EC–5660. A communication from the Chief, Endangered Species Division, Office of Protected Resources, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Sea Turtle Conservation; Restrictions Applicable to Shrimp Trawl Activities; Leatherback Conservation Zone'' (Docket No. 950427117–9133–07; I.D. #051299D; RIN0648–AH97), received October 7, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5661. A communication from the Chief, Endangered Species Division, Office of Protected Resources, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Sea Turtle Conservation; Restrictions Applicable to Shrimp Trawl Activities; Leatherback Conservation Zone'' (Docket No. 950427117–9123–06; I.D. #050599D; RIN0648–AH97), received October 7, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5662. A communication from the Associate Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''1998 Biennial Regulatory Review-Spectrum Aggregation Limits for Wireless Telecommunications Carriers''; (WT Docket Nos. 98–205 and 96–59, GN Docket No. 93–252, FCC 99–244), received October 8, 1999; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ENZI:

S. 1735. A bill to expand the applicability of daylight saving time; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER:

S. 1736. A bill to amend the Fair Labor Standards Act of 1938 to permit certain youth to perform certain work with wood products; to the Committee on Health, Education, Labor, and Pensions.

By Mr. TORRICELLI (for himself and Mr. SCHUMER):

S. 1737. A bill to amend the National Housing Act with respect to the reverse mortgage program and housing cooperatives; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JOHNSON (for himself, Mr. KERREY, Mr. GRASSLEY, and Mr. THOMAS):

S. 1738. A bill to amend the Packers and Stockyards Act, 1921, to make it unlawful for a packer to own, feed, or control livestock intended for slaughter; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. WELLSTONE (for himself, Mr. DORGAN, Mr. DASCHLE, Mr. FEINGOLD, Mr. HARKIN, Mr. JOHNSON, and Mr. LEAHY):

S. 1739. A bill to impose a moratorium on large agribusiness mergers and to establish a commission to review large agriculture mergers, concentration, and market power; to the Committee on the Judiciary.

By Mr. HARKIN (for himself, Mr. BRYAN, Mr. KERREY, and Mr. DODD):

S. 1740. A bill to protect consumers when private companies offer services or products that are provided free of charge by the Social Security Administration and the Department of Health and Human Services; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. ROCKEFELLER, Mr. BYRD, Mr. HOLLINGS, Mr. HATCH, and Mr. SANTORUM):

S. 1741. A bill to amend United States trade laws to address more effectively import crises; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATCH (for himself, Mr. ABRAHAM, Mr. BAYH, Mr. BENNETT, Mr. BURNS, Mr. BYRD, Mr. DEWINE, Mr. DODD, Mr. GRAMS, Mr. GREGG, Mr. HAGEL, Mr. HELMS, Mr. INOUYE, Mr. LEVIN, Mr. LUGAR, Mrs. MURRAY, Mr. REID, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, Mr. THURMOND, and Mr. WYDEN):

S. Res. 204. A resolution designating the week beginning November 21, 1999, and the week beginning on November 19, 2000, as 'National Family Week,' and for other purposes; to the Committee on the Judiciary.

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. Con. Res. 60. A concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ENZI:

S. 1735. A bill to expand the applicability of daylight saving time; to the Committee on Commerce, Science, and Transportation.

THE HALLOWEEN SAFETY ACT OF 1999

MR. ENZI. Mr. President, today I am pleased to introduce the ''Halloween Safety Act of 1999.'' This Act has one simple purpose: to extend the date on which the daylight saving time ends from the last Sunday in October to the first Sunday of November in order to include the holiday of Halloween.

The idea of extending daylight saving time was first introduced to me by Sharon Rasmussen, a second grade teacher from Sheridan, Wyoming, and her students. I received a packet of twenty letters from Mrs. Rasmussen's second grade class expressing their wish to have an extra hour of daylight during Halloween in order to make the holiday safer. These children explained that they would feel more secure if they had an extra hour of daylight when venturing door-to-door in their annual trick-or-treating. Halloween is a holiday of great importance to youngsters throughout the United States and a large number of children do celebrate by trick-or-treating in their neighborhoods and towns. I believe this reasonable proposal would make those Halloween activities safer.

