

I wish these anecdotes were isolated incidents, but unfortunately they are just the tip of the iceberg.

In fiscal year 2001 alone, the U.S. Postal Inspection Service responded to 66,000 mail fraud complaints, arrested 1,691 mail fraud offenders, convicted 1,477 of such offenders, and initiated 642 civil or administrative actions, recovering over \$1.2 billion in court ordered restitution payments. If these figures weren't distressing enough, the number of complaints is on the rise. The Postal Inspection Service has already responded to 68,000 mail fraud complaints this year to date—pointing to a possible 27 percent increase in complaints by the end of this fiscal year.

According to AARP:

"Older Americans are the targets of a new kind of criminal. This criminal holds you up in your own home, but not with a gun. This criminal's weapon of choice is the telephone.

"There may be more than 10,000 fraudulent telemarketing operations calling hundreds of thousands of American consumers every day. Older Americans are a prime target of these crooks . . .

". . . 56 percent of the names on 'mooch lists' (what fraudulent telemarketers call their lists of most likely victims) were aged 50 or older.

"Many of the older people preyed upon by dishonest telemarketing companies are well-educated, with above-average incomes, and they are socially active in their communities."

Therefore, the sales pitches these companies use are appropriately sophisticated. They include: "phony prizes, illegal sweepstakes, sham investments, crooked charities, and 'recovery rooms' where victims are scammed again by the telemarketers with promises that, for a fee, they will help them recover the money they have lost."

The National Consumers League, the oldest nonprofit consumer organization in the United States, reports that: "It's estimated that there are 14,000 illegal telemarketing operations bilking U.S. citizens of at least \$40 billion dollars annually." They believe that "[t]he first step in helping older people who may be targets of fraud is to convince them that the person on the other end of the line could be a crook!"

In order to "to express the support of the House for programs and activities to prevent perpetrators of fraud from victimizing senior citizens," and "to educate and inform the public, senior citizens, their families, and their caregivers about fraud perpetrated through mail, telemarketing, and the Internet," please join Representative JOHN MCHUGH, and me in passing House Resolution 443.

Our colleagues in the Senate have passed a resolution designating the week beginning August 25, 2002 as "National Fraud Against Senior Citizens Week." We will be able to collaborate with them, the U.S. Postal Inspection Service, and numerous advocacy groups in raising public awareness about this epidemic of fraud and deception against senior citizens and hopefully prevent future incidents of fraud.

2002 WORLD BASKETBALL CHAMPIONSHIPS

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 2002

Ms. CARSON of Indiana. Mr. Speaker, I rise today to bring to the attention of the House that the United States will be playing host to the World Basketball Championship for the first time in the event's 50 year history. For 11 days from August 29 to September 8, 2002, 16 teams from all over the world will compete for the title of World Basketball Champions, and appropriately they will be competing for that title in what is known as the basketball capitol of the world, Indianapolis, Indiana.

Long before basketball was a world game, it was an Indiana game, in fact it was THE Indiana game. There is no place in the world that follows basketball with more passion, devotion, support, and adoration than in Indiana. The term for this basketball craze is fondly called "Hoosier Hysteria." A hysteria that allows Indiana to have over 30 high school gymnasiums with seating capacity over 5,000, including one arena that seats 5,600 people, not too surprising until you find out that the town's population is only 5,000.

Indianapolis is also no stranger to major international sporting events. It is preparing for what is expected to be about 150,000 to 175,000 visiting basketball fans.

Indianapolis not only hosts the three largest single day sporting events in the world in it's three races, but it has also hosted 4 NCAA Men's Final Fours, 14 United States Olympic Team Trials, the 2001 World Police and Fire games, and is slated to host many events in the near future.

Indianapolis hopes that its Hoosier Hysteria will shine through and take on a new international light to warmly welcome the many international visitors. It is in this spirit of support and international goodwill that the entire Indiana Delegation is introducing House Concurrent Resolution 443, a resolution supporting the 2002 World Basketball Championships and welcoming the visiting teams from Algeria, Angola, Argentina, Brazil, Canada, China, Germany, Lebanon, New Zealand, Puerto Rico, Russia, Spain, Turkey, Venezuela, and Yugoslavia.

International sporting events such as the 2002 World Basketball Championship play an important role in continuing to foster positive international relationships between participating teams and fans. This event provides an opportunity for not only residents of Indiana, but for all Americans to unite behind their national team and also welcome the players and fans from all the visiting teams. Therefore, Mr. Speaker, I ask that Congress join me in supporting the 2002 World Basketball Championship for Men welcoming the 16 international teams to the United States by supporting this resolution.

