

EXTENSIONS OF REMARKS

INTRODUCING THE FAIR CARE FOR THE UNINSURED ACT

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 25, 1999

Mr. ARMEY. Mr. Speaker, today, I am introducing the Fair Care for the Uninsured Act, a bill to give the nation's 44 million uninsured a refundable tax credit of \$1,000 per adult and \$3,000 per family for the purchase of private health insurance.

Right now, there are 44 million uninsured people. That number is growing by 100,000 a month. A decade from now, it could be 53 million, or 60 million if the economy softens.

Most of these people are young, healthy, working people. Many are employed in small businesses. Many don't have full-time positions. Indeed, one recent study estimates that in California, nearly 40 percent of Hispanics are uninsured—40 percent.

There's something wrong when the richest nation on earth, with the best health-care system in the world, the lowest poverty, and the highest employment, has a constantly growing percentage of its population going without medical-expense protection, either because it is unavailable, unaffordable, or undesirable.

Nowadays, the Democrats seem more eager to pile new mandates on health insurance than to help people who don't have any. In our haste to protect patients from HMO abuses—and we'll take up a bill on that subject in the House next month—we should never forget about what mandates and higher costs mean for the millions of Americans who don't even have the first patient protection, health insurance coverage.

It's both for those who lack coverage, and those who dislike their coverage, that I'm introducing this bill. I think we can offer better solutions for the uninsured, help end frustrations with HMOs, and preserve the high quality of American medicine, all at the same time. How is this possible? By shifting more choice and control to individual patients, so they can take more responsibility for their health care—and take their business elsewhere when dissatisfied.

It's no secret why people are frustrated with work-based coverage today, or why they're calling on Congress for relief. Virtually all of today's problems in health care can be traced back to one source, the lack of a consumer-driven market. And the main culprit behind that problem is the tax code.

Millions of Americans are innocent victims of what I call the Health Penalty Tax. They're actually punished for trying to buy their insurance on their own, outside the workplace. Just as the Marriage Penalty Tax punishes people for doing the right thing and getting married, the Health Penalty Tax punishes people for doing the right thing and buying their own health insurance. This tax falls hardest on low-income, part-time, and contract workers, and the unemployed. That's not fair. But we can remedy this injustice.

The bill I'm introducing today would create a refundable tax credit of \$1,000 per adult, \$500 per dependent, and a maximum of \$3,000 per family, for the purchase of private health insurance. It would be available to people who don't get their coverage through the workplace or a federal government program. People could use their credit to shop for a basic plan that best suits their needs and is portable from job to job. If they want more generous coverage, they could buy it with after-tax dollars. And of course the states could supplement the credit.

Let's think about what this reform would do. For one thing, it would give 44 million uninsured Americans access to a modest level of private health coverage. It would give them access to insurance that's portable. And it would give them a real choice of plans. Best of all, it would give them the power to keep their doctor and fire their HMO, instead of the other way around.

We shouldn't stop there, of course. We should give consumers additional tools—I'm thinking of innovative ideas like medical savings accounts, healthmarts, association health plans, and medical-malpractice reform. We should also encourage state-based "high-risk" pools to act as charitable safety-nets for people who are too sick to insure at any price. In combination with the Fair Care credit, these market-oriented reforms would go far toward creating a true consumer-driven marketplace in the 21st century.

Some say we can't afford to restore tax fairness for the uninsured. I say we can't afford not to. If the wealthy CEO is going to receive government-subsidized health care, then so should the waitress earning the minimum wage. Period.

Tax fairness is a nonpartisan idea. Even my liberal colleague from California, Mr. Stark, agrees we should use the tax code to help the uninsured. In fact, just the other day he and I published a joint opinion piece in the Washington Post on this very topic. It appeared on page A41 of the Washington Post of Friday, June 18, 1999. I would like to take the liberty here of quoting that article in full.

"MEDICAL COVERAGE FOR ALL: THE ULTIMATE CONGRESSIONAL ODD COUPLE WEIGHS IN
(By Dick Armey and Pete Stark)

"We may be the ultimate congressional odd couple. We seldom agree on anything. But on this we do agree: Congress should act now to help the 43 million Americans who have no health insurance.

"The ranks of the uninsured are growing by 100,000 a month. And this is happening during a time of strong economic growth, despite continuing congressional attempts to expand coverage. Imagine what will happen come the next economic downturn.

"For individuals being uninsured is a problem because too often it means health care forgone, small warning signs ignored and minor illnesses allowed to become costly crises. It's a problem for families because unpaid medical bills are a leading cause of personal bankruptcy. And it's a problem for the nation because uncompensated care is an unfair burden on doctors, hospitals and taxpayers.

"Why is the problem growing? Because Americans are increasingly unable to get coverage through their jobs. With health premiums going up, employers are bearing a smaller share of those premiums, and the work force is becoming increasingly mobile, and part-time. More and more people find themselves working in places where coverage is either unavailable, unaffordable or undesirable ("one crummy HMO"). And when these workers try to buy insurance outside their jobs, they lose a generous tax break, making coverage that much less affordable.