Upon conducting some research of my own, I discovered that Halloween is a time of increased danger for children. According to the Insurance Institute for Highway Safety, fatal pedestrian-motor vehicle collisions occur most often between 6 and 9 p.m., comprising twenty-five percent of the total. Another twenty-one percent occur between 9 p.m. and midnight, making nighttime the most dangerous time for pedestrians.

Unfortunately, these general accident trends are magnified on Halloween given the considerable increase in pedestrians—most of whom are children, on Halloween evening. A study by the Division of Injury Prevention, National Center for Injury Prevention and Control of the Center for Disease Control, concluded that the incidence of pedestrian deaths in children ages 5–14 is four times higher on Halloween than any other night of the year. In order to make this holiday safer for all our children, Congress should take the modest step of providing one extra week of daylight saving time.

Attempts have been made in the past to extend daylight saving time. Most recently, Senator Alan Simpson introduced the ''Daylight Saving Extension Act of 1994.'' Although Senator Simpson's legislation would have changed both the starting date and the ending date of daylight saving time, the legislation I am introducing today would simply extend it for a week.

The fact that the students of Mrs. Rasmussen's second grade class took the time to write and request that I sponsor a bill to extend daylight saving time is important to me. I believe that many of these children's parents would also be pleased with this extension of daylight savings time. If children are concerned about their own safety and come up with a reasonable approach to make their world a little bit safer, I believe that accommodating their request is not too much to ask. Protecting the children of our country should be a primary concern for all of us as lawmakers. If one life could be saved by extending daylight saving time to encompass Halloween, it would be worthwhile. I trust that all my colleagues will take the time to consider the importance the ''Halloween Safety Act of 1999'' would have for children and their parents in their respective states.

By Mr. SPECTER:

S. 1736. A bill to amend the Fair Labor Standards Act of 1938 to permit certain youth to perform certain work with wood products; to the Committee on Health, Education, Labor, and Pensions.

FAIR LABOR STANDARDS ACT AMENDMENTS

Mr. SPECTER. Mr. President, I have sought recognition today to introduce legislation designed to permit certain youths (those exempt from attending school) between the ages of 14 and 18 to work in sawmills under special safety conditions and close adult supervision. I introduced an identical measure at the close of the 105th Congress and am hopeful that the Senate can once again consider this important issue. Similar legislation introduced by my distinguished colleague, Representative JOSEPH R. PITTS, has already passed in the House this year.

As Chairman of the Labor, Health and Human Services and Education Appropriations Subcommittee, I have strongly supported increased funding for the enforcement of the important child safety protections contained in the Fair Labor Standards Act. I also believe, however, that accommodation must be made for youths who are exempt from compulsory school-attendance laws after the eighth grade. It is extremely important that youths who are exempt from attending school be provided with access to jobs and apprenticeships in areas that offer employment where they live.

The need for access to popular trades is demonstrated by the Amish community. Last year, I toured an Amish sawmill in Lancaster County, Pennsylvania, and had the opportunity to meet with some of my Amish constituency. They explained that while the Amish once made their living almost entirely by farming, they have increasingly had to expand into other occupations as farmland disappears in many areas due to pressure from development. As a result, many of the Amish have come to rely more and more on work in sawmills to make their living. The Amish culture expects youth upon the completion of their education at the age of 14 to begin to learn a trade that will enable them to become productive members of society. In many areas, work in sawmills is one of the major occupations available for the Amish, whose belief system limits the types of jobs they may hold. Unfortunately, these youths are currently prohibited by law from employment in this industry until they reach the age of 18. This prohibition threatens both the religion and lifestyle of the Amish.

In the 105th Congress, the House passed by a voice vote H.R. 4257, introduced by Representative Pitts, which was similar to the bill I am introducing today. I am aware that concerns to H.R. 4257 existed: safety issues had been raised by the Department of Labor and Constitutional issues had been raised by the Department of Justice. I have addressed these concerns in my legislation.