SUPPORT FOR H.R. 3612, THE MEDICAID COMMUNITY ATTENDANT SERVICES AND SUPPORTS ACT (MICASSA) ON THE 12TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 2002

Mr. DAVIS of Illinois. Mr. Speaker, I rise to recognize the 12th anniversary of the Americans with Disabilities Act and to request support for H.R. 3612, the Medicaid Community-Based Attendant Services and Supports Act, also known as MICASSA. It is fitting that we give special attention to the merits of this important bill as we recognize the twelfth anniversary of the Americans with Disabilities Act. On July 26, 1990 President George Bush signed the Americans with Disabilities Act into law. This landmark civil rights legislation ushered in a new era of promise for a segment of our population whose talents and rights as American citizens have been too long ignored. It established a new social compact that seeks to end the paternalistic patterns of the past that take away our rights if we become disabled. It says that people with disabilities have the right to be active participants integrated into the everyday life of society.

Much like the promise of the 1965 Civil Rights Act, however, the promise cannot become a reality until we roll up our sleeves and do the work necessary to eliminate the barriers, which still hinder its full implementation. While some recent decisions of the Supreme Court have threatened the scope of the ADA, I would like to call our attention to a Supreme Court ruling that reaffirms the fundamental principle that people with disabilities have the right to be active participants integrated into the everyday life of society. In 1999, the Court ruled in the Olmstead case that states violate the Americans with Disabilities Act when they unnecessarily put people with disabilities in institutions. The problem is that our Federal-State Medicaid Program has not been updated and has a built-in bias that results in the unnecessary isolation and segregation of many of our senior citizens and younger adults in institutions.

In the case of Medicaid beneficiaries who need long-term support services, the only option currently guaranteed by Federal law in every State is nursing home care. Too often decisions relating to the provision of long-term services and supports are influenced by what is reimbursable under Federal and State Medicaid policy rather than by what individuals need and deserve. Research has revealed a significant bias in the Medicaid program toward reimbursing services provided in institutions over services provided in home and community settings. Other options have existed for decades but their spread has been fiscally choked off by the fact that 75% of our long term care dollars go to institutional settings, in spite of the fact that studies show that many people do better in home and community settings.

Only 27 States have adopted the benefit option of providing personal care services under the Medicaid program. Although every State has chosen to provide certain services under home- and community-based waivers, these

services are unevenly distributed within and across the States, and reach just a small percentage of eligible individuals. In the words of Howard Dean, the Governor of Vermont who also happens to be a physician and who recently testified on Capitol Hill on behalf of the National Governors Association, "We can provide a higher quality of life by avoiding institutional services whenever possible. . . . We will still need quality nursing home care for the foreseeable future, but we can maintain the necessary level of needed nursing home care while growing home and community based services if Congress will give the States the tools."

The MICASSA bill is precisely the tool both the States and consumers need to obtain more cost effective long-term services in the most appropriate setting for the individual. Instead of creating a new entitlement, MICASSA makes the existing entitlement more flexible. It amends Title 19 of the Social Security Act and creates an alternative service called Community Attendant Services and Supports. This allows individuals eligible for Nursing Facility Services or Intermediate Care Facility Services for the Mentally Retarded, regardless of age or disability, the choice to use these dollars for "Community Attendant Services and Supports."

These attendant services and supports range from assisting with activities of daily living, such as eating, toileting, grooming, dressing, bathing and transferring, as well as other activities including meal planning and preparation, managing finances, shopping and household chores.

Quality assurance programs, which promote consumer control and satisfaction, are also included in this bill. The provision of services must be based on an assessment of functional need and according to a service plan approved by the consumer. It also allows consumers to choose among various service delivery models including vouchers, direct cash payments, fiscal agents and agency providers.

Some have argued that such a flexible and consumer friendly option would bring people who need these services "out of the woodwork" and make our Medicaid costs skyrocket. This bill has been put together based on what we have learned from pilot programs and best practices throughout the States. Oregon and Kansas have data to show that fear of skyrocketing costs is blown out of proportion. While there may be some increase in the number of people who use this option at first, savings will be made on the less costly community based services and supports, as well as the decrease in the number of people going into institutions. The bill also allows states to limit the total amount spent on long-term care in a year to what the state would have spent on institutional services.

Whether a child is born with a disability, an adult has a traumatic injury or a person becomes disabled through the aging process, we can and must do better in offering our citizens the kind of long term care services they need and deserve. I can think of no better way to honor the memory of our departed disability rights leader, Justin Dart, who died on June 22nd and was known by many as the father of the Americans with Disabilities Act than to support passage of H.R. 3612.

INTRODUCTION OF THE NATIONAL DEFENSE RAIL ACT

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 2002

Ms. CARSON of Indiana. Mr. Speaker, I rise today to talk about the important issue of passenger rail in America, and the future of Amtrak.

