIZATION OF APPROPRIATIONS FOR INVESTIGATIONS AND OTHER PERSONNEL

The fraud and abuse staff within the Office of the Inspector General of the Department of HHS would be increased to administer the national health care fraud control program. The bill provides authorizations of $300 million in 1995, $350 million in FY 1996, $400 million in FY 1997, and $450 million in FY 1998.

5. ENSURING ACCESS TO DOCUMENTATION

The Inspector General of the Department of Health and Human Services is authorized

access to documentation in accordance with the Inspector General Act of 1978. Any individual or entity who fails to comply with a request of the Office of the Inspector General of the Department of HHS for records, documents and other information necessary to carry out activities under the all-payer fraud and abuse control program may be excluded from participating in Medicare and State health care programs.

6. ESTABLISHMENT OF ANTI-FRAUD AND ABUSE TRUST FUND

The bill provides that a portion of the civil money penalties, fines and damages assessed would be deposited in a trust fund. The assets of the fund would be used, in addition to such appropriated amounts, to meet the operating costs of the national health care fraud control program.

7. APPLICATION OF CIVIL MONETARY PENALTIES TO ALL PAYERS

The provisions under the Medicare and Medicaid programs which provide for civil monetary penalties for specified fraud and abuse violations would apply to similar violations for all payers in the national health care system.

The violations would include billing for services not provided, submitting fraudulent claims for payment, hospitals giving financial incentives to physicians to reduce or limit care provided to hospital inpatients, and other violations currently included under the Medicare program.

Violations specifically tailored to the Medicare and Medicaid programs would not, however, constitute violations under the all-payer fraud and abuse control program. Such violations include overcharging under an assignment agreement and physician or supplier participation agreement, charging more than limiting charge or actual charge restrictions, and giving false or misleading information concerning hospital services which could reasonably be expected to influence a decision concerning when to discharge a patient.

8. APPLICATION OF CRIMINAL PENALTIES TO ALL PAYERS

The provisions under the Medicare and Medicaid program which provide for criminal penalties for specified fraud and abuse violations would apply to similar violations for all payers in the national health care system. The violations would include willful submission of false information or claims, acceptance of kickbacks, bribes or rebates in return for referral for services, and other violations currently included under the Medicare program.

For providers who violate specified fraud and abuse provisions, penalties would include fines, treble damages and imprisonment. The Secretary would also identify opportunities for the satisfaction of community service obligations that a court may impose upon the conviction of an offense under this section.

Violations specifically tailored to the Medicare and Medicaid programs would not, however, constitute violations under the all-payer fraud and abuse control program. Such violations include knowingly making a false statement concerning qualifications of an institute in order that the institute qualifies for Medicare, knowingly charging for services under Medicaid in excess of rates established by the State, and knowingly and repeatedly violating the terms of assignment agreements under Medicare.

9. AMENDMENTS TO ALL-PAYER FRAUD AND ABUSE PROVISIONS

The following revisions would apply to both the Medicare and Medicaid program and the all-payer fraud and abuse program.

(c) Civil monetary penalties.—The bill would clarify that claiming a higher code for purposes of reimbursement is prohibited and subject to civil monetary penalties. An intermediate civil monetary penalty would be established for anti-kickback violations. The current civil monetary penalty would be increased to no more than $10,000 for each item and service, and the assessment would be increased to three times the amount claimed for such items or services.

(b) Private right of enforcement.—An individual who has suffered damages as a result of a violation of the civil monetary penalty section of the Medicare and Medicaid statute would be permitted to bring an action in the U.S. District Court, if after expiration of a 60-day period the Secretary does not notify the individual that the Secretary intends to pursue a civil monetary penalty. If after one year, the Secretary has not proceeded with reasonable due diligence in investigating the matter, the individual may proceed with an action.

If the Secretary proceeds with the action, the individual may receive an amount the Secretary decides is appropriate restitution. If the Secretary does not proceed with an action, 10% of the proceeds of the action or settlement of a claim would be deposited in the anti-fraud and abuse trust fund.

(c) Criminal penalties.—The current employer-employee statutory exception would be clarified to prohibit payments to employees based on value and volume of referrals to the employer.

The United States may bring an action in an appropriate District Court of the United States, as currently provided under the civil monetary penalties section, to enjoin activity which makes a person subject to a criminal penalty and enjoin the person from concealing, removing, encumbering, or disposing of assets which may be required in order to pay a criminal penalty.

10. AMENDMENTS TO MEDICARE FRAUD AND ABUSE PROGRAM

The following revisions would only apply to the Medicare and Medicaid programs and would not constitute violations under the all-payer fraud and abuse program.

(a) Mandatory exclusion.—The Secretary currently has authority to exclude individuals and entities from Medicare and Medicaid based on convictions of program-related crimes and convictions relating to patient abuse. The bill would extend the Secretary's authority to felony convictions relating to fraud and felony convictions relating to controlled substance.

(b) Permissive exclusion.—The bill would extend the current permissive exclusion authority for entities controlled by a sanctioned individual to individuals with controlled interest in sanctioned entities.

The bill also would establish minimum periods of exclusion for certain violations already specified in the Medicare and Medicaid statute.

(c) *Civil monetary penalties.*—The bill would clarify that the routine waiver of Medicare Part B copayments and deductibles would be prohibited and subject to civil monetary penalties. In addition, providing items or services at less than the fair market value and retention by an excluded individual of an ownership or control interest of an entity who is participating in Medicare or Medicaid would be prohibited and subject to civil monetary penalties.

(d) *Quality of care sanctions.*—The bill would establish civil monetary penalties, of not more than $10,000, for each case in which the practitioner or person failed to substantially comply with the corrective action plan of the Peer Review Organization. In addition, the requirement that the provider be shown to be "unwilling or unable" to meet obligations agreed to by the provider before the Secretary may exclude the individual from participating in Medicare would be deleted.

11. RESTRICTION OF TELEMARKETING OF DURABLE MEDICAL EQUIPMENT TO MEDICARE BENEFICIARIES

Supplies would be prohibited from making unsolicited telephone contacts with beneficiaries, unless the beneficiary gives permission to the supplier, or the supplier has furnished the beneficiary with a Medicare covered item within the preceding 15 months. No payment would be made for any items furnished in violation of these provisions.

The Secretary is required to exclude from programs under the Social Security Act suppliers who knowingly make prohibited telephone contacts to such an extent that the supplier's conduct establishes a pattern of contacts in violation of the prohibition. The supplier must refund any amounts collected on a timely basis to patients or be subject to certain sanctions.

12. HMO INTERMEDIATE SANCTIONS UNDER MEDICARE

The Secretary would also be able to impose civil money penalties on Medicare-qualified HMOs for violations of Medicare contracting requirements.

13. EDUCATION OF MEDICARE BENEFICIARIES ABOUT THE EXISTENCE OF FRAUD AND ABUSE

The Secretary would notify individuals at the time of enrollment under Medicare and periodically thereafter through mailings regarding the existence of health care fraud and abuse. In addition, the Secretary would establish a mechanism for individuals to report health care fraud and abuse.

14. PUBLICATION OF SANCTIONS AGAINST PROVIDERS

The Secretary would be required to publish on a quarterly basis in the Federal Register a report of all final adverse actions against health care practitioners under the all-payer fraud and abuse program, including criminal convictions, exclusions from participation in Federal and State programs, civil monetary penalties and license revocations and suspensions.

15. STUDY ON ELECTRONIC FORMAT PROCESS

The Secretary shall conduct a study regarding the process of providing information, in an electronic format, on ownership information required under the ownership referral provisions.

16. ADMINISTRATIVE PROVISIONS

(a) Uniform claims.—All claims submitted by providers would be in a uniform claims format.

(b) Unique Provider Identification Code.—Each provider would be required to submit claims using a unique provider identification code.

(c) Common coding.—Coding of procedures and diagnoses would follow uniform formats.

17. EFFECTIVE DATE

The amendments would apply on or after January 1, 1995.

CONGRESSIONAL SALUTE TO THE NEWEST HONOREES INDUCTED INTO THE NATIONAL FOOTBALL FOUNDATION AND COLLEGE HALL OF FAME

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to 10 Sacramento high school students who have been selected as this year's National Football Foundation Sacramento Valley Chapter's Scholar Athletes of the Year. Also being recognized are four adult honorees for their contributions to the community.

Tonight, at a ceremony in Sacramento, the following student athletes will be recognized for their academic, football, and community service achievements: John Chavez, Oakmont High School; Sheldon Cooney, Jesuit High School; Dan Gieck, Roseville High School; Marshall McCauley, Nevada Union High School; Chad Overhauser, Rio Americano High School; Robert Tucker, Grant Union High School; Darren Cline, Davis High School; Jon DeVille, Oak Ridge High School; Brian Jones, Del Campo High School; Kevin McKechnie, Chirstian Brothers High School; and Richard Rubiales, Lincoln High School. The adult honorees who are to be congratulated for their achievements in their own distinguished football careers and their continued service to the community are: John Ralston; Jim Rattie; Ken O'Brien, Jr.; and Bob Vukajlovich.

Mr. Speaker, I commend the 1993 National Football and College Hall of Fame Honorees and request my colleagues to join me in saluting these outstanding individuals.

STUDENTS AND TEACHERS CAUGHT IN TWIN TOWERS EXPLOSION

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. SCHUMER. Mr. Speaker, what began as a class trip to one of New York's most famous tourist attractions last week took a traumatic turn of events when the students and their teachers were caught in the Twin Towers for hours due to the devastating explosion that paralyzed lower Manhattan.

I would like to take this opportunity to commend these brave teachers and paraprofessionals, from Brooklyn and Queens public schools 91, 95, and 191, for their courage and leadership:

Rose Bradley, P.S. 95.
Dorothy Byrd, P.S. 95.
Angela Damato, P.S. 91.
India Fishon, P.S. 95.
Diane Freedman, P.S. 95.
Fred Gelfard, P.S. 91.
Marguerite Giordano, P.S. 95.
Shirley Jahre, P.S. 95.
Lisa Perri, P.S. 95.
Rosemarie Russo, P.S. 95.
Bernadette Samuels, P.S. 191
Carol Susi, P.S. 191.
Anna Marie Tesoriero, P.S. 95.
Lydia Traveso, P.S. 95.

The students are fortunate to have such devoted and caring teachers, who did everything they could to lead these children safely out of the building during the crisis. It is reassuring to know that our children are in such goods hands.

SUFFERING IN ARMENIA

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mrs. MORELLA. Mr. Speaker, I rise today to draw the attention of my colleagues to the terrible suffering which the Armenian people are enduring because of Azerbaijan's blockade of their nation.

The situation in Armenia is rapidly deteriorating and requires our immediate attention. House Resolution 86, which was recently introduced by Congressman BONIOR, provides a framework for constructive United States involvement in the search for a lasting and equitable resolution to the crisis in the caucasus. This sense-of-the-House resolution can help offset the immediate effects of the blockade and, hopefully, bring an end to the war which has devastated this region.

I encourage my colleagues to support House Resolution 86. This resolution condemns the blockade of Armenia and Nagorno-Karabagh by Azerbaijan, while simultaneously requesting that the United States continue to provide immediate humanitarian assistance to offset the severe shortages in Armenia caused by the blockade.

The House has previously passed similar legislation, particularly the Freedom Support Act, which restricted United States aid to Azerbaijan until it ceased its blockade and other forms of aggression against Armenia and Nagorno-Karabagh. Azerbaijan, unfortunately, has failed to cease its blockade and continues to attack Armenia and Nagorno-Karabagh. As a result, we have witnessed an alarming increase in the death rate in Armenia, primarily among infants and the elderly. Recent reports from Armenia inform us that the country is largely without heating fuel, electricity, food, and other winter supplies desperately needed to survive through the nation's cold, harsh winter.

We must make it clearly understood to Azerbaijan that the United States will not tolerate deliberate attempts to economically incapacitate a nation as a means of achieving political goals. If such aggressive policies by Azerbaijan are allowed to continue unchallenged, the threat to regional stability will continue to grow. This would greatly damage our long-term interest in the maintenance of peace along the southern tier of the former Soviet Union.

I would like to commend my respected colleague, Mr. BONIOR, for introducing this important and timely legislation. This resolution outlines several important elements of a policy designed to eventually establish stability and order in this region. I urge my colleagues to join me as a cosponsor of House Resolution 86.

BASE CLOSURE RECOVERY BILL

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Ms. SNOWE. Mr. Speaker, I rise today to reintroduce comprehensive legislation to assist the people of communities that face severe economic hardship as a result of military base closures.

In just a few days, the Department of Defense will release its list of recommended base closures for the 1993 round of the base closure process. When that list comes out, thousands of people across the country, and numerous Members of Congress, will feel as I felt when the people of Maine learned 2 years ago that Loring Air Force Base had been recommended for closure.