Under my legislation youths would not be allowed to operate power machinery, but would be restricted to performing activities such as sweeping, stacking wood, and writing orders. My legislation requires that the youths must be protected from wood particles or flying debris and wear protective equipment, all while under strict adult supervision. The Department of Labor must monitor these safeguards to insure that they are enforced.

The Department of Justice stated that H.R. 4257 raised serious concerns under the Establishment Clause. The House measure conferred benefits only to a youth who is a ''member of a religious sect or division thereof whose established teachings do not permit formal education beyond the eighth grade.'' By conferring the ''benefit'' of working in a sawmill only to the adherents of certain religions, the Department argues that the bill appears to impermissibly favor religion to ''irreligion.'' In drafting my legislation, I attempted to overcome such an objection by conferring permission to work in sawmills to all youths who ''are exempted from compulsory education laws after the eighth grade.'' Indeed, I think a broader focus is necessary to create a sufficient range of vocational opportunities for all youth who are legally out of school and in need of vocational opportunities.

I also believe that the logic of the Supreme Court's 1972 decision in Wisconsin v. Yoder supports my bill. Yoder held that Wisconsin's compulsory school attendance law requiring children to attend school until the age of 16 violated the Free Exercise clause. The Court found that the Wisconsin law imposed a substantial burden on the free exercise of religion by the Amish since attending school beyond the eighth grade ''contravenes the basic religious tenets and practices of the Amish faith.'' I believe a similar argument can be made with respect to Amish youth working in sawmills. As their population grows and their subsistence through an agricultural way of life decreases, trades such as sawmills become more and more crucial to the continuation of their lifestyle. Barring youths from the sawmills denies these youths the very vocational training and path to self-reliance that was central to the Yoder Court's holding that the Amish do not need the final two years of public education.

I offer my legislation once again with the hope of opening a dialogue on this important issue. This is a matter of great importance to the Amish community and I urge its timely consideration by the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1736

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

SECTION 1. EXEMPTION.

Section 13(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(c)) is amended by adding at the end the following:

''(6)(A) Subject to subparagraph (B), in the administration and enforcement of the child labor provisions of this Act, it shall not be considered oppressive child labor for an individual who—

''(i) is under the age of 18 and over the age of 14, and

''(ii) by statute or judicial order is exempt from compulsory school attendance beyond the eighth grade,

to be employed inside or outside places of business where machinery is used to process wood products.

''(B) The employment of an individual under subparagraph (a) shall be permitted—

''(i) if the individual is supervised by an adult relative of the individual or is supervised by an adult member of the same religious sect or division as the individual;

''(ii) if the individual does not operate or assist in the operation of power-driven woodworking machines;

''(iii) if the individual is protected from wood particles or other flying debris within the workplace by a barrier appropriate to the potential hazard of such wood particles or flying debris or by maintaining a sufficient distance from machinery in operation; and

''(iv) if the individual is required to use personal protective equipment to prevent exposure to excessive levels of noise and saw dust.''.

By Mr. JOHNSON (for himself, Mr. KERREY, Mr. GRASSLEY, and Mr. THOMAS):

S. 1738. A bill to amend the Packers and Stockyards Act, 1921, to make it unlawful for a packer to own, feed, or control livestock intended for slaughter; to the Committee on Agriculture, Nutrition, and Forestry.

THE RANCHER ACT OF 1999

● Mr. JOHNSON. Mr President, I rise before you today to introduce legislation on behalf of Senators BOB KERREY, CHARLES GRASSLEY, CRAIG THOMAS, and myself. The RANCHER Act (Rural America Needs Competition to Help Every Rancher) is designed to reestablish a free, fair, and competitive market for independent livestock producers.

South Dakota family farmers and ranchers indicate to me that one of the most critical problems in agriculture today is the growing, unabated trend of agribusiness consolidation and concentration. Too often today, elected leaders overlook agricultural concentration with rhetoric and empty promises. But talk doesn't provide any assurance to a cow-calf producer in South Dakota worried about what he or she will sell feeder calves for this fall. Talk doesn't minimize the worries of a diversified farmer looking for competitive markets in which to sell his or her grain. And talk surely doesn't assure any feeder of livestock that he or she will have a fair opportunity to sell slaughter livestock in this concentrated market.

