

the national goal of a decent home and a suitable living environment for every American family. We believe, as do most Americans, that this nation is capable of achieving this worthy goal.

However, we have a long way to go. Even while most Americans are thriving in our remarkably healthy economy, many families still struggle with excessive housing costs and insufficient income to meet basic needs. Over 9,000,000 very low income households pay more than half of their income for housing. The 1999 report by the Joint Center for Housing Studies at Harvard, *The State of the Nation's Housing*, clearly documents the paradox of record accomplishments in housing production and home ownership while rents are increasing faster than wages. Nowhere in the country can a household with one full time minimum wage earner afford basic housing costs. Families who apply for housing assistance wait longer than they ever have before, and in many communities, waiting lists are closed indefinitely.

We believe that a time when we are celebrating bountiful budget surpluses is also the time to address our severe national shortage of affordable housing. This can best be done by strengthening the proven federal housing and community development programs that lift up low-income Americans. There is ample evidence that housing assistance helps low income families gain the housing stability that is necessary for family members to succeed at work and in school.

Unfortunately, the action of the House Appropriations Committee last week weakens our housing and community development programs. Rather than building on the success of our economy by extending its rewards to more and more people, the Committee moved us backwards by failing to fully fund the President's FY2000 HUD budget request. The bill cuts CDBG, HOME, HOPWA, Public Housing Operating Fund, and Homeless Assistance, among others, and does not fund a single new housing voucher.

We find it inconceivable that in this period of extraordinary economic prosperity that Congress continues to purport that we are unable to fund modest expansions of programs that improve the housing and economic opportunities of low wage earners and people on fixed incomes. The substantial tax cuts that are under consideration in the House will not improve the housing circumstances of low income people, but more housing assistance will.

We urge you to vote against the HUD-VA-IA Appropriations bill when it comes to the full House. We are capable of doing much better.

Sincerely,

ACORN, AFSCME, AIDS Policy Center for Children, Youth and Families, Alliance for Children and Families, Campaign for America's Future, Center for Community Change, Child Welfare League of America, Children's Defense Fund, Children's Foundation, Coalition on Human Needs, Development Training Institute, Employment Support Center, Feminist Majority, Friends Committee on National Legislation (Quaker), International Brotherhood of Teamsters, Jesuit Conference, Lawyers' Committee for Civil Rights Under Law, Leadership Conference on Civil Rights, Lutheran Services in America, McAuley Institute, Mennonite Central Committee U.S., Washington Office, NAACP, National Alliance to End Homelessness.

National Association of Child Advocates, National Association of Housing Cooperatives, National Association of School Psychologists, National Center on Poverty Law Inc., National Coal-

ition for the Homeless, National Council of Churches, National Council of Jewish Women, National Council of Senior Citizens, National Housing Law Project, National Housing Trust, National League of Cities, National Low Income Housing Coalition, National Ministries, American Baptist Churches, USA, National Neighborhood Coalition, National Network for Youth, National Puerto Rican Coalition, National Rural Housing Coalition, National Urban League, Neighbor to Neighbor, Network, A National Catholic Social Justice Lobby, Preamble Center, Public Housing Authorities Directors Association, Surface Transportation Policy Project, Unitarian Universalist Affordable Housing Corporation, United Church of Christ, Office of Church in Society, U.S. Conference of Mayors, Volunteers of America.

GAMBLING ATM, AND CREDIT/ DEBIT CARD REFORM ACT

HON. JOHN J. LaFALCE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1999

Mr. LAFALCE. Mr. Speaker, I am today introducing legislation to implement one of the more important recommendations of the National Gambling Impact Study Commission to help lessen the potential financial losses of compulsive gambling for individuals and families. My legislation, the "Gambling ATM and Credit/Debit Card Reform Act", amends federal law to reduce the ready availability of cash and credit for gambling by removing automated transfer machines (ATMs), credit card terminals, debit card point-of-sale machines and other electronic cash dispensing devices from the immediate area of gambling activities.

The National Gambling Impact Study Commission recently completed the nation's first comprehensive analysis of legalized gambling in more than twenty years. The Commission took on one of the most difficult and divisive issues in America today and produced an extremely thoughtful report with more than 70 recommendations for changes in gambling policy. The thoroughness of the Commission's effort, despite significant divisions and difficulties, is commendable and clearly justifies the efforts of those of us who sponsored legislation to create the Commission three years ago.

A major finding of the Commission is that America has been transformed during the past 20 years from a nation in which legalized gambling was localized and limited to one in which it is almost omnipresent and a major economic and entertainment activity. Some form of legalized gambling is now permitted in 47 states and the District of Columbia. Thirty-seven states officially sponsor gambling through state lotteries. Americans now spend an estimated \$650 billion a year on legalized gambling—more than they spend on movies, records, theme parks, professional sports and all other forms of entertainment combined.