For over four decades the people of Aroostook County in my district gave unwavering and loyal support to Loring Air Force Base. As the scheduled date of the base's closing draws near, the county is faced with the loss of nearly 20 percent of its employment, 14 percent of its income, and 17 percent of its population. The loss of Loring will be devastating.

Is that any way to reward the people who have given so much to our Nation's security? Definitely not. It is certainly no way to reward the hard working people of Maine, or in dozens of other communities across this Nation that will be hit, and hit hard, by military base closings in the coming years.

By reintroducing this legislation, the Comprehensive Base Closure Reform and Recovery Act, I am signaling my continued commitment to help these people and their communities. This legislation deals with all aspects of community recovery: economic, environmental, housing, etc. This bill will permit the Federal Government to live up to its responsibility to the communities that have so faithfully supported our Armed Forces over the decades.

The Comprehensive Base Closure Reform and Recovery Act addresses environmental cleanup; it provides employers with tax incentives to hire former military base employees; and it includes economic adjustment and conversion assistance for the local communities.

The major provisions of this bill would:

Require that before a military base is officially closed, or its operations substantially reduced, at least 75 percent of the environmental cleanup required under Federal law be completed. Also, it stipulates that not later than 2 years after a military base is closed, or its operations substantially reduced, all environmental cleanup efforts shall be completed.

Grant employers who hire people whose jobs have been terminated as a result of a base closure or realignment eligibility for the Targeted Jobs Tax Credit [TJTC]. The TJTC allows employers to take a 40-percent credit on the first $6,000 in wages that the newly hired employee receives.

Require that if the principal home of a military employee living near a closed military

base is sold for less than fair market value, and the employee successfully participates in the U.S. Army Corps of Engineers' Housing Assistance Program [HAP], any amount of money received to help compensate for the loss in the home's value will not be treated as income, subject to Federal income taxes.

In addition, the Housing Assistance Program portion of the bill has been expanded to cover employees of school districts, due to the high percentage of students in these districts who are military and/or civilian Federal employee dependents.

This legislation directs the Economic Development Administration [EDA] to ensure that Federal funds are reserved for communities identified by the administration as the most substantially and seriously affected by the closure of military installations. To accommodate this mandate, this bill increases the EDA's current funding authorization level from $80 million in fiscal year 1993 to $200 million in each of fiscal years 1994 through 1996.

Direct the Secretary of Defense to create a program to guarantee up to $10,000 worth of loans, per individual, tc civilian employees of the Department of Defense at, or in connection with, a military base scheduled to be closed or realigned. The bill provides the Defense Secretary with the needed authority to develop and administer this program.

Directs the Secretary of Defense to convey to eligible State or local governments all right, title, and interest of the United States in any military installation scheduled to be closed pursuant to the base closure law, CERCLA-Superfund, and the Solid Waste Disposal Act. Under this section of the legislation, property at military installations will be turned over to State/local governments in the following order of priority: a political subdivision designated by State law to receive the conveyance of such property rights; the State; then to one or more political subdivisions which would best serve the interests of the residents of the local region, providing that these subdivisions accept the conveyance. Pending such conveyance, the Secretary of Defense is required to maintain the real property and personal property to prevent its deterioration.

Directs the Federal Government when entering into contracts with private businesses for the closure of a military base, to give preference to business located in the general vicinity of the closed military base. The bill's language specifically mentions environmental restoration and mitigation as an area where local small business should get preference in getting Federal contracts.

In drafting this bill, I have worked to include a wide range of concerns that have been brought to my attention, as a result of the experiences of northern Aroostook County that is confronting the prospect of Loring's closure in 1994. I welcome the input of any and all concerned Mainers, and other interested parties, as this measure works its way through the legislative process.

I strongly urge all of my colleagues in the House to demonstrate their support for efforts to help local communities survive the impact of a closed military base by cosponsoring the Comprehensive Base Closure Reform and Recovery Act.

TRIBUTE TO DON CARLOS HINES

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Ms. ESHOO. Mr. Speaker, with deepest regrets, I must advise you and my colleagues in Congress of the death last week of Dr. Don Carlos Hines. Dr. Hines, a Phi Beta Kappa graduate of Stanford University and a graduate of the Stanford Medical School, had a distinguished career as a doctor, drug researcher, and lecturer. Moreover, Don Carlos was a dedicated family man and a dear friend to many. He was a first cousin to our colleague, DON EDWARDS.

Don Carlos was a man of varied interests. After obtaining his medical degree, he practiced internal medicine in Palo Alto, during which he also taught at Stanford Medical School. In 1939, he accepted a medical research position at Eli Lilly & Co. in Indianapolis, where he managed clinical drug investigations, edited a text on pharmacology and therapeutics, and participated in production of several films on pharmacy. After 27 years with Eli Lilly, he returned to California to become a lecturer in medicine and pharmacology at the University of California Medical Center in San Francisco. During his 5 years there he also took on the computerization of the center's pharmaceutical records.

Don Carlos was also a founding member of Friends of the Stanford String Quartet and served on its board of directors until 1991. In addition, he was a talented golfer, an outdoorsman, and a world traveler.

Mr. Speaker, we have lost more than a notable medical professional and lecturer in Don Carlos Hines. We have lost a dear friend, someone whose charm, warmth, decency, and selflessness touched the lives of many. He will be missed dearly by his family and many friends, and I send condolences to his widow, Anne, and his family.

[From the Mercury News, Feb. 28, 1993]

DON HINES, 89, OF PALO ALTO, DOCTOR, DRUG RESEARCHER, LECTURER

Don Carlos Hines was a man of varied interests who was able to make careers in two related fields, both of them technically demanding.

Dr. Hines, 89, a physician and pharmacologist and a Palo Alto resident the past six years, died Feb. 15 of congestive heart failure at Stanford University Medical Center.

Dr. Hines was a Phi Beta Kappa graduate of Stanford University in 1927 and obtained his medical degree there as well. He and his wife, Anne, built their first home on the university campus in 1934.

He practiced internal medicine for several years in Palo Alto, during which he also taught at the Stanford medical school. In 1939, he accepted a medical research position at Eli Lilly and Co. in Indianapolis.

During his 27 years with the firm, Dr. Hines managed clinical drug investigations, edited a text on pharmacology and therapeutics and participated in production of several films on pharmacy. He retired in 1967 as director of medical special services.

Dr. Hines, who was born in San Jose, then returned to California and became a lecturer in medicine and pharmacology at the University of California Medical Center in San Francisco. During his five years there, he also took on the computerization of the center's pharmaceutical records.

Dr. Hines and his wife built a house at Sea Ranch on the Sonoma County coast, where he was president of the homeowners association during the early 1970s, when the development had difficulties with the new California Coastal Commission over public access requirements.

Dr. Hines was a founding member of Friends of the Stanford String Quartet and served on its board of directors until 1991. Another of his interests was Yosemite National Park, with which he became acquainted when he worked as a waiter at Camp Curry during summers of his college years.

During their 59 years of marriage, the Hineses traveled extensively throughout the world, including the Arctic, Antarctica and a three-week pack trip in the Sierra for their honeymoon.

Dr. Hines and his father, Dr. A. Don Carlos Hines, a San Jose physician for 47 years, were winners of the first father-son California golf championship in 1922 on the Del Monte course near Carmel.

"He was interested in everything, and he was an extremely thorough person," said his daughter, Judy Kramer of Palo Alto.

"When you traveled with him, he could tell you about the geological history of the area, about its people, what lay the other side of the hill. . . . He was a wonderful teacher, and that's what people remember about him."

THOUGHT FOR THE DAY

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mrs. SCHROEDER. Mr. Speaker, every day schoolteacher's jobs become more difficult in America. The economy and failing families push more duties on teachers and give them less to work with. The Select Committee on Children, Youth, and Families has tried to point this out in hearings but the following poem written by a young, energetic, idealistic teacher in my district says it all:

Everyday to the student who cries I say, tell me, I'll fix it.
Everyday to the student who fails to say, I know you can do it.
Everyday to the student who hits I say, you are loved.
Everyday to the student who succeeds I say, you did it.
Everyday to the student who risks I say, you've just begun.
Everyday to the student who doubts I say, you are important.
Everyday to the student who screams I say, I won't leave you.
Everyday to the student who laughs I say, you are appreciated.
Everyday to the student who hides I say, I'll keep looking.
Everyday to the student who helps I say, you are needed.
How do I say do without, wait your turn, there's none left, no more time, no more help?
How do I say you're too costly?
How can we make their needs match our bottom line?—by Diana Golden

THE NATIONAL HEALTH CARE ANTI-FRAUD AND ABUSE ACT OF 1993

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. LEVIN. Mr. Speaker, it is my pleasure today to join with Mr. STARK in introducing a comprehensive piece of legislation to combat one of the greatest travesties in our country today—health care fraud, abuse, and waste. Our bill, the National Health Care Anti-Fraud and Abuse Act of 1993, will establish a seamless system for detecting, deterring, and prosecuting health care fraud and abuse. It will also make it easier for upstanding health care professionals to provide needed care. A section-by-section summary of the bill follows my statement.

I have long been involved in this issue. As you may remember, several years ago it was reported that some cataract surgeons in the Detroit area were abusing the Medicare program and receiving over $1 million each per year. We had a hearing on these provisions, and it was clear that inappropriate surgery was not proper health care. It was more like robbery of the taxpayers.

The Congress has heard of other instances of abuse and outright fraud from a variety of health care providers. These have included charging millions of dollars for laboratory tests which were never performed, or charging Medicare higher rates for the same lab tests than it does private insurance. In some cases Medicare has been charged many times the retail price of medical supplies, such as $200 for a foam mattress that wholesales for $29. Just last month a constituent sent me a hospital bill which included a $6 charge for simply being handed one pill. Recently, I myself was subject to an outrageous charge for medication—$90 for a prescription when an over-the-counter medicine was just as effective. There is clearly something very wrong with the way health care—the business of health care—is practiced in this country.

These are not new issues. The Ways and Means Health Subcommittee has held annual hearings on this issue, and the General Accounting Office [GAO] and others have issued numerous reports describing the problems and identifying specific solutions. In putting together this legislation we have also consulted with many groups including the GAO, the HHS's Office of Inspector General, the Department of Justice, and many private organizations about the best methods for attacking this problem.

Many popular publications and media sources have issued articles and reports about health care waste and fraud. Several of these have included advice to individuals about preventing fraud and waste. Individuals do have a vital role to play, but it must be accompanied by effective, coordinated efforts by the Federal, State, and private sources to protect the public from fraudulent and abusive practices.

It is estimated that of the over $800 billion we spent last year for health care in this country, up to 10 percent was wasted on fraudulent or unnecessary care. It appears that the abuses are getting more sophisticated, more organized, and more costly each year. That is why we need a coordinated national effort to match the sophistication of those who are violating the system. Our legislation provides just such an enhanced role for the inspector general's office in coordinating public and private efforts to prevent and prosecute fraud and abuse. Our legislation provides additional resources for the inspector general's office to reverse the relative stagnation in funding, which has occurred over the last decade.

In some cases the problems are with health care providers who are stretching or breaking the rules of the system by falsely billing or providing unnecessary care. If this were a children's game, and rules were merely being stretched, it might be OK. However, we are talking about the health, lives, and economic security of 260 million Americans.

Health care providers hold a public trust. It should be clearly noted that providers includes all types of health care workers, from physicians, to nurses, to ambulance companies, to clinical labs. I believe the trust embodied in the traditional patient-doctor relationship should extend to all health care providers. The trust people place in health providers is no less sacred than the public trust of elected officials—both are entrusted with the welfare of the people, and both are entrusted with billions of tax dollars. In addition, nobody should think that merely padding bills robs only the insurance company and not the individual. In fact, these acts of fraud hurt individuals through higher copayments, premiums, and taxes.

I have asked myself, "Is there any reason why health care providers should be held to any less of a standard?" I think not. That is why along with the comprehensive national all-payer antifraud and abuse bill, which we are introducing today, I am also joining Mr. STARK in cosponsoring H.R. 345, the Comprehensive Physician Ownership and Referral Act of 1993.

These two pieces of legislation together will help ensure that health care dollars are used honestly instead of lining the pockets of already wealthy health care entrepreneurs.

Yesterday the Ways and Means Health Subcommittee held a hearing on issues related to all-payer fraud and abuse. I look forward to soliciting additional ideas from the witnesses, and others, in order to further strengthen our efforts to assure the American taxpayers that their money and tax dollars are being spent on health care, not greed.

