# EXTENSIONS OF REMARKS

## REINSTATING FAVORABLE TREATMENT OF CAPITAL GAINS: KEEPING THE LIFEBLOOD OF THE U.S. ECONOMY FLOWING

**HON. PHILIP M. CRANE**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. CRANE. Mr. Speaker, the Tax Reform Act of 1986 has nullified the many positive actions taken since 1978 to reduce the rate of taxation for capital gains. Despite the lessons of history and the indications of recent studies, Congress has again arbitrarily raised the maximum rate from 20 to 28 percent. Not only will the increased rate discourage investment, but it will also reduce the future revenues collected from the tax. A review of the history of the capital gains tax will show that a cut in the rate has always increased revenue. Recent economic studies also indicate that this will be true in the future. It is evident that the revenue-maximizing rate is about 15 percent so I have introduced appropriate legislation. H.R. 3353 sets the rate of taxation of capital gains at 15 percent.

Capital gains are those gains resulting from the sale of capital assets, such as stocks, bonds and real estate. Until passage of the Tax Reform Act, long-term capital gain (long-term gain was that resulting from the sale of a capital asset held for longer than 6 months), was entitled to preferential tax treatment. In general, 60 percent of the long-term capital gain was excluded from tax. The highest effective tax rate on a long-term capital gain was, therefore, 20 percent (40 percent of the long-term gain subject to tax times the highest marginal tax rate, 50 percent).

In the early 1970's, Congress doubled the maximum tax rate on capital gains from 25 to 49 percent. The motivation for this dramatic increase was ostensibly to increase tax revenues, but these high capital gains tax rates caused those years to be some of the most unproductive in recent history in terms of capital investment and small business growth. Many businessmen and high-technology innovators still refer to those years as the "dog days of the entrepreneur." The venture or risk capital needed to begin and finance the growth of new corporations virtually disappeared. A period of economic stagnation ensued, and many corporations went under, went deeply into debt, or in the case of many new high technology companies, were forced to sell or license their products to foreign corporations.

Mr. Ed Zschau, a Congressman from the State of California who retired his seat at the end of the 99th Congress, was a young entrepreneur just starting out in "Silicon Valley" at this time, who somehow managed to survive this difficult period. As he related over 2 years ago to the New York Times:

In the early 1970's when my company was first getting off the ground, venture capital sources had pretty much dried up. What I did, and what many other companies had to do, was to seek capital from foreign companies. But in order to get the money, we had to sell licenses or technology or go into joint ventures. Unfortunately, we sold a lot of our good stuff off.

Something is wrong when American genius, American ingenuity and American entrepreneurial skills are being leased or sold to our foreign competitors for lack of venture capital to finance their development.

Then, in 1978, behind the leadership of the late Congressman Bill Steiger, Congress acted to reduce the capital gains tax rates from 49 to 28 percent. The results were astonishing, even to those who had proposed the reduction: Within a mere 18 months, more than $1 billion of new venture capital poured into funds for investment in new and growing companies. With a further reduction to 20 percent in 1981, the United States experienced a virtual explosion of investment and capital formation. This "explosion" has resulted in over 1 million new jobs since 1978, and contrary to the predictions of many, has actually increased captial gains tax revenues. In 1979, the first year of the Steiger tax cut, the Treasury Department collected $11.7 billion in capital gains tax revenues, up from $8.1 billion collected in 1977 and $9.3 billion collected in 1978. So much for the expected decline in revenues.

Most experts agree that the Tax Reform Act of 1986 will have devastating effects on the formation of capital and will undoubtedly result in a marked capital gains tax revenue loss over the next few years. Harvard Professor Lawrence Lindsey has simulated the revenue impact of the 1986 Tax Reform legislation and the proposed 15 percent rate as opposed to the past rate. For the 3 fiscal years from 1988 to 1990 the 1986 Tax Reform rate would result in a projected loss of $31.7 billion whereas the 15 percent rate would result in a projected gain of $14.8 billion. This is not an isolated instance; five other recent studies have indicated that the optimum capital gains rate lies between 9 and 21 percent. If the Tax Reform Act of 1986 is not amended, capital will become more expensive and our productivity, innovation and economic growth will therefore be reduced. As a result, Federal tax revenues will be diminished as proven both by economists and by history.

Furthermore, the 1986 reform will have the effect of dramatically increasing the capital gains taxation for lower and middle income taxpayers who were never subject to a maximum capital gains rate of 20 percent, even under the law in effect before this reform. Take, for example, a retired individual who holds stock as a portion of his security for his retirement. This individual must often sell his stock holdings to provide income on which to live. Under the law in effect prior to passage of this tax reform, however, the entire amount of the gain realized on the sale of these capital assets will be subject to taxation as ordinary income. For a person on a fixed income, struggling to make ends meet, the difference between these two amounts can be critical.

Also suprising to those who believe that a cut in capital gains tax is solely to the benefit of the wealthy are Dr. Martin Feldstein's findings on the origin of the revenue gain from the proposed 15 percent tax. Taxpayers with gross incomes of $100,000 and above would account for over 80 percent of the increased revenue and those with gross incomes of over $200,000 would account for over 50 percent. Thus, a cut in the tax will raise greater revenue from the wealthy who trade at their own convenience, while a hike in the tax will hurt the needy and the elderly who must realize their gains when they need the money.

When the rate of taxation of capital gains is cut, the wealthy willingly pay more taxes because the tax on capital gains is characterized by a voluntary nature of payment. The payment is voluntary because the asset need not be sold and the gain realized if the rate of taxation is deemed to be too high by the investor. A higher rate discourages the sale of capital assets in an attempt to avoid realizing the capital gain. By this mechanism the investor is locked into investments and the capital market is diminished. Because the investor chooses not to realize gains the Government receives less revenue at the higher rate. When the rate is reduced the market is stimulated and more gains are realized, yielding greater revenues from their taxation.

The fact that investors change their behavior in response to changes in the tax law requires a dynamic analysis of revenue estimates. Many of the studies cited by the opposition are static estimates that do not account for the change in behavior of the taxpayer. A dynamic analysis of the rate indicates that a cut in the rate will again raise the total revenue.

It is essential that we restore preferential capital gains tax treatment to a maximum rate of 15 percent. By enacting this legislation Congress can help to maintain a favorable atmosphere for economic growth and encourage sensible innovative risk-taking. Capital formation costs must remain cheaper at home than abroad so we will not force entrepreneurs to seek financing abroad to develop and implement their innovations. In addition to increasing revenue through enhanced investment, the reduced rate will create more jobs and thereby also raise more revenue. This legislation puts a challenge before Congress to correct one of its great blunders of the Tax Reform Act of 1986.

H.R. 162

## HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. ANDREWS. Mr. Speaker, last week the House passed H.R. 162, the High Risk Occupational Disease Notification and Prevention Act of 1987. I was proud to support this important piece of legislation.

Each year in Texas, an estimated 4,000 to 5,700 people die from occupational disease, costing Texans $461 million to $630 million every year. These estimates do not include the many Texans who are disabled each year due to work-related illnesses such as asbestosis, silicosis, pesticide poisoning, lead poisoning, and various cancers. These numbers are truly alarming, and they reflect a growing inability to reduce workplace disease hazards, despite considerable attention and effort on behalf of industry, State legislatures, and Congress.

Because of the magnitude of this problem in our State, the Texas State Legislature has consistently risen to the occasion, addressing the problem in a highly progressive manner. The Texas Hazard Communication Act, passed by the legislature in 1985, far outpaced OSHA's Hazard Communication Standard, requiring the mandatory coverage of both manufacturing and nonmanufacturing employees. OSHA will not cover nonmanufacturing employees until May 20, 1988, a significant time lag behind Texas law, which has covered nonmanufacturing employees since 1985.

This Texas bill overwhelmingly passed the State legislature, with strong support from all areas of business in the State. It is fair to say that Texas has been a leader on the issue of occupational hazard notification legislation, reflecting the desire on the part of Texas business and citizens to have progressive, innovative solutions to this problem. Thus, it is my belief that the majority of Texans, as evidenced by the businesses in my district which support H.R. 162, want Texas to continue to make progress in this area.

One question now arises for the Congress: How can we best assist our constituents, our taxpaying workers and businesses, in reducing these staggering human and monetary costs? H.R. 162, with its medical monitoring requirements, provides a possible solution—early detection, a step which may prevent deaths and reduce the severity of illnesses resulting from occupational diseases. This bill is preventive medicine in legislative form. Our intent in this bill is to save lives and prevent unnecessary health costs for individuals, corporations, and the Government.

H.R. 162 is supported by such respected health organizations such as the American Cancer Society, the American Lung Association, and the American Medical Association. In addition, numerous chemical companies in my district have voiced support of H.R. 162, including Air Products, Atlantic Richfield, Celanese, Diamond Shamrock, Dupont, W.R. Grace, Hercules, ICI Americus, Lonza, Lubrizol, National Distillers, PPG, Rohm and Haas, Union Carbide, and Upjohn. The bill also has wide support among nonchemical businesses, including IBM, Atlantic Richfield, General Electric, Eastman Kodak, Digital Equipment, and Crum & Forester Insurance.

Workers have the fundamental "right to know" not simply that the substances they handle at work are hazardous, but also what health hazards those substances may pose. Thus, although I certainly applaud the recent expansion of OSHA's Hazard Communication Standard, and the progressive, rigorous Texas Hazard Communication Act, these laws are silent on the question of medical monitoring and disease notification—which is the very heart of H.R. 162.

The bill that has been crafted, with the addition of some important amendments, is a bill we can all be proud of. We have successfully tightened the bill, by adding amendments which would: exempt small businesses with fewer than 50 employees from the job transfer provisions; exempt companies with exceptional health and safety programs from the notification requirements; exempt from job transfer provisions agricultural employees who work for an employer for fewer than 6 months in a calendar year; require that an employee show physiological signs of disease before medical removal is required; and permit the Risk Assessment Board to waive notification for persons whose exposure, based upon the latency period, would have already resulted in a specific disease.

I hope that the long-term effect of H.R. 162 will be a reduction in the human tragedy of occupational disease and the staggering economic costs associated with such disease. We must all put on our farsighted glasses and realize that early notification and medical monitoring of high-risk employees is a preventative step which government and industry must take to achieve long-term benefits.

## ELEVATE THE VETERANS' ADMINISTRATION TO A CABINET LEVEL DEPARTMENT

## HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. SOLOMON. Mr. Speaker, I wish to express my sincere appreciation to the chairman of the Government Operations Committee, Congressman BROOKS from Texas, for conducing hearings earlier this week on legislation to elevate the Veterans' Administration to a Cabinet level department. A bill to accomplish this has been introduced in every Congress for the past 25 years. However, thanks to the work of Congressman BROOKS, this goal is within reach.

My very good friend, the chairman of the House Veterans's Affairs Committee, SONNY MONTGOMERY, should also receive credit for his work on the bill. Without his support we would never have been able to obtain so many cosponsors on the bill. My friends and colleagues from New York, Mr. HORTON, the ranking member of the Government Operations Committee, should also be commended for his contributions.

I believe that the team of BROOKS, MONTGOMERY, HORTON, and SOLOMON now pushing this legislation insures its prompt approval in the House.

I would be remiss if I failed to recognize the leadership role played by all of the veterans' service organizations in this effort. The American Legion, the Veterans of Foreign Wars, Disabled American Veterans, AMVETS, paralyzed Veterans of America, Blinded Veterans Association, Vietnam Veterans of America and many others have worked tirelessly in order to gain approval of this legislation. Few other major veterans' issues have had such united and overwhelming support. I would urge my colleagues in the House to make certain they are now cosponsoring H.R. 3471, elevating the VA to a Cabinet level department, for this is the bill currently under consideration by the Governmental Operations Committee.

Mr. speaker, I wish to submit for the RECORD a recent editorial from an upstate New York newspaper, the Dunkirk Observer, which makes some excellent points as to why the VA should be elevated to a Cabinet level department.

[From the Dunkirk (NY) Observer, Sept. 20, 1987]

ADD VA TO CABINET

Congress currently is studying a proposal which would establish the Veterans Administration (VA) as a cabinet-level agency.

This plan, which we strongly endorse, would elevate the chief of the VA from the position of administrator to the level of a secretary in the President's cabinet. Our millions of veterans of the Armed Services deserve to have their concerns represented in the cabinet—the highest level of the executive branch.

The VA administers the largest health care system in the free world. The VA has over 172 hospitals, 229 out-patient clinics and 117 nursing homes. Its annual operating budget of more than $27 billion is larger than most cabinet-level agencies such as the Departments of State, Interior, Labor, Education, Transportation, Justice, Energy and Housing and Development.

The VA ranks second only to the Department of Defense in the number of employees.

Over the years, the VA has proven itself to be a viable, hard-working agency, which has provided many types of assistance to our veterans. Through the GI Bill programs, thousands of veterans have been able to purchase homes or pursue educational or vocational opportunities.

Did you realize that the VA also is the largest trainer of health care manpower in the United States? Nearly half of the doctors in the U.S. have received all or part of their training through the VA. Most American families at some time have received medical attention from VA-trained health care personnel.

Which agency administers the largest vocational rehabilitation and training programs in the U.S.? The VA, of course. These programs have led to job opportunities for our disabled veterans.

Because of its dedication to our veterans, the VA will continue its mission with or without cabinet-level status.

However, we call upon Congress to recognize the fine work being done by the VA and show its appreciation and gratitude by adding the agency to the list of those already represented in the hierarchy in Washington.

## GENERATIONS AT RISK IN A CHANGING HEALTH ENVIRONMENT: THE 1987 CONGRESSIONAL BLACK CAUCUS HEALTH BRAINTRUST WORKSHOP

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. STOKES. Mr. Speaker, during the Congressional Black Caucus [CBC] Annual Legislative Weekend I convened the Health Braintrust Workshop, which has been a major impetus in advancing the direction of health care in black and minority communities. Over the years, this forum has provided a much-needed and sought-after exchange for black health care professionals in their fight to improve the health status of black America.

This year's workshop, entitled "Generations at Risk in a Changing Health Environment," focused on many critical health issues confronting the black community. Noted agency officials, and representatives of medicine and academia addressed the Health Braintrust on such timely topics as "Black Indigent Health Care," "AIDS and the Black Community," "Cultural Influences on Health," and "Minorities in the Health Professions and Biomedical Research."

Mr. Speaker, I have chaired the CBC Health Braintrust since its inception 10 years ago. In all the years, this was one of the most provocative and educational sessions ever. Over the next few weeks, I will be submitting a series of statements presented during this meeting to share with my colleagues. I am sure that everyone who reads these articles will find them to be a comprehensive perspective on the status of health of blacks in America.

### BLACK INDIGENT HEALTH CARE AND CHILDREN

(Presented by Kay Johnson, Senior Health Specialist, Children's Defense Fund)

Every child needs decent health care at ever stage of her development. Good medical care must begin with comprehensive maternity care provided to a child's mother during her pregnancy, labor, and delivery. It continues throughout childhood, with care for a child's preventive, acute, and chronic health care needs. It is crucial in the teenage years to protect a youth's overall health, to promote his or her mental health, and to prevent teen pregnancy and sexually transmitted diseases.

No pregnant woman should be denied maternity care because she does not have the money to pay for it. No child—whether his or her need is for immunization's, treatment for a strep throat, dental care, hospitalization, medicines, eyeglasses, speech therapy necessary because of a hearing loss, or long-term care at home—should go without health care because his or her family cannot afford it. No teen should have to forgo counseling or services needed to prevent permature sexual activity or pregnancy.

The provision of health care to children is important for several reasons: (1) because it is both an ethical and moral social obligation, (2) because many pediatric health interventions are known to be both effective and cost-effective, and (3) because investing in our children is investing in our own futures.

Of the four and five year olds in today's America, the potential students and workers in the year 2000:

One in four is poor;

One in three is nonwhite or Hispanic, of whom two in five are poor;

One in five is at risk of becoming a teen parent;

One in six has no health insurance;

One in two has a mother working outside the home, less than half of whom receive quality child care; and

One in seven is at risk of dropping out of school.

We cannot afford to ignore these facts. No nation can dare to write off a significant portion of its human assets.

A principal challenge of the next decade is the protection of American children from want and neglect. We must begin with a national commitment to ensure that every child has basic health, nutrition, and early childhood services and thus has the capacity and opportunity to learn well and to develop strong basic academic skills. Today, not all children have such basics, and health care is a prime example of our failure to invest in early preventive care.

Preventive care during all stages of a child's life pays off in improved health as well as in financial savings to society. Early and continuous maternity care can reduce mortality and low birthweight among infants by more than 25 percent. Comprehensive health care for children after birth saves lives and helps prevent unnecessary pain and suffering. It also averts or minimizes long term health problems, helping children grow into healthy, productive adults.

### WHAT HEALTH RISKS DO POOR AND MINORITY CHILDREN FACE?

Unfortunately, not all children have equal—or equitable—access to health care. This is especially true for low income children whose families are often without health insurance and the means to pay for health care services out-of-pocket. Black and minority children are disproportionately likely to have low income and are thus disproportionately likely be uninsured.

For children under 18, black children are four times more likely to live in poverty than whites.

Between 1979 and 1985 the percentage of black children living in poverty grew by 6 percent.

The risk of being uninsured is significantly higher for blacks than it is for whites. An estimated 25 percent of black adults and 25 percent of black children (under age 18) are uninsured, as compared to 15 percent of white adults and 17 percent of white children.

Lack of health insurance, particularly when combined with poverty, generally leads to inadequate access to health care services. For low income and minority children, this pattern has been well documented.

Poor, Hispanic, and black children are more likely than their nonpoor and white counterparts to have no regular source of health care.

Black children are more likely to be born to a woman who received inadequate prenatal care. In 1985, only 62 percent of black mothers, as compared to 79 percent of white mothers, giving birth that year received care in the critical first three months of pregnancy. Similarly, black pregnant women were twice as likely to receive no care or none before the seventh month of pregnancy (10 percent vs. 5 percent).

Children younger than two years old are a particularly vulnerable population. Yet, while the American Academy of Pediatric recommends no fewer than nine health examinations in the first two years of life, 10 percent of poor and black children do not see a physician at all during a year.

Nearly one-third of all children under age 17 has never visited a dentist. Among black children this problem is even more serious. For example, 46 percent of white children have a dental visit before age 5, as compared to only 28 percent of black children.

Moreover, key indicators of child health point to a worsening in health status in recent years.

The nation's rate of progress in overall infant mortality, which had been slowing since 1981, has ground to a halt. According to the most recent data from the National Center for Health Statistics, there was no statistically significant change between the 1984 and the 1985 national infant mortality rate.

Black infants continue to die at a rate twice that of white infants. The black-white infant mortality gap is approximately the same as it was in 1960 (a ratio of 1.93:1).

Low birthweight birth (birth weighing less than 5.5 pounds) is the single largest cause of infant mortality and a major cause of disability. Between 1984 and 1985, there was an actual increase in the percentage of babies born at low birthweight (6.7 to 6.8 percent). Furthermore, the racial differential remains substantial, with 5.6 percent of all white infants and to 12.4 percent of all black infants born at low birthweight in 1985.

Birth to a young mother also places a child at greater health and developmental risk. By 1984, the birth rate for black teens ages 15–17 reached its lowest point since 1970, only to rise slightly in 1985. In 1985, the birth rate among black teens age 14 years and younger also rose.

Black and minority children face startlingly greater risk for HIV virus infection and for Acquired Immune Deficiency Syndrome (AIDS). Among AIDS patients who were children (<15 years) 58 percent were black and 22 percent were Hispanic. Similarly, while blacks account for 11 percent of the population over age 15, they account for 25 percent of the adult AIDS population. Even more startling is the fact that because the majority of the women with AIDS are minority women, 90 percent of the children born with AIDS have been black or Hispanic.

Thus recent statistics reveal that black children continue to suffer disproportionately from poverty and the consequences of poverty. They are as a result more likely to be born at risk of death and disability, to suffer from preventable health related problems, and to lack adequate health care to offset their increased health risks.

### WHAT CAN BE DONE?

In an effort to offset these trends, advocates have launched efforts to expand state and federal level health programs for low income families. Many of these efforts have met success in recent years. At least 25 states, for example, have appropriated state dollars to provide maternity care to low income women since 1984. Thirteen states (Alaska, Arizona, Indiana, Illinois, Massachusetts, Michigan, Minnesota, New Jersey, New York, Pennsylvania, Rhode Island, Texas, and Washington State) now supplement the federal Supplemental Food Program for Women, Infants and Children (WIC) program with state resources.

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On the federal level, Congress has made sweeping changes in the Medicaid program (a public insurance program for selected groups of low income persons) to permit—and sometimes mandate—states to cover additional groups of pregnant women and children. These include:

The Deficit Reduction Act of 1984 (DEFRA) which mandated state Medicaid coverage for all children under age 5 (including children in two-parent families) whose families' incomes and resources met the states' AFDC financial eligibility test;

The Consolidated Budget Reconciliation Act of 1986 (COBRA) which extended Medicaid coverage to all pregnant women with family incomes below AFDC eligibility levels; and

The Sixth Omnibus Budget Reconciliation Act (SOBRA), which provides states the option of extending Medicaid to pregnant women and children under age five (on a year-by-year, phased-in basis) with family incomes up to the federal poverty level. As of August, 1987, 24 states had raised income eligibility standards for pregnant women and children under age 1, as permitted under SOBRA.

In addition to the Medicaid reforms outlined above, Congress is considering other proposals to further improve children's and pregnant women's access to health services. These include:

Medicaid Infant Mortality Amendments, which would: permit states to raise the Medidaid income eligibility level up to 185% of poverty for infants and pregnant women; allow states to cover children under age 5 all at once without having to phase-in their coverage over time and cover all children up to age 8 with family incomes and below the poverty level; and mandate state coverage of all children up to age 8 living below AFDC eligibility levels.

Increases in funding levels for the Maternal and Child Health Block Grant and Community and Migrant Health Centers programs; and,

Legislation to provide Medicaid coverage to all low income uninsured families on an income adjusted premium basis to the near poor and without cost to poor families. Legislation is also pending to require employers to furnish employees with health insurance.

The nation's success in improving the health status of black and minority children depends greatly on its willingness to make a commitment to reduce child and family poverty. For example, investments in public health programs initiated during the 1960s made a significant contribution to lowering our infant mortality rate. Similar preventive investments in today's children will be necessary if we are to ensure them a life of good health and opportunity, if we are to stop the cycle of poverty.

Our future is at stake. Young people between the ages of 16 and 24 comprised 27 percent of the working age population in 1978. By 1995 the young worker group will be only 18 percent of Americans of working age. These young people may come to adulthood prepared for employment, family life, and success or they may reach adulthood crippled by years of poverty, neglect, and ill health. What we do now, how we act on what we know, can make the difference.

## The Prevention of Mental and Emotional Dysfunction in Poor Black Children

(Presented by Frederick C. Green, M.D., Emeritus Professor of Child Health and Development, The George Washington University, School of Medicine)

I am pleased to have the opportunity to participate in this workshop on Black Indigent Health Care as part of the 17th Annual Congressional Black Caucus Legislative Weekend.

My specific assignment is to address the question of how we can protect the mental and emotional well being of poor Black children or to prevent the development of significant mental or emotional dysfunction while growing to maturity in our society.

As a pediatrician, my concern encompasses the whole child, the integrity of his or hers life space, the quality of parenting received and the status of his or hers physical, social, emotional and intellectual well being. In essence, all factors that impinge on the childs well being. Within this context, good health is much more than the absence of disease but is a positive concept indicating the total physical, social, mental and emotional well-being of the individual. It is my belief that in our Black communities, such a holistic view is imperative for all of our child care providers. The needs and problems of children cannot be fragmented and met in a piecemeal fashion. Problems do not exist in a developmental vacuum. Health problems beget school problems begets behavioral problems and so on.

Parenthetically, I believe that the critical needs of children are: (1) to be wanted, loved and valued; (2) to have parents and care givers who are both competent and caring; (3) to have a community or society that places a high priority on their needs; and (4) for them to develop in a safe and nurturing environment, free from bigotry and intolerance. I suggest that these are goals towards which we should aspire for all of our children.

In my opinion, one of the most serious problems facing our society today is the developmental damage incurred by children being reared under unwholesome and adverse ecologic circumstances. The reality of today is that within the ranks of the 5 million Black poor children, we have too many growing up in incubators of psycho-social pathology: namely, slums, welfare hotels, shelters for the homeless, on the streets, all of this in a sea of violence and social deviance.

Further, rich or poor, all Black children being reared in this society are at significant risk for impaired psycho-social development due to the constant impact of racism on all aspects of their development, particularly as they begin to function in the larger society.

However, to be poor and black is to be in double jeopardy, making psycho-social damage almost inevitable. Whitney Young in his last book, Beyond Racism noted that too many Black children are programmed for failure from the time of their birth due to the impact of poverty, racism, disease, ignorance (poor schools). I would like to paraphrase him and suggest that the programming really begins at conception due to the noxious developmental impairing influences that can now contaminate the intrauterine environment: namely, drugs, tobacco, alcohol, infections to name a few.

Frankly, it would be easy for me to take the time allotted to me and devote it to reciting the dreary litany of what is wrong with Black kids, their families and their communities. However, that is precisely what I do not want to do since that is the deficit model approach taken by most academic child developmentalists, social scientists and program planners as they carried out their endless studies on this accessible population. The rush to always find out what is wrong and apply a quick fix rather than searching for the strengths and enhancing them as suggested by Billingsly and Hill in their book "The Strength of Black Families". Clinical judgement can become so distorted and blurred by ones preoccupation with searching for deficits that one forgets the biologic truism of the compensitory capability of living organisms, e.g., the heightened sense of hearing and touch of the blind. Therefore, it behooves those who are making judgements on the developmental progress of children to carefully look beyond the areas of developmental delay and areas of strength will often be found. I believe that this simple action can prevent significant psychological dysfunction by relieving the preoccupation with the identified deficits.

