

services, but also the means and details by which the result is accomplished.

Under a special statutory rule in section 3121(d)(3) of the Internal Revenue Code, agent-drivers and commission-drivers, who are independent contractors but are engaged in distributing meat, vegetable, bakery, beverage (other than milk) products, or laundry or dry-cleaning services, are treated as "statutory employees" solely for FICA and FUTA tax purposes if (1) their services are part of a continuing relationship with the person for whom services are performed; (2) the distributor's service contract contemplates that he or she will perform substantially all of the services personally; and (3) the distributor does not have a substantial investment in facilities used in performance of services, excluding facilities used for transportation.

In a reversal of its long-standing ruling position, the IRS issued GCM 39853 in 1991, which held that investments in distribution rights and territories were akin to investments in the intangible assets of education, training, and experience. The legislative history to section 3121(d)(3) had indicated that investments in education, training, and experience were not to be treated as investments in "facilities." The GCM analogized an investment in a distribution right or territory to an investment in education, training, and experience, and accordingly concluded that an investment in a distribution right or territory was not to be considered an investment in "facilities." This reversal has created much uncertainty, particularly in the baking industry, with respect to independent contractor drivers, who have made substantial investments in their businesses and have been paying Social Security taxes with their federal tax returns. While the IRS may contend that the GCM is no longer in force, I believe that it is being applied by various field agents.

For example, at least four companies have endured prolonged audits in which the IRS challenged the status of bakery drivers based on the GCM. In each of those audits, the IRS agreed that bakery drivers were independent contractors under the common law test, but sought to treat them as statutory employees by ignoring their substantial investment in ownership of their routes.

This is not only an unfair result, but has caused great confusion in the bakery industry. This amendment attempts to clear up that confusion and correct that inequity.

An investment in a distribution right or territory specifically and directly relates to, facilitates, and is used in the performance of the distribution services in question. In contrast, education, training, and experience have a more general, attenuated, and indirect relationship to distribution services. Accordingly, my bill will clarify the statute to reflect Congressional intent that an investment in facilities can include an investment in a distribution right or territory, in contrast to an investment in education, training, and experience. Thus, an independent contractor driver who is engaged in distributing meat, vegetable, bakery, beverage (other than milk) products, or laundry or dry-cleaning services and who has a substantial investment in his or her distribution right or territory will not be treated as a statutory employee.

## IN HONOR OF INTERNATIONAL WOMEN'S DAY

### HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mr. FARR of California. Mr. Speaker, International Women's Day began in our Nation. It was not a gift from Members of Congress, nor from the well-clothed captains of industry, but rather a victory achieved by the women who sewed the suits they wore. It was these women, garment workers, who went on strike March 8, 1857, demanding the bread of economic security and the roses of a better life.

At an international conference held fifty-three years later, German socialist Clara Zetkin asked for an international women's day to mark the strike of the garment workers in the United States. Her request was met with unanimous support, and International Women's Day was born.

More than 11,000 babies will be born in our Nation today. These children will eventually inherit many of the problems the Federal Government strives to solve. To prepare them to assume responsibility for progressive government leadership, we must ensure their health, give them adequate nutrition, educate them, allow them equal opportunities, and inspire them with knowledge of the accomplishments which generations of women have contributed to the world.

And so, as we celebrate International Women's Day this Saturday, we must recommit ourselves to the betterment of the lives of and equal opportunities for our daughters, our wives, our sisters, and our mothers. We do this to honor all women, and especially those on strike during the early spring of 1857, who remind us of our capacity to improve our lives and the lives of those around us.

## THE PRESERVING PATIENT ACCESS TO PHYSICIANS ACT

### HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mrs. JOHNSON of Connecticut. Mr. Speaker, on the first of this year, a 5.4 percent across-the-board Medicare payment cut went into effect for doctors caring for seniors. Under the present payment system, further deep cuts are in store for the future. In some areas of the country doctors are no longer accepting new Medicare patients because payments no longer fairly recognize the changing health care needs of today's seniors nor the increasingly complex and difficult environment doctors must work under.

With malpractice insurance skyrocketing, nursing costs rising, diagnostic and treatment options expanding rapidly, and paperwork burdens exploding, these cuts are unjustifiable and unfair! They result from an arbitrary formula that ignores the real costs of providing health care. According to the American Medical Association, Medicare payments to doctors have increased only 18.5 percent in the last 10 years, an average of 1.1 percent per year, which pales in comparison to the skyrocketing costs of providing health care.