The Commission also found that while legalized gambling can produce positive economic benefits for the communities in which it is introduced, it also produces significant negative consequences for millions of individuals and

families—consequences such as bankruptcy, crime, divorce, abuse and even suicide. A specific concern of the Commission has been the dramatic increase in problem and pathological gambling. Studies suggest that more than 5 million Americans are pathological or problem gamblers, and that another 15 million have been identified as "at-risk" or compulsive gamblers. Growth in problem and compulsive gambling has been particularly noticeable among women and includes growing numbers of teenagers.

The Commission identified the ready availability of cash and credit in and around gambling establishments as a major factor contributing to irresponsible gambling and to problem and pathological gambling behavior. Between forty and sixty percent of all money wagered by individuals in casinos, for example, is not physically brought onto the premises but is obtained by gamblers after their arrival. Much of this money derives from credit markers extended by casinos, but a growing portion involves cash derived from ATMs and debit cards and cash advances on credit cards.

Credit cards, debit cards and ATMs have long been used within gambling resort hotels and near other gambling facilities. But their availability and use on gambling floors for purposes of making bets or purchasing playing chips was generally prohibited. This changed in 1996 when the New Jersey Casino Control Commission approved the use of credit card point-of-sale machines at gambling tables for direct purchases of playing chips and slot tokens. The action was immediately recognized by gambling experts as one of the "most potentially dramatic changes" in gambling in decades that would result in more impulse gambling by consumers and higher revenues for casinos. Since then, ATM machines have been moved from outside casinos and other gambling establishments to locations near gambling floors and debit card machines have also been installed directly at gaming tables.

Allowing gamblers to use ATMs, credit and debit cards directly for gambling removes one of the last remaining checks on compulsive or problem gambling—the need to walk away to find more cash to gamble. This separation helps break the excitement of the moment and permits many gamblers to walk away. Providing electronic transfers of additional cash not only feeds compulsive behavior, but makes it easier for problem gamblers to bet all their available cash, draw down their bank accounts, and then tap into the available credit lines of their credit cards as well. Financial institutions become unwitting accomplices in encouraging gamblers to bet more money than they intended and more than most can afford.

My legislation addresses this problem in a number of ways. First, it amends the Truth in Lending Act (TILA) to prohibit gambling establishments from placing credit card terminals, or accepting credit cards for payment or cash advances, in the immediate area where any form of gambling is conducted. It also amends the Electronic Funds Transfer Act (EFTA) to impose a similar prohibition on the placing of any automated teller machine, point-of-sale terminal or other electronic cash dispensing device in the immediate area where gambling occurs. The bill directs the Federal Reserve Board to publish and enforcement rules for assuring that all electronic transfers of cash and credit are physically segregated to the extent possible from all gambling areas. And it provides for comparable civil liability as provided

elsewhere in TILA and EFTA to permit individuals to file private actions against gambling establishments that violate these restrictions.

Mr. Speaker, the National Commission's report confirms that legalized gambling has become a national phenomenon. While it is unreasonable to think we can stop its growth, we can take reasonable measures to help minimize the potential financial strain and anguish for American families. My legislation does not prohibit casinos, racetracks and other gambling facilities from providing or using credit card, ATM and debit card devices. It merely requires that these devices be used for the purposes they were intended and not to encourage irresponsible or problem gambling.

I believe this is reasonable and worthwhile legislation. I urge its adoption by the Congress.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gambling ATM and Credit/Debit Card Reform Act."

SEC. 2. IMPLEMENTATION OF THE NATIONAL GAMBLING COMMISSION'S RECOMMENDATIONS RELATING TO BANKING AND CREDIT.

(a) INITIATION OF ELECTRONIC FUND TRANSFERS IN GAMBLING ESTABLISHMENTS.—The Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.) is amended—

(1) by redesignating sections 918, 919, 920, and 921 as sections 919, 920, 921, and 922, respectively; and

(2) by inserting after section 917 the following new section:

"SEC. 918. PLACEMENT OF ELECTRONIC TERMINALS IN GAMBLING ESTABLISHMENTS.

"(a) IN GENERAL.—No person may place, or cause to be placed, an electronic terminal in the immediate area of a gambling establishment where any form of wager or bet is made or accepted, any game of chance is played, any gambling device is used, or any other form of gambling is carried on.

"(b) REGULATIONS.—

"(1) IN GENERAL.—The Board will prescribe such regulations as the Board may consider to be appropriate to ensure that the initiation of electronic fund transfers by consumers is kept, to the extent practicable, physically segregated from any activity described in subsection (a).

"(2) SEPARATE SETTING.—Such regulations shall include a clear delineation of the setting in which, and the circumstances under which, electronic fund transfers should be conducted in a location physically segregated from an area where any activity described in subsection (a) is routinely carried on.

"(c) LIABILITY.—For purposes of section 915, a failure to comply with the requirements of subsection (a) with regard to any electronic terminal shall be considered a failure to comply with a provision of this title with respect to any consumer who initiates an electronic fund transfer at such terminal while such violation continues.

"(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) GAMBLING DEVICE.—The term 'gambling device' has the meaning given to such term in section 41311(b) of title 49, United States Code.