As the parent, the pediatrician and the teacher observes, analyzes and makes judgements on when and how to intervene in the developmental continuum, he or she has a profound effect on the degree to which an individuals developmental potential will be realized. In essence, the health status of an adult is a function of the manner in which problems are perceived by care providers during those critical formative years.

If problems and needs of children are only narrowly perceived as health deficits that may or may not be improved by intervention, then the results are predictable, an individual has not achieved his/her full potential. However, if problems are perceived in the broader perspective of identifying and enhancing human assets, as well as correcting human deficits, the outcome will be much improved.

I do not believe that any discussion of preventing mental and/or emotional damage to children is complete without some comments on the labeling or mislabeling of children and its negative developmental impact. Certainly this topic of labeling is particularly timely at this time, given the devastating stigmatizing consequences of identifying a young child as being a victim of AIDS.

A few years ago (1974), with the late Dr. Nicholas Hobbs of Vanderbilt University, I participated in a study that culminated in a book entitled "The Futures of Children". This study concerned the inappropriate labeling of children. Through this study and my own clinical observations I began to understand the far reaching and often devastating consequences that could occur.

One of the banes of my existence as a practioner was the common concept of a child having a "touch" of something like polio, heart disease, often started by a health provider who really had no idea of what was happening to the child.

Many children have "innocent" heart murmurs—a kind of sound made by the heart as it beats. Although some murmurs mean heart disease, "innocent" murmurs have no pathologic significance. Occasionally, a parent is told simply that the child has a heart murmur without further explanation resulting in a frightened parent who begins to limit the childs' physical activity because of his "bad heart". Thus a cardiac cripple is needlessly developed with all of the emotional dysfunction that entails simply because no one really explained the problem to the parent.

I dread to think of how many children, particularly poor children are mislabelled in school as being "mentally dull", educably mentally retarded, disruptive or other similar conditions often because they could neither see the blackboard or hear the teacher. Uncorrected correctable physical deficits is a major cause of educational dysfunction in our inner city schools. A major reason for the development of the EPSDT component of the Medicaid program was the unacceptably high numbers of children, particularly poor children, in school with uncorrected correctable physical deficits.

Finally, let me return to the topic of AIDS and the labelling of children. This is a disease of critical import—to the Black community since the majority of reported cases in children are Black and frequently poor, although social class is not a major determinant since the diseases that require frequent transfusions are not limited to a specific social class.

If there is any question as to the potential of labeling for causing mental or emotional harm, one needs only to look at the highly publicized experience of those three little Ray children in Florida who, after they were identified being HIV positive, were subjected to terrible trauma in their attempts to return to school. Finally, the family was forced to leave town after their house was burned to the ground. I would suggest that people in other communities not feel to smug because the same thing could happen in any community, particulary if community residents have not been properly educated regarding the disease and clearly defined and generally understood policies regarding school attendance have not been developed.

In summary, being a Black and poor child in our society carries a major risk for psychosocial damage. In response to the original question of preventing mental and emotional harm to poor Black children, I believe that the nature of racism in our present society precludes a major diminution of damage due to racism. The ultimate answer is the elimination of poverty, racism, ignorance and bad schools, and disease. Obviously, the above goals are not going to be achieved in the near future; progress can be made by assuring that there will be the systematic provision of developmentally appropriate services for the poor children at significant risk. Our poor Black children, like all other children need: (1) parents and care givers that are both competent and caring; (2) they need services that will effectively meet their nurturing needs; and (3) they need a concerned community that will place the priority of mothers, infants and children at the very top.

## A PARENT'S GREATEST FEAR: THE CONSUMER PRODUCT SAFETY COMMISSION

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MILLER of California. Mr. Speaker, parents should be able to go to bed at night secure in knowing that the product in which their child is sleeping is safe. But, as revealed in this week's hearing in the Subcommittee on Consumer Protection, at which I testified, parents have good reason to fear. The agency responsible for protecting consumers, and especially children, from unsafe products is racked by severe mismanagement.

Products that have long proven deadly to children remain on the market because the Consumer Product Safety Commission has refused or delayed action. Baby cribs, all-terrain vehicles, bunk beds, lawn darts, and pool covers are the most blatant hazards facing children today. My statement before the subcommittee discusses the threat to children.

I urge the House to support H.R. 3343, the Consumer Product Safety Improvement Act, to make vital reforms in the operation of the Consumer Product Safety Commission.

My statement follows:

STATEMENT OF HON. GEORGE MILLER ON THE CONSUMER PRODUCT SAFETY IMPROVEMENT ACT OF 1987

Mr. Chairman, I appreciate the opportunity to appear before this Subcommittee in support of legislation to restructure and reauthorize the operation of the Consumer Product Safety Commission.

The bill we are considering today is a testament to Chairman Florio and the Subcommittee's tireless efforts on behalf of consumers. I want to address its impact on children in light of the Consumer Product Safety Commission's deplorable record in recent years.

The case of Danny Lineweaver in my district puts into clear focus the failure of the Commission to protect even infants. Danny Lineweaver was found by his parents hanging from his crib cornerpost almost five years ago.

Today, at age five, he is permanently disabled as a direct result of the accident. An industry standard was agreed to just two years ago, but it is voluntary and does not fully address the hazard. It allows the production of cribs with cornerposts on which children can still hang themselves, and children continue to be killed and injured in this way.

I am proud that my constituents have formed the Lineweaver Foundation to bring attention to this issue, to warn parents of the dangers of infant cribs, and to provide information on who to call if an accident occurs. Members of the Foundation are dismayed at the Commission's failure in this area. They have commissioned with Temple University to study the threat posed by the current crib cornerpost standard, and I anxiously await the results.

The Consumer Safety Improvement Act corrects many of the weaknesses in our Nation's consumer safety law. Fifteen years ago, the Consumer Product Safety Commission was established to protect the consumer from dangerous products, to aid them in evaluating product safety, to establish uniform safety standards, and to help investigate ways to prevent product-related injuries.

Fifteen years later, there is a crisis in consumer confidence, and a special danger to children, the most vulnerable of consumers. Too often, when it comes to taking decisive action against a product that endangers young people, Americans get delay, deferral, and an abdication of authority.

All Americans, but especially our Nation's children, suffer.

A great many of the products that make it to supermarket shelves or to toy stores are used by children who do not discover the dangers until it is too late.

Lawn darts have injured over 6,000 people in eight years, the great majority of them under age 15, but compliance has been virtually non-existent. The Commission recently found that in 21 of 22 cases, manufacturers had not complied with regulations. All-terrain vehicles, used largely by youths, have been killing 20 people and injuring 7,000 each month, but no standard, either voluntary or mandatory, has yet been developed.

One hundred twenty-five children under age five die each year in accidents involving cigarette lighters, and the Commission's own staff has acknowledged that the current voluntary standard is inadequate to protect these children. But as of yet no regulatory action has been taken. I am very pleased that these three product hazards are specifically addressed in this reform measure.

There are several other children's products that present serious dangers because of the do-nothing policy adopted by this Commission.

A 6-year-old constituent of mine is permanently disabled because he almost drowned under a pool cover. At least twenty-six deaths have occured from similar accidents, but today there is still no standard to address the danger of pool covers.

No standard—other than a weak industry guideline—has been issued to address the dangers of bunk beds, even though 23 deaths have resulted and injuries have increased dramatically. A cancer-causing agent has been reduced in baby pacifiers by the Food and Drug Administration, but the Commission allows a higher and dangerous level. I hope to work with you, Mr. Chairman, and the Subcommittee to address my concerns in these areas.

The Select Committee on Children, Youth and Families, which I chair, has investigated the issue of child protection. The unmistakable conclusion we made is that failure to take reasonable steps to protect children is extremely expensive for the U.S. taxpayer and the country as a whole. That failure by the Commission in just four of the above areas costs an estimated $1 billion each year in lawsuits, medical bills, and lost lives and work. Accidents on all-terrain vehicles were estimated to cost as much as a staggering $2.8 billion in 1985.

The Consumer Product Safety Improvement Act would make the Chairman more responsive to the Commission as a whole, establish important guidelines for developing meaningful voluntary standards, and mandate greater state and local involvement in enforcement efforts. By taking these steps, we insist that the Commission live up to the madate it was given in 1972.

This bill will save American families and their children a lot of money, but more important, it will save us pain, sorrow, and unnecessary deaths and injuries from preventable accidents.

## TOTAL EDUCATION AWARENESS WEEK

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. LAGOMARSINO. Mr. Speaker, today I am introducing legislation to designate the week beginning September 11, 1988, as "Total Education Awareness Week."

Many of you may ask, "just what does he mean by total education?" It is a good ques-

tion and is exactly what I hope many others will be prompted to ask as the result of this bill.

Our Nation's children are our most precious asset. Their education is among the most important responsibilities of the States and of the people of the United States. Thus we must ensure that the total needs of children—intellectual, psychological, social, and physical—are met in school. Lack of attention to any of these needs may result in the harmful deterioration of their bodies and their minds.

As Federal legislators we must take the initiative in encouraging State and local governments and local educational agencies to provide programs that help children improve self-understanding and self-control to help prevent emotional disturbance. We must see that they are addressed in a caring and consistent manner leading to a positive direction of development.

It has been established that the addition of human service professionals to the educational team has proved to be a valuable support for children, their parents, and teachers. The unique and pivotal roles that schools can play in the early intervention and teaming of effort on behalf of children must be recognized.

Schools in the United States have traditionally been more than just institutions of scholarship. I urge my colleagues to join me in my effort to acknowledge the critical role that schools can play in the total education of children and to increase awareness of and attention to this very important concept.

## A TRIBUTE TO BRIAN ROSBOROUGH

### HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. KENNEDY. Mr. Speaker, I rise today to pay tribute to one of my constituents, Brian Rosborough, and his organization, Earthwatch. On September 30, 1987, Mr. Rosborough was given the Conservation Service Award by Donald Hodel, Secretary of the Interior. The Conservation Service Award is one of the two highest awards that the Secretary of the Interior can give to a private citizen or group for indirect service to the Department of the Interior.

Brian Rosborough is president and publisher of Earthwatch, an international research institution based in Watertown, MA. Under his direction, Earthwatch helped the Fish and Wildlife Service to protect the endangered sea turtles nesting on Caribbean beaches. Earthwatch secured volunteers to defend and to study nesting leatherback sea turtles. For the last 5 years, these volunteers have policed the beaches at Sandy Point and Culebra National Wildlife Refuges every night of the nesting season. Their actions saved hundreds of nests from erosion and poaching, and in turn 40,000 additional hatchlings made it to the sea. For these efforts, Mr. Rosborough received the Conservation Service Award.

In addition to his work on behalf of sea turtles, Mr. Rosborough has organized expeditions to more than 70 countries in support of the sciences and humanities, and he has led scientific explorations in China, Zaire, Mauritania, Iceland, and Australia. He has also been very active in the field of education, where he has been a leader in the areas of minority career education, high school teaching, development of science curriculum, and training gifted students.

I am honored to bring Brian Rosborough's accomplishments to the attention of my colleagues. For his work to protect the endangered sea turtles and for his work in science, education, and the humanities, I salute Brian Rosborough.

## INDIA URGES SWIFT BHOPAL SETTLEMENT

### HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mrs. JOHNSON of Connecticut. Mr. Speaker, 3 years after the tragedy in Bhopal, India, I am pleased to see the Indian Government moving to settle its legal dispute with the Union Carbide Corp. over compensation for victims of the gas leak. As in so many other instances, protracted litigation only enriches trial lawyers and does not grant needed relief to victims.

Since it describes very well the progress being made in this matter, I commend the following article from the New York Times of October 28, 1987, to my colleagues.

INDIA URGES SWIFT BHOPAL SETTLEMENT

(By Sanjoy Hazarika)

NEW DELHI, Oct. 27.—The Indian Government has authorized its attorney general to settle swiftly its bitter legal dispute with the Union Carbide Corporation over compensation for victims of the 1984 gas leak at Carbide's chemical plant in Bhopal, India, a Cabinet official said today.

"Except for perhaps the lawyers who made lots of money through it, a protracted legal battle was not in the best interests of anybody—not the victims, not the Government." said the minister, referring to the two-year legal battle waged here and in the United States.

More than 2,500 persons died in the tragedy, regarded as the world's worst industrial disaster, and tens of thousands continue to suffer serious health problems.

The latest moves for an out-of-court settlement began about two months ago after District Judge A.N. Deo, in Bhopal urged both sides to reach a settlement. He set an Oct. 30 deadline for the two sides to try to reach an agreement.

DISCUSSIONS STILL CONTINUING

However, Government and company sources said discussions were still continuing on the terms and it was unlikely that an agreement would be reached by the end of this week.

Both sides have refused to divulge details of the possible settlement but a compensation figure of more than $500 million is reportedly being discussed. In a lawsuit, the Indian Government had sought $3.3 billion from Union Carbide.

"A settlement will have to be endorsed politically" by a special Cabinet committee headed by Prime Minister Rajiv Gandhi, and the cabinet minister, who asked not to be identified. But the minister indicated that the Government was prepared to face political opposition and press through a deal, which is currently being negotiated by Attorney General K. Parasran, who has been handling the case since 1985.

An independent source said India had renewed a demand for $615 million in the latest round of negotiations. It had sought this amount in 1985, when the first negotiations began. Carbide had offered $300 million, payable over a number of years, and said it would ask its board of directors to raise that amount by $50 million. But India had rejected the offer as inadequate.

In contrast to the hostility that marked earlier negotiations, sources close to Carbide said the current round have taken place in a positive atmosphere.

Union Carbide, which is based in Danbury, Conn., would neither confirm nor deny the reports from India.

"If what the Indian Government says is true, then its quite encouraging," said Robert M. Berzok, Union Carbide's director of corporate communications. He said the company could not comment further on the negotiations.

But sources close to the company said yesterday that Carbide officials have told the Indian Government that it would be willing to make major concessions to reach a settlement by the end of the month. The sources declined to elaborate on the concessions.

The negotiations are said to have produced progress on the following issues:

Definition and identification of actual victims. Officials on both sides say there has been large-scale fraud in the filing of compensation claims. There are more than 520,000 demands for compensation, while the total number of those treated at hospitals at the time of the disaster was about 200,000.

Compensation. The two sides have agreed on classifying surviving victims into three injury categories; mild, serious and life-long impairments. Individual victims would be compensated according to a flat rate that is being worked out for their respective groups. However, the two sides have not yet worked out a timetable or formula for distributing the money.

Health costs. The company has apparently agreed to pay the substantial costs of continuing medical care and to compensate the Indian Government for the approximately $50 million it has spent since December 1984, providing food, medicine and other assistance to victims.

The settlement is also expected to cover the damage suffered by businesses in the area.

## LOCAL HEROISM

### HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. BADHAM. Mr. Speaker, the police who make our cities safe face many challenges. When we look for heros, we often look for men in faraway places who perform amazing feats. But, in Newport Beach, CA we need only look to the nearest police officer.

It is my privilege today to tell my colleagues about the feats of a few of Newport Beach's heros.

Officer Mark Everton will receive the Newport Beach Police Department Medal of Valor on Wednesday, November 4. On August 27, Officer Everton arrived on the scene of an accident seconds after it occurred. He rushed to a burning, overturned car and managed to save all three occupants from what otherwise could have been a fiery death.

Five other officers will receive the Award of Merit. Lt. Timothy Riley and Officer William Barnett charged into the Newport Back Bay on October 28, 1986, and pulled out a woman who was thrown from her car into the mud and water. Officer Robert Oakley, a police helicopter pilot, landed his aircraft in a dark field following a collision with another police helicopter during a pursuit, despite the loss of all power and severe damage to the craft, saving his own life and the life of an officer riding with him. Officer Stan Bressler has been an adviser to the Police Explorer Program since 1970 and has shaped the future of law enforcement by introducing hundreds of young people to the career. Reserve Officer Jan Paul Anderson has brought innovation to the department by using his video equipment, which allows prosecutors to make stronger cases and put more criminals in jail.

Mr. Speaker, it is truly an honor to represent such men. It is my belief that the Newport Beach Police Department is one of the finest in the Nation and I'm sure my colleagues join me in commending Medal of Valor recipient Everton and the five Award of Merit recipients for a job well done.

## SALVADORAN TERROR

### HON. TOM SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. SAWYER. Mr. Speaker, on Monday, October 26, Herbert Anaya was shot and killed in El Salvador. Mr. Anaya was the president of the nongovernmental Human Rights Commission which is involved in documenting human rights abuses in El Salvador. His murder should serve as a reminder that despite improvements in human rights in El Salvador, all is not well there.

The killing of Herbert Anaya makes clear the lengths to which some in El Salvador will go to prevent peace and reconciliation in this war torn country. Obviously, the murder of Mr. Anaya was meant to upset the unsteady political balance that exists in El Salvador as President Duarte and members of the political opposition sit down to negotiate in accordance with the Arias peace plan. We must not let these people undermine the courageous effort that is underway.

I have circulated a letter, to be sent to Secretary of State Shultz, which urges the State Department to use the leverage we enjoy as a consequence of our military aid to El Salvador to facilitate a full and impartial investigation of the circumstances surrounding the killing of Herbert Anaya. This is a perfect opportunity to use our influence constructively, as a force for change, in El Salvador. I urge all of my colleagues to join with me in asking Secretary Shultz to press for an investigation of the tragic murder of Herbert Anaya.

A nationally respected newspaper, the Akron Beacon Journal, printed an editorial entitled "Salvadoran Terror" which talks about the Anaya killing. I think it highlights some of the important issues which the death of Mr. Anaya raise for all policymakers.

[From the Akron Beacon Journal, Oct. 28, 1987]

SALVADORAN TERROR

The killing of Herbert Ernesto Anaya, the president of the Salvadoran human rights commission, is a tragic reminder of the violence that ravages El Salvador.

The Reagan administration often touts El Salvador as a Central American success story, a place where democracy has bloomed despite enormous obstacles. And indisputably, Salvadorans have courageously backed democratic rule. But the reality of politics there dictates that the military is the most powerful player in the government.

Unfortunately, the military and other security forces frequently have little patience for democracy's openness and invitation to dissent. While as yet no one has claimed responsibility for the Anaya shooting, the incident is frighteningly reminiscent of the right-wing death squads that have terrorized El Salvador over the last decade. Obviously, such brutality remains part of Salvadoran life.

The shooting reflects a country at war and rules ultimately by the gun. It underscores the challenge before those, including President Oscar Arias of Costa Rica, seeking to implement a regional peace plan for Central America. The plan calls for cooperation, compromise and a commitment to democratic rule. Sadly, the death of Herbert Anaya suggests nothing but contempt for those goals of reconciliation.

## THE NATIONAL SPACE GRANT COLLEGE PROGRAM

### HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. ANDREWS. Mr. Speaker, I want to take this opportunity to expand on a provision incorporated in both the NASA authorization and the HUD and independent agencies appropriation bill which will greatly assist NASA in its efforts to revitalize this country's space program.

In 1863, as Americans pressed across this continent, the Land Grant Act was passed to establish universities to explore new agricultural and engineering technologies to better use the vast resources of our expanding Nation. Today I feel we are ready to apply the same concept to our drive to the space frontier.

The National Space Grant College Program, incorporated into the above mentioned legislations will enhance the abilities of institutions of higher education, government, and private industry to develop our capabilities through collaboration and cooperation in space-related activities.

Facing strong challenges to our role in space development from the Soviets, the Europeans, and the Japanese, we must take innovative steps to assure our Nation's role in space and realize its rich potential.

It is time to press our programs of education into developing the potential of space. Molded in the same form as the Land Grant Act, the Space Grant College Program will support the establishment of space grant programs at our Nation's universities, space grant fellowships for our promising researchers, and regional consortia between business and academia to pursue research and development efforts in space technology and commercialization.

Administered by NASA, the program would award grants on a competitive basis to universities, graduate researchers, and consortia. The program would be funded with $10 million in fiscal 1988 and 1989 and would complement NASA's ongoing research expenditures.

The program will give important impetus to space research and to the diffusion of knowledge. Just as the land grant colleges spread across the country to support our development of this continent, so too the space grant colleges and fellowships will foster our drive to the new frontier of space.

## HUMAN RIGHTS LEGISLATION RELATING TO TIBET

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. SOLOMON. Mr. Speaker, today I am introducing legislation requesting the President to consider the human rights atrocities inflicted against the Tibetan people by the Government of the People's Republic of China in the future conduct of our relations with the PRC. I urge my colleagues in the House to join me in sponsoring this important human rights legislation.

Mr. Speaker, on October first of this year Chinese police in Tibet fired upon several thousand unarmed Tibetan demonstrators, including hundreds of women, children and Tibetan Buddist monks, killing at least six and wounding many others.

My legislation requires any notification submitted to the Congress pursuant to the Arms Control Act with respect to the sale of any defense articles to the People's Republic of China shall be accompanied by a Presidential determination that the Government of PRC is acting in good faith and in a timely manner to resolve human rights issues in Tibet.

The measure also requires that not later than 60 days after the date of enactment that the Secretary of State shall submit a report to the Congress on the human rights situation in Tibet and the transfer of millions of Chinese to Tibet.

Mr. Speaker, when the foreign aid authorization bill reaches the floor of the House of Representatives, I will offer this legislation in the form of an amendment to H.R. 3100.

## MR. MOM: A MAN OF THE 1980's

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. STOKES. Mr. Speaker, we have all seen many innovative examples of how parents have coped with a multitude of child care needs. From day care to education, there have been a variety of solutions to address these needs. I would like to spotlight one particular parent who devised a most ingenious solution to a very common problem.

Dr. Alfred Godson, a physician in Washington, DC, and his wife Amy are the proud parents of a 7-month-old daughter, Erin. Like many parents of their generation, Alfred and Amy have decided to share many of the responsibilities concerning their daughter's day-to-day needs. However, Alfred was unable to fulfill one special need that he knew from all the medical literature was important to infant bonding—breast-feeding.

This spurned the creation of the Baby Bonder, Alfred Goldson's patent-pending invention that allows men to experience the special intimacy associated with nursing babies. The Baby Bonder is based on the findings of the famous Harlow monkey experiments, where baby monkeys were much more likely to respond to terry-cloth "mother" monkeys with bottles for breasts than wire-mesh "mothers." And little Erin Goldson has been quite taken with her father's invention.

Mr. Speaker, Alfred Goldson should be commended not only for his creativity, but for his determination to be a full and active part of his child's life. At a time when our Nation's families are faced with many insurmountable crises, his efforts are refreshing and encouraging. I would like to share with you an article on the Goldsons and the Baby Bonder featured in a recent Washington Post magazine article. His motivation is proof to us all that, when we put our minds to it, we can accomplish anything.

MR. MOM FINALLY GETS IT ALL

What more could Alfred L. Goldson want? He is a personable, accomplished man, married 13 years to an attorney, Amy Robertson Goldson. They have a lovely house with a swimming pool and Jacuzzi, and they drive high-performance automobiles. A 1972 graduate of Howard University Medical School and now chairman of Howard University Hospital's Department of Radiotherapy, Goldson is famous in his field of cancer research. And to top off his good fortune, on St. Patrick's Day he and his wife had a beautiful baby girl, who is named, appropriately, Erin Nicole Goldson.

Sounds like Goldson has everything, right? But Goldson didn't feel that way. The birth of his daughter made him instantly aware that he was missing one thing. Or actually two things. Breasts. Sure his wife had them, and she intended to nurse the baby, but he didn't and couldn't. And that was the problem.

He knew from the medical literature how important infant bonding is, how crucial breast-feeding is to that bonding, and he was jealous.

"We were discussing how fathers interact with kids," Goldson remembers, "and I told my wife that I was going to be very active, but she said, 'You can do a lot, but you still can't nurse the baby!' It was like a friendly competition," he says with a laugh. "I had to come up with an idea how I was going to nurse, or pseudo-nurse, this baby."

Thus was born what is now called the Baby Bonder (other more ribald names were considered but discarded). This patent-pending invention of Goldson's is a terry cloth and fleece bib with fake breasts. Any adult, with baby bottle in hand, can just put on the bib and insert the bottle from the inside through the nipple openings on the bib itself. Voila! A father can almost breast-feed.

Goldson was familiar with experiments done with monkeys by Harry F. Harlow of the University of Wisconsin. Harlow put one group of baby monkeys in cages with wire-mesh "mother" monkeys that had baby bottles for breasts; the other group he put in cages with wire-mesh "mother" monkeys that were wrapped with a soft terry cloth. The researchers, says Goldson, found that monkeys were much more likely to cling to the terry-cloth mothers than to the plain wire-mesh mothers. "So I used the terry cloth and added more than wire mesh. I added myself, a warm body, eye contact and a deep voice. I felt," Goldson adds good-naturedly, "that this would be the beginning of a quantum leap in bonding with my baby."

According to Goldson, little Erin Nicole took to the Baby Bonder right away, providing him with a tangible feeling of intimacy with the baby, his busy spouse with time for her career and the baby with what is likely a first—a nursing father.

Goldson is waiting for approval of his patent application and searching for a manufacturer for the Baby Bonder. He'd like to keep the price affordable, and though he invented it for left-out fathers, he sees it as just as useful for non-nursing mothers, grandparents, friends and relatives. On a six-month sabbatical from Howard, he's due back October 1. He's already wondering how he'll wean Erin.

## TEEN PREGNANCIES DECLINE: NOW WHAT?

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MILLER of California. Mr. Speaker, the New York Times is reporting good news and bad news about teenage pregnancy and parenthood this month. Last week, the Centers for Disease Control reported that, during this decade, the rate of teenage pregnancy and parenthood are down. This reaffirms that sex education, school clinics, and other community-based prevention programs aimed at delaying teenage sexual activity and encouraging contraceptive use for sexually active teens are working.

