frail.[10] Nor does one need to share his social ethic to admire him for his courage to expose his conviction so boldly for open debate. Deep down, many members of this nation's policymaking elite, including many pundits who inspire that elite, and certainly a working majority of the Congress, share Epstein's view, although only rarely do they have the temerity to reveal their social ethnic to public scrutiny. Although this school of thought may not hold a numerical majority in American society, they appear to hold powerful sway over the political process as it operates in this country.[14] In any event, they have for decades been able to preserve a status quo that keeps millions of American families uninsured, among them about 10 million children.

At the risk of violating the American taboo against class warfare, it is legitimate to observe that virtually everyone who shares Epstein's and Friedman's distributive ethic tends to be rather comfortably ensconced in the upper tiers of the nation's income distribution. Their prescriptions do not emanate from behind a Rawlsian[15] veil of ignorance concerning their own families' station in life. Furthermore, most well-to-do Americans who strongly oppose government-subsidized health insurance for low-income families and who see the need for rationing health care by price and ability to pay enjoy the full protection of government-subsidized, employer-provided, private health insurance that affords their families comprehensive coverage with out-of-pocket payments that are trivial relative to their own incomes and therefore spare their own families the pain of rationing altogether. The government subsidy in these policies flows from the regressive tax preference traditionally accorded employment-based health insurance in this country, whose premiums are paid out of pretax income.[16] This subsidy was estimated to have amounted to about $70 billion in 1991, of which 26% accrued to high-income households with annual incomes over $75,000.[17] The subsidy probably is closer to $100 billion now—much more than it would cost for every uninsured American to afford the type of coverage enjoyed by insured Americans. In fairness it must be stated that at least some critics of government-financed health insurance—Epstein among them—argue against this tax preference as well.[10] But that untoward tax preference has widespread supporters among members of Congress of all political stripes, and also in the executive suites of corporate America.

This regressive tax preference would only be enlarged further under the medical savings accounts (MSAs) now favored by organized American medicine. Under that concept, families would purchase catastrophic health insurance polices with annual deductibles of $3000 to $5000 per family, and they would finance their deductible out of MSAs into which they could deposit $3000 to $5000 per year out of the family's pretax income. In terms of absolute, after-tax dollars, this construct effectively would make the out-of-pocket cost of a medical procedure much lower for high-income families (in high marginal tax brackets) than it would for low-income families. It is surely remarkable to see such steadfast support in the Congress for this subsidy for the well-to-do, in a nation that claims to lack the resources to afford every mother and child the peace of mind and the health benefits that come with universal health insurance, a privilege mothers and children in other countries have long taken for granted. Unwittingly, perhaps, by favoring this regressive scheme to finance health care, physicians take a distinct stand on the preferred distributive ethic for American health care. After all, can it be doubted that the MSA construct would lead to rationing childrens' health care by income class?

Typically, the opponents of universal health insurance cloak their sentiments in actuarial technicalities or in the mellifluous language of the standard economic theory of markets,[18] thereby avoiding a debate on ideology that truly might engage the public. It is time, after so many decades, that the rival factions in America's policymaking elite debate openly their distinct visions of a distributive ethic for health care in this country, so that the general public can decide by which of the rival elites it wishes to be ruled. A good start in that debate could be made by answering forthrightly the pointed question posed at the outset.

FOOTNOTES

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## SALUTE TO REPRESENTATIVE STEPHEN CHEN

### HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Sunday, November 9, 1997*

Mr. PAYNE. Mr. Speaker, I rise today to welcome Taiwan's new representative, Dr. Stephen Chen, to Washington. Prior to his present assignment, Dr. Chen was deputy secretary-general in the office of the President, Taiwan.

Representative Chen is a career diplomat, having served his country in nearly every corner of the world. Fluent in English, Chinese, Portuguese, and Spanish, Chen is a master communicator. He will certainly bring to the Hill his vast knowledge of foreign policy issues affecting his country and ours.

At a time of our country seeking better relations with the People's Republic of China, it is indeed a privilege to have someone like Representative Chen representing the Republic of China, a free democratic and sovereign country, which deserves a much strong presence in the world.

## HONORING RADX TECHNOLOGY IN THE FIGHT AGAINST BREAST CANCER

### HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Sunday, November 9, 1997*

Mr. BENTSEN. Mr. Speaker, I rise to recognize the tremendous contribution RADX Technology of Houston has made in the battle against breast cancer.

In October, we celebrated Breast Cancer Awareness Month, which included highlighting efforts by medical providers, community organizations, and businesses to ensure that all women have access to the breast cancer screening and treatment they need. It is particularly gratifying to acknowledge the efforts of the management and employees of RADX Technology, whose generosity is helping achieve this goal and save lives.