MICROSOFT ANTITRUST ACTION

HON. MIKE KREIDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. KREIDLER. Mr. Speaker, I am inserting into the RECORD an important article from the March 8, 1993, edition of the Washington Post regarding an antitrust action being taken against Microsoft by the FTC. The products created by Microsoft are crucial, not only to the economy of the State of Washington, but to the United States in the markets of the world. However, some competitors have argued that Microsoft violated antitrust laws in order to gain an advantage in the computer marketplace. The FTC began investigating the matter 2 years ago, but, in all this time, has been unable to reach a consensus on the allegations. The author of this article suggests that Microsoft's success has been due to its hard work and careful product development, rather than unfair marketplace advantages. Indeed, Microsoft has played a significant role in bringing the United States to a position of a dominance in the world computer marketplace. It would be unfortunate if any FTC actions, taken in relation to this case, resulted in a loss of the innovative and important work done by Microsoft.

AN UNWARRANTED ANTITRUST CASE AGAINST MICROSOFT

(By T.R. Reid)

Something fascinating happened a few weeks back when I wrote a rave review in this space of Borland's great new spreadsheet program, "Quattro Pro for Windows." Readers started sending letters and faxes arguing that Microsoft Excel is better.

The comparative merit of spreadsheet programs is something PC buffs can and will argue about forever. I still think I'm right about Q-Pro, though readers made some forceful points. The fascinating thing about this reaction, however, is that anybody bothered to write at all. Excel wasn't even mentioned in the column. But users like the Microsoft Corp. product so much they wanted to argue its merits.

That tells you an awful lot about Microsoft, doesn't it? Here's a company that gets to know its customers so well and develops its products so carefully that people are moved to send unsolicited fan mail about Microsoft software to computer columnists. It's that kind of dedication and skill that has made Microsoft's MS-DOS and Windows the operating environments on nearly all of the personal computers in the world.

Microsoft's success in operating environments, in turn, has been a key reason for other U.S. companies' domination of the global PC hardware and software markets. That's what makes it depressing to report that the U.S. government still is evidently pursuing an investigation of Microsoft on antitrust grounds.

When this case was last discussed, it was noted that the Federal Trade Commission staff was reportedly talking to Microsoft's competitors, including WordPerfect, Lotus, Borland and other topnotch software companies that have watched in despair as Microsoft produced good programs at prices low enough to win a big chunk of the market.

One of the complaints often heard is that Microsoft has an unfair advantage because it makes and sells operating environments, like DOS and Windows, as well as the application programs that run in these environments. This may well be an advantage, but it's one that Microsoft earned. Any company could have written a program like Windows, but Microsoft was the one that actually committed the huge investment and the thousands of person-years required to do the job. It doesn't seem right for the government to punish a company for hard work.

Last month, according to numerous leaks reported in the trade press, the FTC commissioners met for their crucial vote on the case—and couldn't decide whether to act.

The key vote was reportedly 2-to-2 on a motion pushed by the FTC staff to issue an injunction against some Microsoft sales practices.

You might think, with no resolution after more than two years of digging, that the FTC would let sleeping dogs lie. But the regulators must not have enough to keep them busy, so the case against Microsoft will drag on.

This tends to bring to mind the government's long and ill-fated antitrust pursuit of International Business Machines Corp. back in the 1970s. This cost the taxpayers—not to mention IBM—millions of dollars, all based on the theory that IBM was too dominant for others to compete against. This belief was already doubtful, with competitors popping up in new computer lines, when the government ignominiously dropped the case after 13 fruitless years.

Today, of course, with IBM on the run in so many product lines, it's a sad joke to think of the company as too dominant.

Microsoft right now is a terrific company—smart, hard-working, adamantly refusing to sit back on its laurels. But Microsoft is no more impregnable than Big Blue was. You already can see the beginnings of tough competition for the next generation of PCs: the new RISC microprocessor chips various companies are producing that won't necessarily use MS-DOS; the competing "environments" under development like IBM's OS/2, the "Pink" system from the Apple Computer Inc.-IBM joint venture, Taligent and NextStep, the brainchild of PC industry visionary Steve Jobs.

This competition, in turn, will force Microsoft to make needed improvements in Windows, which is still slow and surprisingly clunky in daily use. The threat of competition will be a better corrective for whatever ails Microsoft than any remedy bureaucrats might come up with.

President Clinton is looking for 100,000 government jobs to eliminate. He might profitably start in the section of the FTC where a lot of people are spending their days on an unnecessary potential legal fight against a company that has made itself, by dint of hard work, a key asset for the United States in the markets of the world.

PAYING THE POPULATION PIPER

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Ms. WOOLSEY. Mr. Speaker, last week Werner Fornos, president of the Population Institute, testified before the House Foreign Operations Subcommittee on International Population and Family Planning Priorities. I found his testimony both prudent and compelling, and a week after Mr. Fornos testified, the lead editorial in the San Francisco Examiner expressed strong support for his recommendations. I recommend to my colleagues the following editorial:

PAYING THE POPULATION PIPER

One of the most important changes President Clinton can make in U.S. foreign policy is relatively inexpensive and redeems a campaign pledge. He should immediately restore full funding to the United Nations Population Fund.

To repair this broken promise America made a quarter-century ago would cost about $100 million a year, less than 1 percent of our annual foreign aid budget.

The U.S. contribution to the U.N. fund was cut off by the Reagan administration in 1985 because some U.N. family planning funds were spent on abortion services. U.S. funding, which amounted to $46 million that year, was never restored. The Bush administration killed a $15 million appropriation last summer.

The U.N. Population Fund is the world's largest multinational provider of family planning assistance to developing countries, birthplace for 92 million of the 100 million people added to the world each year. More than 100 countries support the fund, and the United States was the biggest contributor from the fund's founding in 1967 until 1985. The world's population is 5.5 billion. If current trends continue, that number could double by the year 2050, and ultimately grow to 14 billion—or more.

Nothing is more intertwined in improving the human condition than limiting population. President Clinton has said that "the protection of the environment—as well as the daunting challenges of development, human rights, refugees and world health—are all related to the vital issue of population growth . . . The Earth's resources and delicate ecosystems are straining under this unsustainable burden."

The United States, Clinton said, can "lead the quest for sustainable development by supporting efforts to stem global population growth."

Family planning has worked. During the last 20 years, the number of women of childbearing age in the developing world using birth control increased from 9 percent to 50 percent, according to World Health Organization figures cited by Werner Fornos, president of the Population Institute, in testimony to Congress last week. And during those two decades, the average number of births per woman dropped from 6.1 children to 3.9.

Still, half the world's 910,000 daily conceptions are unplanned, Fornos said. Much education remains to be done.

Clinton has reversed other Reagan-Bush policies based on politics, including "ungaging" federal family planning clinics. He should do it again on population funding.

The United States has reneged on doing its share to help for eight years. It's time we lived up to our worldwide commitment.

TRIBUTE TO MARTIN C. FAGA

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. GLICKMAN. Mr. Speaker, on March 5, 1993, Martin Faga completed 30 years of outstanding Government service when his resignation as Assistant Secretary of the Air Force for Space, and Director, National Reconnaissance Office [NRO] took effect.

Unless you served on the Intelligence Committee, or perhaps the Appropriations Subcommittee on Defense, you may not have known Marty Faga. For the past 3½ years, Marty led the NRO, an organization whose very existence had been, until a short time ago, highly classified. As head of the NRO, Marty was responsible for ensuring that the United States has the technological capacity to produce and maintain the spaceborne and airborne assets needed to acquire intelligence anywhere around the world. That intelligence is used to support such activities as the monitoring of arms control agreements, indications and warning, and the planning and conduct of military operations.

While Director of the NRO, Marty also served as the Assistant Secretary of the Air Force for Space, a position in which he was responsible for the supervision of Air Force space matters, with primary emphasis on policy, strategy, and planning. In addition to advising the Secretary of the Air Force and the Air Force Chief of Staff on space policies, plans, and programs, he coordinated relations between the Air Force and the other services, NASA, and the executive departments responsible for commercial space activities.

The members and staff of the Intelligence Committee took great pride in Marty's accomplishments in these positions because he was one of our own. Marty served on the staff from 1977 when the committee was established until he left for the executive branch in 1989. His expertise was in the program and budget area and, in addition to mastering the details of literally hundreds of intelligence activities, he directed the program and budget authorization staff for 5 years. His work on the committee was unfailingly thorough, and his recommendations always objective. Marty's judgment was respected and trusted by those who served on the committee. I can think of no higher compliment to pay anyone who works on a congressional staff.

Mr. Speaker, the Congress and the Nation have benefited significantly from Marty Faga's service. On behalf of the committee, I want to wish him continued success as he directs his talents and energies toward new challenges.

THE FEDERAL GOVERNMENT SPENDS MILLIONS ON PARTIES AND COCKTAILS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. STARK. Mr. Speaker, less than a month ago President Clinton gave his State of the Union address. In it he aptly expressed the need to reduce the deficit with both spending cuts and tax increases.

Since the speech, I have received countless letters of support for the President's plan from my constituents. However, many have also expressed their concern that before the Federal Government raises taxes, we should eliminate wasteful spending.

In looking through the Federal budget for 1993, I have found a sizable amount of Federal spending which could be cut with no pain to the taxpayer.

This is the $8,775,775 we spent in 1993 for official receptions and parties.

These funds usually appear throughout the budget as, "official reception and representational expenses."

I am including in the RECORD a chart of the agencies which receive these funds so that my colleagues can better examine how this

money is being spent. I think you will find that this is spending we can no longer afford.

President Clinton has already proposed cutting back on the Federal lobbying deduction and many businesses have reduced their entertainment and expense accounts in order to remain competitive. Congress should do no less.

I urge my colleagues to join me to make sure that these Federal cocktails are not included in the 1994 budget.

The table of Official Reception & Representational Funds in Fiscal Year 1993 Appropriations follows:

Official Reception & Representational Funds in FY1993 Appropriations

Federal dollars spent on all representational and reception funds	$8,775,775
Federal dollars spent on reception and representational funds overseas	1,987,000
Commerce, Justice, State, Judiciary, and Related Agencies:	
Department of Justice	45,000
Parole Commission	1,000
U.S. Attorneys	8,000
U.S. Marshals	6,000
FBI	45,000
Drug Enforcement Agency	45,000
Immigration & Naturalization Service	5,000
Federal Prison System	6,000
Equal Employment Opp. Comm.	2,500
Fed. Communications Commission	4,000
Federal Maritime Commission	2,000
Federal Trade Commission	2,000
Securities and Exchange Commission	3,000
State Justice Institute	2,500
Department of Commerce (official entertainment)	3,000
International Trade Administration (official representation expenses abroad)	327,000
Export Administration (official representation expenses abroad)	25,000
U.S. Travel & Tourism Administration (official representation expenses abroad)	15,000
Judiciary:	
Supreme Court	10,000
Administrative Office of U.S. Courts	7,500
Federal Judicial Center	1,000
U.S. Sentencing Commission	1,000
Office of U.S. Trade Representative	98,000
Small Business Administration	3,500
Department of State (representation allowances)	4,900,000
Diplomatic emergencies (representation expenses not included in total)	1,000,000
International Conferences and Contingencies (representation expenses not included in total)	200,000
Arms Control and Disarmerment	100,000
Board for International Broadcasting	52,000
International Trade Commission	2,500
USIA—domestic (entertainment and official receptions)	25,000
USIA—abroad (representation expenses)	1,285,000
Total	7,032,500
Legislative Branch Appropriations:	
Senate Majority Leader (representation allowances)	15,000
Senate Minority Leader (representation allowances)	15,000
Secretary of Senate (expense allowances)	3,000
Senate Sergeant at Arms (expense allowances)	3,000
Majority Secretary of State (expense allowances)	3,000
Minority Secretary of Senate (expense allowances)	3,000
Speaker of the House (official expenses)	25,000
House Majority Leader (official expenses)	10,000
House Minority Leader (official expenses)	10,000
House Majority Whip (official expenses)	5,000
House Minority Whip (official expenses)	5,000
Committee on House Administration (interparliamentary receptions and gratuities to heirs of House employees)	632,000
House Clerk	1,000
House Sergeant at Arms	500
Office Technology Assessment	3,500
Congressional Budget Office	2,500
Architect of the Capitol	1,000
Library of Congress—incentive awards	5,000
Library of Congress—Overseas Field Office	12,000
Government Printing Office	2,500
General Accounting Office..	7,000
Total	764,000
Department of the Treasury:	
Dept. of the Treasury	25,000
Dept. of the Treasury—international	73,000
Federal Crimes Enforcement Network	4,000
Fed. Law Enforcement Training Center	7,000
Bureau of Alcohol, Tobacco, and Firearms	10,000
U.S. Customs Service	20,000
Internal Revenue Service	25,000
Secret Service	12,500
White House Office (official entertainment)	20,000
Official Residence of the Vice President	90,000
Administrative Conference of the U.S.	1,000
Federal Elections Commission	5,000
General Services Administration	5,000
Office of Government Ethics	1,500
Office of Personnel Management	2,500
Total	301,500
Foreign Operations:	
Export-Import Bank: Board of Directors	20,000
Agency for International Development: (entertainment expenses)	5,000
(representation allowances abroad)	95,000
Foreign Military Financing Program: (entertainment)	2,000
(representation allowances)	50,000
International Military Education and Training	50,000
Inter-American Foundation	2,000
Peace Corps	4,000
Trade and Development Program	2,000
Total	230,000
Agriculture, Rural Development, FDA, and Related Agencies:	
Office of the Secretary	8,000
Office of Dept. Secretary.	3,000
Fed. Crop Insurance Corp.	700
Ag. Conservation Prog. (for displays and exhibits at State, interstate, and international fairs within the U.S. not included in total)	15,000
Foreign Agricultural Service	125,000
Office of International Cooperation	3,000
Commodity Futures Trading Commission	700
Farm Credit Administration	1,500
Total	141,900
VA, HUD, and Independent Agencies:	
Dept. of Veterans Affairs	25,000
Department of Housing and Urban Development	7,000
Independent agencies:	
Consumer Product Safety Commission	500
Cemeterial Expenses, Army	1,000
Environmental Protection Agency	6,000
Executive Office of the President:	
Council on Environmental Quality	875
National Space Council	1,000
Office of Science and Technology Policy	2,500
Federal Emergency Management Agency	2,500
Federal Aeronautics and Space Administration	35,000

