

SUMMARY OF DARLENE HOOLEY'S ACCOMPLISHMENTS 1ST AND 2ND SESSION OF THE 106TH CONGRESS

ENVIRONMENT & NATURAL RESOURCES

■ The Wu-Hooley Amendment

I am proud to have drafted and offered an amendment to the FY '00 Interior Appropriations bill on the House floor. It attempted to redirect \$23 million from the Timber Sales Management portion of the bill towards fish and wildlife habitat management, endangered species habitat management, and Watershed improvements -- all critical projects to the economy of Oregon.

NOTE: This \$23 million represents the amount that the Timber Sales Management portion of the budget had been funded **above** the Administrations request, and still represented an overall increase for timber sales funding.

The amendment failed 174-250, but we received an incredible positive response from the environmental community for this bold step which highlighted the need for habitat and wildlife management.

■ Salmon Restoration

Budget Committee '00 - As a member of the Budget Committee I offered an amendment to make Salmon Recovery in the Northwest a priority for funding. I withdrew my amendment when I got a commitment from Chairman Kasich to include language in the resolution.

Budget Committee '01 - As a member of the Budget Committee I got a commitment from Chairman Kasich to include language in the House Budget Resolution stating that salmon recovery should be a priority for funding in FY 2001 for the second year in a row.

FY '00 - Asked for \$200 million to fund the Pacific Northwest Salmon Recovery Fund. Received \$58 million with only \$9 million going to Oregon.

FY '01 - Asked for \$160 million to fund the Pacific Northwest Salmon Recovery Fund. Received \$58 million on the House side

■ County Timber Payments

With the safety net set to expire, you were successful in convincing Chairman Kasich to include language in the FY 2001 House Budget Resolution naming funding for County Timber Payments a priority for the 106th Congress. You have also been an outspoken proponent of HR 2389, the County Timber Payment bill, speaking in favor of it on the House floor.

■ **Yaquina Harbor**

FY '00 - Asked for \$450,000 for the study of and design to reconstruct the North Jetty. We received \$450,000 for the project on the House side, but the Senate didn't get the money in on their side. In conference the number was reduced to \$309,000

FY '01 - Asked and received \$7.895 million for the Operation and Maintenance budget for the Corps of Engineers at Yaquina Bay. \$6.7 million of that is for the reconstruction of the North Jetty.

■ **Tillamook Flood Mitigation**

Section 212 (formerly called Challenge 21) is a Corps of Engineers program that implements "non-structural" flood mitigation measures. In the Water Resources Development Act of 1999 (WRDA), I was successful at getting Tillamook County named one of 20 top priority projects in the country for funding under section 212 of WRDA.

■ **Newport Municipal Airport**

FY '00 - Asked for \$2.375 million for approach lighting system and infrastructure needs. Got report language on the House side.

FY '01 - Asked for and received \$3 million for approach lighting system. Senate only put in \$2.5 million on their side. We will be pushing for the \$3 million the House included when the bill goes to Conference in September.

■ **Salem Rail Crossing**

FY '01 - Asked for \$2.364 million for safety improvements to the rail crossing in downtown Salem. Received \$1 million out of a \$5.25 million pot of money for the entire country. Senate only included \$500,000 for this project. We will be pushing for the House number of \$1 million when they go to conference in September.

■ **Detroit Sewer System**

FY '00 - Asked for \$400,000 for a new sewer system and water system upgrade for the City of Detroit. Received \$200,000.

■ **Tillamook Jetty**

FY '01 - Asked for and received \$148,000 to study the degradation to the Tillamook Jetty.

Environmental/Natural Resources Legislation Co-sponsored

H.R. 701: Conservation and Reinvestment Act (CARA). CARA will bring in \$53 million a year from receipts from outer continental shelf oil drilling to the State of Oregon to be used for habitat restoration, preservation of open/green spaces, salmon recovery, etc. Passed the House on May 11, 2000 by a vote of 315-102.

HR 798: Resources 2000, a bill to provide for the permanent protection of the resources of the United States in the year 2000 and beyond. This bill redeems the solemn pledge made over 30 years ago to reinvest the profits from offshore energy production in our public resources. This bill would once and for all fully fund the Land and Water Conservation Fund.

HR 1237: This bill would amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, and to reauthorize appropriations to carry out the program. This is important to the 5th district, because the Tillamook Bay Estuary is part of this national program. The reauthorization of this program would allow money to be brought to Tillamook. The Tillamook Estuary is one of 26 estuaries in the country that are part of this program. Passed the House on May 8, 2000 by voice vote.

HR 2798: Salmon Restoration Act of 1999. This bill would authorize the Secretary of Commerce to provide financial assistance (\$200 million) to the States of Alaska, Washington, Oregon, and California for salmon habitat restoration projects in coastal waters and upland drainage. The bill passed the House on September 18, 2000, by voice vote.

H.R.2900 : To reduce emissions from coal fired electric powerplants. Coal powerplants provide the USA with the majority of its electricity. They also provide the country with its greatest source of pollution. This bill will make coal

plants that were grandfathered when they passed the Clean Air Act of 1974, modernize their plants or shut down. When the Clean Air Act was passed there was an understanding with the industry that these older plants would be shut down within 20 years, but they did not stick to their agreement.

Agriculture Accomplishments & Legislation Cosponsored

PNTR: I was one of 73 democrats to vote in favor of Permanent Normal Trade Relations with China (HR 4444). This was one of the biggest pieces of legislation for agriculture coming out of the 106th Congress.