This bipartisan legislation would strengthen and amend Section 202 of the Packers and Stockyards Act of 1921 by prohibiting meatpackers from owning livestock prior to purchase for slaughter. It does provide exceptions for farmers and ranchers who own and process livestock in a producer owned and controlled cooperative.

Mr. President, concern over meatpacker concentration is not new in the United States. Cartoons in the 1880s negatively depicted companies that pooled livestock together for sale as ''beef trusts'' engaging in monopolistic pricing behavior. In 1917 President Woodrow Wilson directed the Federal Trade Commission (FTC) to investigate meatpackers to determine if they were leveraging too much power over the marketplace.

The FTC released a report in 1919 stating that the ''Big 5'' meatpackers (Armour, Swift, Morris, Wilson, and Cudahy) dominated with ''monopolistic

control of the American meat industry''. The FTC also found these meatpackers owned stockyards, rail car lines, cold storage plants, and other essential facilities for distributing food. This led to the Packers Consent Decree of 1920 which prohibited the Big 5 packers from engaging in retail sales of meat and forced them to divest of ownership interests in stockyards and rail lines. Then, Congress enacted the Packers and Stockyards Act of 1921 that—among other things—prohibited meatpackers from engaging in unfair, discriminatory, or deceptive pricing practices.

Unfortunately, we have allowed some in the meatpacking industry to once again dangerously choke free enterprise and market access. As in the past, producers again look to their elected leaders to take action. That is why I have introduced legislation in Congress to combat meatpacker concentration in livestock markets. My legislation will prohibit meatpackers from owning livestock for slaughter.

Within the last few weeks, we've heard from pork conglomerates Smithfield Foods, Murphy Farms, and Tyson Foods regarding Smithfield's intention to own all the hogs currently held by both Murphy and Tyson. If these deals are to go through, around 800,000 sows could be owned and controlled by Smithfield. Ask any pork producer, a breeding stock herd of this size could enable Smithfield to totally dominate the hog industry.

In response, we could seek a Department of Justice investigation of this deal, but it is clear to me that current anti-trust law may be simply too weak to stop a marriage of this nature. Some may believe we need trust busters with true grit in the Justice or Agriculture Departments to keep these deals from happening, but my experience in Congress tells me if we wait for this type of action, we won't have an independent farmer or rancher left—anywhere.

Mr. President, current anti-trust laws have failed to address concerns of livestock producers in the marketplace. Moreover, growing packer concentration creates an imbalance in bargaining power between a few meatpackers who buy livestock and several producers who sell livestock. The relative lack of buyers means the buying side of the market has much more power than the selling side. Envision an hourglass: it is wide at both ends and very narrow in the middle. The two wide ends aptly represent agricultural producers and consumers. The narrow middle of the hourglass is the number of processors and meatpackers that buy livestock from farmers and ranchers and then sell food to consumers. A decision on the part of one meatpacker may have a substantial effect on the marketplace. For instance, when Smithfield shut down the pork plant in Huron—formerly owned by American Foods Group—pork producers in South Dakota were left with merely a single market for their slaughter hogs in the state. Alternatively, a decision on the part of a livestock producer seller has little if any effect at all on price. What does this mean? It means the marketplace is not competitive.

Some so called experts'' in the industry claim that concentration leads to cheap prices for consumers. These experts believe concentration is simply unstoppable, and better yet, they point to the vertically integrated poultry industry as a successful guide or model for cattle and pork producers. They gloss over the real effects of concentration by touting economies of scale and productive efficiency.

Apologists for the corporate conglomerates can criticize my efforts to keep meatpackers from owning livestock if they want, but given a choice, I will side with a broad base of family farmers and ranchers over conglomerate agriculture any day. It boils down to whether we want independent producers in agriculture, or if we will yield to concentration and see farmers and ranchers become low wage employees on their own land.

Ultimately, if we continue to stand idle and watch control of the world's food supply fall into the hands of the few, consumers will be the real losers in terms of both retail cost and food safety.