U.S. Antarctic Research Activities	2,500
National Science Foundation	6,000
Selective Service System	1,000
Total	90,875
Departments of Labor, Education, Health and Human Services, and Related Agencies:	
Dept. of Health and Human Services	37,000
Dept. of Education	7,500
Dept. of Labor	7,500
Fed. Mediation and Conciliation Service	2,500
National Mediation Board	2,500
Total (Note: "no funds made available to the Corporation of Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for government officials or employees")	57,000
Department of Transportation and Related Agencies:	
Dept. of Transportation	40,000
National Transportation Safety Board	1,000
Interstate Commerce Commission	1,500
Panama Canal Commission—Board	11,000
Panama Canal Commission—Secretary	5,000
Panama Canal Commission—Administration	30,000
Total	88,500
Energy and Water:	
Army Corps of Engineers, Chief Engineers	5,000
Department of Energy	35,000
Bonneville Power Administration Fund	3,000
Western Area Power Administration	1,500
Federal Energy Regulatory Commission	3,000
Total	47,500
District of Columbia:	
Mayor	2,500
Chairman of City Council	2,500
City Administrator	2,500
Chief Judge, D.C. Court of Appeals	1,500
Chief Judge, Superior Court	1,500
Executive Officer of D.C. Courts	1,500
Total	12,000
Dept. of Interior and Related Agencies:	
Office of the Secretary	7,500
Dept. of Defense:	
Court of Military Appeals (representation expenses)	2,500
Military Construction	0

Except where noted, the amounts listed are for "official reception and representation expenses."

ISSUES ON AGING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. RANGEL. Mr. Speaker, I commend to the attention of my colleagues the comments and insights of Harvey Finkelstein, president/CEO of the Jewish Home and Hospital for Aged, in New York. Mr. Finkelstein offers some constructive suggestions for the financing of long-term health care. I am certain that his ideas will surface again in our continuing dialog on health care reform in the coming months.

ISSUES ON AGING—AN OPEN LETTER TO THE PRESIDENT AND TO CONGRESS

DEAR MR. PRESIDENT AND LADIES AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES AND THE UNITED STATES SENATE: The heat and rhetoric of the national elections are behind us and the people have spoken. The challenges facing the Administration and Congress are great. The electorate has made it abundantly clear that healthcare is one of this nation's most pressing issues. And, nowhere is the need more pressing than among the elderly. There are 31 million Americans over age 65, and the numbers will increase dramatically in the years to come.

Two things have been happening simultaneously: The number of people needing longterm care is increasing rapidly, and the costs for such care are growing dramatically.

To avoid a crisis it is urgent to explore new alternatives in addressing longterm care needs. It is equally important to create fresh approaches in providing the funding for that care.

In recent years, a number of proposals have been made to change the way government pays for longterm care. These range from simple tinkering with existing systems, to creating radically new structures.

Based on long years of hands-on experience and the realities of the world of longterm healthcare, I offer these suggestions.

Let's start with Medicare. Most seniors learn too late that Medicare doesn't cover most of the costs of nursing home care. Medicare and Medicaid should be integrated to provide comprehensive services at home, in outpatient programs and in the nursing home. This integration would result in impressive savings and would serve all persons in need.

I also urge you to eliminate the discriminating practices against Alzheimer's patients who are currently not covered under Medicare. More funding is needed to conduct vital research in finding the cause, the cure and the prevention of this fatal disease, which afflict 4 million Americans—creating despair and imposing intolerable financial burdens on the millions of family members of these victims.

Touching on another matter, the supply of doctors trained in geriatric medicine is woefully inadequate to meet the needs of today's seniors. All nursing facilities should be encouraged to affiliate with medical schools or teaching hospitals, similar to the Jewish Home's affiliation with the Mount Sinai School of Medicine.

The training of medical students and graduate physicians is necessary to provide the medical expertise and leadership for tomorrow's nursing homes and hospitals and geriatric outpatient programs.

Here are some other promising concepts for consideration:

Tax changes—deductions and tax credits to encourage families to care for an impaired parent or relative.

Establishing tax-deferred Individual Health Insurance accounts—similar to existing IRAs.

Deregulation—to remove the extraordinary burden of paperwork on nursing home staff. This would free the staff to provide more "hands-on" care.

Creating conditions to help employers include certain long-term care benefits as part of their employee fringe benefits.

New or revised laws to encourage such innovations as home equity conversions or so-called reverse annuity mortgages to provide the cash needed to pay for services.

As America ages, we must find the way to provide and finance high quality care, both in the community and in our longterm care facilities. No older person should be forgotten or abandoned by our society.

Respectfully,

HARVEY FINKELSTEIN,
President/CEO,
The Jewish Home and Hospital for Aged.

THE JEWISH HOME & HOSPITAL FOR AGED,
New York, NY, February 8, 1993.

Hon. JOHN SHEINER,
Office of Congressman Charles Rangel,
Washington, DC.

DEAR MR. SHEINER: Emile Milme suggested that I write to you.

I am enclosing a tear sheet from our magazine, Vim & Vigor, as well as the magazine itself. The Congressman is on the mailing list.

We believe that the open letter from our chief executive officer gets right to the heart of one of our most pressing healthcare issues.

We know, of course, of Congressman Rangel's outstanding position on healthcare issues, and ask that he do us the honor of reading Mr. Finkelstein's comments into the Congressional Record.

Thank you for your consideration.

With all best wishes.

Sincerely,

ED SILVERMAN,
Deputy Director, External Affairs.

VIEWS AND ESTIMATES OF PRESIDENT CLINTON'S DEFENSE BUDGET PLAN

HON. FLOYD SPENCE
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. SPENCE. Mr. Speaker, in an effort to keep my colleagues apprised of important defense issues, I would like to insert the following letter that I sent to Chairman SABO, of the House Budget Committee, on my views and estimates of President Clinton's fiscal year 1994–98 defense budget plan.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, March 5, 1993.

Hon. MARTIN OLAV SABO,
Chairman, Budget Committee, Washington, DC.

DEAR MR. CHAIRMAN: Consistent with the Budget Act and your letter of February 18, 1993, I am providing to you and your colleagues on the House Budget Committee my "views and estimates" of President Clinton's fiscal year 1994–1998 defense plan.

I am, however, concerned with the accelerated schedule that the Budget Committee appears to be operating under. In your letter, you attribute the hurried schedule to "concern about the economy", yet last week the Commerce Department reported that the economy grew at a rate of 4.8% during the last three months of 1992, the best quarterly performance in five years. This performance means that the economy's 4.1% rate of growth during the second half of the last year was almost twice that of the first half of the year. As such, I am not convinced that the economic situation justifies considering a budget resolution before the President has even submitted his budget request.

In so much as President Clinton's February 17, 1993, presentation "A Vision for Change in America" provides few details beyond top-line spending figures, only general observations are possible. However, in order to put the President's five-year plan to cut the defense budget by $127 billion in budget authority (BA) and $112 billion in outlays into proper context, it is imperative to first understand the impact that eight consecutive years (FY 1986–93) of real decline in defense spending has already had on the U.S. military.

To date, since the Reagan-Bush defense build-down began in FY 1986, defense budget authority has declined by 27% in real terms. Had President Bush's FY 1994–97 defense plan been implemented, the real decline in defense spending would have amounted to 32%. Based on preliminary data, real decline in defense spending from FY 1986–97 under President Clinton's proposal could approximate 45%. Under either of the Bush or Clinton plans, by FY 1997 defense spending as a percentage of GDP will be at its lowest level since before World War II.

While President Clinton promises that his stimulus package will create 500,000 jobs over the next two years, DoD has put 530,000 active duty, reserve, and civilian personnel out of work since 1988. Last year alone, DOD cut 178,000 active duty personnel. When you consider dependents, the number of individuals impacted by these cuts easily doubles or triples. To put these personnel figures in a comparative context, the financial markets shook following General Motors' December 1991 announcement that it would lay-off 75,000 personnel over a four-year period.

Estimates of private sector defense-related lay-offs (direct only) resulting from the Reagan-Bush build-down of the last six years approaches 1 million. These industry figures reflect, at least in part, the fact that funding for the procurement of weapons systems has declined by 57% since 1985. For example, Secretary Cheney alone proposed termination of 129 weapon systems.

During the last four years, Base Closure Commissions have recommended the closure or realignment of 172 domestic bases, almost 10% of DOD's domestic base infrastructure. We anticipate significant additional closures of domestic bases this year and in 1995. Overseas, in the last three years DoD has announced it will end or reduce operations at 661 installations, representing approximately 40% of its overseas base infrastructure. Since 1990, the U.S. military endstrength in Europe has been cut by almost 50%, from 314,000 to approximately 171,000. It seems a foregone conclusion that U.S. troop strength in Europe will continue to drop to 100,000 or less under President Clinton. In the Pacific, the U.S. is already implementing a 25% troop reduction by 1995.

Despite the build-down, U.S. military forces have been continuously called upon to serve around the world as well as here at home in an expanding number of combat, crisis-response, humanitarian relief and domestic disaster relief missions. The post Cold War world is not necessarily a peaceful one. As former CIA Director Bob Gates has testified, "History is not over. It simply has been frozen and is now thawing with a vengeance."

Since the Reagan-Bush build-down began, U.S. forces have been employed in: resolving the Achille Lauro hijacking, the Gulf of Sidra several times, Operation El Dorado Canyon over Libya, Operation Blast Furnace in Bolivia, Operation Earnest Will escorting oil tankers in the Persian Gulf, the attempted coup in the Philippines, Operation Just Cause in Panama, Operation Desert Shield/Storm in the Persian Gulf and Operation Southern Watch in southern Iraq. During the same time period, U.S. forces have also conducted multi-faceted counter-narcotics operations. More recently, U.S. military forces have been called on to evacuate U.S. citizens and friendly foreign nationals from Somalia, Liberia and Zaire. Finally, U.S. forces have also been deployed as part of a United Nations peacekeeping force in the Sinai for over a decade.

In providing humanitarian relief, U.S. military forces have been involved in northern Iraq, Bangladesh, the former Soviet Union, the Philippines, Haiti/Cuba, America Samoa, Somalia and Bosnia during just the last three years. Here at home, U.S. troops assisted with disaster relief following the San Francisco earthquake, the Exxon Valdez oil spill in Alaska, the Los Angeles riots, Hurricane Hugo, Hurricane Andrew, Hurricane Iniki and Typhoon Omar. Moreover, DoD annually provides personnel and equipment to help fight forest fires throughout the United States.

It was in this context of DoD's expanding missions and declining budgets that Candidate Clinton announced in 1992 his proposal to cut defense $60 billion (BA) more than President Bush by FY 1997. At the time Candidate Clinton made this proposal, President Bush had already proposed a $50 billion budget authority and $41 billion outlay reduction in his six-year (FY 1992–97) defense plan.

Therefore, President Clinton's February 17, 1993, proposal to cut defense budget authority by $127 billion and outlays by $112 billion shocked me. In less than one year, President Clinton had more than doubled Candidate Clinton's proposal. Unlike Candidate Clinton, President Clinton also included an outlay cut of $112 billion, the impact of which could be staggering. Moreover, because the "Bush adjusted baseline" is $35 billion (BA) and $8 billion (O) below the FY 1994–98 Bush defense plan (submitted in January 1993), the actual cuts are even deeper.

I am concerned about level of military capability U.S. forces will be left with under President Clinton's proposal. It has been widely acknowledged by the media and pundits alike that President Clinton has been hoping to downsize the military consistent with then-Chairman, now Secretary of Defense, Aspin's so-called force structure "Option C". Although Chairman Aspin never formally presented his force structure options to the Armed Services Committee for deliberation, he did brief them to the Budget Committee early last year.