ESTATE TAX: I was one of 65 democrats to support HR 8, a bill that would have phased out the Estate Tax over the next 10 years. The bill passed the House and Senate, but was vetoed by the President. You have been an outspoken proponent of raising the exemption on the Estate Tax to help family owned farms and small businesses. You sponsored a tax bill (w/Rep. Walden) that would have raised the exemption to \$5 million, which would have covered almost every family owned farm in district 5.

H.R.1145: A bill to require that perishable agricultural commodities be labeled or marked as to their country of origin and to establish penalties for violations of such labeling requirements.

H.R.1536: A bill to amend the Federal Crop Insurance Act to encourage the broadest possible participation of producers in the Federal crop insurance program and to ensure the continued availability of affordable crop insurance for producers. Sponsor: Rep Pomeroy, Earl .

Transportation Legislation Cosponsored

H.R.3700: High Speed Rail Act. To amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by an intercity passenger rail carrier.

Gas Price Legislation Cosponsored

H.CON.RES.276: Strongly urging the President to file a complaint at the World Trade Organization against oil-producing countries for violating trade rules that prohibit quantitative limitations on the import or export of resources or products

across borders.

H.R.3822: To reduce, suspend, or terminate any assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act to each country determined by the President to be engaged in oil price fixing to the detriment of the United States economy.

EDUCATION ACCOMPLISHMENTS

More Teachers and Smaller Class Size = better learning

A growing body of research indicates that class size in the younger grades has a direct and substantial impact on learning. Studies in several states, including Tennessee, Wisconsin, North Carolina, and California, indicate that reducing class size to 18 students or less in grades K-3 can significantly improve student achievement.

According to the federal Department of Education, "class size reduction in the early grades is one of the most direct and effective ways to boost children's academic achievement." For this reason, the Department has established a national objective to "reduce class size in the early grades to a nationwide average of 18."

Earlier this year, I asked the Minority Staff on the House Government Reform Committee to analyze classroom conditions in our part of Oregon. Sadly, this study found out that during the 1999-2000 school year, **over 92 percent of young children in the county were taught in classrooms that exceeded the national goal of 18 students per classroom.**

As a member of the Budget Committee, I have worked hard to correct this problem. This past February, I co-sponsored an amendment to the budget resolution that would prepare Americans for the 21st Century by putting more teachers in the classroom. I also added this initiative to my education bill, HR 2975, **The Youth Education Development Act of 1999**. Specifically, my amendment and my bill funded the initiative to hire 100,000 qualified teachers over 7 years. I supported hiring 30,000 teachers last year and fought to add an additional 8,000 more teachers nationally this year.

I am glad that \$1.3 Billion in funding was included to hire more teachers in the final Omnibus Appropriations bill for fiscal year 2000. Also, I'm very pleased it includes provisions to provide greater flexibility for local school districts to spend some of this money on other needs -- should they see fit. Oregon received approximately \$11,564,476 of these funds in FY 1999 and I am proud they will be able to receive funding again this year.

You can be sure I will continue to fight for increased funding to reduce class sizes and to hire more teachers in this year's final spending bill. I recently joined a letter to the President urging him to support this funding.

More Classrooms and Smaller Class Size = more attention to each student

In legislation and in committee amendments, I have worked hard to support the school modernization tax credit initiative that would provide local communities the assistance they need to build more classrooms. The school modernization amendment provides tax credits beginning in 2001 to pay the interest on almost \$25 billion in bonds so that communities can build and modernize up to 6,000 public schools. Following the release of the Department of Education's school overcrowding report last August, I personally asked Speaker Hastert to move this legislation forward.

I have toured schools in Salem and around my district -- they need these funds but the leadership in Congress keeps ignoring the needs of our local communities. I am going to keep fighting for this funding in the Budget Committee and by introducing legislation.

Hooley's Education Related Bills

I have introduced several bills that focus on the educational needs of Oregonians. Quality education is one of my top priorities. I want to ensure that every child gets the best education this nation can provide. No child educated in this nation should reach adulthood without being given every opportunity to learn the skills that this global economy demands.

Unfortunately, we have not made education enough of a priority in this nation, and our children are paying the price.

Our educational system must provide children the tools they need, it must work with the local community, and the federal government should play a supportive role in helping our children learn. There is a federal role here -- a supportive role, not a dictator.

Did you know that the Immigration and Naturalization Service has recently started loosening the standards to permit more highly-educated technologically-savvy foreigner into the United States -- simply because industry cannot find enough locally-trained engineers, doctors, scientists, and computer specialists? This is a sign that our education system is not achieving what it needs to.

That is why I introduced HR 709, **The Technology Education Capital Investment Act of 1999**.

My bill creates a scholarship for students entering math, science, and engineering degree programs, and establishes a start-up grant for university programs that offer internships with high-technology firms to higher-education students.

Also, it permanently extends the employer-provided educational assistance tax exemption, and *expands* the exemption to graduate students.

This year I also introduced HR 2975, **The Youth Education Development Act of 1999**. The bill:

- Provides opportunities for our nation's adolescents by making competitive grants to public agencies and nonprofit organizations to improve adolescents' educational performance, health and fitness, life skills, and family relationships.
- Establishes training programs for that provide internships to teachers in their course of study, as well as providing education courses for elementary and secondary school teachers.
- Establishes a grant program to provide job training courses at community colleges.
- Provides funds to hire 100,000 teachers nationwide, helping to reduce class sizes in early grades.
- Provides \$25 billion in tax credits to help modernize our nation's aging

school buildings.