To now cut payment rates 5 percent for four years will, without question, force early retirements among physicians who are primarily serving our seniors, or force physicians to limit the number of Medicare patients they serve. More seriously, in the long run under-reimbursing our doctors in yet another public health care program will discourage the top quality students medicine has traditionally attracted and erode the world famous quality of American medicine.

Today, I am introducing legislation that would implement the recommendations of the Medicare Payment Advisory Commission (MedPAC) and reform Medicare's doctor payment formula. The bill repeals the Sustainable Growth Rate (SGR) system that has resulted in unpredictable payment increases and cuts. If left in place, the present SGR system is projected to cut physician payments by more than 20 percent over the next several years. My bill increases payments to physicians by 2.5 percent in 2003 and ties future updates to an index similar to the Medicare Economic Index, making the system for adjusting physician payments similar to that for adjusting Medicare payments to other providers. While much work remains to be done to understand and manage the cost of this common-sense reform, rational payment rates are essential to maintaining the quality of Medicare.

I am committed to providing physicians with a more stable, predictable, and fair payment formula. Absent such reform, we will short-change our physicians and threaten both access to care and quality of care for our seniors.

## HONORING 2002 MEN AND WOMEN OF HEART GALA HONOREES

### HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mr. LAMPSON. Mr. Speaker, I rise today to honor the 2002 Men and Women of Heart Gala honorees. The honorees have dedicated themselves to their communities and to service. I am proud to represent them here in Washington. The recipients are: Anita Fogtman, Colin Fox, Norman Frede, Kathleen Harlan, Bette Johnson, Bill Lowes, Victor Maria, Floyd H. Myers, Charlotte Tetter, and Paula Orcutt Thomas.

These citizens were presented this award for their committed and caring service to their fellow Texans, and have helped make their communities better places for all.

## NEWLY RELEASED DOCUMENTS SHOW PERSECUTION OF BELIEVERS BY CHINESE GOVERNMENT

### HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mr. WOLF. Mr. Speaker, an organization called the Committee for Investigation on Persecution in China has compiled an unparalleled trove of documents concerning religious persecution by authorities of the People's Republic of China (PRC). The organization's

president, Li Shixiong, has compiled an extensive archive that documents some 22,000 testimonies about persecution of Christians in China. This archive also contains court transcripts, internal PRC government documents and photographs.

The work of the Committee for Investigation on Persecution in China provides a unique insight into how the PRC persecutes and imprisons people of faith, and restricts religious freedom throughout the country.

Attached for our colleagues is a copy of an article about the work of the Committee for Investigation on Persecution in China that appeared in the March 11, 2002, issue of the magazine Christianity Today.

[From Christianity Today, Mar. 11, 2002]

"NEW" CHINA: SAME OLD TRICKS

TOP COMMUNISTS, DESPITE THEIR DENIALS, ENDORSE ARREST AND TORTURE OF CHINESE CHRISTIANS BY THE THOUSANDS

(By Tony Carnes)

A Chinese Christian refugee in New York, working with Christians in China, has compiled an extensive new archive documenting brutal religious persecution that has caused more than 100 deaths and thousands of injuries.

Activist Li Shi-xiong, head of the New York City-based Committee for Investigation on Persecution of Religion in China, believes these documents establish that communist rulers at the highest levels take an active role in persecuting house-church Christians. In the past, top leaders in China have blamed repression on overzealous local officials.

The New York committee timed its unveiling of the archive to influence President Bush during his February trip to China.

The archive is a 10-foot-high stack of 22,000 testimonies about persecution of Chinese Christians. It includes court transcripts, internal government documents, and photographs. Experts call it the largest collection ever assembled on the persecuted church in China.

"The secret documents alone are extremely rare and incredibly important," says Carol Hamrin, a star China analyst who recently retired from the State Department. The mammoth collection, which Li calls a "truth bomb," includes 5,000 detailed testimonies of Chinese Christians describing their arrests, interrogations, and jailings. Many account include photographs of the persecuted believers, including injuries they suffered while in custody. Some case files include official arrest and court records. The largest number of testimonies comes from central Henan Province, where persecution has dramatically escalated since 1999. Li's group has also collected partial reports on 17,000 others, mostly Christians, persecuted for their religious beliefs.

Li is also documenting the cases of 117 religious people who have died while in official custody, 700 who have been put in labor camps, and 550 who are wanted by the police but are in hiding. He is also investigating 300 police officers accused of being especially abusive.