You will recall that beyond the so-called "Defense Foundation" of nuclear deterrence, U.S. territorial defense, reduced overseas presence, special operations forces, force modernization (including lift), a robust industrial base and protection of readiness, Option C was to provide U.S. forces sufficient size and capability to simultaneously conduct a Desert Storm-like operation, an air campaign in defense of South Korea, and a Panama-sized contingency, all the while maintaining a large enough rotation base of forces to allow for long-term deployments. At the time, Secretary Aspin estimated that his Option C capability could be provided for approximately $48 billion (BA) less than proposed by President Bush for FY 1993–97. This was tantamount to a doubling of the $50 billion (BA) cuts President Bush had already incorporated into his FY 1992–97 defense plan. The FY 1997 top-line defense spending figure associated with Option C was $270 billion (BA—in current year dollars).

President Clinton's five year, $127 billion (BA) cut, or four year $88 billion (BA) cut, is *two to three times deeper than cuts envisioned under Option C.* President Clinton's FY 1997 top-line defense spending figure is $249 billion (BA—current year dollars), not $270 billion. In fact, the Clinton $249 billion FY 1997 defense top-line spending figure is more in line with another of Secretary Aspin's force structure options—the less capable Option B.

Relative to Option C, U.S. forces under Option B would be capable of conducting two, not three, of the contingency operations discussed above and would not be robust enough to provide a rotation base to allow for long-term overseas deployments in time of conflict. As for specific forces relative to Option C, Option B provided: one less active Army division, four less Army National Guard divisions, two fewer active Air Force wings, two fewer Air National Guard wings, and 50 fewer Navy ships, including four fewer aircraft carriers. It would appear that President Clinton's Option C rhetoric may be masking a much smaller, far less capable Option B force structure. Of course, since none of us has seen the details of President Clinton's FY 1994–98 defense plan, definitive conclusions remain elusive.

Even lacking the specific details of the Clinton budget, the magnitude of the President's proposed cuts, the extremely high outlay cut relative to the budget authority cut, and the short time frame (FY 1994–98) within which these cuts will be implemented allows me to make several general observations.

The only way I can envision achieving the level of proposed outlay savings is to dra-

matically cut the fast-spending accounts within the DoD budget—i.e., personnel and/or operations and maintenance/readiness. If the cuts are focused on the personnel accounts, it is not clear that the President will be able to keep his promise of maintaining an active duty force of 1.4 million (down from the Bush Base Force of 1.6 million). In light of the increasing variety of costly early-out incentive programs, the traditional level of savings associated with personnel cuts will be reduced—i.e., paying people to get out costs money. Heavy reliance on personnel cuts to meet an outlay target may therefore require even deeper endstrength reductions than initially envisioned. How much deeper reserve component and civilian personnel would have to be cut is unclear at this time.

Whether or not we can avoid "breaking" the all-volunteer force if we subject it to the cutbacks under consideration remains to be seen. President Clinton's suggestion that military personnel accept a pay freeze in FY 1994 and be given cost of living adjustments below the rate of inflation in the outyears will not help.

If President Clinton is committed to his five year budget plan and an active duty force of not less than 1.4 million, all other accounts in the defense budget will inevitably face large reductions. Single *accounts* could be subjected to cuts larger than the $7 billion (BA) the Congress reduced the *entire* DoD budget request in FY 1993. Potentially debilitating cuts in the readiness accounts could threaten a return to the "hollow military" of the 1970's, while cuts in the force modernization accounts—accounts that have already been dramatically scaled-back under President Bush—could threaten the technological "edge" that President Clinton has vowed to maintain. At a minimum, such cuts will mean ever growing numbers of unemployed defense workers and, over the long-term, a loss of critical defense engineering and manufacturing skills that no "conversion" program can preserve.

Mr. Chairman, there are no easy ways to cut defense after the last eight years of down-sizing. For the most part, the "fat" has long since disappeared and we are now cutting into the "muscle" of our military forces—people and readiness.

Accordingly, I am unable to support President Clinton's FY 1994-98 defense plan. On the heels of the significant down-sizing and restructuring our military has already gone through under President Reagan and Bush, President Clinton's five year plan cuts too deeply and too rapidly.

Sincerely,

FLOYD D. SPENCE,
Ranking Republican,
Committee on Armed Services.

THE INDIAN TRIBAL JUSTICE ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. RICHARDSON. Mr. Speaker, today I am introducing the Indian Tribal Justice Act. This legislation provides for the amelioration of tribal justice systems and the improvement of tribal courts. One of the fundamental maxims of Indian law is that Indian tribes retain any and all sovereignty that is not specifically divested by the Congress. One fundamental exercise of sovereignty is the ability of tribes to administer justice on tribal lands. In 1968, the Congress ensured that tribal justice systems would operate into perpetuity by passing the Indian Civil Rights Act. In the 102d Congress, we affirmed the right of tribes to exercise jurisdiction over all Indians by enacting Public Law 102–137 which the President signed on October 28, 1991.

The funding requested by the Bureau of Indian Affairs for the operation of tribal courts is perennially inadequate. These funds must support the personnel and administrative costs for the operation of 133 tribal courts and 22 courts of Indian offenses. The operation of a tribal judicial system includes the need for probation services, child counselors, and the development of legal research capacities. The Bureau of Indian Affairs has continued to propose reductions in the face of increasing numbers of tribal court cases as well as the increasing numbers of tribal courts. Finally, the funding made available to Indian tribes for their judicial systems is not based on need but rather the funds are based on historic funding levels.

After much deliberation over the last few years, a consensus has developed among tribes on two matters concerning tribal courts. First, tribal justice systems are underfunded. Second, many tribes seek to form some sort of tribally chartered judicial conference. The bill provides for these two concerns.

First, it provides for the elevation of tribal courts to an office in the BIA. The Office of Tribal Justice shall be responsible for providing funds for the development, enhancement, and continuing operation of tribal judicial systems, for providing training and technical assistance to tribal judicial systems and to conduct research and study the operation of tribal judicial systems. The office shall be responsible for the provision of training and technical assistance to any Indian tribe upon request. The office shall establish an information clearinghouse on tribal judicial systems which shall include information on tribal court personnel, funding, tribal codes, and court decisions.

The office is authorized to make a survey of the conditions of tribal judicial systems to determine resources needed to provide for expeditious and effective administration of justice. This survey will be conducted with the active participation of Indian tribes. Indian tribes shall review and make recommendations regarding the findings of the survey prior to final publication of the survey. The office shall report its findings to the Secretary and the Congress.

The Indian Tribal Justice Act provides for base support funding to tribal judicial systems based on objective criteria. It would also require the office with the participation of Indian tribes to develop a funding formula which considers funding needs based on objective criteria.

Second, it allows tribally charted judicial conferences to contract for funding with the Bureau of Indian Affairs under the Indian Self Determination Act. This bold new concept allows tribes, on a voluntary basis, to form judicial conferences based on their own sovereignty. Once tribes form conferences, the conference becomes eligible to contract for all BIA funding for tribal courts that normally flows to individual tribes. I stress that this is voluntary and tribes choosing not to join a conference may either continue to receive services directly from the BIA or enter into their own 638 contract with the Bureau.

The Indian Tribal Justice Act authorizes $7 million to be appropriated for fiscal years 1994 through 2000 for the programs administered by the Office of Tribal Justice. It authorizes $50 million for fiscal years 1994 through 2000 to provide base support funding to tribal judicial systems for fiscal years 1994 through 2000. The bill provides $500,000 for fiscal years 1994 through 2000 for the administrative expenses of the Office of Tribal Justice. Finally, it provides $500,000 for fiscal years 1994 through 2000 for the administrative expenses of tribal judicial conferences.

Mr. Speaker, tribes clearly have the right and authority to operate justice systems. The United States clearly has the trust responsibility to ensure that these tribal justice systems are properly funded and provided with the proper technical assistance. The tribes have shown for years that they are capable of operating successful court systems on shoestring budgets. Now, it is of paramount importance that these courts receive the funding levels equal to the great task with which they are charged—the dispensation of fair and equal justice for Indian country.

The Subcommittee on Native American Affairs of the Committee on Natural Resources will be holding hearings on this important measure. I urge my colleagues to support this bill.

TRIBUTE TO MR. JAMES MICHAEL KEHOE

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to Mr. James Michael Kehoe of Menominee, MI. Mr. Kehoe is one of the last true New Deal Democrats.

James Kehoe was born on March 5, 1898, in Menominee. He attended Menominee High School through the 10th grade. In 1915, at age 17, James took a job at the Richardson Shoe factory; a job that paid 7 cents an hour. From 1916 until 1930, he was a cashier for the Carpenter Cook Co.

Like so many people, however, his life changed with the onslaught of the Great Depression, and the compassion of the Roosevelt administration. In 1933, charged by President Roosevelt's aggressive programs under the New Deal, James began the U.S. Employment Service Office for Menominee County. Later he took over the County Welfare Administration and the WPA.

He entered the U.S. Army in 1942 to defend his country against the aggression in Europe and served with distinction until his honorable discharge.

From the time of his discharge until 1970, James worked for several different companies in northern Michigan, usually as office manager. Amazingly enough, he always balanced his work in private enterprise with his fascination and dedication in the arena of public service.

In 1932, he was elected alderman of the seventh ward in Menominee County. He served two terms in this post. Following this, he served as chief supervisor on the County Board of Supervisors until 1948. In 1948, James was elected mayor of Menominee. He was reelected to his second term in 1950 and served until 1954. From 1953 until 1972, he served on the Selective Service Board. All in all, Jim ran for public office 14 times posting a record of 7 and 7; a record which I dare say would make many of my colleagues jealous.

Today, I wish join his wife Jeanette, his three sons, and his nine grandchildren on congratulating Jim on a fine career, and to thank him for his dedication to Menominee, MI, a place which will forever bear his mark.

NATIONAL PUBLIC SAFETY TELECOMMUNICATORS WEEK

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. MARKEY. Mr. Speaker, today I am pleased to introduce House Joint Resolution 138, to designate the week beginning April 12, 1993, as "National Public Safety Telecommunicators Week." This resolution will honor the thousands of public safety officers and employees whose job it is to coordinate, dispatch, and facilitate the execution of law enforcement and emergency response activities in all of our districts.

Every day, Americans place over one million calls to the 911 services. Public safety telecommunicators swiftly and efficiently direct the appropriate law enforcement, medical, rescue, and firefighting teams so that emergency services can respond promptly. The daily regimen of these public safety officers is filled with life-or-death crisis situations to which they must respond calmly, confidently, and with the utmost precision. An untold number of Americans owe their lives to the heroic efforts of these safety officers, yet public safety telecommunicators are virtually anonymous, working behind the scenes with little public recognition for the tremendous value of their service.

Last year, Congress showed its appreciation for public safety telecommunicators by passing and enacting House Joint Resolution 284, which designated the second week of April as "National Public Safety Telecommunicators Week." This resolution not only heightens the public awareness of the lifesaving communications services provided by public safety telecommunicators, it also recognizes the leadership of the Associated Public-Safety Communications Officers [APCO] in ensuring the continued quality of these services. With a national membership of 9,000 public safety telecommunicators, APCO is a unified voice for the public safety community in advising Federal, State, and local government agencies on ways to improve emergency response. The Subcommittee on Telecommunications and Finance, which I chair, has benefited from APCO's input on a number of important issues, which range from spectrum allocation for emerging telecommunications technologies to telephone privacy.

Moreover, as we progress further into the information age, advanced communications technologies will increase the capabilities of public safety telecommunicators. The emergency telecommunications systems of the future will incorporate new technologies such as digital mapping, solar-powered cellular public rescue phones, and "E–911", all of which will enable dispatchers to respond to emergency calls with greater speed and precision. Judging by their past performance, APCO and public safety telecommunicators will soon be on the cutting edge in employing these new technologies and services in order to save lives.

Mr. Speaker, I want to express my enduring appreciation and gratitude to the thousands of men and women whose efforts have long gone without the appropriate public recognition. I urge my colleagues to join me in cosponsoring this legislation.

TRIBUTE TO B. DOYLE MITCHELL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. TOWNS. Mr. Speaker, Today I rise to salute B. Doyle Mitchell, one of the leaders of the Nation's banking community.

Mr. Mitchell was the chairman and president of the Industrial Bank of Washington, the second largest minority owned bank in the country. Mr. Mitchell succeeded his father as Industrial's president in 1954 and as chairman in 1955. He was successful in increasing the bank's assets from $7 million to its value of nearly $200 million today. Under his reins, the bank was named the financial institution of the year by Black Enterprise magazine last year. Industrial Bank continues today as the Nation's oldest African American-owned bank.

Under Mr. Mitchell's direction, Industrial Bank continued its practice of focusing on small consumer loans, rather than commercial lending. Mr. Mitchell said the practice reflected the bank's historic commitment to individual black consumers in a city with a large African-American middle class.

