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NOT A HEARTBREAK HOTEL  
(By Ralph Nurnberger)

The day before he left for his official visit to the United States, Yasser Arafat presided over the groundbreaking ceremony for a Marriott Hotel to be built on the beachfront in Gaza.

This project says, symbolically, that the Middle East peace process might, finally, produce tangible benefits for the people in the area, especially through direct involvement of the private sector. The construction and later operation of this hotel will provide employment for hundreds of Palestinians. It will contain a modern commercial center to enable international visitors and Palestinians to conduct business as it is done elsewhere in the world. The project will include a self-contained telecommunications center for international calls, faxes, and e-mail as well as excess telephone capacity for the local market.

This project will be the first major American private sector involvement in Gaza. The total investment will be approximately six times more than all other American investments in Gaza—combined!

While diplomatic achievements are essential, the real test of the peace process is how it affects the daily lives of Israelis and Palestinians. If substantive and visible improvements do not result, no international agreements can succeed. For the majority of Israelis, the key element is security. Israelis must feel safe riding buses, shopping in malls, and sending their children to schools. If random acts of violence occur, they must be assured that the Palestinian Authority will work with Israeli officials to find and prosecute the terrorists.

PEACE DIVIDEND: LOWER INCOMES

Although more Israelis have been killed through terror attacks since the Sept. 13, 1993, signing than in any comparable period, it appears that the Palestinians finally understand their responsibility to work with Israelis to enhance security concerns. The test for most Palestinians is whether the peace accords will result in an improved quality of life. Developing a thriving economy that provides new employment opportunities will not only minimize hatreds and tensions, but will also bring about the promise of a new life.

Rather than growing to absorb these workers, the Palestinian economy has declined over the past two years. Thus, workers have fewer opportunities to find employment within Palestinian areas. The unemployment rate in Gaza, always high, is now estimated at approximately 50 percent, with the rate in the West Bank estimated at 30 percent. Unemployment is highest among young, single men—the most likely recruits for terror-oriented groups.

BIG AID PLEDGES, LITTLE FOLLOW-THROUGH

The US hosted an international meeting on Oct. 1, 1993, at which \$2.4 billion in assistance to the West Bank and Gaza was pledged. Most of these funds have not been delivered or have been diverted from long-term projects to emergency programs and costs of running the Palestinian Authority.

The United States committed \$500 million, of which \$75 million annually for five years is managed by the Agency for International Development (AID). The other \$125 million was to come from the Overseas Private Investment Corporation (OPIC) to assist American investors through a combination of loans, loan guarantees, and political risk insurance.

AID has assisted a number of worthwhile projects, including \$12 million for construc-

tion of six housing units with 192 apartments in Gaza called Al Karam Towers. AID is also helping to improve uses of scarce water resources and assisting private sector economic growth through technical assistance, training, loans to local firms, and establishment of industrial parks. But AID funds have been diverted from long-term projects to help in establishing Palestinian self-rule. For example, AID committed \$2 million to support local elections in the West Bank and Gaza, and to assist Palestinians in promoting more responsible and accountable governance.

AID has minimized help for the agricultural sector, the one area where Palestinians could immediately develop profitable exports, especially under a new Free Trade Agreement with the US. Allocating additional funds to farm exports would be cost efficient.

OPIC made a major effort to seek private sector projects to assist or insure. But most private investors have avoided Gaza, so OPIC funds committed to date have been modest.

Mr. Arafat would be wise to stress the solving of such economic problems as a prime way to reduce tensions, improve the quality of life, and enhance opportunities for peace. He should build on momentum from the hotel project and stress the need for private sector involvement in the Palestinian economy.

THE IMPORTANCE OF ORPHAN  
DRUG RESEARCH

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mrs. JOHNSON of Connecticut. Mr. Speaker, I am pleased to introduce today, along with my distinguished senior colleague from the Ways and Means Committee, ROBERT MATSUI, the orphan drug tax credit of 1997, legislation to extend this credit permanently. Similar legislation was recently introduced in the Senate by Senators ORRIN HATCH and MAX BAUCUS.

In 1983, the Congress enacted legislation that granted a 50-percent tax credit to biomedical research companies for the clinical testing of drugs used to treat rare diseases with limited commercial potential, commonly referred to as orphan drugs. Because the process of research, development, and approval for new pharmaceuticals is so costly, the small market for a drug discourages drug companies from undertaking it. Often, drugs designated as orphan drugs are for conditions that affect as few as 1,000 persons in the United States. This means that without some incentive there is simply no possibility for a firm to profit from its decisions to develop drugs that treat these diseases.

This legislation, in conjunction with orphan drug market exclusivity, has been successful in encouraging the type of narrow research critical to finding answers to the many questions posed by rare diseases. Currently, there are approximately 600 drugs that have received orphan drug designation and more than 100 of those have been approved for marketing. Because of the orphan drug legislation, we now have drugs to treat such diseases as cystic fibrosis, hepatitis B, multiple sclerosis, renal cell carcinoma, and pituitary dwarfism.