Freedom House's Nina Shea has written that Li's archive is a "tremendous work." Shea, a member of the U.S. Commission on International Religious Freedom, marvels at Li's "dedication to the cause of religious freedom and his amazing work in the documentation of so many thousands of cases of the persecution of China's Christians." Freedom House, an advocacy organization founded in 1941 by Eleanor Roosevelt, plans to make extensive use of the archive.

China scholar Brent Fulton, head of China Source in Los Angeles, is aware of the ar-

chive but has not examined its contents. He says the documents indicate the "degree of seriousness" with which China approaches unregistered religious groups. "They see the unregistered groups as a national security threat."

Li and the New York committee believe that going public with the archive will build international political pressure on China's leaders to end their repression of religion. Fulton foresees the government searching for those who leaked the documents. He also expects more crackdowns. But, he says, "The long-term response to the release of these papers will be good."

#### A SENSITIVE TIME

The revelation of the archive comes at a sensitive time for China. Political leaders say that the nation of 1.3 billion people faces wrenching changes related to its entrance into the World Trade Organization (WTO) last December. WTO membership will lower trade barriers, enabling China to compete for trade on a more level playing field. Certain parts of China's economy, such as high tech, are expected to do well. Others, such as the inefficient and subsidized industrial and agricultural sectors, may be pummeled. Millions of unskilled laborers could be thrown out of work.

Seeking to maintain its grip on society, the Chinese government since 1999 has been waging a campaign against "cults," such as the Falun Gong movement. (Falun Gong adherents use physical exercise as a spiritual discipline.) China's officials are trying now to eliminate what they consider undesirable movement, because WTO membership will bring additional international pressure on China to improve its poor record on human rights. "[China's] officials spell out that the anti-cult campaign is a preparation for the further opening of society because of China joining the World Trade Organization," Hamrin says. But, Fulton adds, "There are in fact a lot of cult groups that are doing bad things."

Says Eric Burklin, president of Colorado-based China Partner, "China wants to have a positive image with the rest of the world. The government can't really discern the cults from the non-cults because [China's top leaders] are atheistic."

The archive makes it clear that repression of religion is official state policy at the highest levels—not merely a local and sporadic phenomenon, as China usually claims. In the documents, officials say the cults are "soaking into" and weakening the foundations of state authority. Officials link rising religious influence to the increased influence of Western cultural values of democracy and equality.

In public, Chinese leaders are vague on what actually constitutes a cult. "Cults are not religions," Premier Zhu Rong Ji said in a December meeting on religion. Critics say this approach allows authorities to crack down on any groups they do not like—including many house churches. These churches typically do not register with the government-sponsored Three-Self Patriotic Movement.

While there is no consensus on the number of Christians in China, Operation World estimates the presence of 45 million people in house churches and another 40 million members and adherents in the official church. There are about 12 million Catholics in China, in both state and unofficial groups.

Hamrin, who favors improving trade relations with China, says that this latest government repression will worsen matters. "This massive campaign against millions of their people will exacerbate social tensions"

#### AGGRESSIVE ACTIONS

In a recent public pronouncement, China's government declared that religion has never

fared better. Ye Xiaowen, the head of the Religious Affairs Bureau, toured the United States last year. Ye claimed that the government had initiated a "golden time" for religion. China's president, Jiang Zemin, recently told a U.S. congressional delegation in Beijing, "I am looking forward to seeing a church on one side of every village and a mosque on the other side."

During the second week of December, top communist leaders gathered in Beijing to discuss religion policy. Jiang led off with a speech declaring, "The influence of religion on political and social lives in today's world should never be underestimated."

In lower-profile gatherings, however, the talk tilts toward intensive surveillance of religion, according to Li's archival materials. In a speech, a local public security official in charge of religion quoted Hu Jintao, likely to be the next leader of China, on the proper approach to a "cult": "Watch and follow its direction and deal with it by law at the proper time." As the orders filter down, local leaders often act aggressively. A provincial security chief says, "Talk less and smash the cult quietly."

Li's archive documents how the anti-cult campaign was quickly broadened to include many well-known Protestant groups. In just one example, on August 18, 2001, authorities raided three offices of the South China Church. They arrested 14 people, using fists and electric clubs to obtain accusations against the pastor.

"The central government is defining whole groups as targets of extreme measures," says Hamrin, who produced the U.S. State Department's first annual reports on religious freedom and persecution in China. For example, more than 300 Chinese associated with the Falun Gong movement have died while in China's custody.