Though he was a soft-spoken man Mr. Mitchell was a leader in many local and national organizations. In 1982 he became the first black president of the D.C. Bankers Association. He was also treasurer of the National Business League and a director of Metropolitan Washington, the Washington chapter of the American Red Cross, Insurance Agency Inc., the D.C. Chamber of Commerce, the Dolphin and Evans Title Insurance Co. and Georgetown University. He was a member of the Rotary Club of Washington, the Pigskin Club, Phi Beta Sigma Fraternity, the NAACP and the Lincoln Temple United Church of God of Christ.

B. Doyle Mitchell was a lifelong resident of Washington. He graduated from Dunbar High School and Howard University before attending the Wharton School of Finance at the University of Pennsylvania. He served in the Army during World War II and retired as a colonel in the Army Reserve in 1973.

Mr. Mitchell was a role model for all young people. He strove to make a difference in this world by bringing economic strength and business growth to communities which are traditionally underserved by the financial industry. He will be greatly missed.

TRIBUTE TO DAN BURDETTE MOORE, M.D.

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. MATSUI. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Dan Burdette Moore, M.D., who is retiring from his position as physician-in-chief of the Kaiser Permanente Medical Center in South Sacramento. He has held this leadership position since the medical center opened in 1984.

Dr. Moore's leadership at Kaiser Permanente Medical Center in South Sacramento has led to its growth from one outpatient clinic building to a full medical campus including three outpatient medical office buildings, a full hospital with state-of-the-art operating suites, a stand-alone inpatient psychiatric hospital, and a soon-to-be completed labor and delivery center.

Dr. Moore's outstanding career clearly demonstrates his dedication to the field of medicine and those he serves. He has held faculty appointments with Washington University School of Medicine as a full time instructor and associate professor of surgery; the University of Alabama as an associate professor of surgery; and the University of California, Davis, where he has held several posts.

Prior to his tenure as physician-in-chief at South Sacramento, Dr. Moore held key positions at Kaiser's Sacramento Medical Center, including director of surgical residency program, assistant chief of surgery, and assistant physician-in-chief.

Dr. Moore is a member of the American College of Surgeons, Phi Beta Pi Medical Fraternity, International Transplantation Society, editorial board of the journal Transplantation, Sacramento Surgical Society Board of Directors, Sacramento County Medical Society, California Medical Association, and the Western Surgical Association.

I know Dr. Moore's colleagues at Kaiser Permanente in South Sacramento will miss his presence as both a leader and a friend. I am sure they join me in wishing him happiness in his retirement which will allow him to spend many hours indulging in his favorite pastime of fishing on the Sacramento and American Rivers.

Mr. Speaker, it is with great pleasure that I rise to recognize Dr. Dan Burdette Moore for his achievements. I ask that my colleagues join me in wishing him happiness in his retirement.

RECOGNIZING THE PEACE CORPS' ACCOMPLISHMENTS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. GILMAN. Mr. Speaker, the Peace Corps, an institution that has made quite a difference in the world, recently marked its 32d anniversary.

At a time when we are all searching for ways to cut the Federal budget, we must remember that there are at least a few programs—such as the Peace Corps—that are meaningful, worthwhile, and cost effective.

For 32 years, the Peace Corps has done much to ease human suffering, assist international development, and promote U.S. interests abroad. In recent years, the Peace Corps has risen to meet the challenges of a rapidly changing world, as Peace Corps volunteers have arrived in new democracies across the globe, including the former Soviet Union. In its 32-year history, more than 135,000 volunteers have served in over 100 countries worldwide.

Both as a symbol of American goodwill and as a vehicle for real change throughout the world, the Peace Corps has contributed a great deal to U.S. foreign policy. Accordingly, I invite my colleagues to join with me in congratulating this venerable organization on its 32d birthday.

IN RECOGNITION OF A TRUE AMERICAN PIONEER

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. SCHAEFER. Mr. Speaker, I rise today to recognize and bring to the attention of the House the achievements of a distinguished constituent from Colorado, Capt. Elrey Borge Jeppesen. This week, Captain Jeppesen is being presented the Coors American Ingenuity Award during festivities hosted by the National Association of Manufacturers.

Captain Jeppesen's contributions to aviation began in the early 1920's as his passion for flying took him from barnstorming to becoming one of the Nation's first airmail pilots. With a pilot's license signed by Orville Wright, Captain Jepp's vision for safe, efficient navigation system evolved from notes he recorded in a little black book as he flew his airmail route in an open cockpit biplane. In those early days of aviation, pilots had little to rely on in the way of navigation aids except for their own skills and courage and an occasional phone call to local farmers to see what the weather was like up ahead. Jeppesen began sketching landing sites and noting obstacles and landmarks along his routes. From these hand-drawn notes came today's well-known Jepp charts which are used by the majority of the world's airlines and professional pilots.

Jeppesen's foresight and tenacity created a standard for worldwide air navigation that has been unequaled for almost 6 decades. Jepp charts, as they are known to the pilots who rely on them, quietly touch the lives of millions each day, as passengers and cargo are routed through busy airport terminals around the world, and as the pilots of lifesaving air rescue and air ambulance flights trust their Jepps to take them and their fragile cargo to a safe haven. In the cold mist of a Rocky Mountain winter almost 60 years ago, a lone airmail pilot with a vision helped change the course of aviation's future.

Captain Jepp's accomplishments reflect the components necessary in the advancement of American competitiveness in the world economy. Colorado-based Jeppesen Sanderson, the company that began as a little black book full of hand-drawn sketches and diagrams, now operates from facilities in Germany, England, and Australia, as well as across the United States. A liaison office here in Washington functions as Jeppesen's link with the Federal Aviation Administration, and a field office in Omaha provides flight planning support to the U.S. Air Force transport fleet. Today, the company is the world's largest provider of flight information services and has, over the past several years, expanded its operations to include a multitude of flight information and pilot training support services.

Captain Jeppesen has received numerous awards from his aviation family, and was most recently honored by having the main passenger terminal building at the new Denver International Airport named for him. The terminal building will house a bronze statue of Captain Jepp, which embodies the pioneering spirit of his early days in aviation, along with a museum tracing the history of air navigation and air safety, both of which were significantly influenced by Captain Jeppesen.

In closing, I would also like to take a moment to recognize the Coors Co. for their efforts in identifying and honoring great Americans such as Captain Jepp. The Coors award was created to honor individuals like Elrey Jeppesen who have forever changed the face of business. It is my great pleasure to bring the occasion of Captain Jeppesen's honor to the attention of my colleagues here in the House.

NATIONAL SERVICE: A GOOD IDEA THAT MUST BE CAREFULLY STRUCTURED

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. MONTGOMERY. Mr. Speaker, I support the concept of national service, and I applaud President Clinton for advocating this notion. I sincerely believe that each of us has a responsibility to do what we can to improve our community, our State, our country, and our world. As the President stated in his remarks regarding national service, at Rutgers University last week, "* * * each of us has an obligation to service."

I also believe that benefits—particularly GI bill benefits—earned by those who volunteer to serve in our Nation's military—thereby subjecting themselves to the rigors, hazards, and discipline which are unique to military service—must be more generous than those earned by individuals who perform civilian duties under a national service program.

Military service is the essence of national service. What greater sacrifice can a citizen make than to put himself, or herself, in harm's way in order to preserve and defend the liberties all of us so deeply value? This potential for ultimate sacrifice should be rewarded accordingly.

A more pragmatic concern I have relates to the ability of the Armed Forces to recruit the smart, committed men and women they need to effectively maintain our national security.

Disturbing statistics show that the services are having difficulty maintaining the recruiting successes of recent years. Because of the widely publicized downsizing of the military and reductions in the services' advertising budgets, young people and the public at large think the Armed Forces are not hiring.

Consequently, in order to meet their quotas recruiters are being forced to accept applicants who score in the lowest acceptable level of the Armed Forces aptitude test.

If the benefits offered for performance of civilian duties under a national service plan are competitive with those offered for active duty in the Armed Forces, most young people will choose to help out in the nearby day care center rather than undergo the unique stresses and challenges of military life. The recruitment problems now being experienced by the Armed Forces would then be greatly escalated and could lead to the turbulence in the services that was so prevalent in the late 1970's and early 1980's.

Those who are working on President Clinton's National Service Program must keep these important issues in mind as they make final decisions regarding the structure of this program.

HAPPY BIRTHDAY TO CHARLIE GIBSON

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. MICHEL. Mr. Speaker, today is a landmark day for an individual with whom many of us in this House share a great friendship and fond memories.

Charlie Gibson, the host of "Good Morning America," is 50 today.

He's come a long way from those days of youth when he peered longingly at the gates to Wrigley Field hoping for an autograph of Ernie Banks and dreaming, just dreaming of the day he might play in the big leagues.

Charlie's path in life went in a different direction. He came to Washington more than a dozen years ago as a budding correspondent for ABC News. The years he spent on the Hill were good years for him and us. He was and remains today, one of the best, most professional and most objective, probing reporters to ever cover this House. He asked more questions and delved more deeply into the intricacies of the legislative process than many of his peers. It was a pleasure to talk with him and work with him. He was motivated by the

highest standards of the journalistic profession and practiced his trade with openness, honesty, integrity, sound judgment, and a real feel for the interaction of politics and public policy.

Charlie's greater celebrity status as the highly successful host of "Good Morning America" has not undone those human and professional qualities which have endeared him to millions of Americans.

I hope you will all join in wishing Charlie a very happy birthday and continued success.

PROTECTING THE PUBLIC FROM TOXIC CARPETS: THE EPA MUST ACT

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. SANDERS. Mr. Speaker, in March 1985, Linda Sands installed 130 yards of carpeting in her family's Montpelier, VT, home. Within hours, her house was penetrated by strong chemical fumes and her family's health problems began: Headaches, dizziness, burning throats, double vision.

After 3 weeks of chasing down the carpet installers, the Vermont Health Department, a private physician, and finally a private laboratory, Sands had the carpet removed and left her home for 6 weeks while her house was being cleaned. She thought that her problems were over. She was wrong. To this day, 7 years later, she and her five children are chronically ill from the carpeting installed that chilly March 7 years ago.

Sands told her story in October 1992, at a Senate subcommittee hearing which I asked Senator JOSEPH LIEBERMAN, chairman of the Senate Consumer and Environmental Affairs Subcommittee to convene. I made the request after being contacted by Dr. Rosalind Anderson of Anderson Laboratories in Dedham, MA. Dr. Anderson has devised a way to test carpet samples to see if they are emitting fumes that might be hazardous to human health. The test exposes mice to air that has been drawn over carpet samples.

While it is important to remember that not all carpeting gives off hazardous chemicals, Dr. Anderson's results are extremely disturbing. When she tested Linda Sands' carpeting, for example, all four of the test mice exposed to air blown over the carpets died within hours—even though the carpet sample was 7 years old. Carpeting from the Montpelier High School in Vermont, and the Vermont State Agriculture Building, also tested toxic.

In fact, of the 100 suspect carpet samples submitted to Dr. Anderson since we brought this issue to the public, virtually every one has produced ill health symptoms in the test mice—ranging from tremors to death. Of the many random samples that Dr. Anderson has purchased, about 25 percent have tested dangerous to human health, an indication that as much as one-fourth of all carpeting on the market may be hazardous.

To make matters worse, this problem seems to occur in a wide variety of brands and styles of commercial carpeting with some batches of the same line worse that others. Some scientists think that the problem stems from the process during which carpet fibers are adhered to their latex backing. It is not manufacturer-specific.

By establishing a causal link between illness and commercial carpeting, Dr. Anderson provides a powerful incentive for Government to protect the public health. In 1988, the EPA removed more than 20,000 square feet of new carpeting from its own Washington headquarters after hundreds of workers suffered health problems, some becoming permanently disabled from the toxic carpet. When replacing the carpet, the EPA set toxicity requirements, deciding, not to purchase carpet containing a specific chemical—4–PC. While acting immediately to protect its employees, only recently has the EPA taken action to warn and protect the general public.

Likewise, the Consumer Products Safety Commission refused to hear a petition to place warning labels on new carpets from the attorneys general of 26 States whose constituents echoed the complaints of Sands, experiencing a wide range of ill health effects from their carpeting. Since we publicized this issue, and stories were broadcast on the CBS "Evening News," and CBS "Street Stories," hundreds of people have contacted Dr. Anderson, CBS, and our office.

What can be done?

Dr. Anderson's test methodology has been approved by researchers at Consumers Union, and her test results have been replicated by Dr. Yves Alarie at the University of Pittsburgh, and by the carpet industry itself. In a recent meeting at my office, representatives of three divisions of the EPA acknowledged the importance of this issue and promised to move forward as quickly as possible to finish replicating Dr. Anderson's tests by June 1993. So far, all the tests—including those so far released by the EPA—have confirmed the results obtained by Dr. Anderson. If the final results of the EPA tests reaffirm the other results, it is my belief that the EPA is compelled under the Toxic Substance Control Act to force carpet manufacturers to change the production process to eliminate the health hazards now associated with certain carpets.

