

policy, programs, and education and training in women's health will continue to be addressed. It will ensure that important initiatives—in breast cancer detection and eradication, in the promotion of healthy behaviors and disease prevention, in improved public information about women's health, in better informed health care professionals, among others—will reach fruition.

Senator OLYMPIA SNOWE has introduced similar legislation in the Senate. Our bills are similar to the measure adopted by both the House and Senate last year, but that did not achieve final passage.

Mr. Speaker, the Public Health Service's Office on Women's Health, established within the Office of the Assistant Secretary for Health in 1991 by the Bush administration, is the focal point for women's health activities in the Department of Health and Human Services. By administering crosscutting initiatives across the PHS, the OWH is able to fill gaps in knowledge, and to initiate and synthesize program activities in ways that no other single PHS agency or office could accomplish alone.

I urge my colleagues to join us in supporting this important legislation.

THE LIVESTOCK GRAZING ACT OF  
1995

**HON. BARBARA CUBIN**

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 25, 1995*

Mrs. CUBIN. Mr. Speaker, I rise in support of the Livestock Grazing Act of 1995 and urge my colleagues that if they have not already done so to cosponsor this important legislation.

Mr. Speaker, as with most bills that are introduced in this body, this legislation is not perfect; it could use a bit of fine tuning. But we must start somewhere if we are to defeat Rangeland Reform 94 and provide long-term stability for the Federal lands livestock industry and rural communities across the West. The Livestock Grazing Act of 1995 gives us just one more opportunity to deliver on our promise to change the way the Federal Government manages our public lands and turn more of that responsibility over to the States. We can and should act now to pass this legislation; unless we do so by August 21, the entire livestock industry is at risk.

I would also like to point out that for quite some time the Wyoming public lands management model had divided the stewards that live on the land and the communities whose economies are dependent on that resource. But after having reviewed this proposal in some detail, I am pleased to report that those same divided factions have endorsed this grazing proposal for the good of the whole. They have told me in the strongest of terms that "the act may need a little work, but it is far superior to rangeland reform." I could not agree more and will do everything I can to see that this bill is enacted into law.

This bill is the product of many hours of work by various National and State representatives of the livestock industry, and numerous Members of Congress and their staffs and I thank them for their efforts. I would particularly like to thank all of those in Wyoming who took time out of their busy schedules to come to

Washington to work on this bill. It is a good bill and I hope that we will move it swiftly through Congress.

MEDICARE FUNDING

**HON. MATTHEW G. MARTINEZ**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 25, 1995*

Mr. MARTINEZ. Mr. Speaker, I rise today to denounce the mean-spirited and destructive proposals to slash funding for the Medicare Program. Medicare provides many of America's seniors with their only source of health insurance.

In showing their total lack of concern in this area, Republicans have proposed cutting Medicare spending by nearly \$300 billion. Let me say that again, \$300 billion. These cuts would result in a drastic 25-percent reduction in Medicare spending by the year 2002. These unprecedented reductions in Medicare spending would certainly damage seniors' access to health care and the quality of care they receive.

Never in my time in Congress have I seen such a total disregard for the needs of seniors. If these cuts are enacted at the completion of the budget process, we will not only be harming current Medicare recipients, but also the many other hard-working Americans who have been planning their retirement with the current level of Medicare benefits in mind.

I implore my colleagues on the other side of the aisle to realize the misguided and mean-spirited nature of their proposal. When we do consider legislation to enact these cuts, I ask all my colleagues to consider: Is it right for Congress to target honest, tax-paying senior Americans in their drive to lower taxes for corporate moguls?

LEGISLATION TO PROMOTE FAIR  
FRANCHISING

**HON. JOHN J. LaFALCE**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 25, 1995*

Mr. LaFALCE. Mr. Speaker, I am today introducing legislation, H.R. 1717, to address serious problems in the promotion and sale of franchise businesses and in the conduct of franchise business relationships. The legislation incorporates key proposals from bills I introduced in the 103d Congress.

We have heard a great deal this year about the problems and burdens confronting small business owners and about the many shortcomings of our legal system. Nowhere are these two problems more pronounced than in business franchising.

The large majority of franchise owners have invested much of their life savings to acquire and build their business. They work hard, play by the many rules imposed on them by franchisors, and contribute significantly to the success of national franchise systems. And yet, these owners lack the same basic rights and legal remedies enjoyed by all other business persons to assure they will not be victimized by unfair or fraudulent practices and have equal opportunity to share in the rewards of the American dream of business ownership.

Business franchising has become a major force driving the expansion of our service economy and the growth of new small business. The growing franchising sector of the economy encompasses more than a half million businesses, employs more than 7 million workers and accounts for more than \$900 billion in annual U.S. retail sales. Thousands of American families invest in franchises each year to pursue dreams of business ownership and economic independence.