RADX has donated a new, more cost-effective mammography screening system to The Rose Diagnostic Clinic, which will help The Rose tremendously in its life-saving mission of providing affordable and accessible breast cancer screening to all women regardless of their ability to pay. This new machine, the mammoscope, has great potential to save lives because it will reduce the time between screening and diagnosis.

The Rose, a non-profit organization under the leadership of founder Dr. Dixie Melillo and executive director Dorothy Weston, operates three neighborhood clinics in the Houston area. Since it was founded in 1986, The Rose has performed more than 72,000 procedures, with 6,030 women receiving services free through The Rose Sponsorship Program for medically underserved women.

The Rose is always seeking to expand the reach and quality of its services, and it depends on the generosity of paying patients and community and business contributors to do so. RADX, which builds viewing systems for general radiography and mammography films, has helped meet a crucial need with a donation of the mammoscope, an $18,000 device. Kathryn Earle, RADX purchasing manager, proposed the project after reading about The Rose and recognizing they would need to be able to read multiple mammograms efficiently to continue to increase their patient load. Using the mammoscope, The Rose will be able to increase the productivity of radiologists for both screening and diagnosis.

This project was a hands-on team effort of virtually all 60 RADX employees from management team members to warehouse works. The mammography viewing system was built

from scratch by employees volunteering their time after hours and on weekends. RADX approached key suppliers to donate items for the project. Even the transportation of the system to The Rose was donated.

I congratulate all involved in this vital project, including executive director James Hinds and purchasing manager Kathryn Earle of RADX and Dr. Dixie Melillo and executive director Dorothy Weston of The Rose.

The value of the mammoscope and this partnership between The Rose and RADX cannot be overstated. One in 8 women can expect to develop breast cancer during her lifetime, and one in 28 women will die from it. Every 15 minutes, a woman dies from breast cancer. During this decade, it is estimated that more than 1.8 million women, and 12,000 men, will be diagnosed with breast cancer. Nearly half a million will die of this disease. Such statistics can be numbing, but they are all too real to those of us whose families have been affected by breast cancer.

But the saddest fact of all is that so many of these deaths are preventable. With the exception of skin cancer, breast cancer is the most survivable of cancers and when detected in its earlier stages, it has a 95 percent survival rate. So it is vital that women conduct regular breast self-examinations and obtain regular mammograms.

Because of The Rose and the tremendous generosity of RADX and its employees, more women will be able to get the screening and treatment they need. And most importantly, more lives will be saved.

## RESOLVING THE CREDIT UNION MEMBERSHIP CONTROVERSY:

## HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Sunday, November 9, 1997*

Mr. LAFALCE. Mr. Speaker, I am inserting for the RECORD a draft bill entitled, the ''Credit Union Growth and Improvement Act.'' As I have explained elsewhere in remarks today, I am not introducing this legislation at this time. Rather, I am offering it for the consideration of my colleagues as a framework for future action, if legislation is needed. I also encourage the parties involved in the controversy over credit union membership to consider this proposal as a basis for possible compromise that can avoid years of continued litigation.

A discussion draft of the bill follows:

H.R.—

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Credit Union Growth and Improvement Act''.

**SEC. 2. DEFINITION OF MEMBERSHIP.**

Section 109 of the Federal Credit Union Act (12 U.S.C. 1759) is amended—

(1) in the 1st sentence—

(A) by striking ''Federal credit union membership shall consist of'' and inserting ''(a) IN GENERAL.—Subject to subsection (b), Federal credit union membership shall consist of''; and

(B) by striking '', except that'' and all that follows through the period at the end of such sentence and inserting a period; and

(2) by adding at the end the following new subsection:

''(b) MEMBERSHIP FIELD.—

''(1) IN GENERAL.—Except as otherwise provided in paragraph (2), the membership of any Federal credit union shall be limited to—

''(A) 1 or more groups—

''(i) each of which has (within such group) a common bond of occupation or association; and

''(ii) each of which has the principal location of such group within the same well-defined and limited community or rural district; or

''(B) groups within a well-defined community, neighborhood, or rural district.

''(2) EXCEPTIONS.—In the case of any Federal credit union whose field of membership is determined under paragraph (1)(A), clause (ii) of such paragraph shall not apply with respect to—

''(A) any such credit union the field of membership of which is limited to the employees of a single employer, such as a large corporation or a government agency or department, which has places of employment in more than 1 geographical location;

''(B) any group described in clause (i) of such paragraph which—

''(i) does not meet the requirement of clause (ii) of such paragraph; and

''(ii) was admitted to membership in such credit union before October 25, 1996; or

''(C) any credit union the membership of which is transferred to another credit union in any merger or consolidation undertaken by the Board, as conservator or liquidating agent, or any appropriate State credit union supervisor.''.

