

launched from the Cape in 1996, keeping Space Coast pads full for the year.

Fagan said the site simply can't support all the launches in upcoming years as more satellites are put into orbit to supply mobile phones, direct-to-home television and other communications services.

"The biggest (factor) is the overall need for more capacity," said Fagan, launch services acquisition manager for Hughes. "If you look at Atlas and Delta and the Cape in general, there's just more demand than they can satisfy."

However, with the advantages of Sea Launch also comes risks, including the company's use of an untested three-stage Zenit rocket.

Although a two-stage Zenit rocket has been used for years, the three-stage design that Boeing will use for Sea Launch never has flown. The new rocket will not have any test flights before its first liftoff.

Nonetheless, officials from Hughes and Sea Launch say the rocket is not that big a risk. "There are no real stretches technologically," Fagan said. "We're talking about all proven pieces. The real challenge is just fitting all the pieces together and making sure the system works as a whole."

"It's one of the latest developed rockets available, and we think it's the best," Olson added.

Fagan and other Hughes officials are so confident Sea Launch will work that they are calling on U.S. companies to consider building their own mobile launch platform for equatorial liftoffs.

"It may be something that's too new and too different, but if Sea Launch proves the concept, and I think they will, then the government and U.S. space industry might want to take a look at this," Fagan said.

One Cape customer—McDonnell Douglas—already is considering taking its business south and launching its rockets from a site 5 degrees north of the equator run by the European Space Agency in South America.

Such a move would be devastating to the Brevard County economy, space officials say.

Each launch of a Delta and Atlas mission infuses about \$10 million into the local economy from salaries and money spent on services needed to get the rocket ready, according to Florida Spaceport Authority.

But rather than focusing on an elaborate sea operation, it may be more realistic for Space Coast officials to look for ways to make the Cape more attractive to commercial customers.

For example, the Air Force may need to step back from its day-to-day role in overseeing the Cape's launch pads, said U.S. Rep. Dave Weldon, R-Palm Bay.

The Air Force runs the Eastern Range, the tracking system that monitors all rocket and shuttle launches from the Cape. Some observers say the government-run launches are encumbered by too much red tape and extra expense.

While the military is taking steps to make the Cape more competitive, more must be done, Weldon said.

"We're probably going to have to pick up the pace in the next few years as the competition gets more intense," Weldon said. "Especially as it relates to updating the range and redefining Air Force involvement as the operations become increasingly commercial."

"We need to bring the Air Force more and more out of daily operations if we're going to bring down the costs."

No matter what happens at the Cape, however, Sea Launch officials say the Florida launch site is not going to be hurt by their mobile platform—at least not now.

"There's enough business for everyone, there's just not enough launchers right now to take care of it all," Olson said.

Said Fagan: "The good news is that there's room for everybody. If the Cape were to modernize and streamline, I think they're going to maintain a significant portion of the market."

Sea Launch Co. at a glance:

Companies: Joint venture between Boeing, Russian space agency, and private companies in Norway and the Ukraine.

Launch site: Floating launch pad longer than a football field that will be stationed along the equator near Hawaii.

Rockets: Ukrainian Zenit rockets will be used to launch satellites in orbit.

First launch: Scheduled for June 1998. Fourteen other launches also are booked.

INTRODUCTION OF THE TEAMWORK FOR EMPLOYEES AND MANAGERS (TEAM) ACT

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1997

Mr. FAWELL. Mr. Speaker, today, I am joining with a bipartisan group of my colleagues to introduce the Teamwork for Employees and Managers [TEAM] Act. The legislation is designed to remove roadblocks in current law to workplace cooperation and increased employee involvement, while not undermining the ability of workers to choose union representation. My colleagues and I have come to the inescapable conclusion that today global competition demands that American workers and their employers work together. The Federal Government should not stand in the way of employees playing a meaningful role in addressing workplace issues. As we join to introduce the TEAM Act, it is our fervent hope that Members on both sides of the aisle will begin a dialog to develop a proposal that will provide the flexibility for employers and employees in nonunion workplaces to resolve workplace issues together, while continuing to protect and secure the rights of workers to choose union representation.

As the Congress considered the TEAM Act in the 104th Congress, it became clear to me that labor-management cooperation and employee involvement techniques are a means of structurally organizing a workplace that can empower employees with a broad sweep of decision-making authority both about production and worklife issues. I was struck by the testimony received by the Subcommittee on Employer-Employee Relations, which I chair, from employees of both Texas Instruments and FMC Corp. where they expressed how important employee involvement was to their job satisfaction. The clearest message I took from their testimony was that a return to the old way of doing business—in the words of one TI employee, a return to "just work, don't think"—was unfathomable. My concern is that our labor law has not evolved with the changes in the workplace and, unfortunately, it is presenting just such a roadblock to employee involvement.