- Provides needy students access to college education by raising the maximum award of the Pell Grant to \$6,500.

I was really pleased that a bill I helped introduce, **the Education Flexibility Partnership Act of 1999 (HR 800)** was signed into law by the President on April 29, 1999 and is now Public Law 106-25.

This bill --

- Authorizes twelve states (including Oregon) to participate in the Education Flexibility Partnership Demonstration Program (Ed-Flex).
- Provides all 50 states greater state and local flexibility in using federal education funds to support locally-designed, comprehensive school improvement efforts -- in exchange for increased accountability for their results.

Summary of Other Education Related Legislation Cosponsored

HR 1629, the Rural Teachers Recruitment Act of 1999 -- Provides rural school districts grants to develop incentive programs for the recruitment of new teachers.

HR 2801, the Parental Accountability, Recruitment, and Education National Training Act (PARENT Act) -- Provides a comprehensive approach to developing and enhancing the role of parents in their child's education.

HR 489, the America After School Act.

- expands and enhance after school care for our nation's children.
- expands the Child Care Development Block Grant, increasing the availability and affordability of before and after school child care.
- Provides summer and weekend programs for children 5-15 years old.
- Expands the 21st Century Community Learning Center Program by utilizing public schools and their existing resources.

- Directs juvenile justice funds to after-school prevention programs.

HR 2308, the New Millennium Classrooms Act -- Allows a tax deduction for contributions of computer equipment by corporations to eligible schools.

VETERANS

Honoring the service of our veterans has been one of my top priorities.

In preparation for the FY 2001 budget and the Budget Committee's consideration of this bill, I introduced H.CON.RES.225, a Sense of Congress expressing that the United States has an obligation to serve its veterans' health needs, that future congressional budget resolutions should reflect the ongoing need of the Nation's veterans, and that the Committees on Appropriations should provide the financial resources needed by the Veterans Health Administration to meet future demands.

Last August, the Veterans Administration awarded a contract to begin construction of a new Community-Based Out Patient clinic here in Salem. I am extremely pleased that the VA decided to open this facility without a legislative mandate. It is important to note that our success could not have happened without the support of local service organizations and their commitment to the tens of thousands of veterans in our area.

I am proud of our community, and I am proud our government is doing more to help our veterans receive their long-promised benefits.

Hooley's Record On Helping Veterans

Last year, I introduced a resolution expressing the need to fully meet the health care needs of our veterans in future budget resolutions. Over 50 members from both political parties co-sponsored this measure (H. Con. Res. 225). Unfortunately, the FY 01 Budget Resolution would actually DECREASE veterans' health care spending by 2005. Given our national prosperity and projected budget surpluses, I opposed this misguided resolution in both Committee and in the full House.

I voted for the Veterans Millennium Health Care and Benefits Act (P.L. 106-117). This law expands long-term and home health-care coverage to veterans, and also provides higher priority access to our veterans that earned a purple heart. I am also a co-sponsor of a resolution urging the Postal Service to issue a commemorative stamp honoring Purple Heart recipients (H. Con. Res. 77).

I am a co-sponsor of legislation to increase travel reimbursement payments to veterans in rural areas that are forced to drive long distances to receive medical treatment at VA facilities. The current VA travel reimbursement rate is only 11 cents per mile, while Federal employees are allotted 32.5 cents per mile for Federal employees. H.R. 4716 would entitle veterans to receive the same reimbursement that is given to Federal employees. Six major veterans organizations have endorsed this legislation, including the Veterans of Foreign Wars, American Veterans, Paralyzed Veterans of America, Vietnam Veterans of America, Disabled American Veterans and the American Legion.

I am also a co-sponsor of legislation to military retirees who have service-connected disabilities to receive compensation from the Department of Veterans Affairs concurrently with retired pay — ending the so-called current receipt penalty. This legislation has also been endorsed by Veterans of Foreign Wars, American Veterans, Paralyzed Veterans of America, Vietnam Veterans of America, Disabled American Veterans and the American Legion.

I know many stories about the difficulties that veterans face — some 2,000 veterans in my district have come to my office for help since my election, and I am proud that my staff has been able to help them for the most part. Veterans have done so much for this nation and the freedom of the world, and this nation must recognize that forever.

BANKING AND CONSUMER ISSUES

Identity Theft

I have introduced H.R. 4311 to address problem of Identity Theft by empowering consumers and asking creditors and credit bureaus to do their part to combat fraud. A hearing was held in the House Banking Committee on September 13, 2000 on this legislation.

The bill requires that any time a creditor receives a change of address form, the creditor send back a confirmation to both the new and the old addresses. That way, if a thief attempts to change your billing address so you won't find out about fraudulent charges— you'll know.

The bill also requires credit bureaus to investigate discrepancies in addresses, to make sure that the address for the consumer that they have on file is not the address provided by the identity thief.

This bill codifies the practice of placing fraud alerts on a consumer's credit file and gives the Federal Trade Commission the authority to impose fines against credit issuers that ignore the alert. Too many credit issuers are presently ignoring fraud alerts to the detriment of identity theft victims. It also requires that fraud alerts are placed on all information reported by a credit bureau, including credit scores. Often when a credit score is issued without a full report, the fraud alert does not show up.