I find it unbelievable that a sector of our economy this large and with annual sales nearly equal to our Nation's annual expenditures for health care—a topic which dominated much of our debate in the last Congress—could continue to be almost devoid of governmental regulation and congressional oversight. We have no Federal laws governing the sale or operation of franchise businesses and the only regulatory procedure at the Federal level, the FTC's franchise disclosure rule, is outdated and inadequately enforced. Only a handful of States have laws or regulations governing franchise sales and practices, and most of these now defer to the Federal Government for enforcement.

Unfortunately, the result is that increasing numbers of franchise investors are finding their dreams of business ownership shattered by franchise promoters who never fulfill their promises to help build successful business or by large corporations more intent on saturating the market with new franchises than on assuring that these franchises are profitable. Rather than owning a business, many find they have merely purchased low-paying management jobs with few of the protections and benefits they had as employees. Others lose their savings, retirement, and even their homes in fraudulent franchise ventures.

These problems stem, in large part, from the fact that Federal and State law have failed to keep pace with the rapid development of franchising and offer franchisees little, if any, viable legal recourse against fraudulent and abusive conduct by franchisors. Franchise contracts are written to preempt every legal remedy available to franchisees. As the chair of the American Bar Association's Franchise Forum told the Small Business Committee, indemnification provisions are drafted so broadly as to protect franchisors even "for the franchisor's gross negligence, wanton recklessness and intentional misconduct."

Procedural devices also are routinely employed to bar legal actions, to deny coverage of protections in State laws and to make litigation inconvenient and costly. Even basic principles of common law applicable to all other business relationships—concepts such as good faith, good cause, duty of competence and due care, and fiduciary responsibility—continue to be debated and denied within franchise relationships.

In short, a growing segment of the American population is routinely required to forego basic rights and legal remedies just because they choose to become franchisees.

Equally serious problems in franchising also result from inadequacies in Federal and State standards for disclosure of material information about franchise opportunities. Each year thousands of prospective franchisees are induced to make one of the most important investments of their lives with information that is incomplete and misleading. Documented information on franchise sales and profits is rarely

provided to prospective investors and critical information on past litigation, business failures and ownership turnover is often withheld or misrepresented.

Federal and State officials report that fraud in franchise sales is widespread and far exceeds their enforcement capabilities. The Federal Trade Commission has reported on several occasions that it receives far more complaints regarding franchise violations than it can pursue and acknowledged that "there are many victims with meritorious complaints, against franchisors, whom State and Federal agencies simply cannot help." And individuals have no right of action under Federal law to protect themselves against even blatant violations of disclosure rules.

In addition, there is a surprising dearth of objective and accurate statistics on franchise business performance that has permitted the franchising industry to promote itself and individual franchise opportunities with inflated and unsubstantiated claims of franchise success intended to make franchises appear uniformly successful and virtually risk free.

The bill I am introducing today, the Federal Fair Franchise Practices Act, addresses all these problems and does so in a manner intended to avoid Government regulation of franchising practices and to enhance private remedies to allow individual franchise owners to protect their legitimate financial interests in a court of law.

H.R. 1717 would promote greater fairness and equity in franchise relationships by establishing minimal standards of conduct for franchise practices, prohibiting the most abusive acts by franchisors, clarifying the legal rights of franchise owners and nullifying procedural devices intended to block available legal remedies.

In addition, H.R. 1717 incorporates basic prohibitions against fraud, misrepresentation, and discrimination elsewhere in Federal law and applies them to franchise sales and business practices. It provides a private right of action for violations of FTC disclosure requirements—something the FTC has requested for 15 years. In addition, the bill provides for the collection of data on franchising, beginning in the 1997 Business Census, to provide the public with comprehensive and more accurate statistical information about franchising and franchise business performance.

A number of important changes have been made in the legislation from the bills I have introduced in prior Congresses. On the critical issue of encroachment by a franchisor on the business of existing franchisees, the bill has been modified to provide franchisors with a number of nonjudicial procedures to address franchisee complaints equitably and without costly litigation. The bill clarifies the obligations of franchisors and franchisees following the acquisition of a franchise system by third parties and it provides State attorneys general with the option of filing suits to protect residents of their State from violations of the act.

Mr. Speaker, franchising has undergone tremendous growth in the past two decades and now dominates our Nation's retail and services sectors. Unfortunately, Federal and State law and regulation have failed to keep pace. Federal guidelines intended to protect the public from false or misleading franchise promotions are sadly out of date and only marginally enforced. Legal rights and standards taken for granted in other business relationships con-

tinue to be debated and denied in franchising arrangements.