The bad news is that the United States still lags far behind other developed nations in its commitment to effective programs and its willingness to face the realities head-on. Despite our most recent success, the United States rates of teenage pregnancy and childbearing, especially among the youngest teens, are still significantly higher than in the Netherlands, Sweden, France, Canada, England, and Wales.

We should listen to what teens tell us they need. Just yesterday, at a meeting of the New Jersey Governors' Task Force on Adolescent Pregnancy, dozens of teenagers pleaded for more school-based programs to help them make more informed and responsible decisions.

The administration's response has been to turn a deaf ear. Rather than building on the important success we've had in the 1980's in reducing teenage pregnancy and childbearing, the administration would undermine the very programs responsible for the success. For example, last month, the administration proposed regulations to limit the scope and restrict the range of services provided by the title X family planning program. More than one-third of the clients using title X family planning clinics are women under age 20.

I urge my colleagues to make note of today's New York Times editorial which poses the challenge, "Teen Pregnancies Decline. Now What?" We can follow the administration's policies to subvert successful efforts, or we can make a real commitment to solving the problems of teenage pregnancy by supporting those programs that make a difference. I suggest we have no choice but to follow the latter.

TEEN PREGNANCIES DECLINE. NOW WHAT?

Finally, teen-age pregnancies are starting to fall, according to new Federal figures. They vindicate calls—repeated at hearings in New Jersey yesterday—for greater efforts by parents, schools, youth programs and health centers to encourage delayed sexual activity and birth controls. Such figures are the strongest evidence yet for vigorous expansion of such programs.

Despite the turnover, the United States retains an ignominious distinction. It leads nearly all other developed nations in teen-age pregnancy, abortion and child-bearing rates. Furthermore, the most vulnerable adsolescents—girls under 15—account for most of the difference between the American teen-age birthrate and that of other countries.

Not all teen-agers would necessarily take advantage of better access to contraception. To girls trapped in poverty, a baby may seem the only possible acquisition; their foremost needs are counseling, schooling and the prospect of jobs.

But there are many young Americans who most assuredly don't want to get pregnant. New Jersey teen-agers testifying yesterday pleaded for more guidance in managing their sexuality. In New York City, about two-thirds of the 15,000 youngsters who become pregnant each year undergo abortions. It's a fair bet that with better contraceptive counseling, most would not have had to do so.

In the Netherlands, Sweden, France, Canada, England and Wales the fertility and abortion rates for teen-agers are lower than those in the United States, even though the median age at first intercourse is roughly the same. The difference is that too much of America still treats contraception as a dirty secret. The dirtier secret is the reluctance to prepare children for life in a changed world.

## BOY SCOUTS RECEIVE EAGLE AWARD

### HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. GEKAS. Mr. Speaker, Sunday, November 8, 1987, will be remembered as a very special day in the lives of two young men from my district. Brett D. Shamory and Mark E. Kuhns, both of Middleburg, PA, will receive Boy Scouts' most coveted honor—the Eagle Award—before family and friends at Emmanuel Lutheran Church, Middleburg.

Both young men have received numerous awards and merit badges as they worked their way up through Scouting while holding various leadership positions. Mark Kuhns, son of Donald and Lila Kuhns, began Scouting at the age of 8 when he joined Cub Pack 3415. Three years later, he became a member of Scout Troop 415. He attended the National Scout Jamboree as a council contingent troop member in 1981, and again in 1985.

Mark is a member of Emmanuel Lutheran Church in Middleburg, and is a 1987 graduate of Middleburg High School. He participated in the theater, was a member of the baseball team, and was the golf team's MVP in his senior year.

For his Eagle project, Mark recorded data from the tombstones in Hassinger's Brick Church and the Wayside Bible Church cemeteries. This information was placed on computer disks, organized, and printed in a way to benefit the Snyder County Historical Society. The printout may be used to aid in locating burial sites and to obtain information on ancestors buried there.

Brett Shamory, son of Lee and Diane Shamory, joined Webelos den of Pact 3415 in 1980. In June 1981, he also joined Troop 415. Brett is a member of Paxtonville United Methodist Church. He is a senior at Middleburg High School and is active in soccer, basketball, baseball, the varsity club, and his school's National Honor Society.

Brett's Eagle project consisted of the computerized organization, compiling, and printing of the names and relationships of those persons buried in the Paxtonville Cemetery. This data will benefit the community, the cemetery association, and the Snyder County Historical Society.

Mr. Speaker, I would ask my colleagues in the U.S. Congress to join me in extending congratulations to Brett Shamory and Mark Kuhns for earning this worthy and special award. They have made their Congressman very proud. I wish them great success in their future endeavors.

## POLES HONOR WWII CREW OF THE 390TH

### HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. SIKORSKI. Mr. Speaker, today I would like to insert into the RECORD an article honoring the World War II crew of the 390th Bomb Group. This article appeared in the Albuquerque Journal and the Mississippi Daily Journal.

On September 18, 1944, a B-17 carrying supplies for Polish partisans fighting the Nazis in the Warsaw uprising was gunned down 6 miles north of Warsaw. There were 10 United States airmen on board; two survived the crash. On September 21, 1986, a monument honoring those 10 crew members was unveiled in Lomianki, Poland. This monument is believed to be the first for American soldiers that has been erected on Polish soil.

This gesture, which came as a result of a 5-year fight for the monument, is a testimony not only to those Americans who died in World War II, but to the increasing Polish-American bond. It is an honor for both American and Poles, and is reflective of our long-standing friendship with the Polish community.

[Extracted from the Albuquerque, (NM) Journal and the Northeast Mississippi Daily Journal]

CREW OF THE 390TH HONORED

LOMIANKI, POLAND—Villagers who witnessed the crash of an American warplane shot down by German artillery during World War II have fulfilled what they felt was an obligation and erected a monument to honor the crew. The 9-foot-tall stone memorial, believed to be the first in Poland for American soldiers, was erected after a five-year campaign. "They were young Americans trying to save our Poland," said Stanislaw Niegodziscz who lives about 200 yards from the crash site, six miles south of Warsaw. "We want all of America to know what they did," he said. The B-17 nicknamed "Til We Meet Again," was shot down Sept. 18, 1944, with 10 U.S. airmen on board. Two of them survived—Sgt. Marcus L. Shook and Sgt. James D. Christy. The plane was one of 107 American aircraft dropping supplies that day for Polish partisans fighting the Nazis in the Warsaw uprising. About 220,000 Poles were killed during the 63 day battle.

On 21 Sept. 1986, the monument was unveiled in a ceremony attended by villagers and veterans group. The names of the ten crew members were inscribed on a brass plaque. Killed in the crash were Lt. Francis Akins of Derry, PA (pilot), Lt. Forrest D. Shaw of Exeter, NH (co-pilot); Lt. Ely Berenson of New Jersey, (navigator); Lt. Myron S. Merrill of New Jersey, (bombardier); Sgt. Frank de Cillis of New Jersey; Sgt. George A. MacPhee of Mass.; Sgt. Walter P. Shimshock of Minneapolis, Minn.; and Sgt. Paul F. Haney of West Virginia.

Marcus Shook now resides in Belmont, MS and is a regular attendee at the 390th Bomb Group Veterans Association reunions. Shook is the only remaining survivor as Christy died in 1949. His recollection of the bailout was that at least three of the crew got out, and as soon as they cleared the aircraft "the thing exploded." Witnesses from the village recently have disclosed that one of the crewmen was shot and killed by the Germans as he drifted in his parachute. Shook says that would explain the fate of the third crewman that he thought excaped. Shook himself was fired on while in the parachute: he is quoted as saying: "I was first hit in the leg. Then I realized they were shooting at me, and I drew myself up into a ball to make a smaller target. After a little bit, my legs started dangling again and another bullet hit me in the ankle. That was a compound fracture." First he was taken to field headquarters where he was questioned. Then he went to a field hospital where both legs were put in casts. After about a week, he was finally moved to a prisoner of war hospital on Poland's western border with Germany. He stayed there until January of 1945, when the Russians broke through German lines and liberated the camp.

Shook also tells us that the crew was going to nickname the B-17 "I'll Be Seeing You," however it got lost somewhere in the Polish translation.

## JOHN E. DU PONT, CHAMPION OF AMERICA'S CITIZEN ATHLETES

### HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. McGRATH. Mr. Speaker, I would like to take this opportunity to recognize John du Pont, a gentleman who has made a tremendous contribution to the efforts of American athletes preparing to represent our Nation in international competition.

To John du Pont citizenship is not just a right, it is a trust. As one of America's most ardent citizens, he has championed the cause of liberty at home and throughout the world alike. But nowhere has his sense of purpose been stronger than with America's young athletes.

He has been a pentathlete competing in United States and international meets in 14 nations for more than 20 years, including twice being named a U.S. Olympic coach. Known as the Father of the Triathlon, John du Pont has dedicated his life to teaching and training amateur athletes in sports and in citizenship.

He is the founder of Team Foxcatcher, headquartered at its Olympic training facility at the Du Pont farm in Newtown Square, PA. His athletes have represented the United States in countries on six continents in swimming, wrestling, triathlon, track, gymnastics, and modern pentathlon. All of his teams have produced world champions and Olympic medal winners.

John du Pont is also the founder of the Delaware Museum of Natural History and, among his many accomplishments, is presently head wrestling coach at Villanova University. He has served with distinction as a citizen volunteer to law enforcement for over 20 years.

Mr. Du Pont has now announced the founding of the Foundation for America's Citizen-Athletes.

Mr. Du Pont today said:

The Foundation's goal is to help young athletes of distinction become citizens of distinction. As we all know, America's young athletes serve as role models for their peers, and many become the heroes of tomorrow's youth. With drug abuse so prevalent today, America's young athletes must be examples of good citizenship. We are in hopes that this Foundation will allow them to take an even more active role in America's future.

When our American athletes compete internationally, they are competing against many who are funded by their govern-

ments," Mr. Du Pont continued. "Here in America, in our democratic society, the responsibility to help our young athletes lies in the commitment of individual citizens. I believe Americans should do all they can to help our young athletes excel in *all* facets of their lives.

Each year the foundation will sponsor week-long workshops in Washington, DC, where young citizen-athletes will meet with officials in U.S. Government and business. Citizen-athletes will be selected on the basis of athletic talent, academic achievement, and citizenship.

Their objective is "to help America's athletes be good citizens for today, and for tomorrow."

I hope every Member of this body will take note of the foundation's activities and do everything possible to support it.

## BARTHOLDI PARK

### HON. PETER W. RODINO JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. RODINO. Mr. Speaker, 1 year ago, the Nation joined in a gala celebration of the one hundredth anniversary of the anniversary of the Statue of Liberty.

At the same time, there was a smaller gathering here in Washington to pay homage to the genius behind the Statue of Liberty—Frederic Auguste Bartholdi. With the official dedication of Frederic Bartholdi Park in 1986, we established a lasting tribute in the nation's capital to this great friend of America and the designer of one of our most important national symbols.

Bartholdi Park, located on a triangular parcel of Capitol grounds near the Rayburn Building, is distinguished by a large, beautiful fountain that was designed by Frederic Bartholdi and sent to the United States by the French Government for exhibition at the Centennial Exposition in 1876.

The fountain proudly stood in the esplanade at the main entrance to the exposition and dominated the most important vista in the fair grounds. The official guidebook directed visitors to a "large bronze fountain, with statues of the twin godesses of cities" which had the unique distinction of being simply designated "Bartholdi's Fountain." Construction of iron, bronzed and lavishly decorated, the fountain was praised for its concept and beauty.

After the Centennial Exposition closed, the U.S. Government purchased the fountain and it was placed in the old Botanic Gardens in Washington where it stood for 50 years. When the Botanic Gardens where relocated to the bottom of Capitol Hill in 1927, the fountain was dismantled and placed in storage until it was reerected in its present location. Without any marker or sign to indicate its historic and artistic importance, the fountain was a forgotten monument.

In 1985, I wrote to my good friend Chairman FRANK ANNUNZIO suggesting that Congress designate the fountain's site as Bartholdi Park to honor the creator of the Statue of Liberty. With Chairman ANNUNZIO'S leadership, the Joint Committee on the Library, which oversees the Botanic Gardens, adopted this proposal and the first major renovation of the fountain was begun.

On October 30, 1986, Members of Congress and the French Minister of Culture, Francois Leotard, joined together in a ceremony dedicating Bartholdi Park and rededicating his restored fountain. In just 1 year, Bartholdi Park and Fountain have joined the ranks of recognized and beloved monuments in Washington. Now, both tourists and local residents, lunchtime visitors and students of history, know that they are standing before a very special artistic and historic link with the genius of Frederic Auguste Bartholdi.

## LABEL IMPROVEMENT PROCESS

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. SOLOMON. Mr. Speaker, the U.S. Environmental Protection Agency is about to begin enforcement of a new regulation that might well cause some farmers to lose their crop and that might easily lead to a drop in property value for certain farmlands.

Despite these potential setbacks for the farming community, the EPA apparently has no intention of submitting this regulation for public review or comment, or for any other normal regulatory procedure.

By allocating to itself an additional legislative interpretation of the Endangered Species Act, and by calling this new regulation simply part of a "label improvement process," the EPA is apparently intent on legislating brand new requirements on how, where and when farmers may use pesticides.

Mr. Speaker, the issue at this point is not whether the regulation is appropriate, but why in this instance the Congress and the American people have been excluded from their rightful place in the legislative process.

Mr. Speaker, I call upon the Environmental Protection Agency to rescind its actions to date on this regulation and to open this proposed "label improvement process" to full review and comment by the American people, particularly America's farmers.

## THE TWIN DEFICITS: BUDGET AND TRADE

### HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. GALLO. Mr. Speaker, the recent crisis on Wall Street has finally brought the message home to the Congress that action must be taken to reduce both the budget deficit and the trade deficit. Unfortunately, the temptations in Congress—to raise taxes and to enact protectionist trade legislation—send exactly the wrong signal to the world economy. Further, the facts tell us that these proposals will not resolve the problem of the twin deficits.

To deal with the Federal deficit, the Democratic leadership has presented this House with but one proposal—to tax. The historic relationship between tax increases and economic downturns should stop all talk of raising taxes at this time. Supporters of a tax increase of $14.3 billion the first year and $59 billion over 3 years wrongly claim that the 1981 tax cut has resulted in lower tax revenues. They fail to see that because of increases in Social Security and other taxes since that time, the average taxpayer is paying more taxes today than in 1981.

Further, the taxes proposed in the Democrats' budget reconciliation bill are not dedicated to deficit reduction. The revenues provide either tax breaks for special interests or ways to fund the Democrats' policy of tax and spend.

Unfortunately, the Democrats' tax and spend policies prevent real progress on the deficit. This is nothing new. With the exception of Social Security payments, tax increases have never been applied to deficit reduction, in spite of promises by congressional leaders. Since 1981, Federal revenues have increased by $256 billion, but spending has increased by $326 billion.

If our goal is to learn to live within our means through deficit reduction over a number of years, the simple fact is that we have to cut spending. An across-the-board spending freeze would be one good place to start. For this reason, I will support the Michel amendment to freeze spending at fiscal year 1987 levels.

I am asking for a commitment from this House and from the conferees and the White House that they will achieve spending reductions before resorting to any additional taxes.

Resisting the impulse to raise taxes is crucial to our economy. Equally important, the Congress must resist the impulse to raise protectionist trade barriers.

History has shown us that the Hoover administration's approach of raising the twin barriers of trade and taxes simply did not work.

The bitter lessons of 1929 and the 1930's should have taught us that there is a link between depression and a regressive trade policy.

The prospect of 199 House and Senate conferees adding special interest tidbits to a trade bill, already 1,000 pages long, is enough to scare anyone.

A commitment by congressional Democrats to put the current protectionist trade legislation on permanent hold would do a great deal to improve the mood on Wall Street.

There are no quick fixes. There is no room for political posturing. We all must share the responsibility. We must cut the budget and the trade deficit. But, contrary to the current drumbeat for tax increases and protectionist trade bills, we cannot ignore the lessons of the past—that tax hikes at times of economic uncertainty push markets down, not up, and that protectionist legislation stifles trade.

I do not want to play down the seriousness of the Federal budget deficit, but I do want to call attention to the fact that after the 1929 crash occurred, the United States had trade and budget surpluses.

There are many reasons for the current Wall Street selloff, but we must not forget that the threat of protectionism contained in the trade bill, with its potential for retaliation, is at

least as damaging to the confidence of investors as the recurring Federal deficit.

## THE PASSING OF A FRIEND

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. GARCIA. Mr. Speaker, on October 26 Bonnie Brady passed away, and those of us who had the pleasure and privilege of knowing her grieve her loss. Bonnie was the wife of Jack Brady, chief of staff of the House Foreign Affairs Committee.

Bonnie was a kind woman, full of wit and always smiling. I feel most for her family who must now learn to cope with her absence. But I hope that they will be able to find solace in the many rich memories they must have of Bonnie. The world was certainly made richer because of her presence.

I am reminded of a verse from the Book of Ecclesiastes when thinking about Bonnie. I hope that it can provide some small measure of comfort to the Brady family: "A good name is better than precious ointment; and the day of death than the day of one's birth."

Bonnie Brady certainly possessed a good name, and now I'm sure she is finding peace with her God. Our prayers are with Jack and his family.

## PERSONAL EXPLANATION

### HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. BALLENGER. Mr. Speaker, on Wednesday, October 28, 1987, I was in the Chamber and recorded my vote on rollcall No. 382, final passage of the Fair Credit and Charge Card Disclosure Act. However, the computer has me listed as "not voting" when in fact I voted "yes" on final passage.

## H.R. 1393

### HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. WELDON. Mr. Speaker, in light of a scheduled markup of H.R. 1393, the CURE legislation, in the Transportation Subcommittee of House Energy and Commerce next Thursday, October 29, I want to call to the attention of my colleagues an excellent Philadelphia Inquirer article on Conrail's recent financial performance and the dire predictions of L. Stanley Crane of more Penn Centrals if H.R. 1393 is passed. "The bill * * * will be the ruin of our industry," Crane said. "If reregulation occurs, a small group of shippers may benefit for a short period of time. But rapidly thereafter, railroads will lose the ability to offer the services and prices that the vast majority of shippers require. I'm afraid we may well face a flow out of captial from the railroad industry * * * and the railroad industry will be driven out of business." Under the Staggers Act average rail rates per ton-mile for all commodities have declined 23 percent in constant dollars between 1980 and 1986. The CURE bill should be rejected.

[From the Philadelphia Inquirer, Oct. 23, 1987]

REGULATION OF RATES IS OPPOSED BY CONRAIL

(By Tom Belden)

NEW YORK.—A worried Conrail chairman L. Stanley Crane asked Wall Street analysts yesterday to help lobby against proposed federal legislation that the industry contends would mean its economic ruin.

At a Conrail-sponsored meeting with rail analysts and at a press briefing afterward, Crane said there seems to be strong support in the House for a bill that would amend the Staggers Act, the major law that deregulated the rail industry.

The amendments, championed primarily by electric utilities, coal-mining interests and grain dealers organized as Consumers United for Rail Equity (CURE), would put controls on some rail shipping rates. The bill is scheduled to be voted on next Thursday by the House Commerce transportation subcommittee.

"The bill . . . will be the ruin of our industry," Crane said. "If reregulation occurs, a small group of shippers may benefit for a short period of time. But rapidly thereafter, railroads will lose the ability to offer the services and prices that the vast majority of shippers require. I'm afraid we may well face a flow out of capital from the railroad industry . . . and the railroads will be driven out of business."

Crane predicted that if the CURE amendments are enacted, there would be a repeat of the early 1970's crisis for rail service in the Northeast that was precipitated by the bankruptcy of the Penn Central Railroad. The collapse of Penn Central forced the federal government to form Conrail in 1976. The railroad became a private-sector company in March.

No one wants to see the Penn Central failures of the 1970s reborn in the 1990s," he said.

Charles N. Marshall, Conrail's senior vice president for marketing and sales, estimated it would take two to five years for the CURE amendments to so undermine the financial condition of railroads that nationalization of the industry might be necessary to maintain service.

"People . . . look at freight rates microscopically and forget that there has to be a railroad industry there to serve the coal industry and the utilities if any of the partners in this operation are to succeed," Marshall said. "The railroads must earn enough on their investment and must keep their tracks fixed if they are to provide a service which is a value to the utilities."

The CURE coalition contends that railroads have used the rate-making freedom gained under the Staggers Act to gouge so-called captive shippers, which are typically coal mines, grain companies or utilities that buy large quantities of coal or grain. The captives are those who have service from only one railroad and who say they have no practical, economic way other than rail to ship their products.

Proponents of the CURE bill contend that rail-shipping rates are fair and reasonable in cases where a railroad faces competition. But the proponents contend that the Interstate Commerce Commission, which has responsibility for hearing complaints of railroad rate-gouging, has failed to keep the railroads from charging exorbitant rates in situations where a carrier has a monopoly.

Railroads "have a perfect freedom, a freedom not intended by Congress, to do whatever they want with their shippers," Bob Szabo, CURE's executive director, said in a telephone interview yesterday. "The protections that Congress intended for captive shippers . . . are not working."

Railroads acknowledge that they charge some of their customers more than others to haul different types of freight, based on the amount of competition they face for different commodities. But that is no different from a retailer setting profit margins at different levels for different products, depending on competition, and Congress should not intervene to alter that, Crane said.

"It's perfectly ridiculous to set up that kind of issue in the Congress," he said.

On another issue, Crane told the analysts that Conrail will be well-managed even after his planned retirement by the end of 1988. Crane, 72, has been given much of the credit for leading Conrail to profitability since 1981, after it lost millions of dollars between 1976 and 1980.

## CENTRAL AMERICAN QUEST FOR PEACE

### HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. CROCKETT. Mr. Speaker, I wish to share with my colleagues an insightful op-ed piece that appeared in the October 18 Los Angeles Times. The article does an excellent job of summarizing why it is in Central America's interest and ours for the Central American peace plan to succeed. The author, Mr. Peter D. Bell, is well qualified in this area; he served for many years with the Ford Foundation in Latin America, was president of the Inter-American Foundation, and is currently co-vice chairman of the Inter-American Dialogue. I would urge my colleagues to give this article their careful consideration.

[From the Los Angeles Times, Oct. 18, 1987]

CENTRAL AMERICAN PRESIDENTS SHOW REAL GRIT IN QUEST

(By Peter D. Bell)

It is now 73 days since the presidents of Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador agreed to a set of steps for peace in Central America. The agreement caught Washington and much of the world by surprise—as has the energy and grit with which the Central American presidents have been making good on their commitments.

Peace will still elude the region on Nov. 7, the deadline for some major provisions of the agreement. Yet sufficient progress will have been made, not only to assure the effort a longer life but to infuse it with a certain robustness. The awarding of the Nobel Peace Prize last week to the plan's originator, Costa Rica President Oscar Arias Sanchez, is less a recognition of what has been accomplished than a benediction on what is underway.

If signing the Guatemala accord expressed the Central American yearning for peace, the follow-up activities of the respec-

tive presidents reflect the limitations of their power. Each party must take initiative to show good will, but none can go too far—with so much at stake—without reciprocal acts. The United States, though not a signatory, could greatly ease the process, but Central Americans are learning that they can proceed without us. This was evident when El Salvador President Jose Napoleon Duarte visited the White House on Wednesday and strongly defended the accord while also stressing friendship for the United States.

Though agreement to the Arias plan was unexpected, it was no accident. It expressed a confluence of events and trends building for many months. First and foremost, the five presidents came to a shared sense of the toll that the Central American conflicts were taking on the entire region. While the burdens of war had fallen most heavily on Nicaragua, El Salvador and Guatemala, they weighed as well on Costa Rica and Honduras, which have reluctantly given sanctuary both to refugees and anti-Sandinista rebels. Since 1981, per capita income in the region had dropped by 26% and, with continuing violence, prospects seemed bleak.

Second, for differing reasons, the presidents of Nicaragua and El Salvador were ready to pursue peace. Daniel Ortega was selected to stand for the Nicaraguan presidency as the compromise candidate—acceptable to other Sandinista factions because he was so unprepossessing. But over the past three years, he and his fellow "moderates" have established their ascendancy. A relaxation of tension is in their interest as well as their country's.

Meanwhile, Duarte's political star had fallen in El Salvador. In pursuing peace, Duarte could appeal to his people's war-weariness and show a measure of independence from the United States. And the Arias plan—by calling for an end to foreign support for insurgent groups and dialogue with unarmed opposition—legitimized the Ortega and Duarte governments and discredited the rebel causes.

Third, never enthusiastic about the U.S.-backed contras, the presidents of countries neighboring Nicaragua had become convinced that the U.S. policy toward the sandinistas was moribund. Most Central Americans believed the contras could not defeat the Sandinistas. And how, power ebbing away, President Reagan seems incapable of sustaining congressional support for the contras.

Finally, the Guatemala agreement signifies Central American independence. Since agreeing on the Arias plan, the Central American presidents have taken steps to implement provisions in advance of the deadline. For example, all the signatories have decided to set up commissions on national reconciliation. In the case of both El Salvador and Guatemala, historic meetings have been held between the governments and armed insurgents.

In Nicaragua, the Sandinistas have named their toughtest critic, Cardinal Miguel Obando y Bravo, to head the reconciliation commission, approved the reopening of the newspaper La Presna and Radio Catolica and permitted the assembly of peaceful opponents. They have also repatriated a key rebel group of Miskito Indians, promoted the previously existing amnesty program and unilaterally declared cease-fire zones in three embattled provinces. Even more promising, Ortega and the commandantes have crisscrossed the country to explain the agreement and campaign for peace. The Sandinistas appear to have gone too far to be engaging simply in propaganda ploys.

If the progress toward peace still falls short of the mark set for Nov. 7, the United States must bear much responsibility. Reagan has offered halfhearted praise for the Guatemala agreement, but also denounced it as "fatally flawed." In fact, the agreement's underlying weakness for the Administration is precisely the foundation for peace. The Central Americans will accept the existence of the Sandinista regime in return for Sandinista guarantees about its behavior at home and in the region.