This legislation also gives consumers more access to the personal information collected about them, which is a critical tool in combating identity theft, by requiring that every consumer accross the nation have access to one free credit report annually . This act makes one free credit report a national requirement. In addition, consumers could review the personal information collected about them by individual reference services. With greater access to their own personal information, consumers can proactively check their records for evidence of identity theft and uncover other errors.

The bill also restricts the type of information a credit bureau can sell to marketers to your name and address only. Currently credit bureaus can sell such personally identifiable information as your social security number or mother's maiden name. This sensitive information would be treated under this bill like any other part of the credit report, with its disclosure restricted to businesses needing the data for extensions of credit, employment applications, insurance applications, or other permissible purposes.

I am introduced the Identity Theft Prevention Act with Representative Rep. Steve La Tourette (R-OH) 38 co-sponsors. This bill has been endorsed by Public Citizen and the Privacy Rights Clearinghouse.

Financial Services Modernization

I was proud to sit on the Conference Committee for the *Financial Services Modernization Bill of 1999*. This landmark legislation broke down 60 years of outdated banking laws allowing affiliation between banks, insurance companies, and investment houses. This bill contains strong roles for regulators as well as new privacy protections. The bill that my colleagues and I drafted was signed into law by the President in November of 1999.

Credit Card Company Scams

Also, I have just recently introduced legislation to address a consumer problem that I see getting worse and worse every year—the troublesome "late fee" practices of some credit card companies where customers are charged fees even when they mail in a check on time. My bill requires credit card billing statements to include a disclosure that details when your bill should be sent to avoid a late charge. This will put more power into the hands of the consumer in determining when a late fee is fairly assessed. Currently the consumer must rely only on the say-so of the credit card company. Just recently, one member of my staff sent his payment into a major credit card holder on the 24th of November for a December 6th due date. The company posted the payment on the 14th. I have heard this story repeated by many of my constituents as well and what is most appalling is the fact that there are nearly no laws to protect consumers from this.

Since a similar bill was introduced and defeated five years ago but revenues from late fees have gone up 160% since then. Credit cards companies have raised late fees from \$5 dollars to \$30 dollars and eliminated grace periods from 15 days down to zero. Many companies have also instituted unfair practices like 8:00 AM deadlines and 100% interest rate hikes for late payments.

My problem with these practices is not just the monetary impact they have on consumers. I fear that these practices could cause some consumers to fall further into debt, ***ultimately damaging their credit ratings*** and preventing some of my constituents from purchasing a home, car, or an education.

COMMUNITY DEVELOPMENT

I want to tell you a bit about my distressed and rural area development initiative called APIC — which stands for American Private Investment Corporations. APIC is a part of the President's "New Markets" initiative and I helped to introduce this legislation in the House this year. APIC will provide Federal loan guarantees to banks who wish to make loans to private fund managers. Those fund managers in turn will invest in businesses wishing to start-up or expand into distressed urban and rural areas.

This year Congress appropriated \$20 million in credit subsidy for APIC. HUD predicts that \$20 million is expected support \$541 million in guaranteed loans and will leverage over \$800 million in new economic activity.

This program still needs to be authorized, and I am working with Richard Baker, the Chair of the Capital Markets subcommittee, on which I serve, and Chairman Leach to see that it makes it through the Banking Committee and on to the floor of the House. I have gotten positive indications from both Congressmen Baker and Leach that we might move the APIC bill this spring.

FIGHTING CRIME AND LAW ENFORCEMENT ISSUES

Keeping the Emergency Airwaves Open

The growing use of the airwaves has put pressure on emergency services and response units who depend on a clear radio signal in emergencies. That's why I was pleased to secure \$1 million to modernize Clackamas Counties emergency radio system. The counties current system is overcrowded creating hazardous situations for response teams and greatly impeding communications in a rapidly developing area of Oregon.

Protecting the Elderly and the Mentally Ill

I want to assure that recipients of Medicaid transportation services -- many of whom are among the most vulnerable Americans-- receive these vital services without undue threats to their safety. For this reason I have introduced HR 2828, otherwise known as Tammy's Law.

This bill would require state agencies that administer Medicaid transportation funds to require all drivers in the program to undergo criminal background checks with the FBI's National Crime Information Center. Under current law no such requirements exist.

I have introduced this bill at the request of one of my constituents who was raped by a driver for the program while being driven to her doctor's appointment. Had the local transportation agency conducted a basic background check on the driver, or required the company under subcontract to conduct a background check, they would have realized that the driver of my constituent was a convicted murderer.

Currently, the Federal government is paying \$1.7 billion in reimbursements to states for approximately 350,000 eligible medicaid recipients to receive rides between their homes and doctor's appointments. In this case, my constituent was eligible for this service because she was unable to navigate the local bus system as a result of head trauma suffered in an auto accident. Nobody in this situation should have to worry that they, their grandmother, or child is being driven by a convicted criminal.

Juvenile Justice

I was glad that, with my supporting vote, the House passed and you voted in favor of *the Consequences for Juvenile Offenders Act of 1999*, which will reauthorize the Office of Juvenile Justice and Delinquency Programs (OJJDP). The bill increased funding for violence prevention initiatives and increased penalties for violent youthful offenders -- two initiatives I strongly support. The Senate and House failed to conference this bill, in large part because of gun control provisions included in the Senate version that stalled debate in a partisan showdown.