The EPA must also demand that the Carpet and Rug Institute, the lobbying arm of the carpet industry, suspend its so-called green tag program. Under that program, the industry tests one sample per year of a carpet line and gives it a green tag if it meets emission requirements, even though future batches may contain greater chemical emissions. This labeling program is grossly misleading because it gives consumers the false impression that the carpet they are buying has been tested and proves safe, when in most cases it has not. We are also asking the EPA to immediately suspend distribution of its deceptive brochure, "Indoor Air Quality and New Carpet—What You Should Know," and publish a new brochure which provides consumers with the most up-to-date findings in this area.

We are also pushing the EPA to work with other Government agencies such as the National Institute of Occupational Safety and Health to coordinate whatever resources and services are required to ensure that workers producing carpets are protected from potential health hazards. Representative MIKE SYNAR, chairman of the House Government Operations Committee Subcommittee on Environment, Energy and Natural Resources, and I hope to convene a hearing this spring, in order to ascertain what progress is being made by the EPA and the industry in addressing this serious public health concern.

The bad news is, that for too many years, the Consumer Product Safety Commission and EPA have failed to respond to consumer concerns regarding potential health hazards associated with carpets. The good news is that the EPA is now responding and replicating the important laboratory work done by Dr. Rosalind Anderson. A number of us in Congress will demand that EPA sticks to its schedule and acts vigorously to protect the public health.

HOUSE JOINT RESOLUTION 137

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. COOPER. Mr. Speaker, I rise today to introduce a resolution to protect the natural gas consumers in my district. My resolution, House Joint Resolution 137, calls on the Federal Energy Regulatory Commission [FERC] to halt further implementation of Order No. 636 until the GAO report that Chairman Dingell and I asked for is completed.

Last April, FERC issued new regulations in Order No. 636 that required major changes in services provided by regulated interstate pipelines throughout the Nation. Though it was designed to increase the efficiency of the natural gas industry, I am worried that Order No. 636 might simply make gas cost more. The utility bills of residential and commercial consumers may well rise by several billion dollars a year. More importantly, this regulation could harm the reliability of natural gas service to residential customers and other high-priority end users, including hospitals and schools.

The regulations adopted by FERC in Order No. 636 force substantial changes in the structure of the various components of the natural gas industry. Meanwhile, FERC has not provided Congress with an analysis of the economic impact of Order No. 636 on the various classes of natural gas and users. That's because FERC has not conducted such analysis. On February 18, 1993, the FERC Acting Chair Elizabeth Moler confirmed that the Commission had used only limited economic analysis in drafting Order No. 636.

FERC is forcing one of the most important regulatory changes in the history of the gas industry without any hard evidence of the impact on the residential gas consumers it is sworn to protect. I am simply not willing to let my constituents' gas bills rise without some study being done of what they eventually may pay.

Last year, House Energy and Commerce Chairman JOHN DINGELL, Energy and Power Subcommittee Chairman PHIL SHARP, Representative THOMAS BLILEY, and I asked the General Accounting Office to conduct a study of Order No. 636's economic impacts. The GAO study will be complete in May 1993. Since FERC never bothered to do this analy-

sis themselves, I think it is only prudent that FERC not be permitted to allow final implementation of Order No. 636 until the GAO report is complete.

I am introducing House Joint Resolution 137 to protect my constituents. Senator PAUL WELLSTONE shares my concerns and is introducing a similar resolution in the Senate today. I applaud his efforts and would like to thank him for his leadership on this role.

I urge my colleagues to support this resolution and keep environmentally sound, domestically produced natural gas both affordable and reliable.

HONORING SOUTHERN CALIFORNIA BUSINESSMAN WILLIAM J. GRIFFIN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. DORNAN. Mr. Speaker, I would like to take this opportunity to congratulate Mr. William J. Griffin, of Griffin Hardware, on the occasion of his election to the presidency of the National Retail Hardware Association [NRHA].

Following in the tradition of his father, who opened Griffin Hardware back in 1953, Bill Griffin is the successful owner and operator of two family-run hardware stores in southern California. With the help of his wife, Sharon, and daughters, Shannon, Kelly, and Stacey, Bill has consistently provided quality products and services to the many customers that have sought his business over the years.

Knowing that NRHA's primary purpose is to assist hardware retailers with necessary services, programs, and information while representing their interests at all levels of government, I believe Bill Griffin will do an outstanding job as the newly elected president of NRHA. He has shown true dedication to the prosperity of the retail hardware industry, and has indeed became one of southern California's most able and respected leaders in the small business community.

I am confident that Bill's knowledge and expertise of the industry will help retail hardware businesses across the Nation become more viable and prosperous enterprises, and I would like to congratulate him on the occasion of his election to president of the NRHA.

LEGISLATION TO AMEND THE NATIONAL HOUSING ACT TO REDUCE THE MINIMUM DOWNPAY- MENT REQUIRED FOR A MORTGAGE IN DESIGNATED HIGH-COST AREAS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mrs. MINK. Mr. Speaker, today I am introducing a bill that will propose to amend section 203 of the National Housing Act to reduce the minimum downpayment required for a mortgage on a 1- to 4-family residence located in Alaska, Guam, Hawaii, and the Virgin Islands to be eligible for mortgage insurance under this act.

The National Housing Act was amended last year to increase the downpayment requirement to 10 percent on the amount of a mortgage loan in excess of $125,000. This amendment unfairly excludes many potential home buyers from obtaining affordable housing in Alaska, Guam, Hawaii, and the Virgin Islands—markets with inflated real estate prices.

Currently, the maximum mortgage amount under the act for a one bedroom unit is 95 percent of the median of housing price in the area or 75 percent of the Freddie Mac limit.

Mr. Speaker, the most expensive housing market in the Nation is Honolulu, HI. In 1992, the average cost of a home was $349,700. In 1991, the average cost of a home in Honolulu was $338,700. In comparison, at the end of 1991, the average price of houses in the 32 markets studied by the Federal Housing Finance Board was $150,300.

In high-cost markets such as Alaska, Guam, Hawaii, and the Virgin Islands, a reduction of 5 percent in the downpayment on the amount in excess of $125,000 means the difference between obtaining an affordable housing unit or being caught in the oppressive rental market and unable to purchase a home.

The act currently requires a downpayment of 3 percent on the first $25,000; 5 percent on the amount between $25,000 and $125,000; and 10 percent on amounts above $125,000. This bill proposes to treat Alaska, Guam, Hawaii, and the Virgin Islands in a fair and reasonable manner, maintaining the 5 percent downpayment level for that portion of the mortgage loan in excess of $125,000. Last year's amendments to the National Housing Act, Public Law 102–550, failed to provide Alaska, Guam, Hawaii, and the Virgin Islands an exemption from the increase to 10 percent, but still required higher levels of insurance coverage only for Alaska, Guam, Hawaii, and the Virgin islands.

Mr. Speaker, the bill I am introducing today is not seeking favored status for Alaska, Guam, Hawaii, and the Virgin Islands, but rather is seeking equitable treatment and equal status under the National Housing Act.

In this spirit of fairness, I urge my colleagues to support this bill.

RECOGNITION OF INTERNATIONAL WOMEN'S DAY

HON. MICHAEL J. KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. KOPETSKI. Mr. Speaker, yesterday was International Women's Day. This occasion gives every Member of Congress an opportunity to question human rights for women in this country and around the world. Women, predominantly in the developing world, continue to endure the cruelest human rights abuses, often under the guise of cultural norms.

In August of 1991, I had the opportunity through my work on the Judiciary Committee's Subcommittee on International Law, Immigration and Refugees to visit several refugee camps in Asia and the Middle East. In northern Thailand, I observed rampant prostitution, perhaps the cruelest human rights abuse, that was very much a part of this region's culture and economy. I attached a letter I received recently from a friend currently working in Thailand. This letter describes this situation in great detail: It is perhap's, the saddest, most tragic letter I have ever received. I have deleted names or replaced names with initials where appropriate and ask that the letter be printed in the RECORD at this point. As world citizens we have much to do in the area of human rights for women. Our national policies should reflect the concerns and goals we have identified as world citizens.

BANGKOK, THAILAND

December 31, 1992.

DEAR MIKE: Thank you very much for your November 5 letter and congratulations on your re-election.

A lot has happened since I last wrote you. K and I have not yet visited my mother in Annapolis or we would most definitely have given you a call. Unfortunately, K left me about four months ago, our parting was a friendly one. She had not contacted me until yesterday when she called to say she was leaving on the ten o'clock flight to Japan. She has entered into a two year contract to go there and work as a prostitute. This is something her family had been asking her to do since before she met me, one of the many strains on our relationship.

It's a long story, but the basic problem was that K was unable to break away from the same social problems and stigma that led to some of the more unfortunate scenes you witnessed during your visit.

Like her childhood girlfriends, K was expected to be a prostitute from an early age and she accepted this. She was sold at age 14 to a brothel in Bangkok, had a few very bad experiences, and wanted desperately to change her situation by the time she met me three years later. This is rare, most three year veterans tend to accept their lot, not K—she was too smart and too rebellious, which is why we fell in love. During the two years we were together she tried but just couldn't adopt a new life, it was too foreign for her. She needed more support than just me, it takes personal discipline for anybody to change themselves. K wanted it, but personal discipline is not the kind of thing you can get from a spouse. K needed family support or some sort of support structure that she could identify with.

If you had had a little more time with us I'm sure K would have told you her story. After your visit we talked quite a bit about you and what I thought you could do to effect a change for Thai women. She acted incredulous but I know she was impressed with the vision of what good works could be brought about by a caring American politician. When she called yesterday, I asked her what to write to you and what she thought you could do for Thai women. She said, "Tell Kopetski I am happy to know him" and "Only the King or maybe the new government can really do something to help us."

The only positive thing about all of this is that, in the two years that K and I were together she learned a great deal from the people (like you) that she came into contact with. This had a positive effect on her level of expectations in life, she will plan something different for her future children. Assuming of course, that she survives into re-

tirement (mid to late 20s) with out contacting HIV/AIDS. I'm hopeful that she is smart enough to do so and Japan has an excellent health record in that regard.

As much as K learned she taught, to me and her American friends. She took us on an emotional tour of a world that few Americans can ever imagine and gave a face to the thousands of women locked in her social position. I love and miss her.

She promised to keep in touch from Japan and asked that I forward the addresses of our mutual friends once she has an address there.

This hasn't been an easy letter to write, I've been at it since early December, K's call was the final impetus. As hard as it is to recount this painful experience it is a hell of a lot easier than it was for K to get on that flight to Japan last night.

The solution lies, as K said, among the highest of the land. Accountability is what makes a leader react. If high level Thai leaders feel accountable they will act. They have to be seen by the world community and their own people, speaking out against the widespread practice of slavery that is thriving in this country. Only then will they feel that their "face" is on the line and that they are accountable. It has to become a big issue, tied in with U.S. assistance. Why does the U.S. government provide aid to a country whose police force is actively involved in slavery? The numbers are outrageous and there are NGOs in Thailand who can identify brothels being operated under the auspices of entire police forces, just like the ones K and I showed you.

Well, I want to get this off before the end of the year. Please give my best regards to.

Sincerely,

———— ————.

Mr. Speaker, I also attach for the record an excellent column written by Ellen Goodman that appeared in The Washington Post over the weekend. I particulary want to associate myself with the following paragraph, "We have to restructure a foreign policy that focuses on the environment, on population, on the world economy. We can only do that if women's rights and roles in everything from education to reproduction are part of the picture." I wholeheartedly agree and recommend Ellen Goodman's column to my colleagues.

[From the Washington Post, 1992]

WOMEN ACTIVISTS IN A HUNDRED COUNTRIES

(By Ellen Goodman)

Boston—These are times when Americans have to slip a new set of lenses into an old pair of frames.

The political prescription that we wore for so long produced a kind of Cold-War myopia. For almost 50 years, we pictured the world in terms of East and West, the Soviet Union and America. It was virtually all we could see.

Now we are looking out again. The people and the problems that were once just outside our peripheral vision have come into clear view.

Ideed on Monday, the International Women's Day will mark a "see-change" in our understanding of the harsh realities of women's lives. It comes at time when women's rights are finally being included in the panorama of human rights.

The starkest example of this change has come with the reports by victims and witnesses from Bosnia. Rape was once regarded as an inevitable byproduct of war, if not an actual perk for warriors. But this year it is a war crime, slated to be a centerpiece of any tribunal called for by the United Nations.

In France, the genital mutilation of two immigrant girls from Gambia—a ritual clitoridectomy—would have once been dismissed as a religious or family affair. This winter, the mother who ordered the mutilation was sentenced to jail.