By now the U.S. Administration's opposition is clear on three basic points:

First, the Central American presidents have gone a long way toward spelling out the criteria and procedures for democratization, but they also set limits on the changes to be expected. Their agreement, for example, mandates "free, pluralistic, and honest elections," while recognizing that they will be held according to the schedules of "present political constitutions." By contrast, Reagan has declared democracy to be the "bottom line"—the point on which there is "no compromise."

Three weeks ago, a White House spokesman suggested that accelerating the Nicaraguan presidential election, scheduled for 1990, might be required for U.S. support of the accord. It is one thing for the Administration to take democratization provisions seriously. It is quite another to use them to oust the Sandinistas. Central Americans realize that Nicaraguan politics, even under the agreement, will take years to become fully democratic.

Second, the agreement is unequivocal in calling for an end to support for insurrectional movements. This applies to any U.S. aid to the contras that is not for returning them to normal life. Central Americans see stopping contra aid as necessary for any real political opening but Reagan refuses to give up the contra bargaining chip, insisting it be retained to guarantee Sandinista compliance.

Third, the agreement gives little attention to measures related to security and arms limitations. In his recent speech to the Organization of American States, Reagan correctly stated that the accord "does not address U.S. security concerns in the region." What he ignored was the expectation among Central Americans that the United States would negotiate security concerns directly with the Soviet Union and Nicaragua. Nicaragua's neighbors view the withdrawal of Soviet and Cuban advisers, reduction of Communist Bloc military assistance and limitation of the size and sophistication of Sandinista armed forces as important to advancing the peace process. But they want U.S. help.

The Sandinistas might yet renege on some key promises; they may feel too threatened by political openings and civil liberties they committed to. We may never know, since the Reagan Administration seems unwilling to put the Arias plan to the test. Until the Administration is ready to consider acceptance of the Sandinista regime's continued existence, there will be nothing to negotiate about with Managua and there will be incentives for the Sandinistas not to comply with the agreement.

A majority in Congress, however, backs the Arias plan. Members cannot compel Reagan to do so—certainly not between now and Nov. 7. But by rebuffing his requests for more contra aid they can at least keep him from dealing a body blow to the peace process.

It is possible that momentum for peace is already sufficiently great and interests sufficiently real that the process will go forward. The word is being circulated by Central Americans to look not to Nov. 7 but to Dec. 5 as the next critical date. That is when the International Commission for Verification and Follow-up will make its initial assessment of compliance. Meanwhile, the Central American presidents, led by their Nobel Price laureate, must use moral suasion on the U.S. Administration to continue their struggle for peace.

## STOP EXPLOITING CHILD LABORERS

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. EDWARDS of California. Mr. Speaker, 88 million children between the ages of 11 and 15 are now part of the world's labor force. Child labor is on the rise, and exploitation of children is a world scandal.

Congressman GEORGE MILLER of California, chairman of the Select Committee on Children, Youth and Families, examines this problem in a scholarly article in the Christian Science Monitor of October 28, 1987.

The article is reprinted below:

STOP EXPLOITING CHILD LABORERS

In June 1970, the United States Fish and Wildlife Served added the whale to its list of endangered species, severely restricting the importation of whale products.

The same step was taken in 1978 to help ensure the survival of the Asian elephant. Since the Endangered Species Act in 1966, similar protection has been granted to rhinos, leopards, wombats, and many other species.

Don't the world's children deserve the same level of protection?

According the the International Labor Organization, 88 million children between the ages of 11 and 15 are now part of the world's labor force. They and millions more younger than 11, work in dismal and dangerous conditions, putting in endless hours and getting virtually nothing in return.

Child labor is on the rise in large part because third-world countries are racing to meet the demand for their products created by Western nations. A Thai government survey revealed that child labor in Thailand increased 30 percent between 1981 and 1983, and evidence suggests the rate has continued to climb in tandem with the Thai export industry. A 1985 United Nations study of Thai industry reports that "manufacturing industries employing a large proportion of child workers are those which expanded very rapidly in the last few years as a result of their export potential."

Child laborers all over the world leave a long trail of profits for company owners, traders, and Western department stores.

The Mocary factory in Morocco can product a carpet for less than $20. When it is sold to Macy's in New York for $166, Mocary executives gain almost $100 in profit. After marking up and selling the rug, labeled "Made in Morocco exclusively for R.J. Macy's," Macy's makes a $282 profit. The broker who arranges these and other

transactions makes millions of dollars each year in commissions. The United States imported 10,000 carpets, worth $2.3 million, from Morocco in 1985. Western consumers create the demand for these products, but do nothing to ensure that the world's children are not sacrificed. It's time to use our economic strength to protect the children of the world rather than allow commercial demands to underwrite their enslavement.

When concerns about international exploitation of child labor are raised, we are frequently admonished that we cannot affect labor conditions abroad. We are told we cannot mandate remedies, or that foreign governments won't even respect their own fair-labor laws. Yet by prohibiting the importation of products derived from endangered species, we do attempt to influence the policies of foreign governments.

We should, in effect, add "exploited children" to the list of "endangered species." This is the essence of legislation that I recently introduced in Congress: barring the importation into the US of any item produced in violation of internationally recognized child labor rights.

We are also told that unless these children are allowed to work, they will starve. Such arguments have served to justify exploitation for centuries. Like the slaveholders who justified slavery on the basis that slaves were better off on the plantation, countries that ignore child labor laws say employers hire five-year-olds out of compassion. The truth is that these companies prefer to hire children, rather than some of the millions of unemployed adults, because they can work them long and pay them little. An Indian legal scholar estimates that if child labor was eliminated in his country, 15 million adult jobs would be created.

Stopping child labor requires a national commitment to keeping children out of the workplace. Kenya, an underdeveloped and impoverished nation, is not only more aggressive in enforcing its child labor laws, but has established Africa's first policy of universal education. In many countries, however, the government simply disregards its own child labor laws, as well as minimal international standards for child labor; enforcement of a minimum working age, prohibition of work at night or in hazardous occupations; enforced standards for minimum hours of work, health, and safety; and a ban on compulsory employment. Some governments have encouraged children to enter training programs where, in the absence of any mechanism to prevent exploitation, they are soon working 70 hours a week.

By putting economic pressure on these countries, we can force them to change their child labor practices.

As child labor stunts the mental and physical growth of children, it also stifles a nation's potential for development. Economic progress in the third world will not come by wasting away the most valuable resource for the sake of foreign exchange. Prosperity will be achieved by giving children the opportunity to grow, and allowing them to make a much greater contribution to society as adults.

## THE INTRODUCTION OF LEGISLATION REGARDING THE AUTHORITY OF LAW ENFORCEMENT OFFICERS OF THE BUREAU OF INDIAN AFFAIRS

### HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. RHODES. Mr. Speaker, today I am introducing, by request, legislation to clarify and strengthen the authority of law enforcement officers of the Bureau of Indian Affairs, of the Department of the Interior.

The Department of the Interior, through the Acting Assistant Secretary for Indian Affairs, forwarded draft legislation to the Congress on August 13 of this year. The bill would provide:

Explicit authority for the Secretary of the Interior to authorize law enforcement officers of the Bureau of Indian Affairs to carry firearms and make arrests;

Authority for the Secretary to enter into agreements with Federal, tribal, State, or local governmental agencies for effective enforcement of any Federal or tribal laws in Indian country; and

An increase in the authorized uniform allowance for uniformed BIA law enforcement officers from $125 to $400 a year.

The Bureau of Indian Affairs employs some 503 law enforcement officers, serving on 163 Indian reservations or areas in 23 States. The current authorities for these law enforcement officers do not clearly state the extent of their authorities, as do similar officers in the Department of the Interior and other departments. Without explicit statutory language for the Bureau of Indian Affairs to carry out these law enforcement functions, individual officers may be exposed to lawsuits alleging unauthorized law enforcement actions.

I believe that proper enforcement of the law on Indian reservations requires congressional delineation of law enforcement authorities, and it is my hope that Congress will act on the legislation as soon as possible.

## THE MAD, MAD, MAD, MAD WORLD OF ERIC FEDERING

### HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MINETA. Mr. Speaker, "An enterprise, when fairly once begun, should not be left till all that ought is won." Time has not dated Shakespeare's words. Persistence may be the single most important quality when one is trying to accomplish something. Calvin Coolidge, the silent President whose sparse words inspire other notables even today, put it this way: "Nothing can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of derelicts."

And he should know. But time has not dated his words, either.

It is my pleasure to know a man, tenacious in the extreme, who has spent the last 5 years in a search against great odds. He is Eric Federing. His quest is for 39 minutes of footage cut from the 1963 cinerama comedy classic "It's a Mad, Mad, Mad, Mad World," produced and directed by Stanley Kramer.

Before the movie's release, its distributors, with characteristic disregard for balance and quality, sliced out frame after frame of Buster Keaton, Dick Shawn, Howard da Silva, Milton Berle, Phil Silvers, Sid Caesar, Spencer Tracy, and Ethel Merman. Stan Freberg, radio's Man of a Thousand Voices, had every one of his lines cut from the final version. Comic genius Buster Keaton ended up with only one line.

Eric Federing's vision is of a fully restored, 193-minute film.

Eric's fascination with the film dates back to its release, but his obsession began in 1978 when he learned of a missing 39 minutes. Since that time, he has established a network of fans, movie executives, archivists, and collectors, all dedicated to restoring the movie, widely acclaimed in 1963 and today as the last of the "all-star cast" comedies in the silent movie tradition. "It's a Mad, Mad, Mad, Mad World" is arguably the funniest comedy of all time.

Eric's search has led him through film cutting rooms, private film libraries, studio storage bins, all the way up to the sealed doors of a salt mine in Kansas that has been converted to use as a film storage vault. Usually, he has carried on the search by himself, with occasional help from others nearly as dedicated.

Commentators have not taken Eric Federing's efforts very seriously. The metaphors have been unkind. But like the tenacious carp swimming tirelessly against the current, Eric has not become discouraged with uncooperative movie people. "I guess they're just not in for the long haul," he said, with characteristic understatement, in a recent Washington Post article.

Critics have called his efforts for 39 minutes of classic comedy footage quixotic. Wisely, Eric Federing has chosen to ignore their slings and arrows as well as such arguments as "Do we really want to hear 39 minutes of Ethel Merman's voice?" Instead, he has focused his attention on a larger issue: The preservation of America's film heritage.

Hundreds of classic movies have literally disintegrated in their cans, victims of aging. Preservation efforts lag years behind demand and each film lost is a great loss for the popular history of our country.

Eric's latest project materializes on November 7, the 24th anniversary of the world premiere of "It's a Mad, Mad, Mad, Mad World." He is organizing and hosting a tribute to the film in Akron, Ohio's Civic Theater, one of the last "atmospheric" theaters designed by John Eberson still standing in the United States. These grand old movie houses are falling prey to wrecking balls, casualties of popular culture no longer as concerned with quality as with quantity, much like the movies that Eric is fighting to protect.

I commend Eric Federing's efforts and I very much hope that my colleagues will be able to attend. For like a bee, whose labors enrich the lives of everyone who enjoys a

flower or savors honey, Eric Federing, through his efforts to restore 39 minutes of footage to "It's a Mad, Mad, Mad, Mad World," is befitting all movie goers by saving a piece of our film history from vanishing forever.

Mr. Speaker, Eric Federing has worked long, hard hours on this festival honoring "It's a Mad, Mad, Mad, Mad World." He deserves all the best. To Eric I offer this wish: Break a Leg.

## COASTAL ZONE MANAGEMENT

### HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. IRELAND. Mr. Speaker, last month I testified before the Merchant Marine Subcommittee on Oceanography in support of H.R. 3202, legislation which Congressman PANETTA and I have introduced to give the States a greater role in the process leading to offshore oil exploration and development.

Today, I would like to submit a copy of my comments for the RECORD so that my colleagues might consider supporting this proposal.

TESTIMONY OF THE HONORABLE ANDY IRELAND

Mr. Chairman, I appreciate the opportunity to appear before the Subcommittee today in support of H.R. 3202, legislation that Congressman Panetta and I have introduced to amend the Coastal Zone Management Act. As you know, this bill would give the States a role in determining whether prelease and lease activities associated with offshore oil and gas exploration are consistent with a State's coastal management plans. I am also grateful, Mr. Chairman, for your involvement and support of this proposal.

This legislation would, I believe, correct a significant flaw, created by a 1984 Supreme Court decision, in our current system of oil and gas exploration and leasing on our Outer Continental Shelf. I believe that when Congress passed the Coastal Zone Management Act in 1972, it intented to assure States with federally approved coastal management plans that federal activities affecting those coastal areas would be consistent with the State plans. The Supreme Court decision, however, dictated that the law did not require that the Interior Department sales of offshore tracts for oil and gas exploration be consistent with coastal management plans adopted by the states and approved by the U.S. Department of Commerce. I believe the Court was wrong in its interpretation of Congressional intent on the Coastal Zone Management Act.

Passage of H.R. 3202 will overturn that decision and return to the State their ability to impact the OCS process at an earlier stage, at the time of the lease sales. Currently, the States can only make consistency findings when asked to approve drilling permits.

To illustrate the importance of this legislation, I would like to reiterate the experiences of the State of Florida with the Department of Interior's current five-year oil and gas leasing plan, issued in June 1987. The Florida Congressional Delegation as well as the State of Florida opposed the plan, because it includes for potential lease some of Florida's most environmentally sensitive areas—the Florida Keys, which contain the only living coral reef in the Continental United States; Apalachicola Bay, prized for its oyster beds; and the southwest Florida shelf in the eastern Gulf of Mexico, which includes some unique marine habitats.

The OCS Lands Act requires the Department of Interior to strike a balance between energy needs and protection of such environmental resources. The Act sets up a mechanism by which the Department can coordinate federal leasing activities with the Governors of the States. The current five-year plan does not strike that crucial balance.

Despite months of negotiations and good faith efforts on the part of all of us representing Florida, the Department of Interior released its plan having paid little attention to the reams of comments received in opposition—not only from the State and the Congressional Delegation, but also from private citizens and organized groups within the State. At this point Congress has no further right to appeal in the OCS leasing process. While the State of Florida has filed a petition for judicial review, I know of no previous review that has ruled for the State over the Department of the Interior.

Clearly, federal consistency legislation such as H.R. 3202 is not only an environmental imperative, but also an economic necessity for States such as Florida. In 1986, for example, Floridians hosted 35.7 million visitors from throughout the United States. The Florida Department of Commerce estimates that these visitors spent $20 billion and added about $1 billion in revenues to the State. The State conducts visitor surveys which rank the reasons people come to Florida. Number one on everyone's list is our BEACHES. Close behind, at 2 and 3, are relaxation and climate; further down the list, but nonetheless important, are water sports and recreational fishing at numbers 6 and 7. In addition, commercial and recreational fishing is estimated to have an economic value of $2.5 billion to the State.

In other words, Mr. Chairman, the livelihood of many Floridians depends on our natural resources, primarily our pristine coastline and beautiful waters. The State of Florida is in the best position to determine what activities could potentially cause harm to these resources and whether the risk is worth any potential benefits. For this reason, the State should be able to affect the leasing process at an earlier stage, as would be permitted under H.R. 3202.

Further, you may recall, Mr. Chairman, that the dissenting views of the Supreme Court at the time of the 1984 decision emphasized that if there were to be problems in the leasing process, it would be to everyone's best interests to know what these problems were early on in the oil exploration process. Given the economic investment which oil interests must make just to lease the desired tracts, it would seem prudent business practice to know all of the potential costs prior to the permit application phase. I believe, therefore, that this legislation will benefit the States by providing increased participation in the process, as well as the oil development companies by providing the opportunity for a more accurate cost-benefit analysis. Thus, the long-term energy outlook for the United States would be improved.

To my knowledge, the State of Florida has always been fair with lessees during the consistency review of permit applications. It is my understanding that many more drilling permits have been granted by the State than have been disapproved due to inconsistencies with the State's coastal management plan.

This legislation does not give the State a veto, but provides it a greater role in a process that could have extremely serious effects on its ecology and economy. The oil interests have nothing to fear by cooperating with the State in the development of a balanced approach to oil leasing. Everyone wins when we devise ways to protect our vital environmental resources while we develop our energy resources.

I therefore urge the speedy approval of H.R. 3202 by the Subcommittee.

## A THOUSAND DAYS' DETENTION

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MATSUI. Mr. Speaker, I rise today to ask my colleagues to take note of an insightful article written by Prof. Robert F. Drinan concerning the internment of Japanese-Americans during World War II. Although the article was written before the House passed H.R. 442, the content of Mr. Drinan's discerning passage is well worth consideration. I urge my colleagues to take a few moments to read it.

A THOUSAND DAYS' DETENTION

(By Robert F. Drinan)

Will the 60,000 surviving Japanese-Americans confined to detention camps during World War II finally receive some indemnification for their improper incarceration? The Civil Liberties Act of 1987, H.R. 442 and S. 1009, designed to achieve that end, could be enacted in the near future. H.R. 442, with 135 co-sponsors, passed the House Judiciary Committee overwhelmingly. S. 1009, with more than 75 co-sponsors including Senate Majority Leader Robert C. Byrd and Minority Leader Robert Dole, is expected to pass.

As a member of the Commission on Wartime Relocation and Internment of Civilians appointed by President Carter and the Congress in 1980, I experienced in 20 days of hearings with over 750 witnesses the sufferings of the Americans of Japanese origin who were confined for three-and-one-half years in bleak barracks inland from the West Coast. The commission established the facts on which experts had previously come to a general consensus: There was no military necessity for uprooting Japanese families, citizens and noncitizens alike. Not a single case of espionage, sabotage or fifth-column activity was committed by an American citizen of Japanese ancestry or by a resident Japanese alien on the West Coast. Moreover, the Japanese community in Hawaii—one-third of the population of that island—was not confined. Nor were Japanese outside the West Coast arrested. It is also noteworthy that not a single resident of the United States of German or Italian origin was detained solely because of ethnic background.

The Commission on Wartime Relocation established conclusively in its 467-page report that it was wartime hysteria and a long tradition of anti-Japanese feeling in California that led to the decision to round up and confine all Japanese-Americans. The hearings the commission conducted in San Francisco, Seattle and elsewhere were extraordinarily moving as the residents of the

two dozen camps recalled their humiliation and shame at being, in essence, accused of disloyalty to the nation they had adopted or in which they were born. Witnesses related how there was almost a conspiracy of silence about the camps by those who endured them lest, in their judgment, anti-Japanese feeling break out again.

It was the children and the grandchildren of those confined who, refusing to accept their elders' silence and shame over their imprisonment, began to insist that the Government that humiliated their parents and grandparents investigate its own conduct. Thus the Commission on Wartime Relocation was born. Made up of nine persons, including former Justice Arthur J. Goldberg and former Senator Edward W. Brooke, the commission worked effectively with archivists, ehtnic groups and historian who have produced a vast array of documents about an event unprecedented in American history—the confinement without a hearing or a trail of a large number of people only because of their race.

The commission looked for evidence that would justify the decision to segregate the Japanese community. There was little, if any, militay justification. One man, General John L. DeWitt, responsible for security on the West Coast, urged the Secretary of War, Henry L. Stimson, to persuade President Roosevelt to act. On Feb 19, 1942, 10 weeks after Pearl Harbor, President Roosevelt signed Executive Order 9066 giving the power to the military to confine all persons, citizens aliens, not because they were suspected of sabotage, but only because they were of Japanese ancestry. In the chaos of the first few weeks of World War II, little attention was given to the fact that 20,000 persons of Japanese ancestry were taken to barracks in desolate areas of the West.

The commission saw evidence, oral and written, of the hateful, anti-Japanese feeling at the time and the general approval of what was done to the Americans of Japanese origin.

The only group to protest the mass exclusion and detention was the American Civil Liberties Union. The lawsuit it brought was lost in the United States Supreme Court. But it was the work of the A.C.L.U. along with others, that helped to expedite the release of many Japanese after the American victory in Midway in June 1942 made the possibility of serious Japanese attacks on the United States no long credible.

The report of the Commission on Wartime Relocation persuaded a number of members of Congress that the nation should redress the injustices done to the Japanese community during World War II. During hearings at which I was authorized to testify on behalf of the commission, it became clear that the members of Congess realized that the contention that there was in fact no military necessity to separate and segregate all Japanese-Americans on the West Coast raised the most serious questions. No U.S. Government may take away the liberty of its citizens, even in wartime, unless there is some clear and provable reason. Lacking any such reason, the deprivation of liberty of any U.S. citizen is a clear violation of the Constitution, which states in the 14th Amendment that no person may be deprived of "life, liberty or property without due process of law."

There was some testimony given to Congress opposed to the claims of the commission. It reflected a reluctance to challenge the correctness of a judgment made by a high military official in the early days of the war—a decision that was ratified by the President, the Congress and the Supreme Court. Some persons in Congressional testimony also objected to the recommendation of the commission that there be a sum of $20,000 made available to every person confined to the camps for the duration of the war. That sum was calculated roughly on the idea that there should be at least $20 per day given in reparation for illegal confinement; that sum has some basis in judgments levied against Federal and state governments when they have wrongly detained persons. Since the average or median time for detention of the Japanese-Americans was 1,000 days, the suggested amount of reparation was $20,000. The commission thought first of rewarding the survivors of all those detained, but ultimately recommended that only the actual survivors collect. The commission, recognizing that the surviviors are at an age when many are dying, recommended that the oldest survivors be compensated first.

The bills presently before Congress stipulate that the survivors be paid over a three-year period. It is uncertain how many of the survivors would actually claim the money due them. Several prominent survivors have said that they would not file a claim. But they are very anxious that Congress enact and the President sign the bill that extends an apology to the Japanese people for America's violations of their rights during the war between the United States and Japan. But even if all the 60,000 detainees claim the $20,000 the total payout of $1.2 billion would be significantly less than the economic losses of the ethnic Japanese during 1942-46 which, as estimated by the Commission on Wartime Relocation, ranged from $2.5 billion to $6.2 billion.

Also involved in the mandate of the commission was the relocation of many families from the Aleutian Islands during World War II. While the removal of these American citizens may have been justified for military reasons, there has been no indemnification to the Aleuts, devout followers of the Russian Orthodox faith and represented ably on the Commission by a Russian Orthodox priest, the Rev. Ishmael V. Gromoff. The commission recommended that appropriate indemnification be made to the surviving Aleuts who were injured by the actions taken by the United States Government.

After I was appointed to the Commission on Wartime Relocation, I reread the opinion of the Supreme Court in Hirabayashi v. United States, decided on June 2, 1943, in which the Court unanimously sustained the constitutionality of Executive Order 9066.

I also reread Korematsu v. United States, in which, on Dec. 18, 1944, the Supreme Court in a 6-to-3 ruling sustained the conviction of an American citizen of Japanese descent for violating an order given pursuant to Executive Order 9066. After hearing from dozens of Japanese internees and reading the several major books on the confinement of the 120,000 Japanese-Americans (two-thirds of whom were U.S. citizens), I concluded that Justices Frank Murphy, Owen J. Roberts, and Robert H. Jackson were correct in their dissent in Korematsu. Justice Jackson, a former U.S. Attorney General, wrote that military orders are subject to review for their compliance with the Constitution and that even if General DeWitt's orders were "permissible military procedures" it does not follow that they have to be constitutional. Justice Murphy was more blunt: For him, the challenged practice was a "legalization of racism."

Americans have not focused much attention in the last 40 years on the confinement of the Japanese. The Canadians who detained most of the Japanese in Canada during the war—under worse conditions and for a longer period of time than the United States did—have also been content to forget about the sense of outrage and feeling of humiliation the Japanese community experiences today over the way in which its members were treated. The December 1982 report of the Commission on Wartime Relocation is the first official compilation of all the evidence about the acts of the United States Government toward a tiny minority of its people. The feeling appears to be growing that those acts, however, understandable at the time they were taken, must now, in the light of history, be deemed shameful.

The 100th Congress is thinking seriously of enacting a measure that is designed to confess error and make amends. No one should underestimate the resistance to that measure or be unaware of the widespread reluctance to bring it up—especially in view of the anxiety, and even panic, over the enormous federal deficit.

Every person experiences moments of regret for things done years ago. The stab of conscience is itself a grace of God. Nations, too, experience moments of grace when they recognize and regret evil things done. Perhaps the 100th Congress will recognize and recompense what a nation, angry at its opponent in war, did to 20,000 human beings of Japanese ancestry.

## TRIBUTE TO LLOYD M. BENTSEN, SR.

### HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. DE LA GARZA. Mr. Speaker, today the Texas Business Hall of Fame will induct into its ranks one of our State's living legends—Lloyd M. Bentsen, Sr., of Mission, TX, which I share with him as our hometown.

Many of our colleagues will recognize his name—he is the father of our State's senior Senator, LLOYD M. BENTSEN, Jr.

The elder Mr. Bentsen came to the Rio Grande Valley during World War I when he was taking flight training in San Antonio. One look and he stayed for good.

In Texas, the name Lloyd M. Bentsen, Sr., is known by virtually everyone. His civic and business accomplishments place him among the greats in Texas and America, and yet always his character has been marked by modesty and a deep sense of philanthropy.

Today the Texas Business Hall of Fame will meet in Houston to bring Mr. Bentsen into the league of Texas giants who have made our State the powerhouse that it is. The Hall of Fame for Texas business acknowledges an individual's lifetime contributions and achievements, and for Mr. Bentsen this includes agriculture, real estate, oil and gas operations, banking and financial interests, and insurance. In all these areas Lloyd M. Bentsen, Sr., has created jobs for the Texas workforce and fueled our economy to an enormously significant extent.