As I look at the modern workplace, I see a system of labor law that recognizes two extreme versions of workplace organization. The first is the top-down management of yesterday—"just work, don't think"—where the employer holds all the cards and closely guards decision-making authority. We all recognize that in today's workplaces, where job respon-

sibilities are overlapping and interconnecting, a continuation of this form of management will place U.S. business at a competitive disadvantage. The other form of workplace organization that our labor law contemplates is the independently selected union as the exclusive bargaining representative of employees. My sense is that the TEAM Act deals with a hybrid form of workplace organization that may not have been considered when our labor law was written many decades ago. Employee involvement is bottom-up management which recognizes that the interests of labor and management are less often mutually exclusive than the reverse.

The TEAM Act attempts to clarify that employers and employees in nonunion workplaces may establish structures to address matters of mutual interest. I believe that the safe harbor created in the bill for employee involvement and cooperative labor-management efforts recognizes that these are forms of workplace organization that can serve as well both employers and employees, while specifically acknowledging that these structures should not, and cannot, interfere with the right of employees to select a representative of their own choosing who will serve as their exclusive bargaining representative.

Admittedly, in the last Congress, we were not successful in convincing the President that this was the case, and, unfortunately, to the detriment of both employees and employers, the bill was vetoed. Again, though, I reiterate our commitment to the enactment of legislation that will provide employers and employees in nonunion workplaces with the flexibility to resolve workplace issue together, while protecting the right of all workers to representation by a union should that be their choice. My colleagues and I will work with all Members who have an interest in achieving this goal.

I realize that it has become a cliché, but both managers and employees have convinced me that employee involvement is a win-win proposition. Investing employees with decision-making authority with regard to the most integral aspects of a plant's operations gives them ownership and a sense of control over their worklife. Employee involvement also drives management toward the recognition that is human resources are its most valuable asset as the input of employees with regard to the production process has positive impacts on the bottom line. The TEAM Act is good for workers, good for businesses, and good for the American economy. I urge your support.

HONORING JOHN J. BUCKLEY

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1997

Mr. MEEHAN. Mr. Speaker, on Saturday, thousands of residents of Lawrence, MA, will pay a final tribute to the man who was known there as "Mr. Mayor" until the day he died—Mayor John J. Buckley. John J. Buckley served as mayor for 22 years, spanning three decades from the 1950's to the 1980's. During that time, he won the respect and friendship of President John F. Kennedy and countless other public figures who came in contact with this man who called himself "a mayor for all the people."

When he first took office at age 35 in 1951, the city had just suffered the devastating exodus south of the textile industry which resulted in the loss of thousands of jobs. He started Operation Bootstrap to revitalize the city at a time when Federal and State programs were unavailable. Thus began a 14-year term as mayor in which he brought 70 new businesses and 12,000 jobs into the city.

After a one-term hiatus, Mayor Buckley regained the office in 1971 to serve his eighth term. He urged the citizens of Lawrence, the "Immigrant City" to embrace the influx of Hispanic immigrants just as their parents and grandparents had been welcomed in the early part of the century. During his time in office, the city built a new post office, public library, police station and boys club. Mayor Buckley came roaring back in 1983 after two defeats for his 17th and final run for mayor. This last hurrah and victory capped off his 22-year career as chief executive of the city of Lawrence. But even during the periods when he was out of elected office, he devoted himself to the public through service organizations and appointed positions.

In later years it was not uncommon to see John Buckley strolling Lawrence's main street as citizen after citizen greeted him with "Good morning, Mr. Mayor." He loved the city of Lawrence and it indeed loved him. This weekend, I will join with my friends in Lawrence to pay a final tribute to John J. Buckley, who died last Monday at the age of eighty, leaving the city he loved with a legacy of accomplishments.

MUSIC TO LIVE BY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor Frankie Yankovic, America's Polka King, the Elvis of ethnic musical expression, ambassador of the great American melting pot, prolific composer, band leader, performer, and Cleveland.

Frankie Yankovic was born to Slovene immigrants in 1915. In their hardscrabble working lives, music expressed their hope and joy. Frankie began by playing accompaniment to the boarders in his family home.

He was an obvious talent and was instantly loved by all who heard his music. At age 23, Frankie had his first band and his first hit album. He began a lifetime of touring. Frequently, he made 300 appearances per year. Over the years, his bands have played in every major concert hall in America.

Frankie Yankovic heralded many polka tunes known widely to American listeners. In 1948, Frankie recorded "Just Because" with Columbia records. The tune was a breakthrough release, attracting both a polka and popular music audience. "Just Because" sold 1 million copies. In 1949, Frankie released the "Blue Skirt Waltz," which attained the coveted gold status even more quickly.

Frankie was also a great mentor. He discovered and cultivated the talent of the famous virtuoso, Joey Miskulin.

Frankie received many honors in his lifetime. He was inducted into the International Polka Association Polka Hall of Fame as well

as the Cleveland Style Polka Hall of Fame. In 1986, Frankie received the first Grammy awarded for polka music.