"Indeed, today's tax code discriminates against not only insurance purchased outside the workplace but also lower-paid, part-time and small-business workers. The highly paid CEO gets a more lavish health-care tax break than the waitress earning the minimum wage.

"These problems cry out for remedy. And happily, a bipartisan remedy is available. We think Congress should create a new refundable tax credit to enable all Americans to buy decent health coverage.

"Properly designed, such a credit could bring about near-universal coverage without new mandates or bureaucracy. It would eliminate barriers the uninsured face in today's system, enabling them to shop for basic coverage that suits their individual needs and is portable from job to job.

"To be successful, the credit would need to be sufficiently generous to buy a decent policy; available to those who owe no tax liability; and, to prevent fraud, paid directly to insurers or other entities, not to individuals.

"Would the existence of such a credit prompt some employers and employees to drop workplace coverage? Unavoidably. But job-based coverage is already eroding. And the erosion can be minimized by making the credit less attractive than most company plans.

"To be sure, we don't want to end workplace coverage. We do want to permit a gradual transition to a world in which individuals are free to obtain the kind of insurance they want, regardless of where it's purchased.

"What amount is 'sufficiently generous'? That's open to debate. But we note that \$3,600 per family is roughly the amount the federal government spends on its own employees' families.

"Obviously this proposal would produce a revenue loss of tens of billions a year, risking a return to deficits. So how do we 'pay' for it? Well, a portion of the surplus could be used. And we note that reducing the numbers of the uninsured would free billions in current federal cross-subsidy programs.

"Admittedly, a tax credit can't help people who are too sick to insure at any price. Although we differ, fairly strongly, about the best way to help such people, we agree a reasonable way can be found to do so, and we'll keep looking for it. (Rep. Stark would prefer to get insurers to take all customers at a common price, regardless of health status. Rep. Arney would set up 'high-risk pools' to subsidize sick people's coverage in the 22 states that haven't already done so.)

"Too often, when Congress turns to health issues, it ends up applying legislative Band-Aids. It's time to address underlying causes. The biggest health problem facing the country is the uninsured. The tax code can be used to help them. We urge a bipartisan consensus to do so."

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I urge my colleagues to cosponsor this legislation.

CONGRATULATING CALIFORNIA
FAMILY BUSINESS AWARD FI-
NALISTS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 25, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the Finalists for the first ever California Family Business Award. Ten Businesses from Bakersfield to Atwater are among the finalists.

Alert-O-Lite, Inc. in Fresno, provides traffic control and construction supply sales and rentals, and also operates a sign division, Signmax! The company has grown rapidly since its founding in 1971 by Eddie Hunsaker and Jake Jensen. Hunsaker bought out his partner in 1979 and brought his four children as partners in 1981. Revenues have doubled in the last seven years, and the company currently has three locations and 27 full-time employees. Alert-O-Lite was presented with the Top 5 Business Award in 1996.

Droogh Dairy in Lemoore, presently milking 1,100 cows with a herd size of 2,200, was founded by Case Droogh and his wife Corrie. They started in the dairy business in 1953 with a small farm in Paramount, California and several years later built a dairy with a herd size of 350 in Chino. They moved their dairy from Chino to Lemoore in 1974. In 1987 they remodeled to accommodate more than 1,000 cows and added a state-of-the-art milking system, fully computerized machines, and 5,000 acres of farmland for growing feed.

Ennis Homes in Porterville develops and builds single family and multifamily residential housing and professional offices and commercial complexes in the Central Valley. The company has grown tremendously in the past five years, with developments in Porterville, Tulare, Handford and Bakersfield. In 1995 it was named "Builder of the Year" by the Building Industry Association of Tulare and Kings County. Ennis Homes, founded in 1979 by Ben Ennis and his wife Roberta, was known as Ennis Development Corporation until March 1998.

Gray Lift, Inc. in Fresno, which provides material handling equipment, was established in 1957 by John L. Waugh, Sr. and Will Gray. From a single location in Fresno with nine employees and five service vehicles, it presently operates throughout 14 counties with approximately 160 full-time employees and more than 70 service vehicles. It has added branches in Bakersfield, Santa Maria and Manteca, California. Three new divisions have been created since 1985; Forklift Wholesale Co., Warehouse Systems, and Construction Rental Services.

Grimmway Farms in Bakersfield is a fully integrated carrot and processed operation, from planting and growing to packing, processing and marketing. Grimmway harvests carrots from a total of 40,000 acres annually, with nearly half of the acreage devoted to "baby" carrots. The cut-and-peeled carrots account for more than half of the total dollar volume. To provide their buyers with year-round supplies, the company sources carrots from Ba-

kersfield, Lancaster, the Imperial Valley and the Cuyama area in California, as well as Colorado.