Mr. Bentsen is enjoying his 93d year of life—and still he works. He continues to manage the business empire which he created—and if one drives through the lush citrus orchards near his home in Mission, one might just catch a glimpse of Mr. Bentsen pruning away at the trees or picking some especially ripe fruit from the top of an extension ladder.

Because this Congressman has had the privilege of knowing Mr. Bentsen for so many years—I know he will forgive me if I dspense with modesty in my accolades to him. There is no reason for me to cloak my words in anything other than genuine pride. He is a Texan in the great tradition of those pioneer giants who shaped the State and contributed to its image as "bigger than life."

We congratulate our fellow Texan on his induction into the Texas Business Hall of Fame, and for enriching our lives with his unmatched character and great humanity toward all.

## MED-AMERICA ACT OF 1987

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. LAGOMARSINO. Mr. Speaker, today I am introducing legislation to provide access to health insurance for many individuals who are currently unable to purchase insurance. This legislation was developed by Senator JOHN CHAFEE, a member of the Senate Finance Committee and the Subcommittee on Health, which has jurisdiction over the Medicaid Program in the Senate. Senator CHAFEE has long labored in this field and has set as one of his highest priorities the provision of widespread and effective health care services to those who do not have access to such services. I share his commitment to this goal. In fact, I have also introduced H.R. 169, the national voluntary health insurance plan, an overall approach to the health insurance issue.

H.R. 169 would provide total coverage of all necessary medical and hospital care, without limits, exclusions or deductibles, for all Americans at about the same cost to the Government as the estimated present and projected cost of Medicare and Medicaid, which would be eliminated. It is based on the successful system currently operating in British Columbia. I believe the program would provide a practical and effective means of stopping the present rapid inflation in hospital costs, by greatly reducing administrative, collection, and malpractice insurance costs, among other things.

If enacted I believe this bill would provide a more effective system of health care for those who are in need of it. However, in the meantime we must proceed one step at a time. This is why I have introduced the Med-America bill.

It is estimated that between 1980 and 1985, the number of uninsured individuals grew by almost 25 percent. Between those same years the number of uninsured children grew by 14 percent. Yet during the debate on catastrophic health care in Congress, those under 65 have been largely ignored. I believe that if we are truly interested in addressing catastrophic health care expenses, we must look at both the old and the young.

More than one-third of those without any health care insurance live in families with incomes below the poverty level. Another one-third live in families with incomes between 100 and 200 percent of the poverty level.

There are other individuals who, even if they could afford to purchase insurance, are without access to private health care insurance. Who are they? They are those who have what we call preexisting conditions—some kind of a condition that causes insurance companies to refuse to insure them. Thousands of aids patients fall into this category.

Finally, there are individuals with chronic illnesses who exhaust their private health care insurance and have no where to go but into poverty to qualify for Medicaid benefits. AIDS patients frequently fall into this group, too.

For families with a chronically ill child, where the parents are relatively well off and possibly both working, to suddenly have a child with extremely severe problems means they must spend their way down into poverty so they can receive Medicaid assistance. They must exhaust their resources. Although they are trying, all they can qualify for is Medicaid.

The Med-America bill is a new approach to these problems. The bill would build on the existing Medicaid Program in three ways:

First, it would sever the tie between Medicaid and cash benefit programs—such as AFDC and SSI. As a result, States would have the option of providing Medicaid benefits to anyone whose income is below the Federal poverty level, regardless of whether or not they qualify for cash welfare programs.

Second, States would have the option to allow individuals—the so-called working poor—whose incomes are at or near the Federal poverty level to purchase health insurance through Medicaid for an income-adjusted premium, not to exceed 3 percent of the individuals' or family's adjusted gross income.

Finally, States would have the option to allow persons with family incomes and resources in excess of 200 percent of the Federal poverty level to purchase Medicaid benefits for a nonincome adjusted premium if they have been excluded from private health insurance coverage because of a medical impairment or disability or if they have exhausted one or more benefits under their private insurance plans.

I strongly believe that these steps will go far in providing Americans with access to effective health care. I urge my colleagues to join me in my effort to offer the security of health insurance to all our Nation's citizens.

SUMMARY OF MED-AMERICA INTRODUCED BY CONGRESSMAN BOB LAGOMARSINO—OCTOBER 29, 1987

ELIGIBILITY CRITERIA

At its option, and in addition to existing Medicaid optional coverage categories currently enumerated in the statute, a State may extend coverage to the following individuals:

(a) Persons with family incomes under 200% of the federal poverty level, or such other lower limit that the State may establish. Those individuals between 100% and 200% of the federal poverty level would be required to pay an income adjusted premium in order to receive these benefits. The premium can be no greater than 3% of the individual's or family's adjusted gross income.

(b) Persons with family incomes and resources in excess of 200% of the federal poverty level (or the lower level established by the State) who have been excluded from private health insurance coverage because of a medical impairment or disability or who have exhausted one or more benefits under their private insurance plans. These individuals would be allowed to purchase the Medicaid benefit with a non-income adjusted premium.

(c) Employers who are unable to purchase affordable private coverage for their employees.

BENEFITS

At a minimum, a State which elects this option would have to provide the following items and services: inpatient and outpatient hospital care; physician services; x-ray services, EPSDT and family planning services; dental services; prescription drugs; dentures; prosthetic devices; eyeglasses; rehabilitative services; and clinical services furnished by or under the direction of a physician. Hospital and physician services for the full buy-in populations (i.e. those who have exhausted their private insurance benefits or have been denied coverage by private insurers) could not be limited by the States.

Additionally, at its option a State may include in this plan all other Medicaid services allowed under federal law, including home and community-based care services, but excluding services of long-term care institutions including skilled nursing facilities, intermediate care facilities, and intermediate care facilities for the retarded.

PREMIUMS AND COST-SHARING

A State would establish an annual premium, to be paid in monthly amounts, equal to the average per recipient expenditure (excluding expenditures for long-term institutional services) during the latest period for which recipient and expenditure payment data are available. A family premium would be established for individuals purchasing coverage for themselves and for related members of their households.

Persons with incomes in excess of 200% of the federal poverty level (or the level established by the State) who are eligible under this program, would pay the full annual premium in monthly amounts.

Persons with family incomes between 100% and 200% of the federal poverty level would pay a monthly amount equal to no more than 3% of their total family adjusted gross income, as reflected in their latest federal income tax returns. Families would be eligible to have their premium contribution amount recalibrated if there were a significant change in their incomes that necessitated an adjustment in the size of their premium payment.

Families with incomes under 100% of the federal poverty level would not pay any portion of the premium.

Employers seeking coverage for employees would pay the full premium. They may choose to contribute to the cost of such coverage as a part of an employee's benefit package and thereby reduce the employee's actual health insurance costs.

A State could impose co-payment (but not deductible) requirements on families or individuals. In the case of families with incomes below the federal poverty level, co-payments could not exceed those imposed on the cate-

gorically needy. In the case of other persons covered under this program, co-payment may also be imposed for prescribed drugs, eyeglasses, dental services, dentures, and prosthetic devices even if they were not imposed on other Medicaid recipients. In no event, however, may co-payments be required for medical, dental and vision services furnished under EPSDT or for pregnancy-related care.

MAINTENANCE OF EFFORT AND CONDITIONS OF PARTICIPATION

1. In order to qualify for this program, a State's AFDC payment levels would have to be as high as they were on the date that this measure was introduced.

2. In order for a State to take advantage of the options in Med-America to provide insurance for the full cost buy-in groups (those who have been excluded from private health insurance coverage because of a medical impairment or disability or who have exhausted one or more benefits under their private insurance plans), it would be required to fully implement the SOBRA optional provisions for children and pregnant women and low-income elderly.

3. The mandatory benefit package for the buy-in population established by Med-America would also be mandatory for all individuals below 100% of poverty who qualify for the Medicaid program.

## AGRICULTURE FREE MARKET AT WORK

### HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MOAKLEY. Mr. Speaker, the Washington Post of October 25, 1987, reported a story of a true success story in American agriculture—the cranberry industry. The cranberry industry is remarkable in today's world of price supports, crop subsidies, and market orders. Through hard work and perseverance our country's cranberry growers have developed a remarkable story and an industry which has climbed into the Fortune 500.

I commend this article to my colleagues and again congratulate Ocean Spray, Inc., and the cranberry growers of our country.

CRANBERRIES: AGRICULTURAL FREE MARKET AT WORK—GROWERS AREN'T BOGGED DOWN IN USDA REGULATIONS, SUBSIDIES AND ALLOCATIONS

(By Ward Sinclair)

WAREHAM, MASS.—For the last 150 years, give or take a few, the Makepeace family has mucked a living from the sandy soil near Cape Cod, so on this cool October day Christopher Makepeace followed ritual: He went down to the bogs to once more watch the red gold roll in.

Christopher Makepeace is a cranberry grower. The world's largest cranberry grower, in fact, with 1,400 acres of low-lying bogs that produce the tart fruit that goes into the juices and relishes that adorn the shelves of most American grocery stores.

Harvest was under way in this 28-acre bog, flooded to the depth of a man's knee. Brilliantly red cranberries had been gentled from their vines by a shaker machine, floated to the surface and then quickly corraled and guided to shore by a work crew manipulating long wooden booms.

A huge vacuum machine sucked the berries from the water, sent them up a conveyor belt and into a waiting semitrailer that would hustle them down the road to a receiving station operated by Ocean Spray Cranberries Inc., a wildly successful farmers' cooperative that has climbed to Fortune 500 status.

Although the crop seemed abundant in this bod, looks were deceiving. "We had our best year ever last year," Makepeace said, "but this will be an off-year. It was dry in July and August and the crop suffered. The water is vital."

Now, when one thinks agriculture, the cranberry may be one of the last commodities to come to mind. Because it requires boggy, low-lying soil with a heavy clay base, it is grown commercially only in Massachusetts and four other states. And of course, the cranberry isn't high visibility—not your everyday staple.

But while their grain-growing counterparts elsewhere have reeled from one economic punch after another over the last five years, the obscure cranberry farmers have been doing just fine.

Moreover, they are doing well without a hint of federal assistance. Cranberry growing may be the quintessential example of an agricultural free market at work, with demand just enough ahead of supply to make farmers happy, and with the growers' own Ocean Spray cooperative assuring an adequate price for the raw product.

Unlike the grain farmer, the cranberry growers get no federal crop subsidies and their fruit has no federal price supports. Federal marketing orders do not allocate market shares or limit new growers, as occurs with some other crops. No surplus jams the warehouses; supply barely keeps pace with demand. And Ocean Spray, owned by 600 cranberry and 140 grapefruit growers, keeps profits up by pushing out new juice and relish mixes.

Although national acreage planted to cranberries has remained constant at less than 25,000 acres for 15 years, per-acre yields and prices have risen steadily and many farmers can figure on a remarkable gross of $10,000 per acre in a good season.

"It's a very stable industry: Every berry that is grown is used," said Jere D. Downing, Ocean Spray's horticultural director at nearby Plymouth. "All the pieces fit together. We're trying to match business development with available crops. As the crop gets bigger we can add new business outlets."

Yet not all is well in the bogs.

As urban development crowds in around the growing areas just an hour south of Boston and as public concern grows over pesticide pollution of groundwater, the industry is under unaccustomed pressures. And expansion into new bogs is limited because federal agencies refuse to allow disruption of wetlands, which the bogs are by definition.

Pushed and cajoled by the state government and lured by the prospect of cutting their costs, many growers are reducing their pesticide expenses through integrated pest management (IPM) techniques that require sophisticated oversight.

"We want to cut the industry's chemical use 75 percent by 1991," said August (Gus) Schumacher Jr., state commissioner of food and agriculture. "We are getting private industry and the state university involved in helping the growers find alternatives . . . and a number of these farmers, on their own, have made major reductions in chemical use through IPM practices."

Doug Beaton, president of the Cape Cod Cranberry Growers Association and, like Makepeace, a fourth-generation grower, agreed with Schumacher, adding that less pesticide use is in the industry's best interest.

"This is where we make our living. This is our spot. A lot of us live on our bogs, so it behooves us to be careful," Beaton said. "Chemicals have been a part of our success, but we also are better farmers, and a key concern for all of us is our clean water."

This sensivity stems in part from the 1959 chemical scare that sent the industry into a major tailspin. Just before Thanksgiving that year, the federal government announced that a small part of the crop had been tainted by a cancer-causing weed killer. Consumers turned their backs on cranberries; tons of the fruit were destroyed, and farmers abandoned thousands of acres of bogs.

"As people come in closer toward where we farm, we're getting asked more and more questions," Downing said. "There's very little understanding outside of the cranberry world how this fruit is grown."

And as the world draws closer, real estate developers come knocking on growers' doors every day with alluring offers for their land. Farmers like Beaton and Makepeace aren't interested.

"It's a life style, and people just can't understand when we say we don't want to sell," Makepeace said.

Beaton added: "We may have a large co-op working for us, but we're still small farmers and we've learned to be independent—we even custom-build a lot of our own equipment. It gives us pleasure to know we're working with a crop that has a historical image that goes back to the Pilgrims."

## PERSONAL EXPLANATION

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. VENTO. Mr. Speaker, on October 15, I was necessarily absent and was unable to vote on the question of final passage of H.R. 162, the high-risk occupational disease notification bill. Had I been present, I would have voted "yes" on rollcall No. 359.

## LEGISLATING LIMITING PAY OF CONSULTANTS

### HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. LELAND. Mr. Speaker, today my colleague, FRANK HORTON, and I are introducing legislation which will limit the rate of pay at which the U.S. Postal Service can compensate independent consultants to the same rate as that paid by other agencies and offices of the Federal Government. Senator PRYOR recently brought to the public's attention the fact that the U.S. Postal Service hired an individual consultant at the outrageous sum of $900 a day. In effect, the consultant functioned as a postal employee. He worked in an office at the U.S. Postal Service headquarters,

his clerical support was provided by postal employees, his telephone, office supplies, and all other needs were furnished by the U.S. Postal Service. The staff assembled to assist in the project were all postal employees.

The consultant collected the staggering sum of $156,000 for 7½ months' work. This sum is $100,000 more than the earnings which a Senior Executive Service official, being paid at the maximum salary, would have earned over the same period of time. He also received $14,000 for expenses during this period. The same consultant was then rehired 10 months later at the same rate of pay to evaluate the results of his own recommendations. During this 130-day work period he pocketed another $117,000 and, I presume, several thousands more for expenses. This rate of pay is equivalent to an annual salary of $234,000, not including additional amounts for expenses. The annual equivalent which the consultant received exceeds, by almost three times, the amount earned by the Postmaster General. There are many chief executives of major corporations whose salaries are substantially lower.

In recent years the U.S. Postal Service has been able to hire a number of top executives, including the Postmaster General, from the corporate world at standard postal salaries. I have no doubt that they can fill any needs for consultants at the same levels of compensation. The use of consultants is widespread throughout the Federal Government and the needs which give rise to the consulting services have been met under the limitations set forth in existing Federal law. I know that the needs of the U.S. Postal Service can also be met within these same limitations.

Mr. Speaker, this legislation was drafted with the close cooperation with the U.S. Postal Service. In fact, the final language is the result of suggestions made by the U.S. Postal Service to the Subcommittee on Postal Operations and Services, which I am privileged to chair. Under the proposed legislation, the U.S. Postal Service will still be able to retain specialized services such as independent accounting services. The U.S. Postal Service will also be able to retain consultants to meet specific needs as it has in the past when it hired consulting firms to review safety procedures and to study equal employment opportunities.

In light of the fact that the U.S. Postal Service projects losses between $200 and $250 million in fiscal year 1987, and that a request for higher rates that will go into effect next spring is before the Postal Rate Commission, the proposed legislation makes good financial sense.

As chairman of the Subcommittee on Postal Operations and Services, I, along with the ranking minority member of the subcommittee, Mr. HORTON, are committed to making every effort to find areas where money can be saved or expenses limited, and this is one such area. We urge our colleagues to support this measure when it comes before us.

## HAPPY GOLDEN WEDDING ANNIVERSARY TO MR. AND MRS. GENTRY SCHULTZ FRY

### HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MICA. Mr. Speaker, I would like to bring to the attention of my colleagues a very special occasion that few of us are fortunate enough to experience.

We live today in a society characterized by change and instability. The traditional values of home and family, along with the institutions we grew up with—education, religion, the law, marriage—all seem less cohesive today.

That is why I am particularly pleased and privileged to have an opportunity to commend Mr. and Mrs. Gentry Schultz Fry on the occasion of their golden wedding anniversary.

Now living in Broward County, FL, Nancy and Gentry were married on Saturday, November 6, 1937. Today, they join the ranks of those who have loved, endured, agreed and, I'm sure, disagreed, for five decades. They can look back on those years with great pride and accomplishment.

Knowing their philosophy of life, I can safely say that the most cherished of those accomplishments are their 7 children and 16 grandchildren.

First there is Susan, now Mrs. Robert B. Lochrie, Jr., and their children, Robert, Glenn, and Kate; next, there is Bill and his daughters, Dana, Amber, and Kim; there is Martha and myself and our children, Christine, Andrew, Caroline, and Paul; there is Roger and his wife Carol, and their children Gentry, Lucy, and Cassidy; there is Steve and his wife, Aida, and their children, Will, Genevive, Amelia, and the spirit of Maya; there is Mary Alice and her husband, Mike; and, last but never least, Tracy.

That Nancy and Gentry would be graced with so many children and grandchildren should surprise no one; both of them come from large, happy families.

Born Anna Marie Wagner in Brooklyn, NY, Nancy, as she is affectionately called, is the daughter of Annie Golden Wagner and Julius Wagner. She is one of 10 children, with 4 sisters and 5 brothers.

Known to his friends as "Gabe" or "Schultz," Gentry Schultz Fry was born in Hannibal, MO. He is the son of Catherine Schultz Fry and James William Fry. Gentry is one of seven children, with three brothers and three sisters.

After 20 years of distinguished service in the U.S. Navy, Gentry and Nancy, a dedicated wife and mother, moved to Florida in 1950.

As they celebrate their 50th anniversary, Nancy and Gentry demonstrate to all of us the enduring power of love and commitment. I join with all of their friends, and our friends and families, in celebrating their success, past and future, and wishing them many more joyous anniversaries.

## RANDOLPH WILLIAM STRIAR AND DANIEL E. STRIAR TO BE HONORED BY ROFEH INTERNATIONAL

### HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. DONNELLY. Mr. Speaker, Mr. R.W. Striar, of Milton, will be honored as Man of the Year by the New England Chassidic Center at its 72d annual dinner on November 8, 1987, at Boston's Park Plaza Hotel.

His son, Mr. D.E. Striar, will be recognized at the same time as the benefactor of the Striar Rofeh Building in Brookline.

Mr. R.W. Striar has been a communal leader in the Greater Boston area for over six decades. He has a long history of association not only with the present Bostoner Rebbe, Grand Rabbi Levi Y. Horowitz, founder of Rofeh International, but also was a close friend and supporter of the first Bostoner Rebbe, Grand Rabbi Pinchas David Horowitz, founder of the New England Chassidic Center.

The link to the Bostoner Rebbe dates back to more than 70 years ago when David Phillip and Annie Bessie Striar helped the late Bostoner Rebbe found the Chassidic Center in 1914, located then on Poplar Street in the West End of Boston. This site served as the springboard of many spiritual and humane activities that serve the world's Jewish community.

Mr. D.E. Striar, noted business executive, has been involved in diversified businesses ranging from the chemical industry, health care field, and real estate holdings throughout the United States.

Having been brought up in a charitable atmosphere at home, Mr. Striar was able, through his good fortune, to be able to support and nurture the beginnings of a number of important facilities benefiting future generations. Mr. Striar has been involved in establishing many institutions, especially in the areas of medicine where he has dedicated wings at the Shaare Zadek Hospital and Ramban Hospital in Haifa.

Rofeh International, founded by the Bostoner Rebbe, Grand Rabbi Levi Y. Horowitz, has helped thousands who came to Boston seeking medical assistance. The institution provides an eight-family facility to house the patients and their families and a short-term residency program at its 32 bed facility. Rofeh provides contacts with leading physicians and hospitals, interpreters, transportation, and support systems.

President Ronald Reagan and many leaders in the field of medicine have lauded the work and the help provided by Rofeh International.

## SIX RIVERS

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. LANTOS. Mr. Speaker, today, with my distinguished colleague Representative STARK, I am introducing legislation to examine methods of protecting the magnificent Smith River region of northern California. The Smith is the last major undammed river in California. The area supports rare, old growth redwoods. The Forest Service's Six Rivers National Forest draft plan published earlier this year proposes extensive timber cutting and makes recommendations that will dramatically alter one of our most precious natural legacies.

This bill will study the suitability of designating this region as a national park. As yet, we hav no national park which includes within its boundaries the watershed of a wild and scenic river. The Smith River, and its watershed, could be an exciting and unique addition to our National Park System.

Yet the Six Rivers National Forest draft plan would, if implemented, deny us this opportunity. It would lead to a substantial increase in the annual timber harvest—up from the current 140 million board feet per year to 175 million board feet per year. All harvesting will be through clearcutting. Within 50 years, according to the plan, all but 6 percent of the region's old-growth forests are to be harvested creating a landscape dominated by tree-farm type forests.

Although parts of the Smith are included in the wild and scenic river system, most of the river is classified as recreational which provides the lowest level of protection available. The Forest Service proposes 20-acre clearcuts and other intensive forest management operations within the quarter mile wide recreation zone on each side of the river and its protected tributaries. This is a clear violation of the intent of the wild and scenic designation.

One paragraph from the plan clearly demonstrates the serious environmental damage that will result from implementation of the proposed forest plan:

> Maintaining visual quality in the future will more difficult as more land and vegetation is altered by management activities, primarily timber harvest activity, and road construction. The demand for visual quality will increase as recreational use of the Forest increases.—Six Rivers National Forest Draft 3-41

During the comment period on the Six Rivers National Forest draft plan, approximately 8,500 comments were received. The majority of these focused on proposals for the Smith River. Comments were also submitted on the planned destruction of old-growth habitat and its impact on the spotted owl—a sensitive species. The Forest Service would maintain old-growth habitat for only 48 out of the estimated 200 pairs of spotted owls. Similar disregard is shown for other rare and sensitive species such as the wolverine and the goshawk.

Also included in our legislation is a study of the local economy to determine its dependence on timber. We believe that there are significant other local interests in addition to timber. Tourism, recreation, and a new prison currently under construction are all helping to diversity the local economy. As the region becomes less economically dependent on timber, it is time to obtain an accurate picture of the diversification and to take action to protect this precious natural legacy.

The bill I am introducing today authorizes a study of this area to determine what action should be taken if we are to conserve the unique, natural heritage of the Smith River. There is a consensus that the management policies for the national forest lands along the Smith River can be improved to reflect the importance attached by the public to the natural resources of this region. We want future generations to have the opportunity to enjoy the Smith River and its watershed. We urge you to join with us in supporting this legislation to achieve these goals.

## REPRESENTATIVE ACKERMAN SALUTES U.S. MERCHANT MARINES

### HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. ACKERMAN. Mr. Speaker, I rise today to add my voice to those who are outraged over recent developments in the Persian Gulf. The combatants in the Iran/Iraq war have savaged each other for more than 7 years, and I'm afraid that the Reagan administration has once again put American lives at risk without a coherent and well-defined policy to guide us.

I am particularly moved to reiterate these concerns at this time because on the despicable attack against a U.S.-flagged merchant vessel, the *Sea Isle City,* in which U.S. merchant marines suffered several casualties. The ship's captain, John Hunt, was blinded by dozens of shards of glass exploding in his face as a result of the direct hit by an Iranian silkworm missile.

The sacrifices of Captain Hunt and his men illustrates once again the often overlooked contributions of our Nation's merchant marine fleet. As an essential component of our commercial and military transportation system, the merchant marine fleet sails to every corner of the globe and is ever-reliable even in the most serious of emergencies.

If tragedies such as the strike against the *Sea Isle City* have a silver lining, it is the fact that sailors of the merchant marine may yet receive the long-overdue credit and thanks they deserve. Without their service, a dependence on foreign shippers could lead to shortages of shipping services in critical times, excessively high shipping rates and loss of employment, income and the balance of payment benefits generated by domestic maritime industries.

Mr. Speaker, let us hope that we learn some important lessons from this terible action so that innocent men and women will not be unnecessarily subjected to dangers arising from a flawed foreign policy. Let us also resolve to give the Merchant Marine the recognition and appreciation they've earned and to do all in our power as elected officials to protect their lives and welfare.

## A QUESTION OF SINCERITY

### HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. DONALD E. LUKENS. Mr. Speaker, we are all hopeful for evidence of democratization in Nicaragua under the peace accord signed in Guatemala. As signatories, the Sandinistas' support for the principles of those accords ought to be clear and unequivocal. We should be concerned when Sandinista commandante Bayardo Arce attacked the internal opposition in the official Sandinista newspaper Barricada on October 20. Arce said that the opposition had committed a grave error in believing the national dialog was a forum of equals, and stated that there was no alternative to Sandinista rule in Nicaragua.

Members will recall that this is the same commandante who said in 1984 that elections were a ploy for consolidating Marxist-Leninist rule. Mr. Speaker, we should all be concerned about the sincerity of Sandinista pronouncements on the democratization of Nicaragua.

## THE 64TH ANNIVERSARY OF TURKEY

### HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. OXLEY. Mr. Speaker, I would like to express the friendship of the American people and to honor our distinguished allies, the Government and people of Turkey on the 64th anniversary of her founding on this day in 1923 by Kemal Ataturk.

For the United States, the success of Turkey's democratic and economic development since her founding is of utmost importance. Turkey also plays an important role as a bridge between the West and the nations of the Middle East.

The American relationship with the Turkish people has a long history than many Americans realize. There were many facets to this relationship, beginning with trade when four American firms opened business in Ismir between 1810 and 1825. The U.S. Navy came into the Mediterranean to protect commercial shipping and our first commercial treaty was signed in 1830.