Increasingly, groups are targeted not just for breaking civil laws on registration and holding unauthorized meetings, but for their beliefs and religious doctrine. The government, the archive shows, especially dislikes preaching about "the end of the world" or teaching that "the Lord can heal a person of disease."

According to the archive, the Ministry of Public Security spells out five characteristics of a cult, ranging from the clearly defined "deifying its top leader" to the grab bag of "stirring up and deceiving others." (See "What China's Secret Documents Reveals")

The documents show that officials are especially wary of unregistered church groups that attempt to link with other unregistered groups. In such cases, the archive shows, officials are returning to the fierce battles from the era of Mao Zedong, China's first communist ruler, from 50 years ago. This has led to tremendous abuses. In April 2000, officials put Peter Xu's Born Again Movement on their cult list. Officials set quotas for arrests, putting pressure on local police to obtain confessions. Police often beat, slap, and use electric shocks to obtain those confessions.

Leaders of the large South China Church organization also have been hit hard by recent arrests. A document from a police official in the provincial religion office hints that poorly trained police in Hebei Province are resorting to abusive interrogation methods instead of quiet information-gathering. The archive reveals several recent cases of local police trying to bribe the families of people they had killed under interrogation. Leaders of the South China Church report, "On July 20, 2001, we heard the news that Yu Zongju was tortured to death. The police did not inform her family until her body started to smell. They asked her family to meet them in a restaurant. They paid them \$8,000 and warned them to keep quiet."

## CHRISTIAN NETWORKS "MUTATE"

Last year, the Bush administration sponsored a resolution for the United Nations Commission on Human Rights that condemned Beijing's human rights record. Amnesty International reported in 2001 that China's use of torture was widespread and systematic.

China analysts such as Hamrin say that the Chinese government, wishing to improve its image internationally, probably will respond favorably to pressure to improve human rights.

"China has really developed and they have tasted too much freedom to go back," says Eric Burklin of China Partner. "There would be major bloodshed if they tried to go back to Maoist times."

But Li's archive shows that China's emerging strategy for dealing with the house-church movement is comprehensive and difficult for outsiders to counter. Officials gain access through informants, harass leaders, block communication, and strip churches of financial assets, including church buildings and homes.

The government notes in the documents that house-church Christians already have a means to resist these new efforts at repression. House-church leaders reportedly are creating networks that constantly mutate. Leaders communicate with wireless phones and hard-to-trace Web sites. In response, the government has begun building a national computer network known as the "Golden Shield" in order to conduct Internet surveillance and information-gathering.

Meanwhile, the impact of Li's archives promises to be seismic. "It's a bombshell," Shea says.

# TRIBUTE TO ABELARDO "ARBIE" VILLARREAL

## HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mr. BACA. Mr. Speaker, today I pay tribute to the memory of a man who was very special to me and to the entire Inland Empire community, Abelardo "Arbie" Villarreal, a longtime professor at San Bernardino Valley College.

Like a ray of sunshine, Arbie came to San Bernardino Valley College (SBVC) in 1971 to teach English, mainly to foreign students. A tall, thin, meticulously groomed man with sharp, angular features and a ready smile, Arbie was easily recognized on campus. He was the first ESL teacher at SBVC, and he was able to reach out to the community by establishing ties between the college and the area's rapidly growing Spanish-speaking population.

Arbie was a great asset to Valley College and was recognized as "Outstanding Professor." He was awarded a Fulbright Scholarship/Fellowship to teach abroad, which allowed him to live and teach in Switzerland for two years. His knowledge of foreign languages easily opened doors for him in Europe. He spoke Spanish and Italian fluently and managed in French and Portuguese.

Last summer, Arbie was awarded a faculty fellowship to spend six marvelous weeks in Washington, D.C. working at the US Department of Agriculture. He was surprised to reunite with several friends now settled in Washington who he met almost 40 years ago during a training program to join the new and exciting

Peace Corps. Arbie spent two unforgettable years in Columbia with the Peace Corps.

Arbie was born in Texas but raised in Albuquerque, New Mexico. His mother, Amelia, and his older brother, Gilbert, still live in New Mexico. Arbie's twin, Hilly, also moved to California like his brother to teach at Cal State Los Angeles. Arbie's youngest brother, Albert, followed his beautiful Texan bride back to Texas.