It is time Congress acted to provide basic protections in Federal law to discourage fraudulent and abusive franchising practices and to help strengthen the American dream of small business ownership. I believe the proposals I am introducing will constitute landmark legislation. In much the same way that the Wagner Act helped revolutionize labor-management relations in the industrial economy of the 1930's, this legislation can help restore fairness and balance in the growing franchising sector of the services-based economy of the 1990's.

I recommend this legislation to the consideration of my colleagues and I urge its adoption by the Congress.

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#### HONORING WES LUPIEN

### HON. JACK METCALF

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 25, 1995*

Mr. METCALF. Mr. Speaker, on June 3, the people of Oak Harbor, WA, will honor the man who was instrumental in bringing commercial aviation to Whidbey Island by renaming Oak Harbor Airport "the Wes Lupien Airport."

Wes got out of the Navy in the early 1960's, bought a small grass airport outside Oak Harbor and founded a commuter airline service called Puget Sound Airways, which evolved into Harbor Airlines.

Wes had the runway paved, put up buildings, and made the airport into a very good facility. He was very active in the community as president of the Rotary and an active member of the Navy League and chamber of commerce. Wes was also very involved from the start in a Washington State program to develop tourism.

Tragically, Wes was stricken with Alzheimer's disease about 9 years ago while in his early fifties. It forced him to sell the airline and airport. Wes been out of aviation now for several years. His brave struggle with the disease was the subject of an HBO special "Losing It All."

Thanks to the sound, financial groundwork laid by Wesley Lupien, Harbor Airlines still provides Whidbey Island with its main link to Seattle-Tacoma Airport and recently added daily flights to Olympia, the State's capital.

It's the direct result of entrepreneurs like Wes that we have the strongest and most productive economy in the world. Wesley Lupien is living proof of the strength and perseverance of the American entrepreneur.

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#### BOMA INTERNATIONAL'S PRESIDENT THOMAS B. MCCHESENEY

### HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 25, 1995*

Mr. COYNE. Mr. Speaker, the Nation's largest organization representing the office building industry has been actively guided during the past 2 years by a native son of Pittsburgh, Thomas B. McChesney, executive vice president, Grubb & Ellis Co./Axiom Real Estate Management, Inc. Now that he is ending his

term as president of the Building Owners and Managers Association International, I wanted to take this opportunity to review his many accomplishments.

Tom was elected to BOMA International's presidency in 1993 and was installed during their annual convention in Baltimore. For the next 2 years, he helped his 17,000 members through the real estate recession and worked tirelessly to see that the current recovery takes hold.

Tom's leadership of BOMA came at a critical time for the industry, and he actively involved himself in a number of issues of direct concern to owners and managers of commercial real estate. He sat before my Committee on Ways and Means to testify on the modification of passive loss rules and on the issue of depreciation for leasehold improvements. In 1993, Congress modified passive loss, and there is discussion underway to adjust the depreciation of leasehold improvements. Tom should know that BOMA's concerns were heard, as they were on many issues.

For one such issue, Tom stood side by side with Representative HENRY WAXMAN and Senator FRANK LAUTENBERG to advance a ban on smoking in the workplace. BOMA has long been involved in promoting good indoor air quality, and Tom has sought to ensure that the issue is addressed appropriately, cost effectively, and immediately. One crucial step, according to BOMA, is to attack the problem at the source. To that end, a ban on workplace smoking has been an important part of BOMA's indoor air quality agenda.

During Tom's 2-year term, BOMA also faced the \$8.1 billion indoor air regulatory proposal at OSHA. Tom has overseen the advocacy efforts, directed the fundraising for defense, and has met with numerous organizations and individuals in seeking to bring reason to OSHA's approach. While we do not know the results yet, you can be sure that Tom's involvement brought credibility to BOMA's side—for he is a practitioner in the field of commercial real estate, he is a professional in the field of commercial real estate; he is a leader in the field of commercial real estate.

Tom has also overseen the implementation of BOMA's strategic long-range plan, bringing the membership from 7,000 to almost 17,000 real estate professionals. He has hosted a year of meetings to coordinate the efforts of the National Real Estate Organizations and has demonstrated his commitment to reaching out within the industry and engaging in strategic alliances with related trade and professional associations to focus the industry's limited sources on critical issues.

Highlighting Tom's term has been his success at assisting the efforts of the 100 local BOMA associations throughout the United States in identifying problems as they surface so that they may be tackled together. Tome has seen those efforts multiply as BOMA addressed issues of concern ranging from telecommunications reform to the Federal Government construction of new office space. He has spent the past 2 years traveling to many local BOMA associations, seeking to actively involve them in all facets of BOMA's mission. As one result of that effort, he instituted a legislative conference program to engage BOMA members in the grassroots approach to lobbying. Majority whip, TOM DELAY, Senate Judiciary Committee Chairman, ORRIN HATCH, and