So today, almost a century after President Teddy Roosevelt used a big stick to give livestock producers a square deal, we again face a choice between corporate takeover of agriculture and a fight for free enterprise. I proudly cast my lot with the free enterprise family farm and ranch agriculture that has served our country so well.●

● Mr. THOMAS. Mr. President, it gives me great pleasure to join my colleagues Senator JOHNSON, Senator GRASSLEY and Senator KERREY in introducing the ''Rural America Needs Competition to Help Every Rancher Act of 1999'' (RANCHER).

Additional regulation of meat packing companies has become necessary because of a loophole my colleagues and I have long been concerned about: the Packers and Stockyards Act of 1921 does not clearly and definitively address meat packers owning livestock for slaughter. This legislation will prohibit meat packing companies from owning and feeding livestock, with the exception of producer-owned cooperatives defined by the majority of ownership interest in the cooperative being held by co-cop members that own, feed, or control livestock and provide those livestock to the co-op. An exemption for cooperatives is included as recognition and reward to those producers who have invested the resources necessary to enhance their market edge.

In placing a prohibition on meat packing companies, our efforts today will be branded as anti-competitive and in support of ''big government,'' versus the ''free market.'' However, our intentions are precisely the opposite—we are introducing this legislation with goal of restoring competition to our livestock markets. In fact, this legislation is long overdue. In recent years, livestock markets have become increasingly more concentrated, leaving individual producers with fewer options for selling their products.

According to the U.S. Department of Agriculture (USDA), the four top meat packing firms control roughly 80 percent of today's slaughter market, while less than 20 years ago, the top four firms controlled only 36 percent of the market. Over the last year we have watched the on-farm price of commodities plummet, while at the same time, retail prices have remained constant or even increased. The problem of price disparity, I believe is in part, attributable to growing market concentration. Since it is evident that market concentration exists, this legislation is a first step in working to restore fair market prices to our producers.

Mr. President, I am proud to cosponsor this legislation—it is an admirable initiative that seeks to strengthen financial solvency for our family producers. I hope our colleagues in the Senate will recognize the benefits this effort will generate for producers and rural communities across the United States and will join us in restoring true market competition.●

By Mr. WELLSTONE (for himself, Mr. DORGAN, Mr. DASCHLE, Mr. FEINGOLD, Mr. HARKIN, Mr. JOHNSON, and Mr. LEAHY):

S. 1739. A bill to impose a moratorium on large agribusiness mergers and to establish a commission to review large agriculture mergers, concentration, and market power; to the Committee on the Judiciary.

AGRIBUSINESS MERGER MORATORIUM AND ANTITRUST REVIEW ACT OF 1999

● Mr. DORGAN. Mr. President, over the past several years there has been a wave of corporate mergers and acquisitions in this country that is of historic proportions. Last year the dollar value of announced corporate combinations in the United States was more than $1.6 trillion. This exceeded the amount of all the mergers in the world the year before.

The big are getting bigger, the small are getting trampled, and this has large implications for the kind of economy we are going to have and—more importantly—for the kind of nation we are going to be.

This is apparent in rural America, where the elephants have been stomping with a special gusto. Control of the nation's food chain—from production and processing to packing and distribution—has been falling into fewer and fewer hands. Over a decade ago, the four biggest grain processing companies in the U.S. accounted for some 40 percent of the nation's flour milling. Today the figure is 62 percent. About three quarters of the wet corn milling and soybean crushing are controlled by

the four biggest firms—and about 80 percent of the beef.

This extraordinary concentration of economic power has large implications. It is draining the economic life out of rural America. In 1952 farmers received close to half of every retail food dollar. Today they get less than a quarter of that same dollar. From a pound loaf of white bread that costs 87 cents at the store, the wheat farmer gets less than 4 cents. Farmers are working harder than ever; but the reward for their toil is going to the corporate conglomerates, which offer farmers fewer options for marketing their products than at probably any time in this century.

While these corporations are showing record profits, farmers are forced to sell commodities such as wheat and pork, at Depression era prices. Thousands of farmers have gone under, and thousands more are barely hanging on. Farm auctions have become a grim feature of the rural landscape today, as has suicide. ''Everything is gone, wore out or shot, just like me,'' one Iowa farmer said in his suicide note.