I also introduced a bill that would provide funds for programs modeled after Clackamas County's juvenile crime programs. My bill would fund juvenile accountability coordinators to work with youthful offenders from the moment they are arrested to the disposition of their. The provisions of this bill will allow communities-- in a coordinated effort— to treat offenders on an individual basis, maximizing the chances that a juvenile will not re-offend.

Rural Law Enforcement Bill

This year I teamed up with Congressman Asa Hutchinson, a Republican from Arkansas to introduce a bill to authorize \$27 million a year to the Center for Rural Law Enforcement. The Center will provide grants and technical assistance to rural law enforcement agencies throughout the country. I introduced this bill because I am extremely concerned about the rising demands on rural law enforcement agencies, and the limited resources they have to meet those challenges.

Other Juvenile Justice / Crime Legislation

Congress was pathetic and refused to pass serious juvenile justice legislation even in the face of Columbine High, but I cosponsored a number of efforts and tried to move them forward to help get tough on criminals and end the cycle of juvenile crime.

- **Prosecuting Existing Gun Laws:** HR ____ Original co-sponsor of a bill (i.e. introducing) funding a new position in every Federal District Attorney's office solely dedicated to enforcing existing gun laws and prosecuting gun offenders. This addresses NRA's criticism that we are not enforcing CURRENT gun laws.

- **72 Hour Holding Period and Gun Locks:** HR ____ Co-sponsored DeFazio legislation reintroducing a mandatory 72 holding-assessment period for any student found with a gun in school and reintroducing a provision that trigger locks be sold with every gun purchase.

SENIORS

Senior Drug Benefits

As you may know, last winter a massive ad campaign was undertaken in the Portland media market attacking me for defending senior citizens who can't afford the high cost of prescription drugs. The ads were paid for by what looked like a grassroots organization, but looks can be deceiving. I am glad to have this

opportunity to set the record straight.

I strongly believe that seniors shouldn't have to choose between food and heating or medicine. In Oregon and all across this nation, too many older Americans are not following their doctors orders. Some do not fill their drug prescriptions, others are not taking all of the pills their doctors tell them they must take, and with some elderly couples one spouse doesn't buy his or her prescriptions so that they can afford the other's medications. All of these seniors are not following their doctor's orders because they simply cannot afford to.

The problem for many Americans is clear: Medicare does not cover outpatient drugs, and Medicaid -- which does have a drug benefit -- is available only to the poorest of the poor. In the gap between these insurance programs are millions of America's senior citizens who worked hard all their life and are now being squeezed in the middle. These seniors are too poor to afford the drugs they need, but too "wealthy" to get assistance from Medicaid. Over one third of America's seniors have no prescription drug coverage and so must pay for their medications out of their own limited resources.

Also, too few seniors can afford the limited protection offered by some Medigap HMO or "Medicare+Choice" plans, and many Medicare managed care plans have also failed to provide answers to these problems. Finally (and further complicating the problem), drug companies are putting forward new drugs that can make operations unnecessary. While this is defiantly positive, these drugs are not covered by Medicare while the operation would have been.

Congress is having a hard time agreeing on how to help seniors afford these expensive drugs. For my part, I am committed to working together with any member of Congress to achieve this goal. I have cosponsored several initiatives in an effort to move this debate forward and am committed to a bipartisan and workable solution. But I will not be frightened away from this goal by Washington lobbyists who are out solely to protect drug company profits.

Sadly, a front organization for the big drug companies has enlisted the services of New York advertising agencies to scare seniors into thinking that prescription drug costs will rise if the government tries to help those seniors in the middle. There is no doubt that the pharmaceutical industry has made remarkable progress in developing new drugs, and I agree with those who argue that taking away the drug companies' incentives to find new cures is NOT in the best

interest of our seniors -- but changing the existing pricing-structure that discriminates against older Americans is.

In the last year, the Minority Staff of the House of Representatives Government Reform Committee has conducted three studies to analyze why people in our part of Oregon are paying so much for their prescription drugs. You might be surprised to learn:

- **residents of the 5th Congressional District of Oregon pay 83 percent more for the same prescription drugs than consumers in Canada and 82 percent more, on average, for prescription drugs than Mexican consumers!**
- **we pay almost twice as much for specific medications as drug companies charge their favored customers — such as HMOs and the federal government — for the same medicines!**
- **we even pay more for the same exact medicines that are prescribed to treat illnesses in our pets!**

Approximately 80 current drugs are approved by the Food and Drug Administration (FDA) for use by BOTH humans and animals. All told, about 400 animal drugs contain active ingredients that are also found in human drugs. Yet drug companies -- on average -- charge us 131 percent more for the same exact medicine and the same exact dosage that we pay to treat illnesses in our pets!

Taken together, these three studies would indicate that U.S. drug companies are engaging in price discrimination, and the result is that our seniors, individuals and families are paying far more than other purchasers in the U.S. or consumers in other countries.

I do not believe the pharmaceutical industry, which according to *Fortune* magazine was again the most profitable in the U.S., should continue to receive special treatment here in Washington or in your local pharmacy. Nearly every nation imposes limits on what drug companies can charge consumers, and we Americans fund the bulk of the research for the rest of the world.

Unfortunately, the leadership in Congress has refused to address this issue. Last month, the House considered H.R. 4680, the so-called Medicare Rx 2000 Act, a poorly disguised attempt to convey the sense that Congress was taking action to help Medicare recipients afford their prescription drugs. Not only did this legislation (which only passed by three votes) ignore the issue of price gouging, it relies on insurance companies to voluntarily offer "drug only" coverage to seniors.