The bill we are introducing today would make the orphan drug tax credit, which is set to expire May 31, 1997, permanent. Uncer-

tainty over the future of the tax credit has caused a significant decline in the investment of capital in the biotechnology industry. The bill would also maintain a change made to the credit in last year's legislation to allow companies to carry the tax credit back or forward pursuant to section 39 of the Internal Revenue Code. Most of the companies engaged in research or orphan drugs do not qualify for the tax credit. Under current law, a company can only claim a credit against their current year tax liability. Since most companies involved in orphan drug research are biotechnology firms that are still developing and have yet to market a product, they have no tax liability against which to claim the tax credit. This structural change would allow a developing company, such as a biotechnology firm, to use the tax credit at such time that it had a tax liability.

I am pleased to note that this bill is endorsed by leading patient groups and national organizations including; the Biotechnology Industry Organization, the National Organization for Rare Disorders, Inc. [NORD], the National Multiple Sclerosis Society, and the Leukemia Society of America.

I urge my colleagues to support this important legislation and I look forward to its prompt approval by the Congress.

FRANCHISE BILL OF RIGHTS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mr. ACKERMAN. Mr. Speaker, I am calling to the attention of the Congress today legislation that I have introduced which would ensure that franchisees be guaranteed their fair and equitable rights for the franchises that they have developed through extraordinary work and sacrifice. Our main streets through out America are populated by a wide variety of franchises today. They are a significant component of businesses for working families and in middle-income communities. These businesses are also threatened due to the inequitable balance of power between the franchisee and franchisor.

Franchisors should not be allowed to simply pull the rug out from under franchisees who have been working diligently and successfully in promoting the parent company's product. Some value must be assigned to the years of hard work, expertise, and equipment that has been invested in the franchise business. Current law, both at the State and Federal level, does not sufficiently address this problem.

The current crisis facing the Canada Dry and Coors distributors in the New York metropolitan area is a very clear illustration of this problem and over 300 jobs could be lost for our region if the rights of franchisees are not protected. After building up distribution routes for Canada Dry and Coors over many years, and investing up to \$250,000 per distribution route to buy the equity rights to their franchises, these distributors now face the termination of their livelihoods. The parent companies in New York have now taken the position that the distributors own nothing, despite their prior commitment to the distributors that they had equity ownership. The distributors deserve much of the credit for making these routes more profitable. This legislation would make it

unlawful for franchise companies to sell franchises and distributorships, and then take back those franchises without fair compensation.

Franchises employ more than 8 million people nationwide, and account for more than 35 percent of U.S. retail sales. Current trends suggest this explosion will continue, providing a certain urgency to our cause to correct inequities and unfair trade practices sooner, rather than later.

Many issues deserve exploration such as proper disclosure by franchisors and parent companies. Our basic goal, however, should be to prevent unfair practices that do not properly recognize or compensate for the equity ownership rights that many franchisees and distributors have in their franchises, and ultimately devalue franchising as a successful way of conducting business.

#### TRIBUTE TO DR. O.C. SMITH

### HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mr. DIXON. Mr. Speaker, on Saturday, April 19, the men's club of the City of Angeles Church will sponsor a roast of church pastor, Dr. O.C. Smith. Dr. Smith, better known to many as the multiple Grammy nominee and singer of the million seller standard, "Little Green Apples," is the founder of the City of Angeles Church of Religious Science. In recognition of his numerous contributions to the church and to the Los Angeles community, and in appreciation of his lasting contributions to the music industry, I am pleased to have this opportunity to recognize Dr. Smith today.

Prior to embarking on his legendary musical career, O.C. attended and graduated from Southern University in Baton Rouge, LA, earning a degree in psychology. Following graduation, he entered the U.S. Air Force and Special Services, where as an entertainer he toured bases all over the world. Looking to break into the music business after his tour with the Air Force had ended, O.C. settled in New York City. During the winter months, he made the rounds in many of the small clubs in the city, giving nightly performances. In the summer months, he would travel to the renowned "Borsch Belt" hotels in the Catskills, where he entertained audiences with some of his most soulful hits.

O.C.'s big break occurred when he learned that the great Count Basie was looking for a replacement for the legendary Joe Williams. O.C. was selected and for the next 3 years, he toured with the "Count" developing a huge, loyal following throughout the United States. He left Basie's orchestra to pursue a solo career and struck gold with his memorable hits of "Little Green Apples," "Hickory Holler's Tramp," and "Daddy's Little Man." He sang the theme song from the motion pictures, "The Learning Tree," and "Shaft's Big Score." Other well known hits of his include "Help Me Make It Through the Night," "For the Good Times," "That's Life," "Don't Misunderstand," "Dreams Come True," and "What 'Cha Gonna Do."