Hester Orchard, Inc. in Visalia grows plums, walnuts, and oranges, dehydrates walnuts and pecans, and provides compost spreading and truck services. The farming operation started in 1940 with John Hester and his wife Ruth. In 1980, Hester Farms built a permanent office site to meet its growing needs. It is now farming 710 acres of owned and leased property in permanent tree crops. Commercial services include walnut harvesting; walnut hulling and drying at the rate of 220 tons per day; pecan hulling and drying; rental of dry storage space; and trucking.

Horstmann Financial and Insurance Services in Fresno has been providing life insurance services to Valley residents since 1958. John E. Horstmann is the founder of the company and is run by two generations of the family. In 1990, John Horstmann and seven other estate and business planners from across the country founded a national resource center for estate and business succession planning, based in Dallas. From the original eight members, the group has grown to include more than 100 professionals.

J.D. Heiskell & Co. in Tulare, has been in operation since 1886. They recently were named the highest volume single feed production facility in the United States, with nearly twice the volume of its nearest competitor. It was started by Jefferson Davis Heiskell as a branch of the Farmer's Union Warehouse Company of Stockton. Heiskell supervised the construction and operation of the Tulare Warehouse and a subsequent one in Delano. A decade later he bought the grain storage facility and later expanded into grain sales. In 1972, J.D. Heiskell and Co. built a modern computer-operated feed mill on its property. The company also owns and operates retail farm stores in Tulare, Visalia and Porterville. It is in its fourth generation of family operation.

Joseph Gallo Farms in Atwater operates 12,000 acres of land, raising five varieties of wine grapes, dairy cattle, dairy feed and cheese. It was founded in 1946 by Joseph Gallo, who owns Joseph Gallo Farms with his son Michael, CEO, and daughter Linda Gallo Jelacich. Gallo started out growing wine grapes, then cultivated other crops, as well as cattle, for market. The farm moved into milking in 1979, built a cheese-processing plant in 1982, began generic cheese processing in 1983, and developed the Joseph Farms brand in 1984. Joseph Farms, which processes approximately one million pounds of milk daily into award winning cheese, is presently the largest selling, California-brand retail cheese. It is sold in more than 20 states and in Mexico, the South Pacific, Guam, the Caribbean, and Japan.

Lyles Diversified, Inc. in Fresno, is involved in shopping center and business park developments, real estate rental operations, underground pipeline and utility construction, heavy concrete and mechanical construction, manufacturing of closed circuit television surveillance equipment, and agricultural operations. The business was started as a proprietorship in 1945 by W.M. Lyles and Elizabeth V. Lyles, as a contractor specializing in oil field underground pipelines. It soon expanded into other types of underground construction; added orchard in 1974; started acquiring apartment complexes in the early 1970's, and later

added office and hotel properties; and in the mid to late 1970's began to develop land for industrial and commercial use. It has grown into an organization consisting of Lyles Diversified, Inc., seven subsidiary corporations, and numerous partnerships. Three generations of Lyles family members currently are involved.

The winner of the California Family Business Award was J.D. Heiskell & Co. These businesses have all shown tremendous growth and achievement. I urge my colleagues to join me in wishing J.D. Heiskell & Co. along with the finalists, many more years of continued success.

S. 1196 A BILL TO IMPROVE THE
QUALITY, TIMELINESS, AND
CREDIBILITY OF FORENSIC
SCIENCE SERVICES FOR CRIMI-
NAL JUSTICE PURPOSES

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 25, 1999

Mr. BISHOP. Mr. Speaker, I rise to day to urge my colleagues to support a bill I introduced yesterday which will improve the quality, timeliness, and credibility of forensic science services for criminal justice purposes. I proudly sponsored the House companion to this bill.

With passage of this bill, the Congress will affirm to our law enforcement professionals that we care enough to provide them with the expertise that they need to do their jobs in an expeditious manner.

Across the country, state and local crime labs, Medical Examiners' and Coroners' offices face alarming shortages in forensic science resources. We see and hear of great advances in technology in all aspects of our lives. Yet, in my State of Georgia, the Georgia Bureau of Investigation headquarters in Decatur, Georgia must still catalog its cases manually. This is not right, Mr. Speaker. Our forensic labs lack the funding to create computer networks that would connect not only their forensic equipment with internal computers, but would also allow them to share information with crime labs across the country.

In a 1996 national survey of 299 crime labs, it was found that 8 out of 10 labs have experienced a growth in their caseloads which exceeds the growth in their budget. Crime data need to be processed using the latest technological advances, in an expeditious a manner as possible to ensure that all parties; interest are served.

The National Forensic Science Improvement Act has been endorsed by organizations such as the National Governors Association, the National Association of Attorneys General, the Association of State Criminal Investigative Agencies, and the International Association of Chiefs of Police.

This is common sense legislation Mr. Speaker. I urge all my colleagues to cosponsor and support this bill when it comes to the floor.