I opposed this legislation. Failing to address price gouging — especially when research and development is funded in no small part by our tax dollars — is inexcusable. Moreover, refusing to even consider a specific entitlement in Medicare and relying on private insurers will not work.

The non-partisan Congressional Budget Office estimated that once fully implemented, one third of Medicare beneficiaries would still not have access to more affordable medicines! In addition, the Health Insurance Association — which is comprised of the companies that would be asked to provide "drug only" policies — officially stated: "These "drug only" policies represent an empty promise to America's seniors. They are not workable or realistic . . . "drug only" policies would raise costs to seniors and do them more harm than good."

I have and will continue to support a real prescription drug benefit for our seniors and working families. By including a benefit in Medicare, the federal government would be able to not only negotiate for the same discounts that are given to HMO's and stores like Wal-mart, but every senior would receive guaranteed coverage. President Clinton supports the same policy, and has signaled his willingness to work with Congressional leadership to enact this benefit.

Seniors shouldn't have to choose between buying food and medicine, between paying the heating bill and the pharmacy bill. Congress must work together to produce a plan that protects seniors and does not hamper pharmaceutical research and development. I remain strongly committed to that goal.

Seniors, Medicare Reform, and the Balance Budget Act

Oregon has long been an efficient provider of health care. We have led the nation in keeping health care costs down, and our careful spending of Medicare dollars has kept us one of the most cost-effective providers of health care in the nation.

While Oregon seniors have contributed as much to the Medicare system as anyone in the country, the Medicare program reimburses our HMOs and hospitals far below what they pay other parts of the nation for medical services that are provided under the program.

Before the 1997 Balanced Budget Agreement, Oregon HMOs within the Fifth Congressional District received an average of \$337 per month per-beneficiary while in Florida, Medicare HMOs received \$700 per month per-beneficiary. Some variation in these rates is sensible because of cost of living differences, variations in the health of communities, and the discrepancies of the cost to provide care in different regions, Oregon should not be punished for our past efficiency.

As a result of this unfair reimbursement formula, the benefits that many Oregonians receive are meager in comparison to other states. Seniors in Los Angeles and Miami enrolled in Medicare managed care plans enjoy a rich package of benefits which often include hearing aids, dental care, unlimited access to doctors, and full prescription benefits -- all without the added expense of co-payments. In Oregon, the story is much different. In Salem, Medicare HMO enrollees can pay hundreds of dollars out of pocket for co-payments, prescription costs, and monthly premiums.

This unfair discrepancy is the result, oddly enough, of our historic effort to keep Medicare costs down. When the federal government set reimbursement levels, Oregon was given unreasonably low payment levels based on our historically low cost. To further compound this problem, Medicare has been a major focus of deficit reduction legislation since 1980 -- causing Congress to look for ways to lower reimbursement levels, not raise them.

I am pleased to have moved forward the legislative changes included in the Balanced Budget Act which took effect in January of 1998. These changes will have a direct and positive effect on Oregonians who participate in both Medicare managed care plans and traditional fee-for-service Medicare — but I am still trying to do more.

I am continuing to work on raising reimbursement levels for Oregon HMOs, hospitals and seniors. As in the last session of Congress, I have again introduced **HR 406, the Medicare Health Plan Fair Payment Act of 1999**, a bi-partisan bill that will raise the unreasonably low Medicare reimbursement levels

and place Oregon seniors on a more equal playing field with other states and localities.

As a **member on the Rural Health Care Coalition**, I am also giving a great deal of attention to the concerns of health care providers and patients in rural areas who have been adversely impacted by Medicare changes in the last several years.

While the Balanced Budget Act was a necessary initiative that has extended the life of the Medicare trust fund, major change to any program of this size will inevitably cause some problems.

As you know, Medicare is facing a crisis and we in Congress have hard choices to make if the Medicare program is going to withstand the retirement of the "baby-boomer" generation. My colleagues and I are continuing the fight to protect Medicare long into the future without hurting Medicare beneficiaries today.

I have worked hard to restore funding to those areas where the BBA cut too deeply. Early in the 106th Congress, **I introduced HR 1917, the Home Health Access Preservation Act of 1999**. I also cosponsored and supported several measures that would restore funding to other areas hurt by Medicare funding cuts. I am glad to have impacted the debate and pressured Congress to move forward on BBA relief measures.

Last year, Congress and the White House agreed to return over \$16 billion to those groups hurt by the BBA. I fully supported this effort and voted in favor of its passage. Still, I will continue to ensure that the unintended consequences of the Balanced Budget Act are revisited and resolved.

I am working hard to make sure AAPCC reimbursement is included in this legislation, and have co-sponsored a bill Rep. Amo Houghton (R-NY) to raise Medicare reimbursement rates for ambulance care services (H.R. 5153). Because of cuts in the BBA, Medicare will only be reimbursing ambulance providers \$200 a call in Oregon — a service that costs nearly \$500. This is unfair, and I will fight to make sure H.R. 5153 is introduced into law.

The National Institutes of Health

The discoveries resulting from medical research provide us with new tools for the curing, treatment and prevention of disease. Supporting such funding creates high paying jobs, keeps our hospitals on the cutting edge of technology, and helps fuel our economy.

Investments in medical research are responsible for long-term savings — monetarily and in terms of human suffering. It has been said that the development of the polio vaccine alone -- supported by NIH funding -- has more than paid for our last five decades of investment in biomedical research.