Arbie was exuberant, well-prepared, good-looking, fun to be with, and curious about the world. He was so curious, in fact, that in order to learn more about Italy, he married his Italian student Maria, his wife of 28 years. Together they enjoyed their friends, travels, romantic candlelight dinners in their patio, the theater, music, Victorian dances, and books that they read to each other.

Arbie was loved, admired and respected by his adoring students, the faculty and staff of Valley College, and by his countless friends spread across two continents. Arbie's illness and death hit the San Bernardino Valley College campus very hard. During his hospitalization in September 2001, students organized a blood drive in his honor. More than 50 people donated blood while some people had to be turned away because turnout was so high.

Arbie's widow, Maria said that her husband loved life and battled his disease courageously. While he was in Washington over the summer, he developed pain in his lower back. Initially, this was the only symptom, and as he was a healthy man, he thought it was just a strained muscle until he was diagnosed with kidney cancer.

Arbie passed away on Wednesday, February 27, 2001 surrounded by his loving family. The Villarreal family set up the Abelardo "Arbie" Villarreal Memorial Scholarship Fund for students at San Bernardino Valley College. Friday, March 8, 2001, the college will hold a memorial service in his honor.

And so Mr. Speaker, I submit this loving memorial to be included in the archives of the history our country. It is men like Arbie who make this nation great. Arbie leaves a legacy of lives filled with education and enrichment of knowledge for those whose lives he touched.

# TRIBUTE TO THE COLORADO CHERRY CREEK DIVERSITY CON- FERENCE

## HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mr. SCHAFFER. Mr. Speaker, it is an honor to rise today to congratulate the Colorado Cherry Creek Diversity Conference Executive Council. On February 2, 2002 students from 79 schools attended the conference that was held at Cherry Creek High School in Englewood, Colorado.

The Cherry Creek Diversity Conference was created as an opportunity for Colorado high school students to come together and discuss issues of diversity in their schools. Since the first year, when 18 schools participated, the conference has grown to include over 850 student representatives from 79 high schools and 150 adult volunteers. The conference gives an annual Human Rights Award to a Colorado organization that promotes diversity, as well as a scholarship to one attendee who has worked

in his or her school to foster a more harmonious school environment.

The event was almost entirely planned and coordinated by the executive council, which was co-chaired by Nicholas Ferguson of Elizabeth, Colorado, and Challona Coleman of Aurora, Colorado. To put together this year's conference, students from 22 schools met once a week to plan the one-day event that included motivational speaker Michael Simmons, small-group discussions and more than sixty workshops. Janet Sammons, a teacher at Cherry Creek High School helped guide the students into making this year's conference an overwhelming success.

I applaud the efforts of Colorado high school students to improve relations between all people no matter their race, religion, or creed. As stated in the Pledge of Allegiance, we are "one nation, under God, indivisible, with liberty and justice for all."

I ask the House to join me in thanking high school students from across Colorado who participated in the Colorado Cherry Creek Diversity Conference, and also the executive committee for their hard work and success.

# PAYING TRIBUTE TO SANDRA WILKINS

## HON. SCOTT MCINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2002*

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Sandra Wilkins and thank her for her extraordinary contributions in the Chaffee County Treasurer's Office. Her life-long dedication to both her job and the people of Chaffee County is matched only by the level of integrity and honesty with which she has conducted herself each and every day while at her post. She will always be remembered as an employee with the utmost dedication and talent, and will continue to be known as a leader in her community. As she celebrates her retirement, let it be known that I, along with each and every person with whom she has worked and the people of Chaffee County, are eternally grateful for all that she has accomplished in her more than 30 years of public service.

Sandra went to work in the Chaffee County Treasurer's Office in 1971, working for John Hughes. After Mr. Hughes retired in 1986, Sandra ran successfully for the post of county treasurer, and was subsequently re-elected three times. For over 30 years, Sandra has selflessly given her time, energy and unrelenting commitment to the people of Chaffee County, and although Chaffee County is no doubt sad to lose her services, everyone is happy that she will now have more time to travel, relax, and enjoy her well-deserved retirement.

Mr. Speaker, it is clear that Sandra Wilkins is a woman of unparalleled dedication and commitment to both her professional endeavors and the people of her community. It is her unrelenting passion for each and every thing she does, as well as her spirit of honesty and integrity with which she has always conducted herself, that I wish to bring before this body of Congress. She is a remarkable woman, who has achieved extraordinary things in her career and for her community. It is my privilege