In Korea, women kidnapped and held captive as "comfort women" for Japanese soldiers had been silenced by shame since World War II. This year, they spoke out about sexual slavery.

In Canada, a Saudi woman sought political asylum on the grounds that she was in grave danger back home because of her views on the status of women. Now, after refusing and then allowing her permission to stay, the Canadian government is considering granting refugee status for the victims of gender discrimination.

From Kuwait, too, the world learned of more protests by Philippine maids held captive at their jobs. From India came the story of a 13-year old girl saved by a flight attendant after she had been sold into marriage by her parents to an elderly Middle Eastern buyer. And from the United Nations came the news that the Conference on Human Rights meeting in Vienna this June will include—for the first time—a substantial agenda of women's rights issues, from voting to violence.

It is not a coincidence that these stories have flashed into our line of moral vision now. It's the work of women in the international human rights community who have stripped off their organizations' old blinders. It's the work of women activists in a hundred countries where abuse once took place in the shadows.

The remarkable thing is that for so long a time, diplomats and foreign ministers dismissed the mistreatment of women as a private, not a public matter. As Dorothy Thomas, the head of women's rights for Human Rights Watch describes it, "Violence against women has been misconceived as a private thing, an incidental thing, an unfortunate thing and a cultural thing. Any thing but a human rights thing."

Indeed the range of laws and customs that enforce second-class status by sex were often defended as part of a country's tradition or religion. We tiptoed around these issues, talking discreetly in hushed diplomatic tones about cultural relativism.

Now, as Thomas says, "the women activists in these countries are saving themselves, 'there's a big difference between recognizing we come from different cultures and falsely using culture to justify a violation of human rights.'" It's the abusers, she says, who use the cultural defense.

The world long ago stopped excusing slavery. Anyone who tried to defend apartheid on the grounds of cultural relativism today would be laughed off the international stage. We are beginning to change attitudes toward women's status as well.

So, on this International Women's Day, the world's eyes will be open to violence as far abroad as Bosnia. Women's rights are being seen, literally seen, as human rights.

In our country we are sorting out priorities and policies for the post-Cold War world.

We have to restructure a foreign policy that focuses on the environment, on population, on the world economy. We can only do that if women's rights and roles in everything from education to reproduction are part of the picture.

This new vision of the world demands a very wide-angle lens.

Whether it's peace and reconciliation in the Central American nations of El Salvador, Guatemala, and Nicaragua, the Balkan conflict, Haiti, the newly independent states or the United States of America, women's human rights are fundamental to a healthy, prosperous and just society. I ask my colleagues to remember and recognize this every day here on the floor of the House of Representatives.

INTRODUCTION OF TRUST INDENTURE REFORM ACT OF 1993

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 9, 1993

Mr. KLECZKA. Mr. Speaker, today I rise to introduce the Trust Indenture Reform Act of 1993, a bill that would strengthen protections for investors in publicly offered securities by updating the current law's provisions on successor liability to address new types of mergers.

The need for this amendment to the 1939 trust indenture law grew out of case in Wisconsin that involves two Milwaukee corporation. Many of my constituents have been adversely affected by this situation, some of them losing more than half the value of their original investment in Farm House bonds, and the remainder persevering in a class action lawsuit in the hope that they can recoup the full value of their investment.

How did this unfortunate situation come to pass? In 1979 and 1987 the Farm House Foods Corp., a holding company, offered $21 million in debentures. Many of my constituents bought these high-yield, low-grade bonds because they seemed to be a good investment. However, shortly after the public offering, Farm House transacted a convoluted series of share exchanges and stock sales with its subsidiary, Diana Corp. This flip-flop transaction in effect made Diana the new parent company. In reality, this transaction was a de facto merger of Farm House and Diana. Shortly afterwards, in 1989, Farm House declared bankruptcy and defaulted on payment of the bonds.

In merger cases, the successor corporation—Diana in this case—usually continues paying for the bonds and other debts of the issuer—Farm House in this case. However, because the transactions were share exchanges, Diana argues that it does not have to honor the Farm House bonds. The company bases this claim on the fact that the text of the 1939 trust indenture law does not explicitly cover share exchanges or equivalent transactions.

Enough is enough. The bald attempt by Diana to defraud Farm House bondholders has caused a great deal of pain, loss, and financial hardship for investors who had faith in the marketplace. The substance of Diana and Farm House's actions was a merger, even if the label under which it was carried out does not explicitly say so. Accordingly, the Trust Indenture Reform Act of 1993 closes this loophole in the 1939 law by inserting language that covers these types of transactions, and explicitly requires successor liability in share exchange transactions or other sorts of transactions that have an equivalent effect. Follow-

ing my statement is a letter of support for this legislation from the Commission of Securities for the State of Wisconsin.

I strongly believe this legislation is needed to discourage other companies that may in the future seek to follow Diana's fraudulent example. Such a scenario is not as farfetched as it may seem because the amazing growth in the value of Diana stock recently has been spotlighted in the Wall Street Journal, USA Today, as well as the Milwaukee Journal, and Milwaukee Sentinel. In 1992, the value of the company's stock rose 181 percent. In fact, during the first 5 months of the Clinton administration, a time of uncertainty and loss for some stocks, the closing price of Diana stock rose from $7.875 for $173.9. While the company is raking in profits the bondholders are still awaiting payment.

The legislation I have introduced today sends a clear message that such money-making schemes will not be tolerated. The public's interest must be protected to maintain confidence in capital markets and promote a healthy economy. Without enactment of this bill, I strongly fear that other companies will mimic Diana.

For these reasons, I urge my colleagues on both sides of the aisle to support the Trust Indenture Act of 1993. This consumer protection measure deserves to become public law this year. Thank you.

STATE OF WISCONSIN,
OFFICE OF THE COMMISSIONER OF SECURITIES,
March 5, 1993.

HON. GERALD KLECZKA,
U.S. House of Representatives,
Rayburn House Office Building, Washington, DC.

Re congressional legislation to amend the Trust Indenture Act of 1939 to expand protections for public bondholders.

DEAR REPRESENTATIVE KLECZKA: This Office strongly supports the legislation you are introducing to amend the Trust Indenture Act of 1939 to expand that Act's protections for the benefit of public purchasers of bonds.

As you know, among the purposes of a trust indenture covering bonds sold to investors in public offerings is the providing of basic rights to, and protection for, bondholders when the corporate issuer of the bonds engages in certain transactions that affect the corporate issuer's ability to pay principal or interest on the bonds.

In particular, the so-called "successor liability for payment" provisions that are found in section 801 and 802 of the American Bar Foundation's Model Debenture Indenture Provisions seek to require "successors" resulting from either mergers with, or the sale of substantially all the assets of, an issuer of bonds, to assume payment responsibility on the bonds. However, as you are aware, the ABF Model provisions not only are outdated (having been created in 1967), but they also may be modified or even deleted from the trust indenture actually issued in any particular public offering of bonds. Wisconsin public bondholders have been adversely effected in at least one recent instance by the inadequacies of the successor liability provisions in the particular trust indentures covering the bonds involved.

We strongly support your legislation because it would provide three major benefits to investors in publicly-registered bond offerings under the federal securities laws:

(1) The trust indentures for such offerings would have successor liability provisions which would be updated, complete and flexible to assure that a "successor" to a corporate issuer of debt securities resulting from a merger or a sale of substantially all the assets or resulting from any other transaction having substantially equivalent effect assumes payment responsibility on the bonds.

(2) Because the specific language of such "successor liability for payment" sections would be mandated (as a result of your legislation) under the Federal Trust Indenture Act of 1939, issuers could not avoid its impact by making deletions or additions.

(3) The U.S. Securities and Exchange Commission, as the governmental agency administering the Trust Indenture Act of 1939, would have its present oversight responsibilities under the Act expanded to cover "successor" situations where regulatory action might be warranted on behalf of public bondholders.

In summary, this Office supports the legislation as being in the public interest and necessary for the benefit of public bondholders to remedy deficiencies in current law relating to trust indentures.

Sincerely,

WESLEY L. RINGO,
Commissioner of Securities.

H.R. 1258

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

SECTION 1. FINDINGS.

The Congress finds that—

(1) interstate public offerings of debt securities by corporations and other entities that are registered under Federal securities laws are required to be covered by a trust indenture meeting the requirements of the Trust Indenture Act of 1939 ("1939 Act");

(2) a trust indenture is a contractual agreement between the issuer of the debt securities and a financial institution as trustee for the benefit and protection of public debtholders;

(3) a trust indenture under the 1939 Act sets forth certain responsibilities and rights of the issuer and the trustee, including the obligation of the issuer to make payment of interest and principal on the debt securities to debtholders, and it sets forth events of default which can trigger actions by the trustee on behalf of the debtholders to have the default cured or to otherwise obtain payment for debtholders;

(4) the 1939 Act does not, however, contain provisions that would require a successor corporation to the issuer resulting from a merger, consolidation, sale of substantially all of its assets, share exchange or other transaction having substantially equivalent effect, to assume payment responsibility for the predecessor/issuer's debt securities;

(5) sample trust indenture provisions set forth in sections 801 and 802 of the American Bar Foundation's Model Debenture Indenture Provisions ("ABF Model Indenture", approved and adopted in 1967) for registered public offerings of debt securities attempt to deal with the "successor responsibility for payment" situation, but fail to specifically cover "share exchanges" (which are types of corporate reorganization transactions developed subsequent to 1967) or "equivalent effect" transactions;

(6) issuers of debt securities are not currently required to include in their trust indentures any section dealing with the "successor liability for payment" situation, inasmuch as inclusion of the ABF Model Indenture provisions on that subject, in whole or in part, is voluntary by the issuer;

(7) certain issuers of debt securities to the public in registered offerings have engaged in share exchange transactions (that are substantially equivalent to mergers), with successor corporations, where such issuers have sought to avoid successor payment responsibility on the debt securities on the premise that the language of their trust indenture provisions regarding successor payment responsibility does not specifically cover share exchanges nor state that such sections would be applicable to any other transactions having effects substantially equivalent to a merger, combination, or sale of substantially all the issuer's assets; and

(8) it is appropriate and necessary for the protection of public purchasers of debt securities in publicly registered offerings under the Federal securities laws that trust indentures relating to such debt securities be required under the 1939 Act to have successor payment responsibility provisions, and that such provisions be drafted with language that is both complete and flexible in order to assure that a successor to an issuer of debt securities resulting from a merger or equivalent transaction cannot avoid payment responsibility that would disastrously injure public debtholders.

SEC. 2. AMENDMENT TO THE TRUST INDENTURE ACT OF 1939.

The Trust Indenture Act of 1939 is amended by adding after section 328 (15 U.S.C. 77bbbb) the following new section:

"MERGER, CONSOLIDATION, CONVEYANCE, OR TRANSFER.

"SEC. 329. (a) CONDITIONS ON TRANSACTION.—An issuer of any security subject to this title shall not consolidate with or merge into any other corporation or convey or transfer its properties and assets substantially as an entirety to any person, or engage in any equity or share exchange transaction with any other person or with the security holders of any other person which results in a reduction of the assets available to the issuer, or engage in any other transaction having a substantially equivalent effect, unless—

"(1) the corporation formed by such consolidation or into which the issuer is merged or the person which acquires by conveyance or transfer the properties and assets of the issuer substantially as an entirety, or the person which acquires the shares of the issuer or whose equity holders acquire such shares, in a transaction which results in a reduction of the assets available to the issuer, shall be a corporation organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the trustee, in form satisfactory to the trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the securities and the performance of every covenant of the indenture on the part of the issuer to be performed or observed;

"(2) immediately after giving effect to such transition, no event of default, and no event which, after notice or lapse of time, or both, would become an event of default, shall have happened and be continuing; and

"(3) the issuer has delivered to the trustee an officers' certificate and an opinion of counsel each stating that such consolidation, merger, conveyance, transfer, equity or share exchange transaction, or transaction having a substantially equivalent effect, and such supplemental indenture comply with this article and that all conditions precedent herein provided for relating to such transaction have been complied with.

"(b) RIGHTS AND OBLIGATIONS UNDER INDENTURE OF SUCCESSOR CORPORATION.—Upon any consolidation or merger, or any conveyance or transfer of the properties and assets of the issuer substantially as an entirely, or equity or share exchange transaction described in subsection (9), or any transaction having a substantially equivalent effect, in accordance with subsection (9), the person subject to subsection (a)(1) shall succeed to, and be substituted for, and may exercise every right and power of, the issuer under the indenture with the same effect as if such successor corporation had been named as the issuer: *Provided, however,* That no such consolidation, merger, conveyance, transfer, or equity or share exchange or other transaction shall have the effect of releasing the issuer, or any successor corporation which shall have become a successor by operation of this section from its liability as obligor and maker on any of the securities.".