When farmers go, our rural communities go. We lose the stable social structures, the generations of family ties, the investment in schools and churches, libraries and clinics. Independent business people, from implement dealers to insurance salesmen, go belly up. And what do we get for this human tragedy and social loss? The low prices on the farm have not shown up in corresponding decreases at the supermarket. The processors and packers are getting the money instead.

That's not the only source of the hardship in rural America. But it's a large one. The growing concentration of the nation's food chain into fewer corporate hands is something this Congress must address.

The Clinton Administration deserves credit for reviving antitrust enforcement from the dormancy of the previous administrations. But it is laboring under reduced budgets and a body of law that, as interpreted by court decisions, may not be up to the task. When the two giants of the grain trade, Continental Grain and Cargill, are permitted to merge, then one has to wonder if the hole in the screen has become so big that there's no screen left.

That's why I'm joining with Senator WELLSTONE in introducing legislation to impose a moratorium on large corporate mergers in the agriculture sector. The legislation would also create an independent commission to advise how to change the underlying antitrust laws and other federal laws and regulations to ensure a competitive agricultural marketplace and to protect family farmers and other family-sized producers.

A moratorium on large corporate agriculture mergers is needed to give Congress time to consider these important questions and craft a suitable response. If we wait it could be too late. We won't be able to advance the fortunes of family-based agriculture because there won't be much left.

Specifically, our bill imposes an 18-month moratorium on those large corporate mergers in the agriculture industry that would generally be required to make a ''Hart-Scott-Rodino'' pre-merger filing with the Department of Justice. Such filings are triggered by a three-part test, one of which is that either of the two firms proposed for merger or acquisition have $100 million or more in net annual sales or assets. The Attorney General is granted authority to waive the application of the moratorium in ''extraordinary circumstances'' such as a merging firm's facing insolvency or similar financial distress.

The legislation also establishes a 12-member commission to study the nature and consequences of mergers and concentration in America's agricultural economy. The Commission members are appointed by the leaders in the Senate and House of Representatives after consultation with the Chairmen and ranking members of the House and Senate Agriculture Committees. After completing its study, the Commission will submit to the President and Congress a final report that includes its findings on consolidation in agriculture and recommendations about how our antitrust laws and other federal regulations should be changed to protect family-based agriculture, the communities they comprise, and the food shoppers of the nation.

The family farmers of this nation are facing what could be the end game. The distortions and abuses in the agriculture marketplace have contributed to the loss of thousands of family farmers, and the grim foreboding that hangs over much of rural America.

This does not have to be. No harm will come from this moratorium. Agribusiness enterprises will continue to see record profits, if the market so permits. Farmers and food shoppers will not lose because the record is clear that concentration in the food sector does not benefit them. Ironically, this merger mania means less freedom and less choice—in a nation that is supposed to stand for them.

I urge my colleagues to support this moratorium, and antitrust review commission, and cast a vote for family-based agriculture and the health of rural America.●

By Mr. HARKIN (for himself, Mr. BRYAN, Mr. KERREY, and Mr. DODD):

S. 1740. A bill to protect consumers when private companies offer services or products that are provided free of charge by the Social Security Administration and the Department Of Health and Human services; to the Committee on Finance.

SOCIAL SECURITY CONSUMER PROTECTION ACT

Mr. HARKIN. Mr. President, today I am reintroducing legislation I originally proposed during the 105th Congress, the Social Security Consumer Protection Act. Quite simply, this bill is designed to protect constituents from what has been an all too common consumer scam.

I introduced a similar bill during the prior Congress after an investigation by my staff found that unsuspecting consumers—from new parents to newlyweds to senior citizens—were falling prey to con artists who charged them for services that are available free of charge from the Social Security Administration (SSA) or the Department of Health and Human Services (HHS). Many of these schemes involve the use of materials and names which purposely mislead consumers into believing the scam artists are affiliated with the government.

Companies operating under official sounding names like Federal Document Services, Federal Record Service Corporation, National Records Service, and U.S. Document Services are mailing information to thousands of Americans, scaring them into remitting a free to receive basic government services, such as a new Social Security number and card for a newborn or changing names upon marriage or divorce.