The NIH receives its funding from Congress through the Labor, Health and Human Services, and Education (LHHS) Appropriations Subcommittee which must pass an appropriation bill through both the House and Senate each year. These funds are then divided among the NIH's 19 institutes.

As a member of the House Budget Committee, I supported an amendment during the markup of the federal budget which would have given this appropriations bill more funds to support NIH research. I have also cosponsored H.Res. 89, *The Biomedical Revitalization Resolution of 1999*, which calls on Congress to significantly increase NIH funds. In addition, during my testimony before the LHHS Subcommittee, I called on Chairman Porter to continue his efforts to increase funds for the NIH.

The Older American's Act

The Older Americans Act is important to every Senior. I'm sure you know that the federal authorizing language that permits Congress to fund the Older Americans Act (OAA) expired way back in 1994.

While money from other federal programs and agencies have enabled OAA programs to continue, I believe OAA should receive formal reauthorization -- the services provided by this initiative just so important to the health and general well-being of our senior citizens. Meals on Wheels, the Administration on Aging and the Senior Community Service Program are just a few of the critical initiatives that the OAA has supported.

I have encouraged my colleagues to take up this matter since my election to Congress. In addition to cosponsoring **H.R. 773 this year -- a bill to reauthorize the OAA** -- I have written to members of the House Appropriations Committee, urging them to consider allocating adequate resources for these vital programs.

Earlier this year the OAA was brought up for a vote by the House leadership -- woefully underfunded and under a Congressional procedure that banned any amendments and limited debate. Furthermore, the bill would have died if it did not pass the House by a 2/3 majority.

Luckily, this bill was pulled from the floor before a vote. While I was disappointed that the leadership did not move forward a bill that a majority of my colleagues in Congress could openly debate and support, I can assure you I will continue to take every opportunity to press for the reauthorization of the OAA in Congress while ensuring that it is implemented fairly.

SOCIAL SECURITY REFORM

With the Congressional Budget Office predicting federal budget surpluses in coming years, members of Congress have spent a great deal of time debating the use of those funds.

Some in Congress would like to use the entire projected federal budget surplus to bolster the Social Security program, others would like to strengthen Medicare's fiscal standing, and still others have advocated passing a sweeping \$1 trillion tax cut for corporations and individuals.

Despite all the heated rhetoric surrounding this issue, I believe the best policy is a combination of all three -- first extending the life of Social Security and Medicare, and only then providing *targeted* tax cuts that will benefit the middle class.

And I introduced a bill that would do just that -- HR 2085, ***the Family Tax Reduction Act of 1999***.

Also, as lawmakers in Congress try to put together the yearly federal spending plans prior to the arrival of non-Social Security surpluses next year, many have been tempted to reach into federal trust funds to "borrow" the money needed to make the federal books balance. I have been opposed to this practice and voted against such efforts. My favorite example of this was when the Congressional leadership voted to spend Social Security funds to conduct the census -- which they could do under House rules only by claiming that it was an "emergency."

Repealing the Earnings Limit

Since coming to Washington, I've been working hard to cut through government red tape and to make sure that you receive the retirement benefits you earned through years of hard work.

You will be pleased to know the House of Representatives recently passed H.R. 5, a bill that would repeal the Social Security earnings limit. This legislation is long overdue, and I was proud to support it. That's because the earnings limit -- which was implemented during the Depression -- unfairly penalizes hundreds of thousands of working seniors and deters millions more from seeking a place in the American workforce.

Currently, workers between 65 and 69 see their Social Security benefits reduced by \$1 for every \$3 that their wages exceed \$17,000 a year. Quite frankly, this doesn't make sense. Not only are we living longer and healthier lives, we should not penalize seniors for participating in the workforce at a time when businesses can't find enough qualified workers to fill jobs that remain vacant.

H.R. 5 would repeal this obsolete and punitive limit, and was signed into law last June by President Clinton.

Privatization of Social Security

The final issue confronting Social Security is the debate over exactly *how* to strengthen the Social Security trust fund. Social Security will accumulate an annual income surplus until the year 2020. By approximately 2030, without any change, the system will no longer be able to pay full benefits as scheduled. The

Advisory Council on Social Security recommended several methods of investing part, or all, of the trust fund in the stock market to increase the rate of return on those holdings. While such investment may generate additional growth of the trust fund, it also eliminates the guarantee of security provided by the current system of investment in treasury bonds.

Because we must keep the promises we made to both older Americans and to those who are paying FICA taxes today, protecting the Social Security system is one of my highest priorities. I am currently reviewing the numerous plans to solve the Social Security crisis, including measures to privatize part of the trust fund. I think it is imperative that we develop a comprehensive strategy in addressing the long term solvency of the program now, while there is time to create and enact a long term solution.

Some measures pending in Congress would increase the independence of the trust funds from the budget and invest part of the trust fund in interest bearing obligations. These measures have been introduced and referred to the appropriate committees for detailed examination. In developing my approach to these proposals I will continue to be mindful of the views of constituents like yourself in the Fifth District. As I have said on many occasions, I am committed to working in a bipartisan manner in order to face some of the nations toughest challenges, including the solvency of Social Security.