After the establishment of the Republic of Turkey in 1923, a United States-Turkish Treaty was signed. Formal diplomatic relations were established in 1927. Contacts and trade broadened, missionaries and educators exchanged ideas, and some business activity developed. Today, we are partners with this key ally in many essential political, defense, and commercial alliances.

Democracy struck deep roots in Turkey and she has enjoyed broad and rapid economic and social progress. When Turkey is com-

pared historically with other Mediterranean and Islamic countries, she must be ranked high among the world's stable countries with a mature and well-balanced political system.

Turkey is of great importance to the United States for geostrategic, political, and economic reasons. In strategic terms, Turkey poses a formidable barrier to Soviet expansion in the eastern Mediterranean and Middle Eastern regions. In political terms, Turkey's position as NATO's only Muslim member makes it a bridge between the Western and Muslim worlds and enables it to play a stabilizing role in the volatile Middle East. The United States clearly has strong reasons to maintain the closest possible working relationship with Turkey.

On Turkey's 64th anniversary, let us join in congratulating this steadfast ally for her achievements and affirm our strong commitment to strengthening this valuable partnership in the future.

## ERADICATION OF RIVER BLINDNESS DISEASE

### HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Miss SCHNEIDER. Mr. Speaker, I want to bring to my colleagues attention the efforts of Merck & Co., and the World Health Organization to wipe out river blindness, a devastating tropical disease. Through the ingenuity of Merck scientists who developed an effective treatment for the disease, the humanitarian action of Merck to donate the drug free of charge, and the efforts of the World Health Organization which assisted in the clinical testing of the drug and now will help distribute the drug, river blindness soon may be eradicated.

River blindness afflicts an estimated 18 million people and threatens another 85 million in much of tropical Africa and in some parts of Latin America. The disease is caused by a parasitic worm which is transmitted by flies that breed in rivers. The disease can result in blindness, weight loss, and disfiguring of the skin; 340,000 people are now blind as a result of the disease and in some villages where the disease is prevalent, the disease has blinded up to 15 percent of the population. Because of concern about disease, some entire villages have moved away from rivers which breed the flies and have settled in less fertile areas adding to the poverty and hunger of these people.

Merck & Co. scientists discovered that a drug used for parasitic infections in livestock is effective against the parasite causing river blindness. Clinical studies conducted by Merck and the World Health Organization have shown that the drug is effective and without serious side effects. A patient can be treated with one or two oral doses a year making it a particularly simple and appropriate treatment for tropical regions without modern health care systems.

Because the disease occurs in poor nations, Merck determined that the only way to get the drug to the people in need was to make the drug available at no charge. Merck and the World Health Organization are now planning to distribute the drug, and the World Health Organization will help tropical nations establish the necessary drug distribution systems.

The actions of Merck and the World Health Organization deserve our highest praise. The skill of Merck scientists and the generosity and compassion of Merck in developing and distributing this treatment will improve the lives of millions of the world's poorest citizens. The expertise of the World Health Organization and the trust it has developed in all areas of the world will be crucial to disseminating the treatment and eradicating this devastating disease. The collaboration of Merck and the World Health Organization in developing and distributing the treatment for river blindness demonstrates industry and government working together at their best to improve world health.

## H.R. 3357, A BILL TO INCREASE THE NUMBER OF ACRES PLACED IN CRP

### HON. CHARLES HATCHER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. HATCHER. Mr. Speaker, I have introduced H.R. 3357, a bill to increase the number of acres placed in the Conservation Reserve Program [CRP] and for other purposes. This legislation is identical to S. 1521, a companion bill introduced in the Senate by Senator SAM NUNN.

The CRP was authorized by the Food Security Act of 1985—the farm bill—and under the program farmers enter into contracts to retire highly erodible cropland for 10 years. In return, the U.S. Department of Agriculture makes annual payments to participating farmers and shares one-half of the cost of establishing grass or trees on the land. To date, almost 23 million acres of highly erodible cropland has been accepted into the CRP.

The legislation which I have introduced has several major goals:

First, accelerate enrollment into the CRP with a goal of expanding the reserve to 65 million acres by 1990;

Second, provide farmers new incentives and options for the enrollment of land in the reserve;

Third, mandate the Secretary of Agriculture to formulate and carry out a ground water pilot program to address serious regional water quality or supply problems; and

Fourth, continue Commodity Credit Corporation funding for the CRP through fiscal year 1990 so the program will have a stable and certain funding base as other commodity programs have.

The success of the CRP has been quite pleasing to me in reducing agricultural surpluses, protecting the environment, assisting farmers income, and preserving erodible land. I believe expansion of this program through H.R. 3357 offers many opportunities to the agricultural sector of our Nation to address serious long range problems in a cost effective way.

Expansion of the CRP to include at least 65 million acres of land into the reserve will clearly contribute to supply control efforts of commodities at about one-half of the cost of traditional commodity programs. Also, through expansion of the CRP our farmers and land owners will have a much needed incentive for increasing the reforestation process, which will help increase the predicted timber shortages in the coming years.

This bill also addresses the concerns of farmers who would like to enter land into the CRP but have been told that their land does not qualify. H.R. 3357 would require the Department of Agriculture to offer whatever incentives are necessary to meet the 65-million-acre requirement. These incentives would include advance payments in cash or in kind for up to 50 percent of the total rental payments, bonus payments for permanently retired land, and allowances for commercial use of reserve land used for recreational purposes. The Department may also permit a specified number of acres placed in the conservation reserve to be considered as set-aside acreage under the set-aside program.

This legislation also addresses the extremely serious problem of water quality and quantity. This bill would call for the Secretary of Agriculture to formulate and carry out through 1990 a ground water pilot program in conjunction with the CRP to assist owners and operators of land in conserving and improving the soil and water resources on their farms. I believe this pilot program will help study and examine the many problems dealing with contamination of rural water supplies by fertilizers and pesticides. This is an area which we must continue to research and monitor to reduce the severity of such problems in the future.

As for financing this legislation, H.R. 3357 calls for continued use of Commodity Credit Corporation funding through 1990. A recent report conducted by the American Farmland Trust projects that the Federal Government will save $578 million during the CRP's 10-year lifespan, because the CRP payments will be much less than commodity program payments on the crops that would have been made. The report also projects that as production of commodities drops on these lands, commodity prices will rise, putting an additional $2.3 billion into farmers' pockets by 1990.

The Conservation Reserve Program has been one of the most highly successful programs to come out of the 1985 farm bill, and it is my hope that through H.R. 3357 the CRP can continue to flourish and provide our farmers new opportunities to live off the land. We can also use the CRP to play a role in the growing problem of rural development through the planting of trees and timber harvesting in many of the country's rural areas. I hope that my colleagues will join me in supporting this legislation that will benefit many agricultural interests throughout these United States.

## THE 28TH ANNUAL FORT LAUDERDALE INTERNATIONAL BOAT SHOW

### HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. SHAW. Mr. Speaker, today marks the beginning of a spectacular 5-day event in my district, the 28th Annual Fort Lauderdale International Boat Show. This year's promises to be the best boat show ever, featuring more than 1,000 boats from countries including Italy, Korea, Finland, Sweden, Great Britain, Greece, Taiwan, Denmark, Australia, Hong Kong, France and, of course, the United States.

Last year's show was the largest in-water show on Earth, and this year's show is even bigger, including every size of boat and every type of nautical gadget imaginable.

Visitors to the show at the Bahia Mar Resort and Yachting Center will see more than $200 million in boats and marine accessories. Boats from 8 to 137 feet in length will be on display, and the show will include live entertainment, tropical fashion shows, and fishing clincis and demonstrations performed by professionals.

Friday is "Viareggio/Italian Day" at the boat show to honor the Fort Lauderdale's "twin city" in Italy. Italian exhibitors will receive special recognition, and many special activities are planned. Viareggio celebrated "Fort Lauderdale Day" on June 2 this year.

The Fort Lauderdale International Boat Show gets bigger and better each year, offering something for everyone. I congratulate the organizers of this year's show for putting on such an exciting and memorable event.

## DIRECT ENERGIES TOWARD CHEMICAL WEAPONS AGREEMENT

### HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MAVROULES. Mr. Speaker, the arms control focus these days has centered on the pending INF agreement with the Soviet Union. I am concerned, however, that this administration's attention has been diverted from two other critical areas: reducing long-range systems and eliminating chemical and biological weapons. I would like to take this opportunity to focus specifically on the vital issue of outlawing chemical weapons.

There can be little doubt that chemical weapons are, today, being used in regional wars around the world. The effects of their use are by most standards gruesome. Onsite inspection of manufacturing and storage facilities is crucial to any agreement, and we must continue to focus our energies on achieving a comprehensive, verifiable ban on these weapons.

It is gratifying to see the Soviets become so amenable to onsite inspection. This shift, however, by no mean signals an imminent agreement. More problems remain, including the issue of how one disposes of these highly toxic chemicals. Nevertheless, it is our task to remind this administration that a comprehensive chemical weapons agreement is sorely needed.

The opportunity now exists to make substantial progress on this issue in Geneva. It is my hope that this administration makes the most of it.

## NATIONAL DOMESTIC VIOLENCE AWARENESS MONTH

### HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. CARR. Mr. Speaker, I rise today to recognize the month of October as National Domestic Violence Awareness Month. This month has been designated to inform Americans of domestic violence assistance programs, and to educate them about the seriousness of this situation.

The problem of domestic violence is ubiquitious. Violence against women will occur at least once in two-thirds of all marriages. Battering is the single major cause of injury to women, exceeding rape and mugging. The frequency of battering is alarming. In this country, a woman is beaten every 18 seconds.

But the effect of domestic violence is far greater than physical injury. Psychological suffering can be immense and intense. Battered women live in constant fear of further abuse, and are frequently frightened and distrustful of any future relationships.

The Council Against Domestic Assistance of Lansing, MI, is one organization which has provided outstanding service to women in dangerous domestic situations. But the existing network of support for battered women and their children needs to be expanded. By making people aware of the problem and the efforts being taken to reduce it, the Nation is taking an important step in helping battered women and their children escape potentially violent situations. The recognition of October 1987 as National Domestic Violence Awareness Week is an important reminder that a significiant number of American women and children are at risk in their homes every day, and they deserve our protection and our understanding.

## LONG-TERM CARE INSURANCE: A BILL TO STIMULATE THE PRIVATE MARKET

### HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. RINALDO. Mr. Speaker, on October 15, I introduced legislation which will move us one step closer toward ensuring that all Americans have adequate protection against the financial catastrophe of long-term care. I was pleased to be joined in this effort by the distinguished minority leader of the House, ROBERT MICHEL; the ranking Republican of the Energy and Commerce Health Subcommittee, Mr. MADIGAN; the chairman of the Select Committee on Aging, Mr. ROYBAL; and by my colleagues Mr. DAUB, Mr. REGULA, Mr. HUGHES, Mr. FRENCH SLAUGHTER, Ms. SNOWE, Mr. GUNDERSON, Mr. SAXTON, and Mr. HAMMERSCHMIDT, all of whom have demonstrated an active commitment to ensuring affordable health care for senior citizens.

The immediate goal of this legislation is to develop an extensive private long-term care insurance market to help reduce the elderly's dependence on public assistance. The public policy objective is to prevent older persons from becoming impoverished simply because they need long-term home health or nursing home care. Stimulating the growth of an affordable private insurance market and providing incentives to purchase long-term care policies not only benefits the elderly but frees up scarce public funds which can be funneled back into the system for individuals who truly cannot afford to purchase such coverage for themselves. The Medicaid Program spent nearly $16 billion last year on nursing home care for the elderly. That figure is expected to rise to $45 billion by the year 2000. Tragically, nearly half of Medicaid nursing home residents were not initially poor but spent down their income and assets to State Medicaid eligibility levels. Clearly, in light of future demographic changes, Congress must take positive action now if it is to avert a crisis.

Mr. Speaker, as the Medicare catastrophic bill made its way through the House this summer, it did much to focus our attention on the true catastrophe faced by senior citizens and their families—the costs associated with long-term home health and nursing home care. During our deliberations on the Medicare bill we were told again and again that this was the protection seniors needed most. However, we were not then prepared to deal with the awesome proportions of this need. Now, real movement seems possible in the House. The framework for a constructive dialog is in place, and indeed that dialog has already begun in several important committees. Already there is a consensus that any solution to the problem of financing long-term care must be a joint venture between the Federal and State governments and the private sector—a sort of three-legged stool. All three elements are necessary in order to ensure that, whatever the solution ultimately adopted by Congress, it will be balanced and capable of bearing up under the needs of increasing numbers of senior citizens.

The viability of private insurance as a partial solution to the financing of long-term care for the elderly is directly related to, first, whether the premium is affordable, and second, whether the product is designed to meet the needs and desires of consumers. While it will be up to the insurance companies to design and price their individual policies, the Federal Government can encourage both an expansion of the market and the development of policies with minimum benefit standards and affordable premiums through a no-cost reinsurance mechanism and appropriate tax incentives. In order to fully support the market and promote product innovation, the Federal Government

must also clarify the tax status of long-term care insurance and remove barriers to several logical and effective product designs.

This bill takes several important steps toward stimulating the development of private long-term care insurance, especially employer-sponsored coverage which has the greatest potential for reaching the most people. It is designed generally to provide tax treatment similar to that afforded health insurance, which has resulted in over 90 percent of the insured population under age 65 receiving their health insurance through the workplace. This has many important advantages for the insured individual. Administrative and marketing costs per person covered drop dramatically when insurance is offered through the workplace. Favorable tax treatment is a strong inducement for employers themselves to pay some or all of the costs of the employee benefit, a further stimulus to coverage. Furthermore, with the employer as the purchaser for the group, the buyer has, or is more likely to have access to, very sophisticated expertise making him a hard bargainer in the insurance marketplace. Premiums are also lower and more affordable when people are younger and healthier. With amendments such as those proposed in this bill, long-term care coverage can be folded into this country's extensive private insurance system. If even a fraction of those individuals who otherwise would have spent down to Medicaid are covered instead by private insurance, Medicaid will realize savings sufficient to offset the costs of these amendments, and more money will be available to those families truly in need.

Now, just to make sure that the intent of this legislation is not misunderstood, let me reiterate that I do not suggest that private long-term care insurance is a total solution to long-term care financing for everyone. Clearly, it will be a number of years before the effects of a long-term care insurance market make themselves felt in the health care economy, and a significant number of people are never likely to be able to purchase long-term care insurance at any price. These, however, are not arguments against stimulating the private market so much as they are arguments that the private market may not be enough—that it can not stand alone as a solution to the problem of financing long-term care.

But resolving the tax status of long-term care insurance in a way that recognizes a legitimate role for private—personal and industry—resources in meeting the costs of long-term care in no way precludes or preempts more comprehensive solutions once they are developed. This industry's tax status will have to be resolved by legislation or regulation in any event. I would like to see it resolved in a constructive matter, and I believe this legislation does just that.

Mr. Speaker, I have enclosed a section-by-section analysis of the bill for the benefit of my colleagues:

LONG-TERM CARE AMENDMENTS—ANALYSIS

Title I of the bill establishes a definition of qualified long-term care insurance for purposes of the internal revenue code. Section 1 of this title clarifies that any long-term-care insurance contract that meets this definition will be treated like life insurance or noncancellable accident and health insurance for insurance company tax purposes. Currently, the tax status of these reserves is uncertain and, unless clarified, unnecessarily increases the cost of long-term car insurance products to consumers. This section will allow insurance companies to claim deductions for reserves and increases in such reserves established for long term care insurance contracts.

Section 2 of the bill clarifies that long-term care insurance will be considered the same as "accident and health" insurance for purposes of the exclusion of benefits received under employee group insurance and employer contributions toward the purchase of such insurance. The inclusion of long-term care as accident and health insurance assures that the payment of long-term care benefits will be excluded from the income of recipients to the extent attributable to non-employer contributions. In addition, benefits paid under employer-paid long term care insurance plans, up to the amount of expenses incurred, will be treated as being incurred for medical care and thus will not be taxable. Section 2 also permits employer contibutions to be excluded from the employee's income. Finally, Section 2 allows employers to offer long-term care insurance as an option in cafeteria style benefit plans. The changes in Section 2 are geared toward giving long-term care insurance the same tax treatment as accident and health insurance.

Section 3 of the bill allows individuals to use their IRA assets, on a tax-free basis, for the express purpose of purchasing qualified long-term care insurance for themselves, their spouse, or their parents. Section 4 of the bill permits consumers to use another resource, life insurance, on a tax-free basis to purchase a qualified long-term care insurance policy. Sections 3 and 4 provide potential vehicles for individual financing of long-term care insurance.

Finally, the remainder of Title I builds on the definition of a qualified long-term care insurance policy and lays out requirements for certification by the Secretary of HHS. The certification process has strict quidelines for protection of the consumer relating to the marketing, design and service requirements of any long-term care insurance policy that qualifies for preferential tax treatment. Under this Title, the Secretary is directed to use the standards set by the National Association of Insurance Commissioners for judging such policies. These standards include fair disclosure in the marketing of policies, scope and definition of coverage, right-to-return conditions that provide a "cooling off" period, a clear prohibition that the policy cannot be cancelled because of advancing age or declining health, and regulations of provisions concerning prior institution-alization. It also strengthens the NAIC standards concerning renewability.

Title II of the bill requires that certified policies be reinsured through a Federal National Reinsurance Corporation, modeled after Fannie Mae, to be established by the Secretary of HHS and capitalized through the offering of debt instruments. Reinsurance helps to protect primary policy underwriters from excess risk, and so allows more aggressive innovation in product design and development. It also allows the products themselves to be offered without an additional "risk loaded" premium and thus helps to keep prices down.

Once again, the goal of this legislation is to encourage long-term care insurance underwrites to offer more comprehensive and affordable products to the public, and to contribute to the wider availability of long-term care coverage, especially through the workplace. Employers play an important role in selecting plans and educating their employees about benefits. These circumstances provide working age consumers more opportunities to gain information and to understand their need for long-term care coverage. It also benefits the worker's parents, since about children often serve as financial advisors to their elderly parents. As more prople become aware of their risks, they will make better decisions about their need for coverage. Insurers will, in turn, respond to the growing sophistication of the market by offering more comprehensive policies with more liberal benefit designs.

## GOV. RALPH CARR: MAN OF INTEGRITY

### HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. BROWN of Colorado. Mr. Speaker, recently this body approved legislation to compensate the victims of a great injustice, the Japanese-Americans who were so unfairly sent to detention camps during the Second World War.

When America went to war in 1941, the Governor of Colorado, the late Ralph Carr, courageously spoke out against unjust treatment of Americans of Japanese heritage. Recently, the Rocky Mountain News ran an article and an editorial about Governor Carr's actions. I commend them to my colleagues. My thanks go to George L. Robinson, who served on Governor Carr's staff, who brought these articles to my attention.

[From the Rocky Mountain News, Sept. 27, 1987]

COMPASSION IN COLORADO—GOVERNOR CARR HELD TO HIS IDEALS DURING WORLD WAR II INTERNMENTS

(By Berny Morson)

In a different America, people in huge art deco theaters watched Orientals in movies, their hair in pigtails, spouting fractured Confucian platitudes.

So, when that America went to war in 1941, people thought nothing of ordering Americans of Japanese heritage—including many who had lived in this country for generations—to leave the West Coast and go to concentration camps lest they serve as enemy spies and saboteurs.

Overtones of racism entered into the mass roundup, as no German immigrants were removed from their homes or neighborhoods on the East Coast or in the Midwest.

When caravans of Japanese-American refugees streamed eastward from California, nine Western governors insisted they keep moving. Only one, Gov. Ralph Carr of Colorado, pointed out that they had the same rights as others under the U.S. Constitution.

"We cannot test the degree of a man's affection for his fellows or his country by the birthplace of his grandfather," Carr told Coloradans in a radio address, three days after Japan bombed Pearl Harbor.

As Americans celebrate the 200th anniversary of the Constitution, Congress this month has voted an apology for the indignity inflicted on Japanese-Americans, and

payments of $20,000 to each of the 120,000 survivors of the internment camps.

But few people outside Denver's Japanese-American community remember Carr, who died of a heart attack in 1950, and no one plans to celebrate the 100th anniversary of his birth, which occurs on Dec. 11.

"Ralph Carr? One hundredth birthday? You got me," Loyal Darr, social studies coordinator for the Denver Public Schools, said when asked about the district's plans. "I can't match the name with the deeds."

Marilee Bradbury, social studies coordinator for the Jefferson County Public Schools, had similar difficulty. When her memory was jogged, she recalled the plaque to Carr outside the governor's office at the state Capitol that reads:

"By his humanitarian effort, no Coloradan of Japanese ancestry was deprived of his basic freedoms, and when no other would accept the evacuated West Coast Japanese-Americans, except for confinement in internment camps, Governor Carr opened the doors and welcomed them to Colorado."

"He's not known; he's obscure," laments University of Colorado historian Tom Noel, "He's one of our best and most heroic governors. He was someone who could defy both parties and the conventional wisdom."

In 1974, Japanese-Americans in Denver erected a statue of Carr in the middle of Sakura Square (on 19th Street between Larimer and Lawrence streets).

"He really stuck his neck out for the Japanese people," says Hank Hara of Denver, who arrived in Colorado in 1942 with only the possessions he could cram into a '37 Chevy.

Hara and his relatives drove day and night to reach Colorado. Stopping to eat at a Laramie restaurant, Hara recalls, "We no sooner got in the door, when they said, 'We don't want you Japs.' "

Hara was later a member of the all-Japanese-American 442nd regimental combat team, the most decorated American unit of World War II. "I always wanted to go back up to that restaurant in uniform and see what they say," Hara said. "But I never did."

Kenzo Fujimori, administrator of Sakura Square, was living in Stockton, Calif., when war broke out.

"One Saturday, here comes a carload of FBI and police" to arrest his father, Fujimori recalls. "The next day, we get a call: 'Bring some warm clothing, because your dad is going someplace cold.' We didn't know if he was going to Alaska or Bismarck.

"The only time we saw him was when they put him on a bus. He held out his hand. We held his hand for a while, and then he was gone."

Frank Torizawa, owner of the Granada Fish Market at Sakura Square, was among 500 Japanese-Americans placed under guard at the Santa Anita race track near Los Angeles. Five months later, he was trundled into a railroad car and shipped to the Amache internment camp near Lamar.

"They had barbed wire and tower with soldiers on with machine guns—just like a prison," Torizawa said of Amache.

When the internment order first came, those who did not leave the West Coast voluntarily were rounded up by the Army, herded into railroad cars and shipped as far as Arkansas.

It is not clear why Carr had the courage to oppose such treatment, when others—including President Franklin Roosevelt—did not.

He ignored a U.S. senator who suggested the Colorado National Guard stop Japanese Americans at the state border; he ignored members of the Denver City Council who suggested the Japanese-Americans be placed under armed guard.

And when federal officials picked the site near Lamar for the Amache camp, Carr shocked his Denver neighbors by hiring an internee as his housekeeper.

Carr was born and raised in Colorado mining camps, principally booming Cripple Creek. He was a pudgy man with a quick sense of humor who mixed easily with others.

He was the Boulder correspondent for the Rocky Mountain News while attending the University of Colorado, and later edited newspapers in Victor and Trinidad.

But his greatest love was the law, and in 1916 he opened a law office at Antonito, then, as now, an overwhelmingly Hispanic community.

"He became very close to many of them," says Robert Carr, the late governor's son. "He spoke Spanish, and he was their attorney. Whenever they had problems they came to him."

Carr also was familiar with a small Japanese-American community at La Jara, about 14 miles north of Antonito, says the younger Carr, a Denver attorney. "He couldn't see these people being tools of the emperor of Japan," Robert Carr says.

"People told a lot of racial type of humor in those days, and Dad would have similar jokes and use that terminology, so in a sense he was a part of his generation and understood it," says the younger Carr. "But every time it came to an actual decision, he always went the other way, so it was something he basically realized was wrong.

"When it came to anything dealing with a live human who was of a minority group, he cast that all aside and—what was rather unusual at that time—went on just what the merits (of the case) were, without being colored by the racial and ethnic thing.

"His actions were different from what one might expect from the words and terminology of the day."

Robert Carr describes his father as "somewhat of a renegade Republican. Fiscally, he was conservative, but human rights-wise, he was not. . . . He took things in the Constitution quite seriously—that all men are created equal and have equal rights before the law."

By 1929, Ralph Carr was U.S. Attorney in the Hoover administration. He was a prominent Denver lawyer in 1938 when he was elected governor. He was re-elected in 1940, after bringing the state budget into line and winning praise for preventing violence during a tense labor dispute.

Long before his stand on Japanese-Americans, Carr gained a reputation for stating his position on controversial issues, and he was used to equally blunt responses.

Several city councils passed resolutions urging Carr to behave like the other governors towards the relocation. Denver City Councilman H.C. Dolph said, "I am opposed to any Japanese being brought into the state for any reason."

Carr's decision to hire a Japanese-American housekeeper raised eyebrows. He chose a woman who had been forced to interrupt her studies at the University of California. She was able to complete her degree at the University of Denver while working for the governor, his son recalls. When she graduated, he hired another housekeeper from Amache.

One neighbor wondered how the governor slept at night, knowing his family was under the same roof as a Japanese.

"That was the hysteria of the times," Robert Carr says.

Ralph Carr was not the only one who behaved courageously. The Rocky Mountain News gave him guarded support. The Denver Council of Churches was outspokenly supportive, and many Colorado school teachers reminded pupils not to harass their Japanese-American classmates.

But many Coloradans saw every Oriental as a Japanese spy and bitterly opposed Carr's stand. A Denver woman, in a letter to The Denver Post, charged that Colorado was becoming a "dumping ground' for "sneaking Japs."

"If California wants to get rid of them, why not dump them in the ocean?" she asked.