One of my constituents, Deb Conlee of Fort Dodge, received one of these mailings. It sounded very official. It began, ''Read Carefully: Important Facts About your Social Security Card.'' The response envelope is stamped ''SSA–7701'' giving the impression that it is connected with the SSA. The solicitation goes on to say that she is required to provide SSA with any name change associated with her recent marriage and get a new Social Security card. It then urges her to send the company $14.75 to do this on her behalf. It includes the alarming statement, ''We urge you to do this immediately to help avoid possible problems where your Social Security benefits or joint income taxes might be questioned.''

What the solicitation fails to mention, of course, is that these services are provided at no charge by SSA.

After hearing Ms. Conlee's story, I contacted SSA and asked them to investigate these complaints. Then SSA Commissioner Shirley Chater responded that the services provided by these companies, ''Are completely unnecessary. Not only do they fail to produce any savings of time or effort for the customer, they also tend to delay issuance of the new Social Security card.''

In its investigations, SSA received hundreds of complaints involving over 100 companies. The Postal Inspection Service has received hundreds of additional complaints. The Inspector General of SSA validated many of these complaints, including finding repeated cases of violations of Federal law. While it is already illegal for a company to imply any direct connection with a Federal agency, it is not illegal to charge for the very same services that are available at no cost to the Government.

The Social Security Consumer Protection Act addresses this issue in a few important ways. First, the bill prohibits charging for services that are provided for free by SSA and HHS unless the following statement is prominently displayed on the first page of the solicitation in bold type, 16-point font, ''Important Public Disclosure: The product or service described here and assistance to obtain the product or service is available free of charge from the Social Security Administration and the Department of Health and Human Services. You may wish to check the government section of your local phone book for the phone number of your local Social Security Administration or Department of Health and Human Services office for help in obtaining this service for no charge or you may choose to use our service for a fee.''

Should a consumer decide to use the services of one of these companies, they are protected from inappropriate use of their personal information. This bill prohibits the sale, transfer or use of personal information obtained on consumers through such a solicitation without their consent on a separate authorization form that clearly and plainly explains how their personal information could be used.

I am joined in introducing this important consumer legislation by Senators BRYAN, KERREY, and DODD.

I am also pleased that the Social Security Consumer Protection Act enjoys the support of such consumer organizations as the National Committee to Preserve Social Security and Medicare and the Consumer Federation of America.

Mr. President, these scams must come to an end. Consumers deserve full disclosure. This legislation will go a long way toward ensuring consumers understand their rights when it comes to obtaining services from their government. I urge my colleagues to support it.

I ask unanimous consent that a copy of the Social Security Consumer Protection Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1740

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 ''Social Security Consumer Protection Act''.

SEC. 2. PROHIBITION OF CHARGING FOR SERVICES OR PRODUCTS THAT ARE PROVIDED WITHOUT CHARGE BY THE SOCIAL SECURITY ADMINISTRATION OR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND PROHIBITION OF SALE, TRANSFER, OR USE OF CERTAIN INFORMATION.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1140 the following:

''SEC. 1140A. PROHIBITION OF CHARGING FOR SERVICES OR PRODUCTS THAT ARE PROVIDED WITHOUT CHARGE BY THE SOCIAL SECURITY ADMINISTRATION OR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND PROHIBITION OF SALE, TRANSFER, OR USE OF CERTAIN INFORMATION.

''(a) IN GENERAL.—Except as provided in subsection (b), a person shall not offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided for no fee by the Social Security Administration or the Department of Health and Human Services.

''(b) EXCEPTION.—A person may offer assistance for a fee if, at the time the offer is made, the person provides, to the individual receiving the assistance, a written notice on the first page of the offer that clearly and prominently contains the following phrase (printed in bold 16 point type): 'IMPORTANT PUBLIC DISCLOSURE: The product or service described here and assistance to obtain the product or service is available free of charge from the Social Security Administration or the Department of Health and Human Services. You may wish to check the government section of your local phone book for the phone number of your local Social Security Administration or Department of Health and Human Services office for help in obtaining this service for no charge or you may choose to use our service for a fee.'.