HEALTH CARE ISSUES

HMO reform and the Patient's Bill of Rights

As you know, efforts to control the costs of health care basically created health maintenance organizations (HMOs). For the most part, HMOs have contained costs and promoted efficiency in our health care system. Occasionally, however, some of these companies have limited flexibility for patients and provided inadequate access to quality health care. These events have been widely publicized of late, and many individuals have expressed concern that quality health care is suffering under the pressure of profit.

Several bills that address this growing concern have been introduced by both parties in Congress. The bills offer patients greater flexibility and increased protections by setting federal standards for those who provide patient care. The

most hotly debated bill was HR 2723, ***The Bipartisan Consensus Managed Care Improvement Act***, passed both the House and Senate this year.

On October 7, 1999, I voted in favor of HR 2723. The bill passed the House with a great deal of bipartisan support by a recorded vote of 275 - 151.

Some aspects of the bill still need attention. Because Oregon has made such important strides in the area of patient protections, I have the added responsibility of ensuring that Congress does not enact legislation that forces our hospitals, doctors, patients, and managed care plans to follow conflicting and complex guidelines.

I will continue to work to improve the underlying bill and hope the leadership will move this measure out of the Conference Committee and bring back a compromise bill that all groups can support.

But a final "compromise" bill must again pass both the House and Senate and the House leadership has appointed members of Congress to the drafting Committee who nearly all opposed the original bill. It doesn't look good for passing this bill any time soon — but I will be back fighting for patient protection on the first of February.

TAXES

In Washington, I am still fighting for additional tax breaks for American families. Early last year I introduced a bipartisan bill, HR 2085, *The Family Tax Reduction Act of 1999*, with my colleague Congressman Greg Walden (R-OR). This bill ends the marriage penalty, helps family farmers and small business owners, and ensure that hard working Oregonians experience tax relief.

As a member of the House Budget Committee, I feel strongly that tax cuts must reflect federal budget realities.

During this Congress I voted for H.R. 8, The Death Tax Elimination Act, which would phase out the Estate Tax over the next ten years. I supported this bill because it is my belief that families that work hard to start businesses and work

farms should be able to pass those farms and businesses along to their children. The current estate tax discourages saving and rewards those who pay lawyers and accountants to conduct complex estate planning. The President vetoed this legislation, however, I voted to override this veto.

I also voted to end the Marriage Penalty by supporting H.R. 4810, The Marriage Tax Penalty Relief Act because I don't think Middle Class American couples should pay as much as \$3,000 extra in taxes just because they get married.

During the last Congress, for example, I supported responsible tax cuts and voted for H.R. 2014, *The Taxpayer Relief Act of 1997*. This bill is expected to save taxpayers nearly \$300 billion over the next ten years and gives real tax relief to homeowners, students, those with capital gains, and many others. It is important to note that these tax cuts were offset as part of a comprehensive *bipartisan* budget agreement and did not negatively impact Social Security, Medicare, the national debt, or rely on projected budget surpluses.

I did not, however, support the most recent tax cut proposal that plays down the importance of reducing our national debt and rely on *projected* federal budget surpluses that may never appear. Spending the entire projected budget surplus on a one trillion dollar tax cut -- as the Congressional leadership proposed earlier this year -- would likely harm our economy, balloon the national debt, and cause interest rates on home mortgages and credit cards to rise. I supported a more responsible tax relief approach and voted against this bill when it came before Congress. I hope that my more moderate bipartisan tax cut plan can move forward under a future bipartisan agreement.

CAMPAIGN FINANCE

During the first half of the 106th Congress, my colleagues and I again fought to bring Campaign to a vote. Once again, Representatives Christopher Shays (R-CT) and Marty Meehan (D-MA) introduced their bipartisan campaign finance reform bill.

After months of stonewalling by obstructionist in the House, our efforts brought this legislation to the floor for consideration by what is known in Washington as a "Discharge Petition." Basically, we needed to *force* this bill to the House floor.

This initiative improves our current campaign financing system by prohibiting national parties from raising "soft money," and restricting state parties from spending such funds. Under this measure, independent groups are also prevented from contributing funds anonymously. While this requirement does not limit the ability of these groups to publicize their views, it makes information regarding the *source* of those views available to the public. I voted in favor of the so-called "Shays-Meehan" bill both times it overwhelmingly passed the House. Sadly, the Senate continues to stonewall this important measure.

Earlier this year, I also supported a key item of campaign finance reform legislation, H.R. 4762, the Full and Fair Political Activity Disclosure Act. This legislation passed both houses of Congress and was signed into law by President Clinton on July 1, 2000.

The importance of H.R. 4762 centers around the debate concerning the disclosure of so-called soft money contributions and expenditures. Virtually all political organizations are "section 527" political organizations. While most 527 organizations report to the Federal Election Commission (FEC), political activists have recently formed 527 organizations which do not have to disclose their activities to the FEC. By structuring their activities so that they do not engage in express advocacy, these organizations do not meet Federal Election Campaign Act (FECA) criteria for political committees.

After these rulings became public, tax and election law advisers realized that 527 organizations could be used to collect unlimited amounts of soft money for issue advertising in connection with elections.

H.R. 4762 will make all activities conducted by a 527 organization publicly disclosable, just as the activities of candidates and Political Action Committees already are. Disclosable activities would include any activity intended to influence the nomination or election of a candidate for public office.

While this new law will not completely fix the current campaign finance system, I do believe that it is a step in the right direction. I can assure you that I will continue to work toward the further improvement of our campaign finance laws. These efforts are necessary in order to maintain the public's faith in the political process and to prevent our democracy from being bought by the highest bidder.