The News ran a wire-service story about how to distinguish Chinese from Japanese. A man identified as "one of America's best-known anthropologists" explained that Japanese "have a clever, smarter expression, the reflection of their materialistic and commercial interests," while Chinese faces are "mild and friendly and interesting."

In Julesburg, a man identified as "a cowboy and one-time Indian-fighter" announced that "Japs is just like Injuns." He was pictured holding a Bowie knife in a Rocky Mountain News spread.

A Weld County woman known to her neighbors as Rattlesnake Kate said she was prepared to take on the Japanese with shotgun, rifle or club.

Eventually, the hysteria died down. Late in 1942, merchants in Lamar began erecting signs welcoming trade with the 8,000 Japanese-Americans at the Amache camp, who were granted frequent leaves.

"They found out that Japanese people are very quiet, and not only that, Japanese were the biggest spenders," said Torizawa.

But Carr's political career was over.

He lost a bid to unseat U.S. Senator Ed C. "Big Ed" Johnson, who earlier had suggested Carr use the National Guard to keep the Japanese-Americans out of Colorado. The margin was about two votes per precinct, and some historians say Carr's stand on the Japanese Americans could have made the difference.

Carr later won a seat on the CU Board of Regents. The heart attack that killed him occurred during a campaign to regain the state house.

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### Coloradan Stood on Principle

Congress and the Western governors issued belated apologies recently to the 120,000 Japanese-Americans who were driven from their homes on the West Coast amid public hysteria following the attack on Pearl Harbor.

But few people remembered former Colorado Gov. Ralph Carr, the only one of 10 Western governors who agreed to accept the Japanese refugees who streamed eastward from California during the spring and summer of 1942.

To their shame, the governors of nine other Western states told the refugees to keep moving, and local vigilante groups were all too willing to enforce the order. Japanese-Americans were barred from restaurants and were assaulted on the streets. The possessions of one refugee family were set on fire in Arizona.

Even President Franklin Roosevelt fell victim to the hysteria. On Feb. 21, 1942, Roosevelt ordered the Army to round up Japanese-Americans who would not leave their homes voluntarily. The victims were

packed into railroad cars and shipped to camps as far away as Arkansas.

Carr was among a handful of Americans—and possibly the only elected official—who remembered that the Constitution applied to Japanese-Americans. Three days after the attack on Pearl Harbor, he appealed to Coloradan's not to molest people of Japanese descent. "We cannot test the degree of a man's affection for his country by the birthplace of his grandfather," Carr said in a radio address.

When the federal government decided to locate a concentration camp for Japanese-Americans near Lamar, Carr shocked some of his Denver neighbors by hiring an internee as his housekeeper. He chose a young woman who had been forced to interrupt her studies at the University of California. She completed her degree at the University of Denver while working for the governor.

Carr paid a political price for his stand. Protests came from the Denver and Greeley city councils, as well as from ordinary citizens. Some historians believe his stand on the rights of the Japanese was the factor in his losing a close race for the U.S. Senate later in 1942.

Carr, a Republican, reflected a branch of conservatism that read the Constitution as a guarantee of individual liberities. According to people who knew him, Carr had the ability—unusual in the more prejudiced days of a half-century ago—to view people as individuals, regardless of race.

Carr died of a heart attack in 1950. Japanese-Americans erected a bust of Carr in Sakura Square in 1974. The same year, a plaque commemorating him was dedicated outside the governor's office in the state Capitol.

Since the fanfare surrounding those events, Carr has returned to obscurity. He is not part of the public school curriculum because even most educators have never heard of him.

The 100th anniversary of Carr's birth occurs on Dec. 11. No public commemoration is planned. Amid the self-congratulation we are heaping upon ourselves in this year of the Constitution's Bicentennial, we would do well to remember a man who risked his career for the Bill of Rights.

## VISUAL ARTISTS RIGHTS LEGISLATION

### HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MARKEY. Mr. Speaker, on August 7, I introduced H.R. 3221, the Visual Artists Rights Act of 1987. Senator KENNEDY introduced similar legislation in the other body.

The chairman and president of the Independent Committee on Arts Policy, Schuyler Chapin and Alberta Arthurs, have published a lucid and compelling article on this legislation and the needs it addresses. The piece by Mr. Chapin and Ms. Arthurs, published in today's New York Times, is a valuable and welcome contribution to national discussion on the protection of artists and the fostering of the arts. I commend it to the attention of my colleagues.

[From the New York Times, Oct. 29, 1987]

A BILL OF RIGHTS FOR ARTS

(By Schuyler Chapin and Alberta Arthurs)

Last fall, Jasper Johns's painting "Out the Window" was auctioned for $3.6 million, the highest sum ever paid for a work by a living artist. The painting had been acquired in 1960 for $2,250. None of the $3.6 million went to the artist.

A private collector purchased a work, two figures lying on a bed with soiled sheets, by the sculptor George Segal. The buyer subsequently removed the figures from the bed and placed them on a pedestal. The buyer ignored all letters from the sculptor protesting this mutilation, including one in which Mr. Segal offered to buy the piece back.

Both of these stories reflect something unique to the visual arts as compared with other arts. Because these works of art are original, ownable pieces of property, there is a complete severing of the artist's connection to his or her work once it is sold. In this country, the right of private property takes precedence over artists' moral or economic rights.

A bill that maintains a connection between a visual artist and that artist's work has been initiated by Senator Edward M. Kennedy, Democrat of Massachusetts, and introduced in both houses of Congress. This connection is one we already recognize with reproducible works of art, and is a link central to the incentive and protection we as a society grant to artists.

Called the Visual Artists Rights Act of 1987, the bill has two primary objectives: to secure the rights of visual artists to prevent the intentional mutilation or destruction of their work, and to provide for resale royalties.

This simple and rather modest bill elicits impassioned arguments. It requires a fundamental examination of attitudes our society holds about the nature of art; who benefits from art, what its value is and what value we place on those who create it. From this broader perspective, the Visual Artists Rights Act is a very important piece of legislation, and its passage could be a milestone in the cultural maturation of America.

The artists and arts leaders in the Independent Committee on Arts Policy examined this bill and the detailed arguments for and against it. Our decision to support the bill came after rigorous debate and analysis.

Art—physical, tangible, visual art—is more than a piece of property that some one or some institution owns. And, yes, it is even more than a valuable commodity with one of the highest rates of return on the market.

Works of art are much more than that. In some real way they belong to no one because they belong to all of us. They are among the most salient examples of the breadth and depth and complexity of human nature.

Throughout time, our species has used the arts—this richer set of symbols that only humans have devised—to transmit the heritage of people and to express most profoundly their deepest human joys, sorrows and intuitions. "Art," Elliot Eisner has said, "helps us know what we cannot articulate."

This bill says that the country wants the owners of art to protect what they have for all of us and for posterity. We don't want owners—either intentionally or through gross negligence—to mutilate or destroy what they own. We don't want Blue Cross and Blue Shield, for example, to paint John Raimondi's red sculpture "Blue Cross blue."

This bill says that we value the vision of the artist. It says that those gifted with the insight, imagination and inventiveness to create fine art are due recognition and protection from Congress.

And because we value artists and value what they do, when their works command handsome prices on the resale market, we think it only fair that some small portion of that profit return to the originator, the creator, the artist.

Opponents of this bill say that the thriving art resale market, known to be in the billions (Sotheby's recently announced record worldwide sales of $1.3 billion, and Christie's sales were just short of another billion) is so delicate that an artist royalty would be a significant deterrent to trade, thereby hurting artists instead of helping them. Investors will be so repelled by the added cost, the bill's opponents say, that they will buy and sell outside the United States or go underground.

Although comments of this sort are not surprising, the truth is that the Kennedy bill is a very reasonable proposal. The artist would be entitled to 7 percent of the appreciated value of the work, provided that the resale price is more than 150 percent of the original price and that the work cost more than $1,000 to begin with.

There are many indicators that belie the "delicacy of the market" argument. Investors have not balked, for example, at the 10 percent buyer's premium imposed by auction houses. And new York City has continued to be the art commerce capital of the world, despite our whopping sales tax of 8.25 percent.

The issue is something larger than marketplace friction. It has to do with that connection between artists and their work that we want to recognize. It has to do with knowing that the artist is the indispensable element here. And it has to do with a kind of elemental fairness intrinsic to our American values.

Ideas, even good ideas, have a hard time surviving without strong support. The Independent Committee on Arts Policy tenaciously supports and endorses this bill, applauds the senators and representatives who are working for its passage, and urges all Americans to recognize its vital importance.

## BOTTLE INDUSTRY IN WASHINGTON SPREADS FALSE INFORMATION ABOUT ONEONTA, NY

### HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. BOEHLERT. Mr. Speaker, this morning's Washington Post carries a story that goes to the heart of many Americans' complaints about big business and their attitude toward the environment. In short, the highly paid lawyers and lobbyists in this town have learned too well how to twist the facts to fight just about any measure for a cleaner, safer environment.

This time the industry lobbyists are smearing the reputation of a small town that I happen to have the privilege of representing, and we won't stand for it.

The people of Oneonta, NY, population 14,000, are proud to live in the heart of some

of the most beautiful country in the entire Nation. From the rolling foothills of the Catskills, to the nearby headwaters of the Susquehanna River at a lake they call Glimmerglass for its sparkling, light blue color—from the dozens of family farms to Oneonta's old-fashioned Main street—this is a land cherished for its rich history, its wildlife, and its four-season beauty. The community's high standards are attracting new businesses and new families.

Along come the highly paid lobbyists fighting a proposed bottle bill in Washington, DC. Calling themselves the "Clean Capital City Committee," they're spending millions to convince D.C. voters that bottle deposits are a costly waste of time. They even put an ad on TV that says a State bottle bill led to the closing of Oneonta's "recycling center." Now, they say: "the town's a little on the messy side again."

The biggest problem is, that's a lie. In New York, we know a bottle bill brings a cleaner, safer environment for everyone—we passed a bottle bill in 1982. In fact, the city of Oneonta began a recycling program a year before the State passed its bottle bill.

The State bottle bill had no effect on that recycling program, which is still in effect today, with strong support from the local residents, despite predictable and manageable glitches. Forget the story told by lobbyists. Bottles are not—I repeat, not—piling up in the streets or polluting the community.

We've seen this tactic used elsewhere, as when a group called Citizens for Sensible Control of Acid Rain called folks on the phone, gave them the name of the group, and said pending acid rain legislation would cost them $110 billion. This is a whopper of a big fish story, or perhaps I should say dead fish.

C-SCAR, as they're called, spent $3 million of utility company money on that campaign last year, one of the highest dollar amounts by any group for any lobbying effort in 1986. Considering the deceptive stories they spread, it's not surprising that many of my colleagues are disgusted with such stonewalling tactics.

It's about time for a more responsible attitude toward our environment from the industries that affect it most. In the long run, their economic health will be better ensured by finding ways to coordinate economic growth with environmental protection.

And it's time for an apology from the Clean Capital City Committee to the proud, clean, safe community of Oneonta, NY.

Mr. Speaker, I ask unanimous consent to reprint the article from the Washington Post below:

MESSY N.Y. TOWN CRIES FOUL OVER BOTTLE INDUSTRY AD HERE: DEPOSIT BILL DIDN'T HALT ONEONTA RECYCLING

(By Ed Bruske)

Time was, says a voice as smooth as cornsilk, when Oneonta, N.Y., had a recycling center where folks brought their bottles and cans and kept the town clean. But then the state passed a bottle deposit law, "and the recycling center shut down." Now, the voice continues, "the town's a little on the messy side again."

That's the message of one of several radio advertisements that have been airing in the Washington area on behalf of a beverage industry coalition trying to defeat a D.C. ballot measure that would require deposits on bottles and cans sold in the District.

Yesterday in Oneonta—the 14,000-population upstate New York town featured in the antideposit commercial—town officials had this response: Wrong.

"From what I've heard, it doesn't sound accurate at all," said City Clerk Elizabeth Goodman.

Said Mayor David Brenner: "They ought to check around before they say things like that."

Officials in Oneonta said passage of a deposit law in the state in 1982—legislation similar to the measure that will appear on D.C. ballots Tuesday as Initiative 28—had no effect on recycling there.

They said recycling has continued to run strong in Oneonta—and perhaps more so—since deposits were required.

"What you've got is a lot of people collecting bottles for extra money, like old folks and Boy Scouts," Goodman said. "It really works the other way."

So what did happen in Oneonta?

According to the industry advertisement, sponsored by the industry-funded Clean Capital City Committee, "Once folks were forced to take their bottles and cans back to the grocery, our recycling center went out of business."

Bruno Bruni, assistant city engineer in Oneonta, said there never was a recycling center, exactly, in Oneonta. Rather, about a year before the state deposit bill was passed, the city and surrounding township started a recycling program, contracting for help from a local center for the mentally handicapped to collect and process glass bottles. Bruni said the city built eight sheds around town where residents could drop off all kinds of glass bottles and jars.

The city also constructed a building on a local railway siding where the glass was stored until it could be crushed each month and loaded onto fright cars for shipment to a glass manufacturer in Elmira, N.Y.

There was an overall community concern about recycling as many products as we could, rather than putting them in a landfill," said Bruni, adding that the city has been forced under a consent decree with the state to close its public landfill by next June because it is full.

About two years into the program, though—or a year after the state deposit bill passed—the city employee responsible for coordinating with the handicapped group left his job and was not replaced, Bruni said. The city's contract with the center for the handicapped lapsed and was not renewed when problems arose over whether the center was paying its workers minimum wage.

However, Oneonta residents have continued to leave glass not covered by the deposit law in the town receptacles, and the city still collects it. City workers process the glass—though less frequently—and lately the glass has been piling up at the processing building because the crusher broke down. Mayor Brenner said the city plans to get it fixed soon.

"We take issue with that kind of message because the citizenry has been very good about sending the products down," Brenner said. "It's not left in the streets, nor is it making the community any dirtier."

Ed Arnold, spokesman for Clean Capital City, said yesterday that he would respond to questions about the commercial after he obtained a transcript of it. He later was unavailable for comment.

Oneonta Clerk Goodman was not pleased. "We would like to be a model community and not be featured in somebody's disaster ad," she said. "I wish they'd be good enough to send us a copy of the ad."

## PROTECT VICTIMS OF FRAUD

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. CONYERS, Mr. Speaker, I would like to enter into the RECORD testimony that I gave today before the Senate Judiciary on one of the most important consumer and antifraud issues today: civil RICO reform.

Civil RICO is important to victims of fraud and for deterring antisocial and fraudulent practices in commerce. Yet special interests today are urging with unconvincing reasons that the tool be weakened. That's a bad idea. I urge my colleagues to take note.

PREPARED TESTIMONY OF HON. JOHN CONYERS, JR., CHAIRMAN, HOUSE JUDICIARY SUBCOMMITTEE ON CRIMINAL JUSTICE BEFORE THE SENATE COMMITTEE ON THE JUDICIARY ON CIVIL RICO

THURSDAY, OCTOBER 28, 1987

Mr. Chairman, members of the committee, thank you for providing me the opportunity to testify today on an issue of considerable importance to me, to law enforcement and victims of crime: civil RICO.

The hearings now could not be more timely given recent events on Wall Street. For all the differing explanations of the stock market decline boil down to one essential point: that investor confidence is critical to market stability.

And while the budget and trade deficits appear clearly the major factors, the perception of corruption on Wall Street during the past year cannot be ignored as having contributed to an erosion in investor confidence. Already we are seeing in just these past two weeks small investors being blocked out of the market. Scores of lawsuits are expected to be filed. The system certainly now needs reinforcement with law that will impose and maintain integrity.

That is an appropriate starting point for discussing civil RICO. For in my judgment the basic issue is that white collar crime and fraud are of scandalous proportions, costing over $200 billion annually, and current law and law enforcement efforts—both private and public—and incommensurate to the nature and scope of the problem. Very little money defrauded is ever returned to victims and in my view civil RICO and other antifraud laws that protect citizens need strengthening, not weakening.

Civil RICO was enacted in 1970 as part of a comprehensive effort to fight organized and white collar crime. Its essential purpose was to help underresourced public prosecutors by giving citizens a "private attorney general function"—the right to sue crooks and cheats that defraud them for treble damages.

Today fraud and corruption have grown to proportions never imagined in 1970. Securities fraud is estimated to cost up to $50 billion annually, bank fraud to account for up to half of all the bank failures, and insurance fraud is estimated to cost at least $14 billion annually. Never before has the daily news been so dominated by reports of insider trading and corruption scandals.

Yet today those that oppose civil RICO—largely special business interests—make an extraordinary argument that the danger lies in the law itself, that despite the fact that less than one percent of monies defrauded the public are ever recovered, civil RICO is too tough a law, and too far reaching. The arguments are outdated and unconvincing and include the following:

1. Civil RICO litigation is flooding the federal courts: Data collected by the Administrative Office of the Courts show clearly that civil RICO is not flooding the courts, that out of a 23,000 civil filings monthly only 90—approximately .0003% of the total docket—are civil RICO cases, 60% of which have an independent basis for federal jurisdiction. A respected federal judge in California, Judge Pamela Rymer, with extensive experience in RICO litigation observes that the RICO filings have "calmed down" and actually "present no greater problem than antitrust or complicated securities cases."

2. Civil RICO is used frivolously in ordinary commercial disputes". Since the Supreme Court's decision on the intended scope of RICO in *Sedima* in July of 1985—and at the invitation of the Court to tighten the standards for RICO litigation—the Circuit Courts of Appeal have made clear that RICO only applies to systematic "patterns" of serious criminal conduct with multiple objectives. While RICO reformers point to trivial instances in which RICO cases have been attempted (domestic disputes, church members, F.B.I. sting operations, etc.) those cases are nearly always dismissed and few if any are today being brought.

The more typical and important application of RICO in commercial disputes include the use by IBM Corporation for theft of software by Hitachi Ltd., a suit settled for upward of $200 million. The trustee of the Home State Savings Bank also used RICO to sue auditors of E.S.M. Government Securities, Inc. for the injuries that Ohio bank depositors suffered when E.S.M.'s insolvency was fraudulently hidden from investors in a bribery-secured favorable audit report, a suit that was settled for $80 million. Other victims—including businesses—that have sued under RICO include Standard Oil Indiana, Armco Steel, The Bankers Trust and Co. and Allstate Insurance Company. RICO is, in short, neither pro-business nor anti-business. It is pro-victim.

3. RICO was intended to apply only to "racketeers" of the classic Edward G. Robinson mold of "Little Ceasar". The Supreme Court in *Sedima* ruled that RICO does and should apply to "any person" and that legitimate businesses "enjoy neither an inherent incapacity for criminal activity nor immunity from its consequences." A recent survey of 1043 businesses reinforces the important point. It showed that between 1970 and 1980 117 businesses had significant convictions or consent decrees for 98 antitrust violations, 28 cases of kickbacks, bribes or illegal rebates, 21 instances of illegal contributions, 11 cases of fraud, and 5 cases of tax evasion. The $200 billion annual price tag rivals only drug traffic and the fight against it is being largely lost.

The RICO "reform" effort has now abandoned its original goal of the essential repeal of the law with a prior criminal conviction recognizing the inability to justify such a rollback in the midst of an insider trading scandal and corruption climate. The newest reform effort I believe is still unjustified given the scope of the fraud problem and it is insufficient. That is why I urge you, Mr. Chairman, to consider working with me on the House side to redraft civil RICO legislation that would toughen the law where needed and make appropriate reforms where real abuses or unintended uses occur. Let me comment first on what I consider the inadequacy of the current reform effort as embodied in S. 1523.

The bill first fails to put new protections where needed. Bank fraud for instance is estimated to account for up to half of all bank failures for instance. There are new expectations today that the withdrawal of capital and collateral will precipitate new bank failures in institutions already vulnerable because of fraud.

The bill does nothing about toxic waste offenses. The National Association of Attorney's General support the concept of making a series of toxic waste offenses predicate acts under RICO. Estimates show that as much as 90% of toxic wastes put annually into 170,000 pits, ponds, lagoons and landfills are disposed improperly. The contamination of drinking water of entire communities is of scandalous proportions.

The bill also does nothing about terrorism, including domestic terrorism. Civil Rights organizations and the work of the Judiciary Subcommittee that I chair have shown shocking increases in anti-semitic and racist acts of violence and terror. With an international service of process, personal injury in cases when violence results, parens patriae RICO could be appropriately used for terrorism. Legislation that I have introduced on the House side includes bank fraud, toxic waste offenses, terrorism and other acts as predicate offenses under RICO.

My second category of concerns center around the weakening provisions of the bill. If the bill is too broadly used, (which I no longer believe it is) then the pattern of predicate acts should be amended to constrain its proper use. But it does not follow that remedies should be changed for that cripples the effectiveness of RICO as an important deterrent and as a victims rights measure.

S. 1523 first deprives businesses of the opportunity to sue for treble damages thereby eliminating one of civil RICO's most important aspects: deterrence. Actual damages in business suits are also insufficient to recover real losses such as lost investment opportunities. It also creates new burdens of proof for private citizens—seniors cheated out of home improvement funds for instance—to recover punitive damages.

The bill also has basically unfair provisions for retroactivity: changing the rules of the game for those who are in the middle of playing it. I believe conceptually that retroactivity is unfair and bad policy.

One would have thought that the level of outrage following the successive revelations of multimillion dollar insider trading scandals would prompt tougher laws, or at least discourage attempts to weaken existing ones. Not so.

The special favors for the securities industry is also unsound and unwarranted. There is no indication that current securities law is adequate to deal with the scope of the $50 billion annual securities fraud problem and every indication that civil RICO is a deterrent: that's why Boesky pleaded guilty not to securities fraud or a RICO predicate offense but to a non-RICO predicate offense. And with the recent Supreme Court decision in *Mcmahon* in which the Court ruled that arbitration could be compelled, and with the expected ruling on "misappropriation" in *Winans*, civil RICO especially under the reform bill will have increasingly few uses in the securities field. There should be no exemption.

Provisions that bar treble damages unless the defendant has a prior criminal conviction of a RICO predicate act I believe are unwise: that gives prosecutors too great and too unfair a bargaining chip.

Neither other federal fraud laws which intervene in limited instances and provide generally for actual damages, nor current state law is adequate to deal the character of fraud in our modern society. That's why key elements of the law enforcement community—the National Association of Attorney's General, the head of New York's Organized Crime Task Force—have called not for weakening the law but for strengthening it. They know from experience that public prosecutors do not have the resources to deal with the scope of the problem.

RECOMMENDATIONS

1. Civil RICO in my judgment should never be used in certain instances: labor-management disputes, landlord or marital disputes. Any amendments to the statute should reflect that.

2. If there are today instances that we can identify RICO's inappropriate use—for two phone calls or two pieces of mail; to chill First Amendment rights of an individual or organization—then we should deal with those by clarifying the pattern of predicate acts and requiring specificity in pleadings. But there is no compelling logic to change the remedies available and their important deterrent effects, there is no need to roll back the rights and remedies of individuals and small businesses.

3. Civil RICO and its current remedies should be maintained given the nature and scope of the fraud problem as we can currently identify it. There is further ample rationale for making as predicate acts invidious types of crime: new kinds of complex fraud, hate violence, toxic waste offenses.

4. I also urge that this committee undertake together with or separate from the House Judiciary Subcommittee which I chair comprehensive and systematic hearings on the nature of fraud and its scope, the ability of public and private law enforcement efforts in dealing with it, and then address the appropriate changes in fraud statutes in that context. I urge against revisions in anti-fraud law studied outside the context of the problem itself.

The RICO "reform" movement of today calls to mind similar efforts in the 1930's directed at the Securities Act of 1933, which were described by Justice, then professor, Frankfurter:

"The leading financial law firms who have been systematically carrying on a campaign against this Act have been seeking—now that they and their financial clients have come out of their storm cellar of fear—not to improve but to chloroform the Act. They evidently assume that the public is unaware of the sources of the issues that represent the boldest abuses of fiduciary responsibility * * *."

That is true today and we need more protections, not less.

## LONG ISLANDERS OPPOSE SHOREHAM

### HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. HOCHBRUECKNER. Mr. Speaker, I rise to speak of a crisis of confidence. Headline after headline in recent weeks has reported that the American people are concerned that the administration is failing to exert the kind of leadership which is necessary to take this Nation forward.

Today there was an opportunity for this administration to reassert its leadership in a manner that would have conclusively demonstrated to the citizens of Long Island, NY, that their concern over the crisis of confidence is not warranted, at least with respect to the Nuclear Regulatory Commission [NRC].

When the opportunity presented itself today, the President essentially told the people of Long Island to drop dead.

This afternoon, the NRC threw out its 7-year-old rule, and imposed a new, less restrictive rule, which will eliminate State and local participation in approval of evacuation plans. President Reagan, pledged in writing to the people of Long Island, that his administration would not impose an evacuation plan for Shoreham over State and local objections.

If leadership, commitment, and his word, had any value to the President, he would have called the NRC and directed them not to adopt this outrageous rule, because it violates the clearly stated policy commitment of his administration.

My words today should not come as a surprise to the President, or Vice President, because last week I personally delivered 15,000 signatures to the White House, from citizens of my district, calling on the President to keep his word.

The people of Long Island historically provide the largest plurality of votes for Republican Presidential candidates of any two counties in the Nation. In politics, giving one's word is sacred. The people of Long Island once accepted the administration's solemn commitment on this vital issue. Eighty percent of the people in my district oppose Shoreham, and, Mr. Speaker, we are outraged over the violation of this commitment.

## JEWS FROM ARAB COUNTRIES ASK FOR JUSTICE

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. FRANK. Mr. Speaker, one unfortunate and often forgotten injustice that has resulted from the Arab-Israeli conflict is the hardships faced by Jews who have fled from Arab lands. We often overlook the fact that hundreds of thousands of Jews were forced to flee their homelands under extreme pressure and duress, often leaving behind their homes and other possessions. This past week, the World Organization of Jews from Arab Countries [WOJAC] convened its third international conference in Washington, DC to discuss the interests of Jews from Arab countries. WOJAC has come to the United States to appeal for assistance for Jews who continue to be held hostage, particularly in Yemen, Syria, and Iraq; for recognition for the right to compensation for their private property and their cultural and religious assets left behind; and to call on Arab countries to end human rights abuses against their Jewish populations.