Beyond being the consummate performer, Frankie was also a lifetime union member of Local 4, American Federation of Music, and a patriot. Married and the father of two, he nevertheless voluntarily enlisted in the U.S. infantry in World War II and fought at the Battle of the Bulge. There, under extreme weather conditions, Frankie contracted gangrene in his limbs. Against the advice of doctors, Frankie resisted amputation. With a great deal of courage and persistence, Frankie brought his fingers and hands back to life. How fortunate we all are.

I commend Frankie Yankovic for his skill, his energy, and his ability to make people happy through the sounds and rhythms of polka.

THE REHABILITATION HOSPITALS AND UNITS MEDICARE PAYMENT EQUITY ACT OF 1997—A BILL TO PROVIDE FOR A NEW PAYMENT SYSTEM FOR PPS EXEMPT REHABILITATION HOSPITALS AND UNITS—THE TIME IS NOW

HON. FRANK A. LOBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1997

Mr. LOBIONDO. Mr. Speaker, today I introduce legislation to provide for a Medicare prospective payment system [PPS] for inpatient rehabilitation hospital and rehabilitation unit services.

Prior to 1983, the Medicare Act paid hospitals the reasonable cost of treating Medicare patients. Generally, this meant that the more a hospital spent, the more it was paid from the Medicare Trust Fund. The result was a rapid rate of increase in Medicare spending for hospitalization. In 1983, this system was replaced with a prospective payment system under which hospitals were paid fixed rates for various types of diagnostic groups, commonly known as DRG's. Certain providers of care were exempted from this system because a way to appropriately group their patients did not exist. Among these were rehabilitation hospitals and rehabilitation units in general hospitals. These continued to be reimbursed based on costs incurred, but subject to limits on payment per discharge. These limits are imposed under the Tax Equity and Fiscal Responsibility Act of 1982, and are commonly known as TEFRA limits.

TEFRA limits were to be a short term solution to reduce the rate of increase in hospital payments pending adoption of a PPS for rehabilitation hospitals and units. TEFRA limits are based on Medicare operating cost of a hospital or unit in an assigned base year divided by the number of Medicare discharges in that year. This value is updated annually by an update factor, which is intended to reflect inflation.

A hospital's or unit's ceiling on Medicare reimbursement is the TEFRA limit for a given year times the number of its Medicare discharges in that period—the TEFRA ceiling.

Under the current—and flawed—TEFRA system, for cost reporting periods beginning on and after October 11, 1991, the Medicare

Program reimburses a portion of a provider's cost over its TEFRA ceiling in an amount which is the lower of 50 percent of cost over the ceiling or 10 percent of the ceiling. Provision for such payment was made by the Omnibus Budget Reconciliation Act of 1990 [OBRA 90]. If a provider's costs are less than its TEFRA ceiling, the provider is paid an incentive payment equal to the lower of 50 percent of the difference between its Medicare operating costs and its TEFRA ceiling or 5 percent of that ceiling.

When this system was adopted, it was assumed that it would be in place only a short time and then be replaced with a PPS for excluded hospitals and units. New hospitals and units coming in line after the TEFRA system was in place were in a much better position than older facilities, simply because their more current base years included more contemporary wage rates and other operating costs.

This now very old temporary system is flawed for the following reasons:

Medicare pays widely varying amounts for similar services, producing serious inequities among competing institutions;

New hospitals and units can establish limits based on contemporary wage levels and otherwise achieve much higher limits than older hospitals, putting the latter at a great advantage;

By treating all rehabilitation discharges as having the same financial value, the TEFRA system provides a strong incentive to admit and treat short-stay, less complex cases and to avoid long-stay, more disabled beneficiaries. This is faulty and misguided public policy;

Because any change in services that will increase average length of stay or intensity of services will likely result in cost over a TEFRA limit, the system inhibits the development of new programs. This is also faulty and misguided policy; and

The process for administrative adjustment of limits does not provide a remedy because it is not timely. HCFA does not decide cases within the 180-day period required by law and does not recognize many legitimate costs.

The very strong incentive to develop new rehabilitation hospitals and units has resulted in an increase in the number of rehabilitation hospitals and units. PROPAC reports that in 1985, there were 545 such hospitals and units. In 1995, there were 1,019. Between 1990 and 1994 Medicare payments to such facilities increased from \$1.9 billion to \$3.7 billion. This increase in part reflects the fact that rehabilitation services were not widely available in 1983.

Consequently, many older facilities have had to live with very low limits of Medicare reimbursement and have been paid less than their costs of operation. To the contrary, many new facilities are being paid much higher cost reimbursement and bonuses as well. It is hard to imagine a worse system.

The clear solution to this situation is to introduce a prospective payment system for rehabilitation facilities under which providers are paid similar amounts for similar services and payments are scaled to the duration and intensity of services required by patients. Such a system has been devised by a research team at the University of Pennsylvania. It is based on the functional abilities of patients receiving rehabilitation services. It is now being used by the RAND Corp., under contract with the