**SEC. 3. GEOGRAPHICAL GUIDELINES FOR FIELD OF MEMBERSHIP APPROVAL.**

Section 109 of the Federal Credit Union Act (12 U.S.C. 1759) is amended by inserting after subsection (b) (as added by section 2 of this Act) the following new subsection:

''(c) REGULATIONS REQUIRED.—

''(1) IN GENERAL.—The Board shall prescribe regulations to carry out clause (ii) of subsection (b)(1)(A).

''(2) CRITERIA FOR IMPLEMENTING GEOGRAPHIC REQUIREMENTS.—The criteria established by the Board for purposes of carrying out the requirements of subsection (b)(1)(A)(ii), and the factors taken into account by the Board in making any determination under such subsection, may differ from the criteria established by the Board for purposes of carrying out the requirements of subsection (b)(1)(B) and the factors taken into account by the Board in making any determination under such subsection.

''(3) LIMITED EXCEPTION FOR UNDERSERVED AREAS.—Notwithstanding clause (ii) of subsection (b)(1)(A), in the case of a Federal credit union described in such subsection the Board may allow the membership of the credit union to include a group the principal location of which is not the principal location of any of the other groups comprising the membership of such credit union if the Board determines that the community or rural district in which group is located—

''(A) is not served by other credit unions; and

''(B) is underserved, based on data from other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), by other depository institutions (as defined in such section).''.

**SEC. 4. CRITERIA FOR APPROVAL OF EXPANSION OF MEMBERSHIP.**

Section 109 of the Federal Credit Union Act (12 U.S.C. 1759) is amended by inserting after subsection (c) (as added by section 3 of this Act) the following new subsection:

''(d) CRITERIA FOR APPROVAL PROCESS.—The Board may not approve any application by a Federal credit union to include any additional group within the field of membership of such credit union unless the Board determines that—

''(1) such credit union has not engaged in any unsafe or unsound practice (as defined in section 206(b)) during the 1-year period preceding the filing of the application;

''(2) the credit union has adequate reserves against losses on current loans and potential losses associated with the expansion of the membership;

''(3) the credit union has the administrative capability to serve the proposed membership group and the financial resources to meet the need for additional employees and fixed assets to serve the new membership group;

''(4) the credit union is meeting the need for credit and services of the current membership of the credit union according to standards established, by regulation, by the Board that take into account—

''(A) the number and types of groups already included within the membership of the credit union;

''(B) the penetration rates for such groups;

''(C) the type and number of services provided by the credit union to members;

''(D) the average loan-to-share ratio of the credit union;

''(E) the adequacy of the marketing strategy of the credit union; and

''(F) such other factors as the Board determines to be appropriate;

''(5) the expansion of the field of membership of the credit union to include the proposed group will not result in—

''(A) serious competitive injury to another insured credit union serving the same community or rural district in which group is located; or

''(B) unreasonable competition for other depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) serving the same community or rural district; and

''(6) the credit union has met any additional requirements as the Board may prescribe in regulations.''.

**SEC. 5. CRITERIA FOR APPROVAL OF EXPANSION OF MEMBERSHIP.**

Section 109 of the Federal Credit Union Act (12 U.S.C. 1759) is amended by inserting after subsection (d) (as added by section 4 of this Act) the following new subsection:

''(e) INDIRECT MEMBERSHIP RESTRICTIONS.—

''(1) EMPLOYEE-BASED GROUPS.—The Board may not approve any application by any existing Federal credit union described in subsection (b)(1)(A) to expand the membership of such credit union to include a group consisting of more than 1,000 employees of any business or group of related business.

''(2) OCCUPATION-BASED GROUPS.—The Board may not approve any application by any existing Federal credit union described in subsection (b)(1)(A) to expand the membership of such credit union to include a group consisting of more than 2,000 persons who have a common bond of occupation.

''(3) ASSOCIATION-BASED GROUPS.—The Board may not approve any application by any existing Federal credit union described in subsection (b)(1)(A) to expand the membership of such credit union to include a group consisting of more than 5,000 members of a nonoccupation-based association or nonprofit organization.

''(4) NEW CREDIT UNION.—Any group described in paragraph (1), (2), or (3) may be included in the field of membership of a Federal credit union at the time the credit union organization certificate of such credit union is submitted for approval to the Board under section 104.

''(5) EXCEPTIONS.—Paragraphs (1), (2), and (3) shall not apply to—

''(A) any group which was admitted to the membership of a Federal credit union before October 25, 1996;

''(B) the merger of 2 or more credit unions; and