The passenger rail system suffers from gross neglect of our investment.

We have actively engaged in financing, developing, and preserving the infrastructure of all other modes of transportation. Whether bailing out the airline industry, federally funding and fixing the interstate highway system, or subsidizing airport construction.

It is imperative that we build a world class passenger railroad system in the United States. We cannot wait for highways and airports to become so overwhelmed that they can no longer operate, and we cannot continue to hold the millions of Americans who rely on rail service in limbo while we refuse to provide Amtrak with adequate funding.

This is why yesterday I introduced H.R. 5216, the National Defense Rail Act, which will mirror legislation introduced by Senator ERNEST HOLLINGS.

This legislation provides a blueprint for the future of passenger rail in the United States. The bill will help develop high-speed rail corridors, long distance routes, short distance routes, security and life-safety needs, and will provide Amtrak with the tools and funding it needs to operate efficiently.

Mr. Speaker, we consider subsidies to airlines and roads be worthwhile investments in our economy and our quality of life. We must make the same investment to create a world-class passenger rail system in order to see the same kinds of benefits.

I urge my colleagues to join me by cosponsoring this bill, and show your support for a strong national passenger rail system.

CORPORATE ACCOUNTABILITY HEARING

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 2002

Mr. GEPHARDT. Mr. Speaker, I submit the attached document, which is the transcript of the corporate accountability hearing conducted by Members of the House of Representatives, for printing in the CONGRESSIONAL RECORD.

OPENING STATEMENT BY HOUSE DEMOCRATIC LEADER HON. RICHARD A. GEPHARDT

Mr. GEPHARDT. Thank you all for being here. If I could, I would like to make an opening statement, and then we will get to our first panel, with appreciation for all of our panelists for their time and effort to be here with us today for this important hearing.

We are honored to have with us today some very talented and special guests, an all-star team of experts on the issue of corporate accountability and responsibility that has become one of the most important issues in our country.

I think many of us are tired of the old left-right political debates because, to my mind,

the issue before us is not about politics but about what's right for our country and how to restore people's trust and faith in our economic institutions. This is a discussion about enacting strong safeguards that will protect investors, protect consumers, and move every American forward with an agenda that gives everyone a chance to succeed. We need to apply our values to governing. Our values tell us that accountability and responsibility must be operating principles in our markets, especially for the corporations that form the bedrock of our capitalistic system.

Sensible rules that enable our companies to function effectively will grow the economic pie for every American taxpayer and every American family. Too many times in the last 7 or 8 years the special interests and extremist voices that would like to get rid of almost all regulations have triumphed in the face of common sense and the sentiment of the majority of the American people. Too often these voices have had a real and, I would submit, destructive impact on our laws and our economic health.

So today we are here to listen and to learn, not simply to what went wrong but, more importantly, to figure out how to make it right.

Democrats in Congress have spent months seeking solutions to this crisis, and we are prepared to go to any part of this country to figure out what happened, why it happened, and the best way to fix the problem.

This week, as you all know, the Senate unanimously passed—and I'll say it again, unanimously passed, and that's a rare occasion—a crucial bill that would attack the current crisis of confidence. The Sarbanes bill would bring about structural changes in our auditing system, making sure that audits are objective and independent, while imposing stiff criminal penalties on bad actors and actresses.

We in the House have been working for months to pass a strong initiative that would also protect people's pensions and restore investors' faith. We have offered a financial services bill, a criminal penalties bill, and an offshore tax havens bill as part of a much more comprehensive business Investors' and Employees' Bill of Rights.

Unfortunately, the leadership in the House in the Republican Party—and, therefore, the leadership—has blocked these proposals. We have faith that these problems can still be fixed. We have the most ingenious entrepreneurs, the brightest minds leading our way to innovation. And we have the hardest working, most resilient, most resourceful people on the face of the Earth. And for that, we are all grateful.

And today we pledge to continue to work together in order to do what's simply right for the people that we all represent.

We thank our guests, and especially my brave colleagues in the Congress who every day speak up for the American people and who helped build this country into the greatest nation that's ever existed.

PANEL 1: PENSIONS, WALL STREET AND CORPORATE FRAUD

Mr. GEPHARDT. I'd like to introduce our first panel.

What can I say about Eliot Spitzer. He was at this a long time before any of us were focusing on these problems of corporate abuse and accountability. At the State level, he helped to launch a national reform effort to close loopholes and to hold people who don't play by the rules accountable.

The same goes for Richard Moore, State Treasurer in North Carolina. Richard Moore has worked hard to protect the pensions of all the people in his State. He's understood the fundamental truth, that without transparency and clear rules of the road, our investors get hurt, employees suffer, and our