''(c) SALE, TRANSFER, OR USE OF INFORMATION.—

''(1) IN GENERAL.—Except with prior, express, written authorization from an individual, a person obtaining any information regarding such individual in connection with an offer of assistance under subsection (b) shall not—

''(A) sell or transfer such information; or

''(B) use such information for a purpose other than providing such assistance.

''(2) REQUIRED FORM OF AUTHORIZATION.—An authorization under paragraph (1) shall be presented to the individual as a separate document, clearly explaining the purpose and effect of the authorization and the offer under subsection (a) shall not be contingent on such authorization.

''(d) IMPOSITION OF PENALTY.—

''(1) IN GENERAL.—The Commissioner or the Secretary (as applicable), pursuant to regulations, may impose a civil monetary penalty against a person for a violation of subsection (a) or (c) not to exceed—

''(A) except as provided in subparagraph (B), $5,000; or

''(B) in the case of a violation consisting of a broadcast or telecast, $25,000.

''(2) VIOLATIONS WITH RESPECT TO INDIVIDUAL ITEMS.—

''(A) OFFER OF SERVICES.—In the case of an offer of services consisting of pieces of mail, each piece of mail in violation of this section shall be a separate violation.

''(B) USE OF INFORMATION.—In the case of a violation of subsection (c), each sale, transfer, or use of information with respect to an individual shall be a separate violation.

''(e) RECOVERY OF PENALTY.—

''(1) PROCEDURE.—The provisions of section 1128A (other than subsections (a), (b), (f), (h), (i) (other than paragraph (7)), and (m) and the first sentence of subsection (c)) shall apply to civil money penalties imposed under subsection (d) in the same manner as the provisions apply to a penalty or proceeding under section 1128A(a).

''(2) COMPROMISE.—Penalties imposed against a person under subsection (d) may be compromised by the Commissioner or the Secretary (as applicable).

''(3) VENUE.—Penalties imposed against a person under subsection (d) may be recovered in a civil action in the name of the United States brought in the district court of the United States for the district in which the violation occurred or where the person resides, has its principal office, or may be found as determined by the Commissioner or the Secretary (as applicable).

''(4) DEDUCTION OF PENALTY FROM BENEFITS.—The amount of a penalty imposed under this section may be deducted from any sum then or later owing by the United States to the person against whom the penalty has been imposed.

''(f) USE OF PENALTY AMOUNTS RECOVERED.—

''(1) COSTS OF THE OFFICE OF THE INSPECTOR GENERAL.—Amounts recovered under this section shall be made available to the Commissioner and the Secretary (as applicable) to reimburse costs of the applicable Office of the Inspector General related to the enforcement of this section.

''(2) EXCESS AMOUNTS.—Amounts recovered under this section, in excess of the amounts needed to reimburse the Commissioner and the Secretary under paragraph (1), shall be deposited as miscellaneous receipts of the Treasury of the United States.

''(g) ENFORCEMENT.—The provisions of this section may be enforced through the Office of the Inspector General of the Social Security Administration or the Office of the Inspector General of the Department of Health and Human Services (as appropriate).''.

(b) CONFORMING AMENDMENT.—The table of sections for part A of title XI of the Social Security Act is amended by inserting after the item relating to section 1140 the following:

''Sec. 1140A. Prohibition of charging for services or products that are provided without charge by the Social Security Administration or the Department of Health and Human Services and prohibition of sale, transfer, or use of certain information.''.

ADDITIONAL COSPONSORS

S. 20

At the request of Mr. LAUTENBERG, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 20, a bill to assist the States and local governments in assessing and remediating brownfield sites and encouraging environmental cleanup programs, and for other purposes.

S. 670

At the request of Mr. JEFFORDS, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 670, a bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes.

S. 863

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 863, a bill to amend title XIX of the Social Security Act to provide for medicaid coverage of all certified nurse practitioners and clinical nurse specialists.

S. 909

At the request of Mr. CONRAD, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 909, a bill to provide for