Mr. Speaker, I was visited by a delegation from the WOJAC conference and was impressed by the strength of their arguments. I ask that a description of the WOJAC and a resolution of the Israel Knesset on the occasion of the WOJAC convention in Washington be included in the RECORD, for the benefit of my colleagues, at this point.

WHAT IS WOJAC?

PURPOSE

Established in 1975, WOJAC (the World Organization of Jews from Arab Countries) seeks to represent the interests of over two million Jews from Arab countries now living throughout the world, the majority of them in Israel, where they make up approximately 44% of the population.

WOJAC came into being because of the widespread belief among Jews originating from Arab countries, that the time had come to raise the long neglected issue of their legitimate rights and claims against their countries of origin: most of them fled these countries or were forced to leave them, in the wake of humiliation, persecution, imprisonments and executions.

CHARACTER AND STRUCTURE

WOJAC is an independent, voluntary, international, non-governmental and a-political organization.

WOJAC has been approved as a NGO (Non-Governmental Organization) for association with the United Nations Department of Public Information.

The Organization includes:

The ISRAEL COUNCIL (120-150 members)—leaders of the associations representing the communities of immigrants from eight Arab Countries in Asia and Africa, as well as eminent public figures in Israel;

The ISRAELI EXECUTIVE (26 members)—carries out policies of Council.

The GENERAL MEETING (80-100 delegates)—elected every 4 years by the Israel Council and WOJAC Chapters abroad; supreme organ of WOJAC:

WORLD EXECUTIVE (23 members from eight countries, including 12 from Israel)—elected by General Meeting, sets up standing committees and defines their powers, appoints treasurer and director-general and defines terms, conditions, functions and powers of their office;

The PRESIDIUM (7 members, including 4 from Israel)—executive organ of World Executive functions in accordance with its resolutions.

Heading the organization are:

Mr. Leon Tamman of Britain, who serves as Chairman of the Presidium; and Mr. Mordechai Ben-Porat, former Minister of the State of Israel, who is Chairman of the World Executive. They exchange roles annually.

Membership is open to Jews from Arab countries and their descendants, as well as to anyone who identifies with its aims and wishes to participate in its activities in Israel and abroad.

INTERNATIONAL CONFERENCE IN WASHINGTON

WOJAC, in presenting its case to American public opinion, appeals to the American People's innate sense of fairness and traditional quest for justice. Its Third International Conference will be held in Washington, D.C., at the Omni Shoreham Hotel, between the 26-28 October 1987, under the sponsorship and with the assistance of the Conference of Presidents of Major American Jewish Organizations, as well as other American and international Jewish organizations.

The objectives of the Conference are:

1. Rights of Jews in Arab Countries—To act for the Jews held hostage in Arab countries to be permitted to leave and, up to such time, to have their civil and human rights respected.

WOJAC does not include all Arab states in one category, but draws a distinction between countries where Jews live in distress, and one or two Arab states whose attitude towards their Jewish citizens is relatively liberal.

2. Rights of Jews from Arab Countries—To win recognition for the right to compensation of the Jews who left Arab countries and were dispossessed of their private and communal property, and to ensure the salvaging of their cultural and religious assets.

3. Refugees—To win recognition, by the United States Administration and Congress of the de facto exchange of populations that occurred in the Middle East when some 600,000 out of the 850,000 Jews who left the Arab lands settled in the State of Israel, while a similar number of Palestinian Arabs left Israel to live in Arab states.

To get the Arab states to absorb and integrate the Palestinian Arab refugees in their midst, just as Israel has absorbed and rehabilitated the Jewish refugees from Arab countries at the cost of over $11 billion despite its difficult economic situation.

To support any Arab, Israeli, international or private initiatives for the development of Judea, Samaria and Gaza, that will result in a better quality of life for the Arab refugees within these areas, irrespective of the final political solution.

The Conference will examine the extent to which the vast experience and knowledge of the Jews from Arab countries regarding the lands of their origin could be utilized to help achieve greater understanding between Israel and the Arab countries, and to seek to ensure that any peace settlement will endure.

WOJAC has already held two previous international conferences: its Founding Conference took place in Paris in November 1975, followed by the Second International Conference which convened in London in November 1983.

A CALL TO THE ARAB STATES

WOJAC calls on the Arab states—

(a) To initiate a new era of peace and brotherhood between Jews and Arabs—the offspring of the same Biblical Patriarch, Abraham—on the basis of the full and fearless recognition of historical facts and legal and moral rights with reference to both sides of the dispute;

(b) To cease immediately the persecution of the Jews still living in their countries, to grant these Jews civil and human rights, including the freedom to leave, if they so desire.

(c) To fulfill their legal and moral obligations towards the Jews, including compensation for the expropriation of their property

and for damages and losses suffered in their countries of origin;

(d) To return to Jewish hands the Jewish religious and cultural assets under their control, after restoration and repair;

(e) To guarantee Jews free access to sites holy to them in Arab countries;

(f) To desist from the exploitation of the Arab refugee issue for political and propaganda purposes.

(g) To absorb their brethren, the Arab refugees, in their midst, within the vast areas under their rule, just as Israel has absorbed and rehabilitated Jews who had come from Arab countries.

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KNESSET RESOLUTION CONCERNING JEWS FROM ARAB COUNTRIES

1. The Knesset sends greetings to the Third International Conference of the World Organization of Jews from Arab Countries, convening in Washington today.

2. After hundreds—perhaps thousands—of years of Jewish life marked by significant cultural and economic contributions to their surroundings, the establishment of the State of Israel served to bolster both the yearning for Zion among the Jews of the Arab countries and also the manifestations of hostility and violence towards them. The Knesset hails the instances of human courage that characterized the aliya to Israel of Jews from Arab and Islamic lands. The Knesset also notes the liberal attitude of Morocco towards its Jews.

3. Most of the Jews from Arab countries came to Israel penniless, leaving behind in those countries a rich cultural heritage and much personal property. Even at this late date, with their integration in the life of the state an accomplished fact, the Knesset determines that they must receive compensation from the Arab states for their property of which they were forcibly deprived, or which was confiscated, frozen, or nationalized, and for the persecution they were made to suffer; and that the Arab states must return to the Jewish communities the cultural and religious objects and artifacts of which they have been deprived.

4. Israel, for its part, has made it known that, within the framework of a peace settlement, it will be prepared to compensate the Arabs who left Israel. In the talks concerning this compensation, the rights of the Jews who were compelled to leave the Arab states and abandon their property will be taken into account.

5. The Knesset expresses its deep concern for the fate of the Jews remaining in Arab and Islamic lands, and calls upon the Government, the countries of the world and world public opinion to continue to act to safeguard their rights and their freedom.

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## IN MEMORY OF THEODORE PRAHINSKI

### HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. BUSTAMANTE. Mr. Speaker, it is with great sadness that I rise to pay tribute to a great and kind man whose service to country and to the District of Columbia will long be remembered in the executive agencies of our Federal Government, the committees in Congress, and in the city council chamber and District government buildings. Mr. Theodore (Ted) Prahinski passed away suddenly on October 23, 1987.

Ted Prahinski was one of those rare breed of civil servants known as a Government patent attorney. Patent attorney's are unique in that they are schooled in both the fields of engineering and law, and Ted was one of the more innovative members of that arcane profession.

Since 1972, Ted served on the staff of the Office of Judge Advocate, Air Force Systems Command Headquarters at Andrews Air Force Base. There he became recognized for his expertise in developing legal options concerning technology transfer problems, including proprietary rights in technical data, the protection against disclosure of weapons-related data from Freedom of Information Act requests, and export controls and security classifications of technical data. In short, his work helped to pioneer new concepts in intellectual property law that blended with Congress' mandate to achieve greater competition in the Department of Defense's acquisition procedures and protected U.S. military and economic interests in the design and development of new weapons systems, items, components, and processes.

Ted also served on the Defense Acquisition Regulatory Council Subcommittee that was responsible for drafting regulations covering government/government contractor rights in technical data and computer software. In fact, it was on this very same subject that I came to know Ted Prahinski during the brief working relationship we developed. At my request, Ted worked with my office in refining language on the technical data rights provision contained in the DOD authorization bill for fiscal years 1988–89. His assistance was invaluable, and fortunately several of his ideas and suggestions were incorporated into the provisions amending the "Rights in Technical Data" section under title 10 of the United States Code. This was an issue of immense interest to Ted, and he was working on suggestions for perfecting bill language up to the very moment of his death.

Mr. Speaker, I relate this story not because he was providing this Member of Congress with the benefit of his knowledge and advice on a very technical issue. I share this experience with my colleagues because it manifests the qualities and character, for which Ted would like to be remembered best—a loyal American, a dedicated patriot, and an eager servant to his country.

I extend my deepest sympathies to his wife, Mary, and his three children. I hope that they will take comfort in knowing that his contributions to shaping Government intellectual property policy will not be forgotten, and that his ideas for improving current policy will continue to live on.

## DR. STEPHEN GLEASON'S STATEMENT ON THE PERFORMANCE OF THE PEER REVIEW ORGANIZATION

### HON. DAVID R. NAGLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. NAGLE. Mr. Speaker, today, I submit for the record a statement by Dr. Stephen Gleason of Des Moines, IA, regarding the performance of the Peer Review Organization [PRO] to be considered with modifications or amendments in the PRO laws as submitted in H.R. 2116. Dr. Gleason is currently the chairman of the Iowa Health Legislation Committee and chief medical officer of Mercy Hospital Medical Center in Des Moines, IA.

Dr. Gleason and members of the Iowa Health Legislation Committee have devoted a considerable amount of time in reviewing health care policies and their effect on rural America.

This statement by Dr. Gleason is a timely and appropriate comment on the effects that PRO has toward the accessibility to quality health care in rural America. More appropriate, however, is the effects of PRO on the medical system. I would like to thank Dr. Gleason for his time and concern and I commend this statement to you and my colleagues.

The statement follows:

Mr. Chairman and Members of the Committee: I am honored to have this opportunity to present a statement regarding Iowa's experience with the PRO review system and in support of the modification to the present PRO law addressed in H.R. 2116.

It is my understanding that the PRO issues which have surfaced in Iowa have also been reported to exist even more prevalently on a national level and are not a problem specific just to Iowa. It is, therefore, not my desire to criticize the capable staff of Iowa's PRO, but instead encourage you to look at the system under which providers and reviewers are courageously asked to function.

The process of medical peer review has historically been a somewhat unpredictable application of rules based on: 1) PRO established standards of care; 2) specific and general norms and policies; 3) specialty specific criteria; and, 4) other criteria such as those developed for highly specialized or controversial technology. All of these are generally influenced by societal trends and legal expectations. All have been created from the honest and well-meaning efforts of providers and public policymakers to establish measures of "value" and measures of "unacceptable error" in the health sciences. Also of note is the limited number of physicians who serve as review physicians in the peer review process and who have widely varying degrees of professional competence, clinical experience, and academic training. They are charged with the difficult task of sorting through these criteria and applying them fairly. The task and the responsibility is at times overwhelming.

It is, therefore, understandable that many providers report confusion over applications of policy and procedure guidelines and variations in opinions by physician reviewers locally. Although policies may not be specifi-

cally mandated by law, they may be included in individual and variable contractual agreements between HCFA and the State PRO's. Such inconsistencies put pressure on local PRO's to operate outside of acceptable uniform federal guidelines. The inexactness of the review process is, therefore, a natural consequence of:

1. Geographic variations in criteria for review.
2. Variations in local interpretation of the law.
3. Variations in PRO—HCFA contracts.
4. Variations in physician reviewer competence, bias, and diligence.
5. The rapidly evolving policies of PRO's which cause changes in reviewer and provider expectations.

The fact that the review process is such an immature science would support the need for a well developed "due process" with early involvement of an independent judiciary. It may be many years before all the kinks are out of the system. In the meantime our developing PRO system is setting practice patterns and practice norms that will forever effect the health and welfare of our nation. Such a system should be easily challenged and any punitive decisions should be allowed a lengthy hearing.

A statement submitted to this Committee on March 27, 1987 by the American Hospital Association on Implementation of the Peer Review Organization Program delineates areas within which many PRO's bear scrutiny and supports the belief that PRO problems are nationwide in scope.

Therefore, in support specifically of sections 6, 7, 9, and 10 of H.R. 2116, we believe it is critical that you be aware of the following areas of concern:

1. Focused Review: HCFA interpretations as to the intent of Federal law has resulted in inconsistent and uneven review of physicians and hospitals and results in clinically burdensome penalties which are not consistent with the severity of identified patterns of abuse. For example, a diagnosis which occurs frequently because of an epidemic disease may be reviewed more heavily even if no significant admission abuses can be documented. The PRO reviewing such cases are under pressure from HCFA to produce evidence of abuse and engage in a large and expensive paperwork exchange with reviewed physicians and do so with no evidence that quality of care is being positively affected. Consistent, reasonable interpretation of the Review Plan needs to be implemented, particularly in regard to the intensified focused review of specific DRG's or diagnoses in the absence of evidence that admission abuses occur. Such reviews focus on DRG's typically assigned to the aged, the chronically ill, and the frequently hospitalized patient and appear to be simply a cost containment mechanism. The PRO can determine the image of quality by their control of the review selection process, and as such, should be cautious not to develop incentives against caring for such groups. Therefore, early notification and debate of rules changes would allow challenge, discussion, and, if necessary, adaptation of the system toward improved patient care.

2. Inappropriate Retrospective Admission Denials: Even when the hospitalization of a patient is obviously medically necessary, denials may be generated by any one or more of the following technical circumstances: 1) medical record processing error; 2) inadvertent coding errors; 3) inexact PRO data bases; 4) failure to update the database in a timely manner to indicate review decision reversal; 5) delayed notification of policy or procedural changes; 6) retroactive application of new policies or criteria; 7) insufficient turnaround time for physician response; 8) delayed turnaround time for PRO response; 9) inadequate PRO mechanisms and staff available to handle the volume of denial activity in a timely manner; and, 10) the occasionally strained relationships between certain physicians and the PRO which hinder the meaningful exchange of information.

All of the above can be corrected through an educational process. Requiring personal and positive interaction between physicians and PRO's is particularly appropriate when minor problems exist. Establishing grievance procedures for physicians or consumers to challenge and correct obvious gliches in the system would promote a cooperative attitude and improve the accuracy of review. Effective communication at all levels must be encouraged for its lack thereof could be a major contributor to the mistrust which jeopardizes the system.

3. It is imperative to the ultimate success of any law which regulates and mandates peer review that the physician reviewers meet specific qualifications in regard to their understanding and application of medical peer review criteria. They must be willing to accept professional accountability for decisions rendered. These reviewers should exhibit the ability to analyze and interpret data, have the skills to make prudent and appropriate value judgements and be able to weigh circumstances logically and judiciously. They should not be physicians who are too inexperienced or too outdated to otherwise make a living. They should not have a chip on their shoulder or a hidden desire to be malicious. They should have the balanced demeanor of a judge. The peer review system should initiate appropriate educational activities which would inform health care providers of potential problems and implement corrective action for existing problems. Physicians who are not qualified to make appropriate evaluations of specialized care and those who have demonstrated prejudicial or biased decisions should not be allowed to participate as reviewers in the PRO process. Physicians who are under the scrutiny of a review system have a right to valid "peer" review and the physician who is contracted and reimbursed for conducting peer review must expect to be openly accountable to a higher authority for his or her decisions. I might, therefore, suggest that you further amend H.R. 2116 to include such standards and fully support section 10 precluding discriminatory review.

4. High quality, available and affordable health care is an expectation of our society and physicians find themselves caught between this expectation and their overwhelming obligation to conform to ever-increasing government policies, insurance regulations, and defensive posturing against rising legal liabilities. The accumulated effect of these factors has created an atmosphere in which the physician has shifted an inordinate amount of time to the procedural requirements of regulatory agencies at the expense of patient-centered activity. In addition, physicians and well-meaning PRO reviewers deplete resources sorting through the confusing array of quality and cost containment standards which vary from HMO's to insurers to government agencies. We must, therefore, guarantee that unnecessary reviews be eliminated—PRO's should focus on the real problem providers—and should attempt to standardize the process for all providers and consumers. Section 10 opens the door to less discriminatory policy. Further amendments to protect other forms of discrimination in the review process may be in order.

Finally, the debate continues unresolved within the medical community as to what constitutes comprehensive criteria to judge quality health care. In June of 1986, the AMA House of Delegates proposed the following definition of quality: "High quality care is treatment that improves patient's physical and emotional status as quickly as possible, promotes health and early treatment, involves patients in decision making, is given by practitioners sensitive to illness-related anxiety, is based on accepted medical principles, uses technology and other resources effectively, and is sufficiently documented in the medical records." In order to measure "quality care" as the present law intends, I would encourage you, in addition, to examine and evaluate the relationship between medical practice and patient outcome. In fact, outcome is much more important than "documentation" or other qualitative parameters which have a stronger potential for "reviewer bias" as a source of distortions in quality review data. We must, also, examine the accessibility and availability of the medical care system to determine, longitudinally, if our review and management systems are providing inappropriate incentives against seeking or providing quality care.

It is the solemn responsibility of the health care community and this Congress to provide realistic and appropriate guidelines in order to correct the inequities that interpretation of the present law have generated. Such ongoing modifications to the rules that guide our nation's health care system should not be viewed as an indictment of PRO designers, but instead should represent a prudent society's effort to improve upon and finetune applicable regulations. Thank you for the opportunity to present this statement in support of H.R. 2116. If you or members of the subcommittee have any questions, I will be glad to respond.

## ANTIDRUG ABUSE LAW ENACTED 1 YEAR AGO THIS WEEK

### HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MAZZOLI. Mr. Speaker, 1 year ago this week the Omnibus Anti-Drug Abuse Act was signed into law by the President, signaling the opening salvo of a new and renewed effort to rid our Nation of the scourge of drug abuse.

As a member of the House Judiciary Subcommittee on Crime, I was gratified that several initiatives on which the subcommittee had been working—such as prohibitions on money laundering and designer drugs; increased penalties for drug trafficking; and assistance to State and local antidrug efforts—became the centerpiece of the landmark antidrug legislation. And, I am encouraged at the progress that is being made by Federal, State and local agencies in implementing the act.

In this connection, I am pleased and proud to report that earlier this week the school system of the Archdiocese of Louisville re-

ceived an award here in Washington for the exemplary drug and alcohol abuse prevention program it has undertaken. Father Joseph Merkt and his staff are to be commended for the fine job they are doing for the young people of the Louisville Archdiocese.

I hope that we are able to keep important antidrug initiatives on track in the face of current budgetary uncertainties. The future of our Nation's greatest resource—our children and youth—could depend on it.

## CAPT. JOHN HUNT'S SACRIFICE

### HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. JONES of North Carolina. Mr. Speaker, on October 16, 1987, the United States-flag oil tanker the *Sea Isle City* was struck by an Iranian launched Silkworm missile. This heinous attack caused severe injury to an American citizen, Capt. John Hunt, by blinding him, probably permanently.

Captain Hunt exemplifies the type of courageous individual the United States needs to support our defense sealift needs. As a member of the merchant marine he did not have to place himself in the middle of a conflict such as this. However, Captain Hunt realized that U.S. merchant ships should be allowed to travel anywhere they need in international waters. Therefore, he volunteered his considerable expertise to help lead U.S. tankers through a very dangerous area of the world.

Today, we who are safe in the United States often fail to appreciate the great risks individuals face to make our lives easier. The seas are not an easy place to make a living given normal times with storms and high seas, let alone facing mines and missiles.

Many individuals in the United States and Members of Congress have serious questions about U.S. involvement in the Persian Gulf. However, no one will deny the sacrifice that Captain Hunt and others like him are making every day in order to allow those of us in the free world to continue living at the standards of living to which we have become accustomed.

Captain Hunt, who is a member of the International Organization of Master, Mates, and Pilots, has endured great pain and will continue to suffer the loss of a great part of his life for us.

As chairman of the Committee on Merchant Marine and Fisheries I express my heartfelt thanks to Capt. John Hunt and wish him smooth sailings and fair seas wherever the winds of life blow him in his future endeavors.

## IMPROVEMENTS TO CHILD SUPPORT ENFORCEMENT PROGRAM

### HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mrs. KENNELLY. Today I am introducing some very necessary improvements to the Child Support Enforcement Program in a single package. The bill includes 13 different substantive and technical provisions, developed and included in the welfare reform provisions of H.R. 1720.

The bill requires that States observe guidelines on child support award amounts in setting court orders and that the guidelines be updated on a regular basis. It ensures there will be more paternity determinations in the future and increases the Federal funding match for States which adopt laws mandating wage withholding starts immediately without awaiting a 30-day arrearage. In addition, the Federal Parent Locator Services and the State child support agencies would be given access to information maintained by the Department of Labor containing information on place of employment, Social Security numbers, and addresses of employees.

The bill sets new penalties for States out of compliance with the 1984 Child Support Enforcement Amendments and sets new standards for the States to respond promptly to requests for child support enforcement. The bill adopts a carrot and stick approach to automated tracking and monitoring systems by requiring that these systems be put in place by October 1, 1992, and repealing the special 90 percent Federal match for these systems on the same date.

In addition, the legislation establishes a high level commission on interstate enforcement, still one of the most difficult problems in all of child support. The Secretary of Health and Human Services would also be expected to conduct a study of child raising costs in one- and two-parent families.

The bill provides for two sets of demonstration projects: One to identify and evaluate solutions to visitation and custody problems; another to test voluntary work, education, and training for noncustodial parents financially unable to meet their support obligations.

The total savings from these provisions is $178 million over 5 years. Improved child support enforcement should be an integral part of true welfare reform. However, I urge my colleagues who support further improvements in child support enforcement to cosponsor this bill as the single most comprehensive package pending in the House of Representatives at this time.

## H.R. 3545 OMNIBUS BUDGET RECONCILIATION ACT

### HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 29, 1987*

Mr. MOAKLEY. Mr. Speaker, I rise in support of the statement of the chairman of House Ways and Means Committee. I want to commend the gentleman from Illinois [Mr. ROSTENKOWSKI] for all of his efforts in putting together a responsible package of revenues which I think will bring stability in the recently volatile stock market, by highlighting our efforts to bring down the budget deficit. I would like to thank the chairman of the committee for all of his work, and would like to particularly mention several issues which are of concern to my constitutents.

There is one specific provision which is mentioned in the chairman's statement about which I am especially pleased. Section 10138 of the tax title contained in the Omnibus Reconciliation Act, would limit the deductibility of interest on debt incurred in major corporate stock acquisitions. Because of an oversight in the drafting of this provision, the tax provisions in this bill would have the effect of grandfathering hostile tender offers commenced on or before October 13, 1987, but would deny equal treatment to competing offers made after October 13 from persons or parties which have the approval of management and the board of directors of target companies.

Thus, because of the way the section is drafted, the effective date provision of section 10138 of the tax title operates to deter companies who are threatened with an ongoing hostile takeover attempt from seeking out or obtaining other offers for their shareholders' stock which management believes would be in their company's and their stockholders' best interests. After seeing the chairman's statement, I am assured that this result was not intended by the Ways and Means Committee nor its staff. The need for this assurance was urgent because I am aware of its effect on currently pending tender offers which need to be responded to before this issue can be resolved in conference.

Another issue contained in the tax provisions which is of concern to my constituents would deny amortization for intangible assets that are renewing, or any intangible asset with an indeterminate useful life. The Internal Revenue Service, and the courts, have determined that a customer list is a wasting asset with a determinate life, so that the value of such a list is depreciated under existing law when the list is sold to a purchaser.

The Ways and Means Committee provision, as drafted, would change the way in which a buyer of a customer list could depreciate the value of that list. The change would greatly affect the total value of the sale of any business that depends on a customer list and not tangible assets. Especially hard hit in my district would be home heating oil businesses whose most important asset is the customer list, since their businesses have few physical assets.

In Wednesday's meeting of the Rules Committee to consider the Omnibus Reconciliation Act, the gentleman from Illinois [Mr. ROSTENKOWSKI] and the gentleman from New York [Mr. DOWNEY] both assured me that this provision and its deleterious effect on the home heating oil businesses would be a subject of consideration in the conference on the tax provisions.

There are two other provisions I would especially like to thank the chairman of the Committee on Ways and Means for resolving favorably. One is the formula for Medicare reimbursements, which I think would very fairly cover the higher costs of providing services in urban areas, especially in my own State.

Second is the issue for freelance creators, including authors and photographers and the application of the uniform capitalization provisions in the wake of recent court decisions. The way in which the Department of Treasury contended that these rules applied to freelance creators would have created undue hardships.

It would have required each author or photographer for instance, to deduct the expenses for a work in progress only after determining the itemized expenses for each work and the proportional share of the expenses based on the income produced over the life of each creative work. I think this would have kept creative artists in the business of accounting and not in the business of writing and photographing creative works, and I am very happy that the Committee on Ways and Means, under the chairman's guidance, saw fit to correct what was obviously a serious problem for all writers and photographers nationwide.

Finally, Mr. Speaker, I would like to express my hope that an issue of particular importance to me, the tax treatment of prepaid legal services, will be considered in the near future. This item was not contained in the tax bill, and I think it is worth considering because of the benefits it provides to many working men and women who otherwise cannot afford attorneys.

Under current law, employers providing prepaid legal services to their employees, can deduct the attorneys fees as a business deduction, and the employees do not have to treat the amount paid or the value of the services as income. The current authority for classifying these services expires at the end of this year, and I hope that the committees in the House and Senate will consider extending this worthwhile provision. Thank you Mr. Chairman.