Several years into his highly successful musical career, Dr. Smith opted to redirect his career focus to the ministry. He felt a great need

to assist humanity and with his background in psychology, determined that the ministry would be the perfect place to impact the lives of his fellow brothers and sisters. After years of studying the ministry, he emerged to found the City of Angeles Church of Religious Science in 1985. Shortly thereafter, he founded the Children's Charities and Scholarship Foundation, thereby fulfilling a lifetime commitment to creating a viable organization dedicated to helping children. In the ensuing years, the church and its foundation have made innumerable contributions to the Los Angeles community.

Dr. O.C., as he is affectionately known by his congregation, continues to give concert performances and ministers to people throughout the world. Because of his commitment to humankind, he serves as a perfect role model for individuals—both young and old. I am proud to have this opportunity to commend him for his distinguished contributions to our society, and on behalf of the citizens of the 32d Congressional District, I salute him and wish him many more years of sweet, soulful music and fellowship as he continues to provide outstanding leadership as the spiritual head of the City of Angeles Church of Religious Science.

#### COMPREHENSIVE HIV PREVENTION ACT OF 1997

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mrs. MORELLA. Mr. Speaker, today I am introducing legislation, along with Congresswoman NANCY PELOSI and more than 100 of our colleagues, to provide a comprehensive approach to HIV prevention.

Our country faces 40,000 new HIV infections each year. The HIV epidemic is leaving no population untouched, and it is spreading particularly rapidly among our young people, women, and people of color. Women are the fastest growing group of people with HIV; AIDS is the third leading cause of death in women ages 25 to 44. Low-income women and women of color are being hit the hardest by this epidemic. African-American and Latina women represent 75 percent of all U.S. women diagnosed with AIDS.

Our bill authorizes funding for family planning providers, community health centers, substance abuse treatment programs, and other providers who already serve low-income women, to provide community-based HIV programs. These provisions were part of my women and AIDS prevention bill from the last Congress. Our bill also creates a new program to address concerns about HIV for rape victims.

The legislation also authorizes programs to build on the HIV Prevention Community Planning Process implemented by the Centers for Disease Control and Prevention in 1994. Similar provisions were included in previous legislation introduced by Congresswoman PELOSI, who worked to reform the CDC prevention programs and to develop the community planning process. This process has ensured that States and local health departments, in partnership with community planning groups, make the decisions on how best to target their

prevention dollars. The epidemic varies from State to State, and from locality to locality. What works best to prevent HIV infections in San Francisco may not be what is most effective in Baltimore. This local approach is consistent with efforts to place decisionmaking in the hands of states and localities, rather than pursuing a one-size-fits-all solution.

In my work focusing on the needs of women in the HIV epidemic, the effectiveness of community-based prevention programs has been demonstrated time and time again. Providers with a history of service to women's communities understand that prevention efforts must acknowledge and respond to the issues of low self-esteem, economic dependency, fear of domestic violence, and other factors which are barriers to empowering women.

Our bill is a comprehensive approach to HIV prevention. I urge my colleagues to join us as cosponsors of this important legislation.

#### HONORING JOSIE POITIER FOR 39 YEARS OF OUTSTANDING AND CONTINUED SERVICE TO THE COMMUNITIES WITHIN DADE COUNTY

### HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mrs. MEEK of Florida. Mr. Speaker, it is my pleasure to recognize Josie Poitier, from Liberty City, who has contributed greatly to the communities of my district. For 39 years, Ms. Poitier has volunteered her time, effort, and hard work creating many programs that have helped unite the community. She is an outstanding individual who has generated respect, helped shape community pride, and manifested hope that was once lost.

The Miami Herald recognized Josie Poitier in an article titled "Building Bridges Between Communities," published January 20, 1997, which commemorated her honorable civic service. I would like to submit a portion of this inspiring article for the RECORD.

"Every morning," says Josie Poitier, "I go outside to pick up my paper and I look up at the sky and pray, 'Lord, let me help somebody today.'"

For the last 39 years, Poitier has found plenty of people to help—from senior citizens who had never been on an airplane until she took them to the Bahamas, to the people from a myriad of heritages she invites to her now famous Good Friday/Passover brunch to share in a spirit of community.

And that's only two of the projects of her page-long list that includes: coordinating a holiday turkey meal for the elderly at St. Mary's Towers, pulling together an anti-drug workshop for 18 inner city schools, making sure her neighborhood's lights are all working properly and promoting scholarships and a college education for black youth.

Ask her why she does it, why she runs so hard, and Poitier will tell you it's because the elderly are lonely and their children are too busy to visit, and because, in South Florida, there's a need to build "a bridge between people."

"This opened a lot of avenues," she says of the brunch that started at her Liberty City home 11 years ago and has grown to 200 people who gather at Holy Redeemer Catholic Church. "Everyone comes together as one, like a family."