"(2) GAMBLING ESTABLISHMENT.—The term 'gambling establishment' has the meaning given to such term in section 1081 of title 18, United States Code."

(b) USE OF CREDIT CARDS TO INITIATE EXTENSIONS OF CREDIT IN GAMBLING ESTABLISHMENTS.—

(1) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end the following new section:

"SEC. 140 PROHIBITION ON INITIATION OF EXTENSIONS OF CREDIT IN CERTAIN GAMBLING AREAS WITHIN GAMBLING ESTABLISHMENTS.

"(a) IN GENERAL.—No person may—

"(1) place, or cause to be placed, an electronic terminal; or

"(2) otherwise accept the use of a credit card by a consumer to initiate a consumer credit transaction to pay for money, property, or services obtained by the consumer, in the immediate area of a gambling establishment where any form of wager or bet is made or accepted, any game of chance is played, any gambling device is used, or any other form of gambling is carried on.

"(b) REGULATIONS.—

"(1) IN GENERAL.—The Board shall prescribe such regulations as the Board may consider to be appropriate to ensure that the use of an electronic terminal or the use of a credit card to initiate a consumer credit transaction to pay for money, property, or services obtained by a consumer is kept, to the extent practicable, physically segregated from any activity described in subsection (a).

"(2) SEPARATE SETTING.—Such regulations shall include a clear delineation of the setting in which, and the circumstances under which, any use of an electronic terminal or credit card referred to in paragraph (1) should be conducted in a location physically segregated from an area where any activity described in subsection (a) is routinely carried on.

"(c) CIVIL LIABILITY.—

"(1) IN GENERAL.—Any person who fails to comply with any provision of this title with respect to any electronic terminal or the acceptance of a credit card to initiate a consumer credit transaction at a place in a gambling establishment that constitutes a violation shall be liable to any consumer who uses the electronic terminal or provides a credit card at such place in an amount equal to the sum of the amounts determined under each of the following subparagraphs:

"(A) ACTUAL DAMAGES.—The greater of—

"(i) the amount of any actual damage sustained by the consumer as a result of such failure; or

"(ii) any amount paid, directly or with the proceeds of the credit transaction, by the consumer to such person.

"(B) PUNITIVE DAMAGES.—

"(i) INDIVIDUAL ACTIONS.—In the case of any action by an individual, such additional amount as the court may allow.

"(ii) CLASS ACTIONS.—In the case of a class action, the sum of—

"(I) the aggregate of the amount which the court may allow for each named plaintiff; and

"(II) the aggregate of the amount which the court may allow for each other class member, without regard to any minimum individual recovery.

"(C) ATTORNEYS' FEES.—In the case of any successful action to enforce any liability under subparagraph (A) or (B), the costs of the action, together with reasonable attorneys' fees.

"(2) FACTORS TO BE CONSIDERED IN AWARDING PUNITIVE DAMAGES.—In determining the amount of any liability of any person under paragraph (1)(B), the court shall consider, among other relevant factors—

"(A) the frequency and persistence of non-compliance by such person;

"(B) the nature of the noncompliance;

"(C) the extent to which such noncompliance was intentional; and

"(D) in the case of any class action, the number of consumers adversely affected.

"(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) ELECTRONIC TERMINAL.—The term 'electronic terminal'—

"(A) means an electronic device, other than a telephone operated by a consumer, through which a consumer may initiate a consumer credit transaction in payment for any money, property, or services obtained by the consumer; and

"(B) includes point-of-sale terminals, automated teller machines, and cash dispensing machines.

"(2) GAMBLING DEVICE.—The term 'gambling device' has the meaning given to such term in section 41311(b) of title 49, United States Code.

"(3) GAMBLING ESTABLISHMENT.—The term 'gambling establishment' has the meaning given to such term in section 1081 of title 18, United States Code."

(2) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 139 the following new item:

"140. Prohibition on initiation of extensions of credit in certain gambling areas within gambling establishments."

DEATH OF HON. GEORGE E. BROWN, JR.

HON. BILL LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1999

Mr. LUTHER. Mr. Speaker, Congressman George Brown will be sorely missed not only by his constituents in California but also by those of us who had a chance to work with him here in Washington.

George will always be remembered as someone who looked to the future. As a member, and later chairman, of the Science Committee, he showed his devotion to new technology and space exploration. He fought hard for solar energy and fuel alternatives. I had the pleasure of serving on the Committee with him, and I can say I am indebted to him for his responsible, far-sighted leadership.

Equally important, George brought solid values to Washington—devotion, honesty, and hard work. He shunned petty personal attacks and negative political games. His dignity and decency earned him the respect of his colleagues. He leaves a void that will not easily be filled. Thank you George, for setting a high standard for public service in America.

IN MEMORY OF THE HONORABLE GEORGE E. BROWN

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1999

Mr. DINGELL. Mr. Speaker, I rise today to pay tribute to a dedicated public servant and friend of many years, George Brown. We met and began working together in this great body when he joined me here in 1963. Almost from the start, George began following his own path in Congress, but in doing so he served his constituents, country, and friends as well as any Member has served those that they represent.